

10) Clarifications on general procedures with regard to excise duty on jewellery

Based on the recommendations of Sub-Committee, Government has clarified the few matters relating to general procedures as follows–

- Manufacturer can carry out even the trading from the central excise registered premises. Further, no excise duty is payable on the sale of traded articles;
- For Non-SSI assessee, where the sale invoices dont show the excise duty, the value considered for VAT will be treated as inclusive of excise duty and duty needs to be calculated accordingly;
- Records maintained for state VAT and other records maintained for inputs, stock, manufactured, sold goods are suffice even for central excise purposes;
- For the job work, the procedure prescribed under Notification No.214/86-CE will not be applicable. Hence, they should comply with the procedure prescribed in the Articles of Jewellery (Collection of Duty) Rules, 2016;
- Repairs and alterations that will not result into any change of identity, character and use is not manufacturing. Accordingly, no excise duty on the same.

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