

Proceedings at the Zonal RAC meeting held on Friday Oct 19, 2012 and chaired by Shri Shashi Bhushan Singh, Chief Commissioners of Customs Central Excise and Service Tax, Hyderabad Zone.

Also present: Commissioners of Customs Central Excise and Service Tax Hyderabad: I, II, III and IV, Commissioner Appeals III and Additional Commissioner (CCO)

General observation:

1. It was mentioned that only relevant questions should be placed before RAC with full facts and in an intelligible fashion so that answers could be provided
2. The Zone has set up a "e-helpline" to deal with procedural and system related problems and the same is detailed in a trade facility notice No 01/2012 dated 18-10-2012
3. The separate id's would be dedicated for the trade and therefore ensure ease of reply within a period of 15 days
4. When points are sponsored by Associations they could get the member whose issues are discussed as invitee to attend the meeting for that part of the proceeding after intimation to the Additional Commissioner CCO
5. A service tax registration "camp" will be held in Nov first week by Commissionerates II and IV for the reverse charge registration after 1-7-2012
6. Procedure related issues could be brought up so that these could be discussed and sorted out at the RAC level.
7. CAAP Audit should be popularized so that much of the work could be performed in the back office and time spent at the assessee's premises is reduced
8. Hyderabad IV commissionerate has already put on the web site the audit schedule for the next quarter and similarly other Commissionerate's will also put in the audit schedule

FAPCCI points:

1. Power Mak Pvt Ltd, Hyderabad
Show Cause Notice has been issued in Jan 2011 and the party has taken up the matter to the High Court of AP. Since this is a matter sub-judice the RAC cannot interfere at this stage.
2. Salzgitter Hydraulics P. Ltd.
Service tax has to be paid in terms of the notification as there is no exemption and BHEL has to pay as per contractual terms if they so provide.

3. Dr. Reddy Labs, Hyderabad

(1) (a) In April 2012 Maritime commissioner has dealt with 667 claims and 581 have been sanctioned. In case of any specific problem they could meet the CC or the Commissioner

(b) EDI will take time for sanction of on line rebates since the two separate systems have to be integrated. At present these are stand alone systems

(2) The specific details should be furnished or the party could meet the CCE or Commissioner concerned with the specific details since according to the department there is no such issue pending.

Points raised by other Associations

1. Duty on waste and scrap: No generalization is possible and in this regard Board Circular No 904/2009 on Aluminium Zinc dross may be referred to where this has been held to be excisable.
2. Duty on bought out items that are not brought into the factory and not essential for the completion of the goods need not be included in the assessable value
3. Filing of hard copy of returns after e filing is not required
4. FOR destination cases: " Place of removal" is the relevant point for the purpose
5. Job work by 100% EOU's: In terms of the relevant notification permission is required to be taken
6. Debonding of EOU's: Cenvat credit of capital goods on depreciated value and inputs are available as credit after payment of duties in case the unit continues as a DTA unit
7. Renting of Immovable property: Joint owners of property will be treated as providing the service of renting as one single body and exemption will be applied on that basis
8. Inputs used for exempted final products: The rebate procedure under Rule 18 of the Excise Rules read with Notification No 21/2004 –NT may be followed
9. Eligibility of credit in respect of capital goods when the final products are exempt and after installation become taxable: The relevant point of time is the date of receipt in the factory
10. Audit team to provide notice: In the case of new units and those audited for the first time Commissioners would be prepared to consider requests for extension of time.

11. Shifting of unit from one place to another: New certificate of registration to be obtained
12. EOU's cannot make export shipments on payment of duty but only against Bond
13. Stay of recovery: In cases of first appeal before Tribunal no proceedings till such time as the stay is disposed of. In other cases of second appeal letters will be issued and this will be in accordance with the Board Circular on the subject
14. Delivery of letters: All SCN's will be sent by RPAD by the department henceforth.

Next meeting

The tentative date for the next meeting will be Dec 28 (Friday)