

**NOTIFICATION**  
**No. 26/ 99 - CUSTOMS**

New Delhi, dated the 28th February, 1999  
9 Phalgun, 1920 (Saka)

G.S.R. (E). In exercise of the power conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), read with sub-section (1) of section 3 A of the Customs Tariff Act, 1975 (51 of 1975), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of the description specified in column (2) of the Table below (hereinafter referred to as the said Table) and falling under Chapter 27 of the First Schedule to the said Customs Tariff Act, imported by a manufacturer of linear alkyl benzene for the purpose of extracting N-Paraffin, -

(i) from so much of the duty of customs leviable thereon under the said First Schedule as is in excess of the amount calculated at the rate specified in the corresponding entry in column (3) of the said Table;

(ii) from so much of the special additional duty of customs leviable thereon under section 3 A of the said Customs Tariff Act, as is in excess of the amount calculated at the rate specified in the corresponding entry in column (4) of the said Table.

TABLE

S. No.	Description of goods	Customs duty rate	Special additional duty rate
(1)	(2)	(3)	(4)
1.	Kerosene, determined to be consumed in the process of extraction of N-Paraffin	5% ad valorem	Nil
2	Kerosene, if any, which remained after extraction of N-Paraffin and supplied and sold to the Indian Oil Corporation Limited for ultimate sale through the public distribution system	Nil	-

2. The exemption contained in this notification shall be given effect to in the following manner, namely:-

(a) at the time of importation, the manufacturer-importer shall pay customs duty and special additional duty leviable under the said First Schedule and the said Customs Tariff Act or any other law for the time being in force on 85% of the quantity of kerosene imported at the rate as if no exemption is applicable on such imports;

(b) the Assistant Commissioner of Customs shall furnish a copy of the assessed bill of entry to the Assistant Commissioner of Central Excise having jurisdiction over the factory of the manufacturer-importer where kerosene is used for extraction of N-Paraffin therefrom;

(c) the manufacturer-importer shall maintain such accounts as may be considered necessary by the Assistant Commissioner of Central Excise having jurisdiction to ascertain the actual quantity of kerosene consumed in the process of extraction of N-Paraffin and the manner in which the remnant quantity of kerosene is disposed of by the manufacturer-importer and the customers to whom such remnant quantity is sold and the price realised therefor;

(d) at the end of each calendar month and by the fifth of the next month, the manufacturer shall furnish a statement to the Assistant Commissioner of Central Excise having jurisdiction over the factory of the manufacturer-importer indicating the quantity of kerosene actually consumed during the calendar month in the process of extraction of N-Paraffin duly certified by a Chartered Accountant or a Chartered Engineer. The manufacturer-importer shall also furnish the information about the quantity of imported kerosene sold and supplied to the Indian Oil Corporation Limited in the calendar month;

(e) on receipt of the above information and any other information as the Assistant Commissioner of Central Excise having jurisdiction may require for this purpose, he shall, in exercise of the powers of the Assistant Commissioner of Customs as conferred on him to do so, pass an order on the following, namely:-

(i) the quantity of kerosene as determined by him to have been consumed for extraction of N-Paraffin in the calendar month;

(ii) the quantity of kerosene as determined by him to have been supplied and sold to the Indian Oil Corporation Limited in the calendar month;

(iii) having regard to the quantity of kerosene eligible to exemption under serial No. 1 of the said Table, determine the additional amount of customs duty and special additional duty, if any, payable by the manufacturer-importer on the basis of the quantity of kerosene determined to be consumed for the extraction of N-Paraffin and the quantity of kerosene supplied and sold to the Indian Oil Corporation Limited, if any, during the calendar month; while doing so, the Assistant Commissioner of Central Excise shall adjust the duty paid by the manufacturer-importer under clause (a);

(iv) having regard to the quantity of kerosene eligible to exemption under serial Numbers 1 and 2 of the said Table, determine the amount of refund of duty, if any, due to the manufacturer-importer on the basis of the quantity of kerosene determined to be consumed for the extraction of N-Paraffin and the quantity of kerosene supplied and sold by the manufacturer-importer to the Indian Oil Corporation Limited, if any, during the calendar month; while doing so, the Assistant Commissioner of Central Excise having jurisdiction shall adjust the duty paid by the manufacturer-importer under clause (a).

3. The manufacturer-importer shall pay the additional amount of customs duty and special additional duty determined in the order passed by the Assistant Commissioner of Central Excise having jurisdiction within three days of the receipt of the order, and for any delay the manufacturer-importer shall be liable to pay interest on the amount not paid, at the rate of thirty six per cent. per annum.
4. The Assistant Commissioner of Central Excise having jurisdiction shall pass an order granting refund of the excess duty paid with reference to the determination under sub-clause (iv) of clause (e) of paragraph 2.