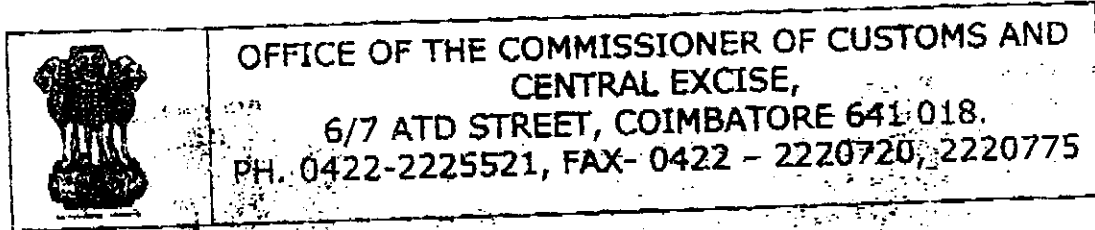


Kind Attn: EO



C.No.VIII/48/14/2010-Cus.Pol

Date : 29.11.2011

TRADE FACILITY NO. - 02/2011

Sub: Customs - Introduction of Duty drawback on gold and silver Jewellery - Procedure for Drawback claim thereof - reg.

1. Attention of all exporters, CHAs and trade is invited to the GOI Notification No.175/2009-Cus (NT) dated 27-11-09 and CBEC Circular No. 33/2009 - Cus dated 27-11-09 issued in connection with granting of drawback on gold and silver jewellery exports. As per the said Notification new entries for gold and silver jewellery and parts thereof have been introduced at S.No. 711301 and 711302 and drawback will be admissible at specific rates based on the net content of gold ie.,0.995 or more purity and silver with 0.999 purity. In this Commissionerate Coimbatore Air Cargo Complex is the notified port under the FTP for export by air freight of gold and silver jewellery and parts thereof.

2. The drawback rates prescribed for gold and silver jewellery and parts thereof shall not be applicable to goods manufactured or exported in discharge of export obligation against any scheme of the relevant Export & Import Policy of the Foreign Trade Policy of the Government of India, which provides for duty free import / replenishment / procurement from local sources of gold / silver.

3. Since drawback for gold and silver jewellery shall be admissible subject to fineness as aforesaid, it is necessary to ascertain the fineness and purity of such gold/ silver exported, by subjecting the goods to examination by Bureau of Indian Standards (hereinafter called BIS) approved Assaying Centers.

4. In order to ensure smooth implementation of the drawback scheme, following procedure is prescribed:-

(a) The Exporter/CHA may file a Manual Drawback shipping bill as per the existing procedure for filing such Drawback shipping bills at ACC, Coimbatore. The format of Shipping Bill shall be the same as required in the case of drawback under Section 75 of the Customs Act, 1962 and the same shall be accompanied by the following documents.

- i. Export Invoice
- ii. Copy of Purchase Order/export contract / Letter of Credit [LC]
- iii. Packing List

To ascertain the weight of stones in the case of studded jewellery, the exporter shall declare the net weight of gold/silver and stone weight (in case of studded jewellery) of each item in the packing list.

- iv. GR-I form in duplicate
- v. Declaration as per enclosed **Annexure-1**
- vi. Certificate of Registration with the Gem and Jewellery Export Promotion Council.

(b). The shipping bill must contain item wise details indicating identification mark, gross weight and net weight of gold content [0.995 or more purity] / net silver content [0.999 purity] as the case may be.

(c). The Supdt./Appraising Officer ACC shall assess the shipping bill. All Shipping Bills with FOB value more than Rs. 10 lakhs or drawback more than Rs.1 lakh shall be countersigned by the AC/DC, ACC. After assessment the Appraising Officer/Supdt. shall

1. Mark the S/B for testing purity at any of the assaying centres indicated in **Annexure-2**, at exporter's cost.

2. Simultaneously a test memo is to be issued for testing the purity and net content of gold or silver in the jewellery exported. The test memo should have details of S/B, Invoice, Description and Purpose of test (i.e. for purity/stone wt etc.).

3. At the examination centre, the Inspector (examination) shall identify the goods with the shipping documents, verify the description and other parameters and send them for testing through an escort officer.

4. The jewellery and parts thereof are to be tested at the marked BIS certified assaying centres in Colmbatore (as mentioned in **annexure-2** of this Trade facility) for:

- i) Gross weight;
- ii) Purity; and
- iii) Stones weight in the case of studded jewellery.

For ascertaining the stone weight, random selection of the jewellery may be adopted. If the ascertained weight, as per test report, of stones tallies with the declared weight of that item, then declared weight of the stones in the shipping bill may be accepted for all the remaining items for computing the net weight of studded jewellery. If there is a wide variation, the stone weight for all the jewellery may be ascertained.

5. A Customs attested copy of the invoice is to be sent with the letter. The test memo should be issued in running serial numbers and the details should be recorded in separate register kept at ACC for this purpose.

(d). The Exporter/CHA shall make application to AC/DC (ACC) for deputing an Inspector on MOT basis to escort the jewellery to the BIS approved Assaying Centers as marked by Assessing Officer, for testing.

(e). The Exporter may present the jewellery and parts (meant for export) packed in steel / tin containers of suitable size; to the Examination Centre. It shall be taken to the Assaying Centre along with copies of the invoice and packing list. The Exporter shall also provide conveyance to the Inspector (escort) posted by the AC/DC (ACC) on MOT. Any additional security or transit insurance shall be the choice and responsibility of the Exporter.

(f). After completion of testing, the steel/tin container containing the jewellery shall be securely packed. The Inspector shall supervise repacking of the jewellery and escort back the jewellery to ACC along with the copies of the invoice and packing list and present them to the Inspector (Examination). The Inspector (escort), while handing over the package shall also make a declaration on the reverse of the Original Shipping Bill to the following effect: -

"Certified that I have supervised the drawal of samples from the jewellery covered under Invoice No..... by the staff of (Name of Assaying Centre) and escorted the same packages containing jewellery meant for export from (Name of Assaying Centre) to ACC"

Dated signature of the Officer

(seal)

(g). The Inspector (examination)/Appraiser/Supdt. (ACC) may complete examination of the cargo after verifying the declaration made by Inspector (escort) and write the examination report certifying the following.

1. Name of the assaying centre where the sample was sent for testing.
2. Details/reference of test memo issued (With running S.No.)
3. Description of goods.

Let Export Order may be given by Supdt./Appraiser subsequently and the goods are allowed for air freight.

The triplicate copy of S/B and drawback documents should be retained at ACC and drawback processing should start after getting the endorsement "shipped in full" by the proper officer.

(h). **The assaying centre may send the report to ACC in duplicate** indicating the following details along with the customs attested invoice signed by the assayer.

1. The reference number of the jewellery as per test memo.
2. Shipping Bill No.
3. Invoice No.
4. Description of goods
5. Purity of Gold/Silver
6. Net content of gold/silver in the jewellery based on the fineness.
7. Weight of stones (if applicable)

5. The assay certificate should be sent in original and should be signed in full by the authorized signatory with seal. After receipt of Test Result Inspector (examination) at ACC may endorse the net weight of gold and purity in the drawback Shipping Bill and forward the same to drawback section for further processing of the drawback claim. The test register kept at ACC should be updated and the entry rounded off. The duplicate copy of the Test Report shall be made available to the exporter.

6. On receipt of claim in drawback section, the claim will be processed after registration in the section. The net gold/silver content will be checked by the drawback section as per the formula available in the FTP.

7. All other procedures/formalities as laid down for filing & processing of the drawback claims in ACC shall *mutatis mutandis* be applicable in respect of export of Gold/Silver jewellery. The monitoring of BRC shall be done in the same manner as prescribed for the Drawback Scheme under Section 75 of the Customs Act, 1962 and the Drawback Rules.
8. Any difficulties on implementation of the above may be brought to the notice of the undersigned.
9. The above procedure comes into effect immediately.


(S. SUBRAMANIAN)
COMMISSIONER

To

The Deputy/Assistant Commissioner of Customs,
ACC/Airport, Coimbatore.

Copy to :- As per Mailing List.

ANNEXURE I

**DECLARATION BY THE EXPORTER FOR EXPORT OF
GOLD/SILVER JEWELLERY OR PARTS THEREOF UNDER CLAIM
OF DRAWBACK.**

I/ We (name of the exporter)*
hereby declare that :

1. The weight of gold/silver declared in the shipments of 0.995 or more purity of gold or 0.999 purity of silver.
2. That the gross weight is more than gold/silver content and the net gold content (0.995 or more purity)/net silver content (0.999 purity) is and the drawback claim has been restricted to this quantity only.
3. The export is not under any other export promotion scheme under which gold/silver is supplied/ replenished duty free.

* Strike whichever is inapplicable.

Name, address and signature of the Exporter

IEC No.

Dated :

ANNEXURE II

**LIST OF BIS APPROVED HALLMARKING CENTRES IN
COIMBATORE**

1	Emerald Testing Pvt. Ltd., 401, Telugu Street, Coimbatore- 641001.	0422-2388907, 0422-2346915
2	Coval Hallmark Company, 333, Sundaram Jewellery Building, Raja Street, Coimbatore- 641001.	0422- 2356483
3	Sukraa Hallmarking Centre, 70A, Hanumantharayan Koil Street, Coimbatore-641001.	0422-2388959 0422-2388989
4	Krishna Hallmarking Centre Pvt. Ltd., 569, Raja Street, Coimbatore- 641001.	0422-4361708 0422-4369708
5	Revanthika Hallmark Pvt. Ltd., 44/7-22, Hall No.H, 1 st Floor, K.K. Block, Raja Street, Coimbatore-641001.	0422-2472882
6	Quality Assay & Hallmarking Centre Pvt. Ltd., 289, 2 nd Floor, Raja Tower, Raja Street, Coimbatore- 641001.	0422-2307608
7	Kerala Assay & Hallmarking Centre Pvt. Ltd., SF 196, 31, Cross Cut Road, Sanganur Village, Coimbatore- 641012.	0422-4212529