

6) Newly prescribed Articles of Jewellery (Collection of Duty) Rules, 2016

Rule 4: Date for determination of duty - Rate of duty on the date on which articles are sold for the first time by the manufacturer from his registered premises.

Rule 5: Assessment of duty - Assessee shall self assess the duty payable on articles

Rule 6: Manner of payment:

- Duty on the excisable goods removed during a month shall be payable by 6th day of subsequent month, where duty is payable electronically or by 5th day of subsequent month, where duty is paid by other modes. For the month of March, the same need to be paid by 31st March.
- Where an assessee is eligible to avail the SSI exemption, duty payments can be made quarterly. (An assessee is treated as eligible where his aggregate value of clearances in the preceding financial year doesn't exceed Rs.15 crore.
- However for the past period i.e., for the months of March, April, May and June of 2016 shall be paid by 31st July, 2016.

Where there is any delay in payment of duty, then interest needs to be paid on the outstanding amount. Further, where the assessee fails to pay the duty declared as payable by him in the return within a period of 1 month from the due date, then penalty @1% of due amount payable for each month or a part thereof.

Rule 7: Daily Stock Account - Assessee shall maintain the records for receipt and sale of manufactured and traded articles. Further, the same shall be preserved for a period of 5 years immediately after the financial year to which such records pertain.

Assessee at his own option may maintain such records in electronic form with every page of record digitally signed.

Rule 8: Articles to be removed on invoice - No excisable articles shall be removed without invoice for the first time from the registered premises. It should be serially numbered and it should contain the registration no., name of consignee, description of articles, classification and date of removal. Invoice shall be prepared in duplicate – ORIGINAL FOR THE BUYER and DUPLICATE FOR ASSESSEE.

Rule 9: Job work - Principal manufacturer shall obtain registration, maintain accounts and comply with all other provisions of these rules as if he is an assessee. In this regard, job worker is not required to get registered.

If any articles are lost, destroyed, found short at any time before the sale for the first time, then principal manufacturer shall be liable to pay the duty as if such articles were sold for home consumption.

Rule 10: Removal of inputs or semi-finished articles or finished articles for certain purposes - manufacturer can remove the goods for further processing, testing, repair, reconditioning, hall marking, display in exhibitions and even as samples, to some other premises without payment of duty.

Rule 11: Receipt of duty paid articles for certain processes - where any articles on which duty has been paid at the time of their sale for the first time are brought back then such goods shall be treated as trading articles.

Rule 12: Optional scheme - where manufacturer dealing in both manufactured and traded articles has an option to pay excise duty on his first sale value by treating his first sales during the month are solely from the manufactured articles so long as the same are less than or equal to opening stock of manufactured articles and assessee need to give a written declaration to the excise authorities for exercising such option.

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