

DECLARATION UNDER SUB-RULE (3A) OF RULE 173C*Original
Duplicate
Triplicate
Quadruplicate

Financial year _____

Date of filing _____

Name and Address of Manufacturing Unit _____

Commissionerate _____ Division _____ Range _____

Excise Control Code No. _____

Registration No. _____

I. CATEGORY :

- (a) Proprietorship concern
- (b) Partnership firm
- (c) Private Limited Company
- (d) Public Limited Company
- (e) Public Sector Undertaking
- (Mark X the category applicable)

II. MARKETING PATTERN:

- (i) Manner of disposal of excisable goods :--
- (a) at factory gate
- (b) captive consumption
- (c) through depots/branch offices
- (d) through stockists/consignment agents
- (e) from other places after removal from the factory

- (f) exports
- | | <u>Yes</u> | <u>No</u> |
|----------------------|------------|-----------|
| — under bond | _____ | _____ |
| — on payment of duty | _____ | _____ |

NOTE :

(a) Give the address & places where depots/branch offices located. (b) Give the address & places where stockists/consignment agents etc. located. (c) Mark X the category which is applicable.

- (ii) Marketing Agencies :----
- (a) through wholesale dealers
- (b) through wholesale distributors
- (c) through sole selling agents
- (d) direct to industrial customers
- (e) to Government Departments
- (f) through related persons
- (g) other agencies/retailers.

NOTE :

(a) Mark X the categories applicable. (b) If there is (are) any general agreement(s) with any of the dealers/distributors/stockists/agency, please enclose copies thereof. (c) Attach list and addresses of the dealers/distributors through whom the goods distributed. (d) Give particulars of sole selling agents/other agencies through whom goods distributed/sold.

III PRICING PATTERN:

(A) For wholesale dealers/buyers---

- (i) Is there any declared/published price(s) at which excisable goods are normally sold to the wholesale buyers/dealers? Yes No
- (ii) Whether the price to wholesale dealers is the same for dealers all over the country or it varies on the basis of region/territory/State etc. _____
- (iii) Have you any system of giving Trade Discount(s) over the declared/published prices to wholesale dealers/buyers depending upon volume of sale etc.? Yes No
- (iv) Is discount given on uniform basis for same volume of sale to same class of buyers? If so, please indicate the declared policy of discount made known to all dealers/distributors and the extent(s) of discounts allowed over the declared/published wholesale prices. _____

(Attach suitable sheet explaining the discount policy)
- (v) Whether the pricing pattern is:
- (a) all inclusive i.e., it takes into account all taxes and duties, or Yes No
- (b) these taxes/duties are billed separately over a per unit price? _____
In case of former, indicate the deductions claimed to arrive at the value for excise duty.
(Attach copy of latest price list and declared discount policy)

(B) For sale to Industrial Consumers-----

- (i) Are you selling to Industrial consumers the particular excisable goods at uniform price or the price charged varies considering the competitive biddings by other suppliers, volume of order and other purely commercial considerations; is there any system of entering into contracts? _____

- Please indicate percentage variation between the contracted prices and the normal price charged to wholesale dealers.
- (ii) Are you using any input/raw material/component/parts/accessories etc. supplied free of cost by your buyer? If so, details may be supplied including its impact on the assessable value. _____

(C) General Information:

- (i) Is sale price at the place of removal include-----
- (a) transport charges upto place of removal Yes No
- (b) maintenance and distribution charges at the depot etc. Yes No
- (ii) Do your wholesale dealers/buyers include persons/organisation where you or your partner or directors or their relatives are owners/shareholders/directors/partners or others having overall control over the affairs of those agencies? Yes No
- (iii) Are you collecting from your customers any advances/deposits or other valuable considerations and whether these advances/deposits etc. are adjusted at the time of delivery of goods, against the final price charged? Yes No
- (iv) Do you charge same prices whether or not any advance/deposit is made, for the same goods? If so, indicate the percentage of sales without any advance/deposits and also for goods for which advance/deposits accepted. Yes No
- (v) For advance/deposit, do you pay any interest to your customers? If so, at what rate(s)? Yes No
- (vi) Any monetary consideration, direct or indirect than what is declared in the invoices, collected from dealers/customers, for any services? Yes No
- (vii) Are your wholesale dealers/distributors/sole selling agents etc. undertaking on your behalf any advertisements or sales promotion activities or any servicing or other activity for the goods manufactured and marketed by you, either by express or implied instructions/understanding/agreement? Yes No

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|--------|--|-----|--------------------------|----|--------------------------|
| (viii) | Are you collecting the cost of packing from the customers as part of the normal price declared & charged to the customers or any packing charges are billed separately, or shown separately in the Invoices, without taking them as part of value for excise duty? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (ix) | Do you charge anything for special packing which you claim does not form part of the assessable value of the goods for duty purposes?
(Please attach a note on the nature and purpose of such special packing) | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (x) | Do you charge/bill separately or show separately in the invoice, for handling and forwarding charges over and above the price taken for excise duty purposes? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (xi) | Where you sell the goods on credit, have you any normal credit period? Whether you charge interest only for the delay over the credit period? Please elaborate your policy of charging of interest. | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (xii) | Whether you are collecting from customers: | | | | |
| | (a) actual freight/actual insurance. | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| | (b) Higher than actual freight/actual insurance. | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| | (c) Equalised freight. | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (xiii) | Whether any supplementary bills/invoices/credit notes are issued to you buyers for final prices or recovery of any expenses in connection with the goods manufactured & sold by you, over and above the invoice prices on which duties normally paid? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (xiv) | Is the assessable value of the goods declared to the Department less than the per unit cost of product? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (xv) | Are you collecting from your buyers the same excise duty as you are paying to the Department
(Please Mark X the appropriate box.) | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

**IV. ANY OTHER INFORMATION RELEVANT TO PRICING/MARKETING SYSTEM
(YOU MAY ATTACH A NOTE)**

DECLARATION

I/we, hereby solemnly declare and affirm that the information given above is true and correct in all respects.

Date : _____

Place : _____

Signature of the Assessee or his authorised Signatory.

ACKNOWLEDGEMENT

Date of Receipt : _____

Signature with official stamp:

**Declaration in respect of marketing pattern, discount structure etc.
to be filed by an assessee under Rule 173C(3A) - Procedure.**

[MF (DR) Circular No. 272/106/96-CX (F. No. 212/12/96-CX. 6), dt.

Attention is invited to Notification No. 36/96 - CE (NT) dated 20-11-1996 whereby the new sub-rule (3A) has been inserted in Rule 173C, of the Central Excise Rules, 1944 (hereinafter referred to as "the said rules"), whereby an assessee is required to declare to the proper officer his marketing pattern, discount structure and any other particulars in the manner prescribed by the Board or the Commissioner of Central Excise at the beginning of each financial year and a fresh declaration thereafter in case there is any change in the declaration within the same financial year.

2. In exercise of the powers conferred by the aforesaid sub-rule, the Board has decided that every assessee registered with the Central Excise Department under Rule 174 and working under provisions of Chapter VII-A of the said rules shall prepare giving complete information/declaration in quadruplicate and submit original, duplicate and triplicate to the Range Superintendent in the proforma enclosed at Annexure-A, at the beginning of each financial year, latest by 15th of April. In case there is any change in the information/declaration, a fresh declaration shall be filed immediately highlighting the changes. The Range Superintendent shall acknowledge the receipt of the declaration on the assessee's copy i.e. the quadruplicate copy of the declaration.
 3. The Range Superintendent will check the declaration and if necessary compare it with the previous declarations and submit all the copies of the declaration to the Divisional Assistant Commissioner along with his verification report within 15 days of the receipt.
 4. The Divisional Assistant Commissioner will examine the declaration and endorse all the copies in token of his verification. He will send the duplicate copy of the declaration to the Range Superintendent and the triplicate copy to the Valuation Cell of the Commissionerate and retain the original copy with him.
 5. In case the information contained in the declaration appears, prima facie, incorrect, or the declaration indicates that the assessable value declared by the assessee as required under Rule 173C (1) is/are apparently not in conformity with Section 4 of CEA, 1944, the Divisional Assistant Commissioner may cause necessary inquiry to be conducted and shall take immediate steps to safeguard revenue. The powers conferred by sub-Rule (3) of Rule 173(C) may be resorted to. The RT - 12 Returns may be selected for detailed scrutiny under new rule 1731. The provisional assessment may also be resorted to after strictly adhering to the provisions of the new Rule 9B, provided the order for the provisional assessment shall be made after obtaining the concurrence of the concerned Addl. Commissioner/Deputy Commissioner, and provided also that such provisional assessment is finalised within a period of 3 months.
 6. In case the declared value under Rule 173C(1) is not accepted by the Department, action for re-assessment following the provisions of Section 11A of the Act shall be initiated as contemplated under sub-Rule (4) of Rule 173C.
 7. The first declaration shall be filed on or before 15th December, 1996, and thereafter as provided in the new sub-rule.
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