To,

All Members,

SUB: PROCEDURE FOR ISSUANCE OF CERTIFICATE BY THE COUNCIL VIDE NOTIFICATION NO. 50/2017-CUSTOMS dated 30/06/2017 as amended REG. GOODS TO BE IMPORTED IN THE MANUFACTURING OF HANDICRAFTS ITEMS FOR EXPORT PURPOSES.

We invite your kind attention to the circular regarding certification procedures for duty free import of embellishments / consumables, available to the registered exporters of the Council.

The Council has made following modified procedure for issuance of certification in favour of a manufacturer member exporter of the Council/Merchant Exporters of the Council who is tied-up with the supporting manufacturer of handicrafts items:-

1. An exporter would submit to the EPCH a request for issuance of the said certificate and the application be supported with the following information / documents:-
   i) A certificate of the export performance of the handicrafts for the preceding year in the format given in Appendix-23 (copy attached) duly certified by the Chartered Accountant. Such certificate is required only once in a year in original.
   ii) A prescribed affidavit / declaration duly attested by Notary Public / Oath Commissioner on Rs.2 stamp paper. A specimen for the same for the use of a manufacturer exporter and for the use of Merchant exporter tied-up with supporting manufacturer of handicrafts is enclosed separately.
   iii) Processing Charges of Rs. 500/- +18% (Rs. 590/-) GST per certificate per invoice if the CIF value of the import consignment is below Rs. 1 lakh and Rs. 1000/- +18% (Rs. 1180/-) GST per certificate per invoice if the CIF value of the import consignment is Rs. 1 lakh and above by way of Demand Draft / Pay Order in favour of Export Promotion Council for Handicrafts, New Delhi.
   iv) Copy of invoice to substantiate item(s) of import as well as its value.
   v) Copy of RCMC issued by the Council as an registered member exporter.

On receipt of above documents, the Council would issue a certificate as required in the Para 15 (c) of the said notification. A format of the application is enclosed for information of the members.

[ RAKESH KUMAR ]
EXECUTIVE DIRECTOR
APPLICATION FOR ISSUANCE OF CERTIFICATE FOR DUTY FREE IMPORT OF CONSUMABLES FOR EXPORT PURPOSES VIDE PARA 15(C) OF NOTIFICATION NO. 50/2017-CUSTOMS dated 30/06/2017 as amended ISSUED BY DEPARTMENT OF REVENUE, MINISTRY OF FINANCE, GOVT. OF INDIA.

To,

The Export Promotion Council for Handicrafts
“EPCH HOUSE” Pocket 6 & 7, Sector ‘C’, LSC Vasant Kunj, New Delhi -110070

1. Name & address of the applicant :

2. Exporter and Importer Code (IEC) No. :

3. RCMC no. :

4. Name of the items being imported (Please clearly mention category of the item to be imported viz. Sl. No. 229 (a) to (zzs) of Notification No.50/2017-CUSTOMS dt. 30/06/2017 as amended

5. Quantity in Pcs, Kg or Mtr. :

6. CIF value of the item :

7. Export of handicrafts during Preceding year (Please attach a certificate duly attested by Chartered Accountant in the prescribed format and declaration.) :

8. Whether you have imported any goods under the above notification in the past during the current financial year. :
   i) If so, details thereof viz BE No.& its date etc. (Please use separate sheet, if necessary)
   ii) Please mention total CIF amount and attach details on separate sheet

9. Processing charges for the Application : DD No………………………… DD Date …………………………

We, M/s ________________ do hereby, solemnly declare that all the above mentioned statements / information is true and correct to the best of my knowledge and belief and we further declare that the above mentioned imported material would be used for manufacturing of handicrafts items for export purposes. We would also maintain all necessary records in the ledger format of Appendix – 23 and produce, if necessary on requisition of the concerned authorities / Export Promotion Council for Handicrafts. In case, any of the above statements / information is found incorrect / wrong, my registration / membership is liable to be cancelled with the EPCH and concerned authorities and EPCH is authorized to take any legal / penal action as deem fit against us.

Date : ____________ SIGNATURE ______________

Place:______________ Seal
(for a manufacturer exporter)

THE AFFIDAVIT SHOULD BE ATTESTED BY EITHER OATH COMMISSIONER OR NOTARY PUBLIC

AFFIDAVIT

We M/s _________________________________ at _____________________________ do hereby solemnly affirm and declare as under:

1. That the deponent is the registered member of Export Promotion Council for Handicrafts vide registration No.______________ as manufacturer exporters of handicrafts.

2. That the deponent undertakes that the goods imported / being imported vide Invoice No. ______________ dt. _______ under notification No. 50/2017-CUSTOMS dated 30/06/2017 as amended shall be used and meant for the purposes of manufacturing of handicrafts only for further re-exports by our organization.

3. That the imported goods shall not be sold or otherwise disposed off in any manner and shall be consumed only for manufacturing purpose and the total CIF value of goods imported will not exceed 5% of FOB value of handicrafts exported during the preceding financial year and the deponent also undertakes that he will submit later on to the EPCH the details of imported goods during the current financial year provided to him.

4. That the deponent shall maintain the proper accounts of imported goods received and consumed during the financial year in the specified format of ledger i.e. Appendix-23 of the Handbook of Procedures of the Foreign Trade Policy and shall be solely responsible for any loss if any in the event of failure to comply in the terms and conditions for import of goods under notification No. 50/2017-CUSTOMS dated 30/06/2017 as amended.

5. That if it is in the notices of the custom department that the deponent is not complying the terms for imports of goods and the goods are not using consuming for manufacturing process in that event, the deponent shall be liable to make the payment of duty / penalty levied by the custom department.

6. That the deponent undertakes that if it is found that the terms & conditions are not complied by the deponent for imports of goods under notification No. 50/2017-CUSTOMS dated 30/06/2017 as amended and not consumed that imported goods for manufacturing process for re-export, that event the Export Promotion Council for Handicrafts shall have the right to cancel the membership of the deponent or also have the right to impose any other penalty deems fit & proper.

DEPONENT

VERIFICATION

Verified at _________ on this_________ day of ________ 20-- That the contents given in the above affidavit are true & correct to the best of my knowledge & belief. No part of it is false and nothing material has concealed therefrom.

DEPONENT
(for a merchant exporter tied-up with the supporting manufacturer)

THE AFFIDAVIT SHOULD BE ATTESTED BY EITHER OATH COMMISSIONER OR NOTORY PUBLIC

AFFIDAVIT

We M/s _________________________________ at _____________________________ do hereby solemnly affirm and declare as under:

1. That the deponent is the registered member of Export Promotion Council for Handicrafts vide registration No.______________ as merchant exporters of handicrafts.

2. That the deponent entered in an agreement with M/s___________________(full particulars and copy of agreement enclosed) as our supporting manufacturer and we are fully responsible for the duty free imported goods being given to them for manufacturing of handicrafts items and are re-exportable by us after getting it manufactured by our supporting manufacturer.

3. That the deponent undertakes that the goods imported / being imported vide Invoice No. ______________ dt.________ under notification No. 50/2017-CUSTOMS dated 30/06/2017 as amended shall be used and meant for the purposes of manufacturing of handicrafts only for further re-exports by our organization.

4. That the imported goods shall not be sold or otherwise disposed off in any manner and shall be consumed only for manufacturing purpose and the total CIF value of goods imported will not exceed 5% of FOB value of handicrafts exported during the preceding financial year and the deponent also undertakes that he will submit later on to the EPCH the details of imported goods during the current financial year provided to him.

5. That the deponent shall maintain the proper accounts of imported goods received and consumed during the financial year in the specified format of ledger i.e. Appendix - 23 of the Hand Book of Procedures of the Foreign Trade Policy and shall be solely responsible for any loss if any in the event of failure to comply in the terms and conditions for import of goods under notification No. 50/2017-CUSTOMS dated 30/06/2017 as amended.

6. That if it is in the notices of the custom department that the deponent is not complying the terms for imports of goods and the goods are not using consuming for manufacturing process in that event, the deponent shall be liable to make the payment of duty / penalty levied by the custom department.

7. That the deponent undertakes that if it is found that the terms & conditions are not complied by the deponent for imports of goods under notification No. 50/2017-CUSTOMS dated 30/06/2017 as amended and not consumed that imported goods for manufacturing process for re-export, that event the Export Promotion Council for Handicrafts shall have the right to cancel the membership of the deponent or also have the right to impose any other penalty deems fit & proper.

DEPONENT

VERIFICATION

Verified at New Delhi on this________ day of ________ 201---. That the contents given in the above affidavit are true & correct to the best of my knowledge & belief. No part of it is false and nothing material has concealed therefrom.

DEPONENT
<table>
<thead>
<tr>
<th>S. NO.</th>
<th>CHAPTER / SUB H.NO</th>
<th>DESCRIPTION OF GOODS</th>
<th>STAN. RATE</th>
<th>ADDL. DUTY RATE</th>
<th>CONDITION NO</th>
</tr>
</thead>
</table>
| 229   | 32, 34, 38, 83 or any other Chapter | Electric parts for fitting on electric lamp / table lamp / wall lamp / ceiling lamp / door lamp / Window lamp / Garden lamp/ wire roll/Christmas ornamentation | NIL | + NIL | 21.a) The goods are imported,-

i) by a manufacturer of handicrafts;

ii) by a merchant exporter tied up with supporting manufacturer of handicrafts or

(iii) on behalf of the said manufacturer or merchant exporter by the Export Promotion Council for Handicrafts for use in the manufacture of handicrafts for export by the said manufacturers or as the case may be, the merchant exporter and the said manufacturers or as the case may be, merchant exporter is registered with the Export Promotion Council for Handicrafts,”

b) The value of the goods imported does not exceed+ 5% of the FOB value of Handicrafts exported during the preceding financial year and

c) The importer produces a certificate from the Export Promotion Council for Handicrafts certifying the value of exports made during the financial year mentioned in clause (b) above and also the description value and quantity of the items already imported under this notification during the current financial year.
** (u) Glass Sheet (Clear or Opaque or colored glass) for use with mosaic;

*** (v) Air and electric operated screw driver with hose and couplings;

*** (w) Tool bits, for motorizer and screw driver;

*** (x) Glue applicator;

*** (y) Moisture measuring tools;

*** (z) Air operated guns and tools for inserting fasteners for brads, flexi-points, pins, staples, nails and hinges;

*** (za) Power operated mitre saw

****(zb) Cane / cane handles for bags;

**** (zc) Adhesive / glue;

**** (zd) Waxes, paper boards, foils, Biaxially Oriented Polypropylene (BOPP) films, holographic paper;

**** (ze) Jigat;

**** (zf) Bye products of sandalwood namely white chip powder, spent wood dust, balloon dust;

**** (zg) Natural essential oils/ aromatic chemicals;

**** (zh) Wine tools;

**** (zi) Printed boxes with logo of buyer;

**** (zj) Tungsten carbide tipped tips, circular saw, drill bits, milling and profile cutters, fret saw/band saw blades;

**** (zk) Diamond wheels/ drills;

**** (zl) Abrasive emery paper / belts/ circular disk;

**** (zm) Compact Fluorescent Lamps (CFL) and bulbs of 120 volts


**** (zo) Inlay cards, labels, tags, sensors, stickers, printed bags, plastic clear sheets and bags, nylon / polyester / Poly Vinyl Ether (PVE) mesh and fabrics, reflective tapes, fashion tapes, masking tapes, double side tapes, self- adhesive pads, poly bags, alarm tags, alarm chips, security chips;

**** (zp) Zipper, zipper head, fastener, puller
and slider, eyelets, hooks, eyes, rivets, studs, buttons, magnet buttons, buckles, tape, elastic tape, adhesive tape, reinforcement tape, velcro tape, hook tape, loop tape, elastic cloth, elastic band, quilted wadding materials accessories, polywadding materials, fusible embroidery motifs and prints, embroidery thread, sewing thread, stones (other than precious and semi-precious), sequin, cord and cord stopper, stamping foil, lining, interlining and reinforcement materials, metal chain, dog hook, „D” ring, „O” ring, bridge fitting, metal frame / bag frame, metal letters / interior plate/logo;

**** (zq) Beads and glass pearls for embroidery and fashion jewellery, beading materials-synthetic/ leather/fabric/cotton, chatons/ crystals as decorative items;

**** (zr) Printing inks;

**** (zs) Decorative veneers;

**** (zt) Metal sounding bells and sounding bars, carbon fibre parts, decorative celluloid sheets;

**** (zu) Ceramic fittings and wares;

**** (zv) Velvet fabric / velvet paper;

**** (zw) Gas lighters, cigar cutters and cigar humidor box as smoking accessories;

**** (zx) Parts of writing instrument of wood;

**** (zy) Resins;

**** (zz) Acrylic sheet for photo frames;

**** (zza) Mount board/foam board/paper board/Medium Density Fiberboard (MDF) sheets/hard board/backing boards for photo frames;

**** (zzb) Conservation/archival tapes, self-adhesive sealing tapes, archival material for picture frames;

**** (zzc) Jewellery findings, attachments and components (made of metals other than gold, silver and platinum and not containing precious/semi-precious stones);

**** (zzd) Laminating films;

**** (zze) Elastic gel;

**** (zzf) Cords of leather / cotton / satin, ribbons and plastic seal;
**** (zzg) Faucet / lotion pump for dispensers of plastic/stainless steel/metal;

**** (zzh) Soldering water and acid water;

**** (zzi) Amino resins and polyurethanes in combination for use as adhesive;

**** (zzj) Film of high density polymers of ethylene, vinyl paper;

**** (zzk) Chemicals for treatment of wood and wood worms/wood insects;

**** (zzl) Glass melting pots with ring made of clay refractory materials;

**** (zzm) Selenium and borax;

**** (zzn) Cutting wheels for glass;

**** (zzo) Art brushes and brushes for special handicraft applications;

**** (zzp) Decorative mouldings for furniture and art framing;

**** (zzq) Magnets, magnet buttons;

**** (zzr) Anti-reflective glass of 1.5 mm to 10 mm thickness;

**** (zzs) Canvas stretcher bar.

** Items at Sl. No. j to t, added vide notn.No.48/2002-Customs dt. 22.4.2002 and

** Item at Sl. No. u, added vide notn.No.131/2002 dt.28.11.2002

*** Item at Sl. No. (v) to (za) added vide Sl. No. Xiii of Notification No. 21/2011-Customs dt. 01.03.2011

**** Item at Sl. No. (zb) to (zzs) added vide Notification No.52/2018-Customs dt.14.07.2018

### APPENDIX – 23

**REGISTER FOR MAINTENANCE OF CONSUMPTION AND STOCKS OF IMPORTED RAW MATERIALS / COMPONENTS ETC BY THE ACTUAL USERS**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description of items</th>
<th>Receipt Particulars of imports</th>
<th>Name and address of authorised source if goods obtained from any other source</th>
<th>BE No. and date of sale notice No.</th>
<th>Invoice No. and date and Gr/RR No. and date under which goods transported from the port of lading or place of receiving goods to the factory site.</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Open- Qty of fresh stock balance receiv ed</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Issue</th>
<th>Consumption</th>
</tr>
</thead>
</table>

- **End products in which used. Batch No. also to be shown in the case of pharmaceutical units**
  - Qty produced out of imported raw material consumed
  - Qty diverted to others in an authorised manner
  - Closing balance
  - Remarks

|-----|------|------|------|------|
I / We hereby confirm that I / We have examined the prescribed registers and also the relevant records of M/s ______________ for the period ________ and hereby certify that:

(i) M/s._____________ (full name and address of the applicant) have made the following Handicrafts exports in the preceding three licensing years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Export product</th>
<th>FOB value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018-19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019-20</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(ii) The following documents / records have been furnished by the applicant and have been examined and verified by me / us namely: -
- Export order / Contract, shipping bills, Bill of Lading (and / or Airways Bills / Receipts).
- Customs / Bank attested Invoices, Bank certificates of exports showing exports made and export proceeds realised in freely convertible currency in their own name and connected books of accounts.

(iii) The relevant registers have been authenticated under my / our seal / signature.

(iv) The financial information given in the above statement is in agreement with the relevant register and records; the same has been incorporated in the books of accounts maintained by the exporter; and is also true and correct.

(v) It has been ensured that the information furnished is true and correct in all respect; no part of it is false or misleading and no relevant information has been concealed or withheld.

(vi) Neither, I nor any of my partners / director is a partner, director, or an employee of the above-named entity or its associated concerns.

(vii) I/We fully understand that any statement made in this certificate, if proved incorrect or false, will render me / us liable for any penal or other consequences as may be prescribed in law or otherwise warranted.

(viii) I/We certify that M/s____________ have made exports (Directly or through third party) and has realized the foreign exchange in its (own name or the third party) as the case may be in the preceding three licensing years as per the details given in the annexure to this certificate.

(Signature and Stamp / Seal of the Signatory)
(Chartered Accountant / Cost & Works Accountant)

Place : 
Date :  
Name of the Signatory : 
Full Address :  
Membership No. :  
Contact No. :  
Email :  
UDIN No. :  

If any of the documents or record mentioned in item (ii) of the certificate have not been maintained / furnished, examined or verified, they may please be specified below:-
1. 
2. 
3. 

Note: Wherever CA certificate has been specified in any paragraph of the Policy / Handbook (Vol.1), CA / Cost and Work Accountant Certificate may be furnished by the applicant as per the Performa given above.