

CIRCULAR NO.02/2012

Sub: - Commercial Tax Department- KVAT Act 2003- Issuance of Transit Pass-
for combined stuffing- Confirmation of procedure-Instruction issued- Reg.

Ref: - Letter No. 320721/09/1507/2011 dated 20.10.2011 of Deputy
Commissioner (intelligence), Ernakulam

Certain export houses have brought to the notice of the Department that practical difficulties faced by them in transportation of goods destined for export in which combined stuffing is involved.

In such cases, exporters obtain orders for various products from foreign customers who insist for transport of all goods in single container. The products are manufactured in various units of the exporters situated in various states. These units would issue separate export invoices. The exporters would also have manufacturing units in Kerala. The goods from other factories of the exporter, also reach their factory in Kerala. The goods are then stuffed into a single container for exporting through port at Cochin. This process is called combined stuffing. This is carried out with the previous sanction of central excise authorities at the factory premises of the exporter in Kerala.

The goods moved from the factories outside the state, under the cover of separate invoices of the respective factories, cannot be said to be exports from Kerala. Hence the goods stuffed in the container, which is covered by export invoice raised by the factory in Kerala, alone can be considered as export relating to Kerala.

So, in order to streamline the procedure relating to the movement of goods from other states for combined stuffing the following instructions are issued.

I. The following documents are to be insisted for goods coming into the State for export involving combined stuffing;

- (a) Copy of the application to the Central Excise Authority seeking permission for combined stuffing.
- (b) Copy of the permission granted by the Central Excise Authority for combined stuffing.
- (c) Export invoices raised by the respective units situated in other states.

- (d) Copy of Form ARE 1 prescribed under Central Excise Rules duly filled up and certified, except the part B which is to be certified by the Customs Officer.
- (e) Transit pass obtained from entry check post in Kerala, since the goods are meant for export. With respect to these consignments it is clarified that, separate transit passes can be issued to each consignment in a vehicle, for which the export documents are separate, and the goods are marked out separately.
- (f) Declaration in 8F.
- (g) Delivery Note or Way bill stipulated under VAT Act of the consigning state.

II. After combined stuffing, the following documents shall accompany the container.

1. The same set of documents relating to the goods from other states mentioned above.
2. The export invoice of factory in Kerala.
3. Packing list.
4. Certification of the Central Excise Authority after combined stuffing.

III. The set of documents along with Transit Pass shall be surrendered at the Facilitation Centre of the Department attached to the Port.

IV. After the goods are shipped, copy of the certificate of the customs officer in Part B of ARE1 regarding the fact of shipment shall be produced at the Facilitation Centre.

V. The personnel at the facilitation Centre shall forward the documents to the Assessing Authority of the dealer on whose premises the combined stuffing was done.

Sd/-
COMMISSIONER