

Procedure for obtaining Excise Duty / CT 3 Exemption certificate from STPI for indigenously purchased CG

STP/ EHTP units are free to procure indigenously all capital goods those required for creating STP infrastructure unless otherwise the same are in the prohibited list. These goods may be imported as per clause **6.01(d)** of Foreign Trade Policy (2015-2020) and **6.04** of Hand Book of Procedures and customs notification 22/2003 dt. 31/3/2003. The following types of import are allowed by STP/EHTP units.

Check List for obtaining CT3 exemption approval

A request letter accompanied with Annexure IX-A and the Performa Invoice to STPI.

The STP /EHTP unit should have

Valid STP status

Valid Legal Agreement

Valid Private Bonded Ware House Licence (PBWHL)

CG balance is required to be sufficient inclusive of the CG proposed to import

CG should fall in the positive list of the FT Policy and within the purview of customs notification 22/2003 dt. 31/3/2003

Location of the unit, where the indigenously procured CG is proposed to be placed should be updated in the PBWHL.

Cross verify the following with **Annexure IX-A** & Performa Invoice attached with the request letter for the appropriate

Name and Location of STP / EHTP unit

Name of Supplier

Invoice No. & Date

Description of Goods

New Equipment/Used Equipment

Check for the basic value and excise duty component in the invoice

Approval Process by STPI

Once the CT3 exemption request is filed with STPI by STP member units, if all the requirements are fulfilled and satisfactory, import approval will be issued by STPI along with the duly attested Performa invoice. The basic value of the CT3 CG will be deducted from the balance CG. STP units are required to ensure that they operate within the indigenous capital goods (CG) limit as indicated in initial approval letter / LOP/ subsequent CG enhancements. Hence, at the time of each indigenous purchase the Initial CG Approved & the running balance, is mandatory to be shown in the Annexure IX-A.

However, STP units can apply for enhancement of CG value once the CG balance exhausts or reaches 80% of the balance.

STP member units have to approach Customs & Excise authorities along with the CT3 exemption approval issued by STPI for clearance of capital goods.

The Central Excise Exemption approval issued by STPI is valid only for 6 months. Please note, if the CT3 exemption approval is not utilized the same is required to be intimated to STPI and request for cancellation of import approval. This results in CG getting credited with the existing CG balance.

A Bond register for Excise Exempted goods is to be maintained in the specific format as stipulated by customs authorities which will be endorsed by the Customs and Central Excise authorities.