

CBIC invites suggestions on draft 'Central Excise Bill, 2024' in pre-defined format from stakeholders by 26th June 2024

Posted On: 04 JUN 2024 2:36PM by PIB Delhi

The Central Board of Indirect Taxes & Customs (CBIC), Department of Revenue, Ministry of Finance, invites suggestions on the draft 'Central Excise Bill, 2024' from stakeholders by 26th June 2024.

The CBIC has prepared a draft 'Central Excise Bill, 2024.' Once enacted, the Bill shall replace the Central Excise Act, 1944. The Bill aims to enact a comprehensive modern central excise law with an emphasis on promoting ease of doing business and repealing old and redundant provisions. The Bill comprises twelve chapters, 114 (one hundred and fourteen) sections and two schedules.

As a part of the pre-legislative consultative process, the draft 'Central Excise Bill, 2024' has been uploaded on the website of CBIC [<https://www.cbic.gov.in>] for inviting suggestions from the stakeholders in the following format within 21 days:

FORMAT FOR SENDING SUGGESTIONS/ COMMENTS/ VIEWS

Sl. No.	Clause No. of the draft Bill	Title of the Clause	Proposed modification, if any	Reasons/ Comments/ Remarks
---------	------------------------------	---------------------	-------------------------------	----------------------------

The suggestions/ comments on the draft Bill in the above format may be sent by email to [cx.stwing\[at\]gov\[dot\]in](mailto:cx.stwing[at]gov[dot]in) in either MS Word (or compatible format) or machine-readable PDF format.

NB/KMN

(Release ID: 2022728) Visitor Counter : 1427

Read this release in: Urdu , Hindi , Marathi , Gujarati , Tamil , Telugu , Kannada

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	THE CENTRAL EXCISE BILL, 2024	
	A Bill	
	<i>to provide for levy and collection of duty of excise on goods manufactured or produced and for matters connected therewith or incidental thereto.</i>	
	BE it enacted by Parliament in the Seventy-fifth Year of the Republic of India as follows: —	
	CHAPTER I PRELIMINARY	
	<p>1. (1) This Act may be called the Central Excise Act, 2024.</p> <p>(2) It extends to the whole of India.</p> <p>(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:</p>	Short title, extent and commencement.
	Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.	
	2. In this Act, unless the context otherwise requires,—	Definitions.
54 of 1963.	(a) “adjudicating authority” means any authority competent to pass any order or make a decision under this Act, but does not include the Central Board of Indirect Taxes and Customs constituted under the Central Boards of Revenue Act, 1963, the Commissioner of Central Excise (Appeals) or the Customs, Excise and Service Tax Appellate Tribunal;	
52 of 1962.	(b) “Appellate Tribunal” means the Customs, Excise and Service Tax Appellate Tribunal constituted under section 129 of the Customs Act, 1962;	
	(c) “assessee” means any person who is liable for payment of duty assessed, or a producer or manufacturer of excisable goods, or a registered person of a private warehouse in which excisable goods are stored and includes an authorised agent of such person;	
	(d) “assessment” means determination of liability of duty	

**Ministry of Finance
Department of Revenue**

	under this Act and includes self-assessment and provisional assessment;	
54 of 1963.	(e) “Board” means the Central Board of Indirect Taxes and Customs constituted under the Central Boards of Revenue Act, 1963;	
	(f) “Central Excise Officer” means the Principal Chief Commissioner of Central Excise, Chief Commissioner of Central Excise, Principal Commissioner of Central Excise, Commissioner of Central Excise, Commissioner of Central Excise (Appeals), Additional Commissioner of Central Excise, Joint Commissioner of Central Excise, Deputy Commissioner of Central Excise, Assistant Commissioner of Central Excise, Superintendent of Central Excise or Inspector of Central Excise, or any other officer of the Central Excise Department, or any person (including an officer of the State Government) invested by the Central Board of Indirect Taxes and Customs with any of the powers of a Central Excise Officer under this Act;	
	(g) “curing” includes wilting, drying, fermenting and any process for rendering an unmanufactured product fit for marketing or manufacture;	
	(h) “duty of excise” means the duty levied or collected under section 6 or section 7 and the expressions “central excise duty”, “duty”, “duties”, “duties of excise” and “excise duty” shall be construed accordingly;	
	(i) “excisable goods” means goods specified in the First Schedule as being subject to a duty of excise. <i>Explanation.</i> — For the purposes of this clause, “goods” includes any article, material or substance which is capable of being bought and sold for a consideration and such goods shall be deemed to be marketable;	
	(j) “export-oriented unit” shall have the meaning assigned to it in the Foreign Trade Policy as may be notified by the Central Government from time to time in exercise of the powers conferred under section 5 of the Foreign Trade (Development and Regulation) Act, 1992;	22 of 1992
	(k) “factory” means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	goods is being carried on or is ordinarily carried on;	
	(l) "family" means,- (i) the spouse and children of the person, and (ii) the parents, grand-parents, brothers and sisters of the person if they are wholly or mainly dependent on the said person;	
	(m) "final products" mean excisable goods manufactured or produced from inputs;	
	(n) "Fund" means the Consumer Welfare Fund established under section 28;	
	(o) "India" means the territory of India as referred to in article 1 of the Constitution, its territorial waters, seabed and sub-soil underlying such waters, continental shelf, exclusive economic zone or any other maritime zone as referred to in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976, and the air space above its territory and territorial waters;	80 of 1976
	(p) "manufacture" includes any process—	
	(i) incidental or ancillary to the completion of a manufactured product;	
	(ii) which is specified in relation to any goods in the section or Chapter Notes of the First Schedule as amounting to manufacture; or	
	(iii) which, in relation to the goods specified in the Second Schedule, involves packing or repacking of such goods in a unit container or labelling or re-labelling of containers including the declaration or alteration of retail sale price on it or adoption of any other treatment on the goods to render the product marketable to the consumer,	
	and the word "manufacturer" shall be construed accordingly and shall include not only a person who employs hired labour in the production or manufacture of excisable goods, but also any person who engages in their production or manufacture on his own account;	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(q) “notification” means a notification published in the Gazette of India and the expression “notify” with its grammatical variation and cognate expressions shall be construed accordingly;	
18 of 2013.	(r) "person" includes- (i) an individual; (ii) a Hindu Undivided Family; (iii) a company; (iv) a firm; (v) a Limited Liability Partnership; (vi) an association of persons or a body of individuals, whether incorporated or not, in India or outside India; (vii) any corporation established by or under any Central Act, State Act or Provincial Act or a Government company as defined in clause (45) of section 2 of the Companies Act, 2013; (viii) any body corporate incorporated by or under the laws of a country outside India; (ix) a co-operative society registered under any law relating to co-operative societies; (x) a local authority; (xi) Central Government or a State Government; (xii) society as defined under the Societies Registration Act, 1860;	
21 of 1860.	(xiii) trust; and (xiv) every artificial juridical person, not falling within any of the above;	
	(s) “prescribed” means prescribed by rules made under this Act;	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(t) “purchase” with its grammatical variations and cognate expressions, means acquiring or taking possession of goods by one person from another in the ordinary course of trade or business for cash or deferred payment or other valuable consideration;	
	(u) “sale” with its grammatical variations and cognate expressions, means any transfer of the possession of goods by one person to another in the ordinary course of trade or business for cash or deferred payment or other valuable consideration;	
28 of 2005.	(v) “Special Economic Zone” shall have the meaning assigned to it in clause (za) of section 2 of the Special Economic Zones Act, 2005;	
52 of 1962.	3. The Central Government may, by notification, declare that any of the provisions of the Customs Act, 1962, relating to the levy of and exemption from customs duties, drawback of duty, warehousing and procedure relating to appeals shall, with such modifications and alterations as it may consider necessary or desirable to adapt them to the circumstances, be applicable in regard to like matters in respect of the duties imposed by sections 6 and 7.	Application of provisions of Act No. 52 of 1962 to duties of excise.
	CHAPTER II APPOINTMENT AND POWERS OF CENTRAL EXCISE OFFICERS	
	4. (1) The Board may, by notification, appoint the following classes of Central Excise Officers for the purposes of this Act and the rules made thereunder, namely:- (a) Principal Chief Commissioners of Central Excise or Principal Directors General of Central Excise, (b) Chief Commissioners of Central Excise or Directors General of Central Excise, (c) Principal Commissioners of Central Excise or Principal Additional Directors General of Central Excise, (d) Commissioners of Central Excise or Additional Directors General of Central Excise, (e) Additional Commissioners of Central Excise or Additional Directors of Central Excise, (f) Joint Commissioners of Central Excise or Joint Directors of Central Excise, (g) Deputy Commissioners of Central Excise or Deputy	Appointment and jurisdiction of Central Excise Officers.

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>Directors of Central Excise,</p> <p>(h) Assistant Commissioners of Central Excise or Assistant Directors of Central Excise, and</p> <p>(i) any other class of officers as it may deem fit:</p>	
12 of 2017.	<p>Provided that the officers appointed under the Central Goods and Services Tax Act, 2017 shall be deemed to be the officers appointed under the provisions of this Act.</p>	
	<p>(2) The Board may, by notification, specify the jurisdiction of a—</p> <p>(a) Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise; or</p> <p>(b) Principal Commissioner of Central Excise or Commissioner of Central Excise; or</p> <p>(c) Commissioner of Central Excise (Appeals),</p> <p>for the purposes of this Act and the rules made thereunder.</p>	
	<p>(3) The Principal Chief Commissioner of Central Excise or the Chief Commissioner of Central Excise, as the case maybe, may, by order, specify the jurisdiction of the following Central Excise Officers for the purposes of this Act and the rules made thereunder, namely:—</p> <p>(a) Additional Commissioner of Central Excise or Joint Commissioner of Central Excise;</p> <p>(b) Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise; and</p> <p>(c) Superintendent of Central Excise.</p>	
	<p>5. (1) Every Central Excise Officer may exercise the powers and discharge the duties conferred or imposed on him under this Act, subject to such conditions and limitations as the Board may impose.</p>	<p>Powers of Central Excise Officers.</p>
	<p>(2) Subject to such conditions and limitations as the Board may impose, any Central Excise Officer may exercise the powers and discharge the duties conferred or imposed by or under this Act or the rules made thereunder on any other Central Excise Officer who is subordinate to him.</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(3) Notwithstanding anything contained in this section, the Commissioner of Central Excise (Appeals) shall not exercise the powers and discharge the duties conferred or imposed on a Central Excise Officer other than those specified in section 59 or Chapter IX.	
	CHAPTER III LEVY AND COLLECTION OF DUTY	
	6. (1) There shall be levied and collected, in such manner as may be prescribed, a duty of excise to be called the central excise duty on all excisable goods which are produced or manufactured in India as, and at the rates, specified in the First Schedule:	Duty of excise specified in First Schedule to be levied.
	(2) The provisions of sub-section (1) shall apply in respect of all excisable goods which are produced or manufactured in India by or on behalf of the Government, as they apply in respect of goods which are not produced or manufactured by the Government.	
	7. (1) Notwithstanding anything contained in section 6, where the Central Government, having regard to the nature of the process of manufacture or production of excisable goods of any specified description, the extent of evasion of the duty of excise in regard to such goods or such other factors as may be relevant, is of the opinion that it is necessary to safeguard the interest of revenue, specify, by notification, such goods as notified goods and there shall be levied and collected duty of excise on such goods in accordance with the provisions of this section in such manner as may be prescribed.	Power of Central Government to charge excise duty on the basis of capacity of production in respect of notified goods.
	(2) Where a notification is issued under sub-section (1), the Central Government may — (a) provide for determination of the annual capacity of production of the factory, in which such goods are produced, by an officer not below the rank of Assistant Commissioner of Central Excise, which shall be deemed to be the annual production of such goods by such factory; or (b) (i) specify the factor relevant to the production of such goods and the quantity that is deemed to be produced by use of a unit of such factor; and (ii) provide for the determination of the annual capacity of production of the factory, in which such goods are produced on the basis of such factor, by an officer not below the rank of Assistant Commissioner	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	of Central Excise, which shall be deemed to be the annual production of such goods by such factory, in such manner, as may be prescribed:	
	Provided that where a factory producing notified goods is in operation during a part of the year only, the annual production thereof shall be calculated on proportionate basis of the annual capacity of production:	
	Provided further that in a case where the factor relevant to the production is altered or modified at any time during the year, the annual production shall be re-determined on a proportionate basis having regard to such alteration or modification.	
	(3) The duty of excise on notified goods shall be levied, at such rate, on the unit of production or, as the case may be, on such factor relevant to the production, as the Central Government may, by notification, specify, and collected in such manner as may be prescribed:	
	Provided that where a factory producing notified goods did not produce the notified goods during any continuous period of fifteen days or more, the duty of excise calculated on a proportionate basis shall be abated in respect of such period if the manufacturer of such goods fulfills such conditions as may be prescribed.	
	(4) The provisions of this section shall not apply to goods produced or manufactured, by an export-oriented unit and brought to any other place in India.	
51 of 1975.	<i>Explanation 1.</i> — For the purposes of section 3 of the Customs Tariff Act, 1975, the duty of excise leviable on the notified goods shall be deemed to be the duty of excise leviable on such goods under the First Schedule, read with any notification for the time being in force.	
	<i>Explanation 2.</i> — For the purposes of sub-sections (2) and (3), the word "factor" shall include "factors".	
	8. (1) Where, in respect of any goods, the Central Government is satisfied that the duty leviable thereon under section 6 should be increased and that circumstances exist which render it necessary to take immediate action, the Central Government may, by notification, amend the First Schedule to substitute the rate of duty specified therein in respect of such goods in the following manner,	Power of Central Government to take immediate action to increase

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	namely:—	duty of excise.
	(a) in a case where the rate of duty as specified in the First Schedule, as in force immediately before the issue of such notification is nil, a rate of duty not exceeding fifty per cent. <i>ad valorem</i> expressed in any form or method;	
	(b) in any other case, a rate of duty which shall not be more than twice the rate of duty specified in respect of such goods in the First Schedule as in force immediately before the issue of the said notification:	
	Provided that the Central Government shall not issue any notification under this sub-section for substituting the rate of duty in respect of any goods as specified by an earlier notification issued under this sub-section by that Government before such earlier notification has been approved with or without modifications under sub-section (2).	
	<i>Explanation.</i> — For the purposes of this sub-section, the expression “form or method”, in relation to a rate of duty of excise, means the basis, including valuation, weight, number, length, area, volume or any other measure, on which the duty may be levied.	
	(2) Every notification under sub-section (1) shall be laid, as soon as may be after it is issued, before each House of Parliament, while it is in session, and, if it is not in session, within seven days of its re-assembly, and the Central Government shall seek the approval of Parliament to the notification by a resolution moved within a period of fifteen days beginning with the day on which the notification is so laid before the House of the People, and if, Parliament makes any modification in the notification or directs that the notification should cease to have effect, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, but without prejudice to the validity of anything previously done under that notification.	
	(3) Any notification issued under sub-section (1), including a notification approved or modified under sub-section (2), may be rescinded by the Central Government at any time by a like notification.	
	9. Where the Central Government is satisfied that it is necessary so to do in the public interest, it may, by notification, amend the First Schedule:	Power of Central Government to amend First Schedule.

Ministry of Finance
Department of Revenue

	<p>Provided that such amendment shall not alter or affect in any manner the rates specified in the First Schedule at which the duties of excise shall be leviable on the goods specified therein.</p>	
	<p>10. (1) If the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification, exempt generally either absolutely or subject to such conditions, to be fulfilled before or after removal, as may be specified in the notification, excisable goods of any specified description from the whole or any part of the duty of excise leviable thereon:</p>	<p>Power to grant exemption from duty of excise.</p>
	<p>Provided that, unless specifically provided in such notification, no exemption therein shall apply to excisable goods which are produced or manufactured—</p> <p>(i) in a Special Economic Zone and brought to any other place in India; or</p> <p>(ii) by an export-oriented unit and brought to any other place in India.</p>	
	<p>(2) For the removal of doubts, it is hereby declared that where an exemption under sub-section (1) in respect of any excisable goods from the whole of the duty of excise leviable thereon has been granted absolutely, the manufacturer of such excisable goods shall not pay the duty of excise on such goods.</p>	
	<p>(3) If the Central Government is satisfied that it is necessary in the public interest so to do, it may, by special order in each case, exempt from the payment of duty of excise, under circumstances of an exceptional nature to be stated in such order, any excisable goods on which duty of excise is leviable.</p>	
	<p>(4) The Central Government may, if it considers it necessary or expedient so to do for the purpose of clarifying the scope or applicability of any notification issued under sub-section (1) or order issued under sub-section (3), insert an <i>Explanation</i> in such notification or order, as the case may be, by notification, at any time within one year of issue of the notification under sub-section (1) or order under sub-section (3), and every such <i>Explanation</i> shall have effect as if it had always been the part of the first such notification or order, as the case may be.</p>	
	<p>(5) An exemption under sub-section (1) or sub-section (3) in respect of any excisable goods from any part of the duty of excise leviable thereon (herein referred to as the statutory duty) may be granted by providing for the levy of a duty on such goods at a rate expressed in a form or method different from the form or method in which the statutory duty is leviable and any exemption granted</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	in relation to any excisable goods in the manner provided in this sub-section shall have effect subject to the condition that the duty of excise chargeable on such goods shall in no case exceed the statutory duty.	
	<i>Explanation.</i> — “Form or method”, in relation to a rate of duty of excise means the basis, namely, valuation, weight, number, length, area, volume or other measure with reference to which the duty is leviable.	
	(6) Every notification issued under sub-section (1) or sub-section (4) shall, unless otherwise provided, come into force on the date of its publication in the Official Gazette.	
	11. (1) The Central Government may provide for remission of duty of excise leviable on any excisable goods, which are found to be deficient in quantity due to any natural cause, in such manner as may be prescribed.	Remission of duty on goods found deficient in quantity.
	(2) Any rules made under sub-section (1) may, having regard to the nature of the excisable goods or of processing or of curing thereof, the period of their storage or transit and other relevant considerations, fix the limit or limits of percentage beyond which no such remission shall be allowed:	
	Provided that different limit or limits of percentage may be fixed for different varieties of the same excisable goods or for different areas or for different seasons.	
	12. (1) Every person who produces or manufactures any excisable goods, or who stores such goods in a warehouse, shall pay the duty leviable on such goods in the manner provided, and no excisable goods, on which any duty is payable, shall be removed without payment of duty from any place, where they are produced or manufactured, or from a warehouse, other than in such manner as may be prescribed.	Duty payable on removal and date for determination of duty and tariff valuation.
	(2) Notwithstanding anything contained in sub-section (1), the Principal Commissioner of Central Excise or Commissioner of Central Excise, as the case may be, may, in exceptional circumstances, having regard to the nature of the goods and shortage of storage space at the premises of the manufacturer where the goods are made, permit a manufacturer to store his goods in any other place outside such premises, without payment of duty subject to such conditions as he may specify.	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>(3) The rate of duty or tariff value applicable to any excisable goods shall be the rate or value in force on the date when such goods are removed from a factory or a warehouse, as the case may be.</p> <p><i>Explanation.</i>— If any excisable goods are used within the factory, the date of removal of such goods shall mean the date on which the goods are issued for such use.</p>	
	<p>13. (1) Where under this Act, the duty of excise is chargeable on any excisable goods with reference to their value, then, on each removal of the goods, such value shall -</p> <p>(a) in a case where the goods are sold by the assessee, for delivery at the time and place of the removal, the assessee and the buyer of the goods are not related and the price is the sole consideration for the sale, be the transaction value;</p> <p>(b) in any other case, including the case where the goods are not sold, be the value determined in such manner as may be prescribed.</p> <p><i>Explanation.</i> - For the removal of doubts, it is hereby declared that the price-cum-duty of the excisable goods sold by the assessee shall be the price actually paid to him for the goods sold and the money value of the additional consideration, if any, flowing directly or indirectly from the buyer to the assessee in connection with the sale of such goods, and such price-cum-duty, excluding Value Added Tax and other taxes, if any, actually paid, shall be deemed to include the duty payable on such goods.</p>	<p>Valuation of excisable goods for purposes of charging of duty of excise.</p>
	<p>(2) The provisions of sub-section (1) shall not apply in respect of any excisable goods for which a tariff value has been fixed under sub-section (3).</p>	
	<p>(3) Notwithstanding anything contained in this section, the Central Government may, by notification, fix, for the purposes of levying the central excise duty, tariff values of any excisable goods as chargeable with duty ad valorem and may alter any tariff values for the time being in force.</p>	
	<p>(4) The Central Government may fix different tariff values for —</p> <p>(a) different classes or descriptions of the same excisable goods; or</p> <p>(b) excisable goods of the same class or description—</p> <p>(i) produced or manufactured by different classes of producers or manufacturers; or</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(ii) sold to different classes of buyers:	
	<p>Provided that in fixing different tariff values in respect of excisable goods falling under sub-clause (i) or sub-clause (ii), regard shall be had to the sale prices charged by the different classes of producers or manufacturers or, as the case may be, the normal practice of the wholesale trade in such goods.</p>	
	<p><i>Explanation.</i> – For the purposes of this Act,-</p> <p>(a) persons shall be deemed to be "related persons" if-</p> <p style="padding-left: 40px;">(i) such persons are officers or directors of one another's businesses;</p> <p style="padding-left: 40px;">(ii) such persons are legally recognised partners in business;</p> <p style="padding-left: 40px;">(iii) such persons are employer and employee;</p> <p style="padding-left: 40px;">(iv) any person directly or indirectly owns controls or holds twenty-five per cent. or more of the outstanding voting stock or shares of both of them;</p> <p style="padding-left: 40px;">(v) one of them directly or indirectly controls the other;</p> <p style="padding-left: 40px;">(vi) both of them are directly or indirectly controlled by a third person;</p> <p style="padding-left: 40px;">(vii) together they directly or indirectly control a third person; or</p> <p style="padding-left: 40px;">(viii) they are members of the same family;</p> <p>(b) "place of removal" means -</p> <p style="padding-left: 40px;">(i) a factory or any other place or premises of production or manufacture of the excisable goods;</p> <p style="padding-left: 40px;">(ii) a warehouse or any other place or premises wherein the excisable goods have been permitted to be deposited without payment of duty;</p> <p style="padding-left: 40px;">(iii) a depot, premises of a consignment agent or any other place or premises from where the excisable goods are to be sold after their clearance from the factory; from where such goods are removed;</p> <p>(c) "time of removal", in respect of the excisable goods removed from the place of removal referred to in sub-clause (iii) of clause (b) above, shall be deemed to be the time at which such goods are cleared from the factory;</p> <p>(d) "transaction value" means the price actually paid or payable for the goods, when sold, and includes in addition to the amount charged as price, any amount that the buyer is liable to</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	pay to, or on behalf of, the assessee, by reason of, or in connection with the sale, whether payable at the time of the sale or at any other time, including, but not limited to, any amount charged for, or to make provision for, advertising or publicity, marketing and selling organization expenses, storage, outward handling, servicing, warranty, commission or any other matter; but does not include the amount of duty of excise, Value Added Tax and other taxes, if any, actually paid or actually payable on such goods.	
1 of 2010.	14. (1) The Central Government may, by notification, specify any goods, in relation to which it is required, under the provisions of the Legal Metrology Act, 2009 or the rules made thereunder or under any other law for the time being in force, to declare on the package thereof the retail sale price of such goods, to which the provisions of sub-section (2) shall apply.	Valuation of excisable goods with reference to retail sale price.
	(2) Where the goods specified under sub-section (1) are excisable goods and are chargeable to duty of excise with reference to value, then, notwithstanding anything contained in section 13, such value shall be deemed to be the retail sale price declared on such goods less such amount of abatement, if any, from such retail sale price as the Central Government may allow by notification.	
	(3) The Central Government may, for the purpose of allowing any abatement under sub-section (2), take into account the amount of duty of excise, Value Added Tax and other taxes, if any, payable on such goods.	
	(4) Where any goods specified under sub-section (1) are excisable goods and the manufacturer—	
	(a) removes such goods from the place of manufacture, without declaring the retail sale price of such goods on the packages or declares a retail sale price which is not the retail sale price as required to be declared under the provisions of the Act, rules or other law as referred to in sub-section (1); or	
	(b) tampers with, obliterates or alters the retail sale price declared on the package of such goods after their removal from the place of manufacture,	
	then, such goods shall be liable to confiscation and the retail sale price of such goods shall be ascertained in the prescribed manner and such price shall be deemed to be the retail sale price for the purposes of this section.	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p><i>Explanation 1.</i>— For the purposes of this section, “retail sale price” means the maximum price at which the excisable goods in packaged form may be sold to the ultimate consumer and includes all taxes, local or otherwise, freight, transport charges, commission payable to dealers, and all charges towards advertisement, delivery, packing, forwarding and the like, as the case may be, and the price is the sole consideration for such sale:</p>	
	<p>Provided that in case the provisions of the Act, rules or other law as referred to in sub-section (1) require to declare on the package, the retail sale price excluding any taxes, local or otherwise, the retail sale price shall be construed accordingly.</p>	
	<p><i>Explanation 2.</i>— For the purposes of this section,—</p> <p>(a) where on the package of any excisable goods more than one retail sale price is declared, the maximum of such retail sale price shall be deemed to be the retail sale price;</p> <p>(b) where the retail sale price, declared on packages of any excisable goods at the time of its clearance from the place of manufacture, is altered to increase the retail sale price, such altered retail sale price shall be deemed to be the retail sale price;</p> <p>(c) where different retail sale prices are declared on different packages for the sale of any excisable goods in packaged form in different areas, each such retail sale price shall be the retail sale price for the purposes of valuation of the excisable goods intended to be sold in the area to which the retail sale price relates.</p>	
21 of 2000.	<p>15. (1) No excisable goods shall be removed from a factory or a warehouse except under an invoice signed by the owner of the factory or his authorised agent in such manner as may be prescribed.</p> <p><i>Explanation.</i>— The signing of invoice shall also include digital signature as defined in clause (p) of sub-section (1) of section 2 of the Information Technology Act, 2000.</p>	Goods to be removed on invoice.
	<p>(2) The Central Government may, by notification, specify the category of excisable goods, where each invoice referred to in sub-section (1) shall also be countersigned by the Inspector of Central Excise or the Superintendent of Central Excise, before they are removed from the factory.</p>	
	<p>(3) The assessee shall issue invoice showing the description, quantity and value of goods, the duty charged thereon and such</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	other particulars, as may be prescribed.	
1 of 1944.	<p>16. (1) Every person, who —</p> <p style="padding-left: 40px;">(a) produces or manufactures excisable goods; or</p> <p style="padding-left: 40px;">(b) carries on trade, or stores goods in a warehouse; or</p> <p style="padding-left: 40px;">(c) is desirous of availing Central Excise Duty Credit including an importer,</p> <p>shall get himself registered with the Central Excise officer in such manner as may be prescribed:</p>	Registration.
	Provided that a registration obtained under the Central Excise Act, 1944 and the rules made thereunder, shall be deemed to be valid as a registration made under this Act.	
	(2) The Central Government may, by notification and subject to such conditions or limitations as may be specified in such notification, specify person or class of persons who may not require such registration.	
	(3) Subject to such conditions and manner as may be prescribed, the Central Government may cancel or revoke the registration granted under sub-section (1).	
	<p>17. (1) A manufacturer or producer of final products shall, subject to such conditions and restrictions and in such manner, as may be prescribed, be entitled to take credit (hereinafter referred to as the Central Excise Duty Credit) of the central excise duty and such other duties of excise, as may be prescribed, paid by him on any input other than motor spirit, commonly called as petrol, and high speed diesel, received by him for the use in or in relation to the manufacture of final product.</p> <p><i>Explanation.</i>— For the purposes of this section, “input” means excisable goods used in the factory by the manufacturer or in relation to the manufacture of the final product.</p>	Central Excise Duty Credit.
	(2) The Central Excise Duty Credit may be utilised for payment of any duty of excise on any final product, or such other amount payable under the rules made thereunder, subject to such limitations, restrictions and conditions, as may be prescribed.	
	(3) The Central Excise Duty Credit, including restriction on utilisation of such credit, lying unutilised with the manufacturer of specified excisable goods shall lapse on such date as the Central Government may, by notification, specify and in such manner as	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	may be prescribed.	
1 of 1944.	18. (1) Any amount of credit earned by an assessee under the provisions of the Central Excise Act, 1944 and the relevant rules made thereunder, as they existed prior to the date of commencement of this Act, and remaining unutilised on that day, shall be allowed as Central Excise Duty Credit to such assessee and be allowed to be utilised in accordance with the provisions of this Act and the rules made thereunder.	Transitional credit.
	(2) An assessee shall be entitled to take credit of central excise duty and such other duties of excise prescribed under sub-section (1) of section 17 in respect of any inputs other than motor spirit, commonly known as petrol, and high speed diesel, received by him on or after the date of commencement of this Act but the duty in respect of which has been paid under the repealed Act, subject to the condition that the inputs were received by such person within a period of thirty days from the date of commencement of this Act:	
	Provided that the period of thirty days may, on sufficient cause being shown, be extended by the Principal Commissioner of Central Excise or the Commissioner of Central Excise for a further period not exceeding thirty days.	
	19. Where an assessee has paid duty of excise on a final product and has been allowed Central Excise Duty Credit under section 17, but subsequently the process of making the said product is held by the court as not chargeable to duty of excise, the Central Government may, by notification, order for non-reversal of such credit allowed to the assessee subject to such conditions as may be specified in the said notification:	Non-reversal of Central Excise Duty Credit.
	Provided that the order for non-reversal of credit shall not apply where an assessee has preferred a claim for refund of duty of excise paid by him:	
	Provided further that the Central Government may also specify in such notification for non-reversal of credit, if any, taken by the buyer of the said product.	
	CHAPTER IV ASSESSMENT	
	20. (1) The assessee shall himself assess the duty payable on any excisable goods and shall furnish a return or returns, electronically, in such form and in such manner and at such frequency and with	Assessment of duty.

	such late fee, as may be prescribed.	
	(2) The Central Government may, by notification, specify the category of excisable goods where the Superintendent of Central Excise or Inspector of Central Excise shall assess the duty payable before removal by the assessee.	
	21. (1) Every assessee shall furnish an annual return, which may include reconciliation of details declared in the periodic returns furnished for the financial year with the audited annual financial statement, electronically, within such time and in such form and in such manner as may be prescribed:	Annual Return
	Provided that the Central Government may, by notification, exempt any class of assessee from filing annual return under this section.	
	(2) An assessee shall not be allowed to furnish an annual return under sub-section (1) for a financial year after the expiry of a period of three years from the due date of furnishing the said annual return:	
	Provided that the Central Government may, by notification, and subject to such conditions and restrictions as may be specified therein, allow an assessee or a class of assessee to furnish an annual return for a financial year under sub-section (1), even after the expiry of the said period of three years from the due date of furnishing the said annual return.	
	22. (1) Where the assessee is unable to determine the value of excisable goods or determine the rate of duty applicable thereto, he may request the Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, in writing, giving reasons for payment of duty on provisional basis and the Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, may order, within a period not later than ninety days from the date of receipt of such request, allowing payment of duty on provisional basis at such rate or on such value as may be specified by him.	Provisional assessment.
	(2) The payment of duty on provisional basis may be allowed, if the assessee executes a bond in such form, as may be notified, with such surety or security for such amount as the Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, deem fit, binding the assessee for payment of difference between the amount of duty as may be finally assessed and the amount of duty provisionally assessed.	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(3) The Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, shall pass order for final assessment, as soon as may be, after the relevant information, as may be required for finalising the assessment, is available, but within a period not exceeding six months from the date of the communication of the order issued under sub-section (1):	
	Provided that the period specified in this sub-section may, on sufficient cause being shown and the reasons to be recorded in writing, be extended by the Principal Commissioner of Central Excise or Commissioner of Central Excise, as the case may be, for a further period not exceeding six months and by the Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise, as the case may be, for such further period as he may deem fit.	
	(4) The assessee shall be liable to pay interest on any amount paid or payable on the goods under provisional assessment, but not paid on the due date so specified, at the rate as may be specified by the Central Government, by notification under section 24, for the period starting with the first day after the due date till the date of actual payment, whether such amount is paid before or after the issue of order for final assessment.	
	(5) Where the assessee is entitled to a refund consequent to an order of final assessment under sub-section (3), then, subject to sub-section (6), there shall be paid an interest on such refund as provided under section 26.	
	(6) Any amount of refund determined under sub-section (3) shall be credited to the Fund:	
	Provided that the amount of refund, instead of being credited to the Fund, be paid to the applicant, if such amount is relatable to- (a) the duty of excise paid by the manufacturer; or (b) the duty of excise borne by the buyer, if he had not passed on the incidence of such duty to any other person.	
	23. The assessee shall pay the duty on the goods removed from the factory or the warehouse at the rate specified in the First Schedule in such manner and within such period as may be prescribed.	Payment of duty.
	24. (1) Every person, who is liable to pay duty in accordance with the provisions of this Act or the rules made thereunder, but fails to	Interest on delayed

	pay the duty or any part thereof to the Central Government within the period prescribed, shall for the period for which the duty or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding eighteen per cent. per annum, as may be notified by the Central Government.	payment of duty.
	(2) The interest referred to in sub-section (1) shall be paid after due date by the person liable to pay duty and such interest shall be calculated from the day succeeding the day on which such duty becomes due up to the date of actual payment of the amount due.	
	(3) Where the Central Excise duty has been erroneously refunded, the assessee shall pay interest on such erroneously refunded duty, at such rate not exceeding eighteen per cent. per annum, as the Central Government may, by notification, specify and the interest thereof shall be calculated for the period starting from the date of refund of such duty till the date of actual payment of such erroneously refunded Central Excise duty.	
	(4) Where the Central Excise Duty Credit has been wrongly availed and utilised, the assessee shall pay interest on such Central Excise Duty Credit wrongly availed and utilised, at such rate not exceeding eighteen per cent. per annum, as the Central Government may, by notification, specify and the interest thereof shall be calculated for the period starting from the date of utilisation of such wrongly availed Central Excise Duty Credit till the date of reversal of such credit or payment of duty in respect of such amount as may be prescribed.	
	(5) Notwithstanding anything contained in sub-section (1), no interest shall be payable where,—	
	(a) the duty becomes payable consequent to the issue of an order, instruction or direction by the Board under section 105; and	
	(b) such amount of duty is voluntarily paid in full, within forty-five days from the date of issue of such order, instruction or direction, without reserving any right to appeal against the said payment at any subsequent stage of such payment.	
	CHAPTER V REFUNDS	
	25. (1) Any person claiming refund of any duty of excise and interest, if any, paid on such duty may make an application for refund of such duty and interest, if any, paid on such duty to the	Claim for refund of duty and interest, if

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise before the expiry of one year from the relevant date in such form and manner as may be prescribed and the application shall be accompanied by such documentary or other evidence, including the documents referred to in sub-section (1) of section 15, as the applicant may furnish to establish that the amount of duty of excise and interest, if any, paid on such duty in relation to which such refund is claimed was collected from, or paid by, him and the incidence of such duty and interest, if any, paid on such duty had not been passed on by him to any other person:	any, paid on such duty.
	Provided that the limitation of one year shall not apply where any duty and interest, if any, paid on such duty has been paid under protest.	
	(2) When any goods are exported, the Central Government may, on an application, grant rebate of— (a) duty paid on excisable goods, as may be specified by it by notification; or (b) duty paid on materials used in the manufacture or processing of such goods, subject to such procedure, safeguards, conditions and limitations as may be prescribed.	
52 of 1962.	(3) A manufacturer who clears a final product or an intermediate product for export without payment of duty under bond or letter of undertaking, shall, on an application, be allowed refund of Central Excise Duty Credit, based on such formula and subject to such procedure, safeguards, conditions and limitations, as may be prescribed.	
	Provided that no refund of credit shall be allowed if the manufacturer avails of drawback allowed under the rules made under section 75 of the Customs Act, 1962, or claims refund of duty under this Act or the rules made thereunder.	
	(4) If, on receipt of any application under sub-section (1) or sub-section (2) or sub-section (3), the Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise is satisfied that the whole or any part of the amount claimed by the applicant is refundable, he may make an order accordingly and the amount so determined shall be credited to the Consumer Welfare Fund:	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>Provided that the amount so determined by the Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise under the foregoing provisions of this sub-section shall, instead of being credited to the Fund, be paid to the applicant, if such amount is relatable to—</p>	
	<p>(a) refund of duty of excise on excisable goods exported out of India or on excisable materials used in the manufacture of goods which are exported out of India;</p>	
	<p>(b) unspent advance deposits lying in balance in the account current of the applicant maintained with the Principal Commissioner of Central Excise or Commissioner of Central Excise;</p>	
	<p>(c) refund of credit of duty paid on excisable goods used as inputs in accordance with the rules made, or any notification issued, under this Act;</p>	
	<p>(d) the duty of excise and interest, if any, paid on such duty paid by the manufacturer, if he had not passed on the incidence of such duty and interest, if any, paid on such duty to any other person;</p>	
	<p>(e) the duty of excise and interest, if any paid on such duty borne by the buyer, if he had not passed on the incidence of such duty and interest, if any, paid on such duty to any other person;</p>	
	<p>(f) the duty of excise and interest, if any paid on such duty borne by any other such class of applicants as the Central Government may, by notification, specify:</p>	
	<p>Provided further that no notification under clause (f) of the first proviso shall be issued unless, in the opinion of the Central Government, the incidence of duty and interest, if any, paid on such duty has not been passed on by the persons concerned to any other person.</p>	
	<p>(5) Notwithstanding anything to the contrary contained in any other law for the time being in force, no refund shall be made except as provided in sub-section (4).</p>	
	<p>(6) Every notification under clause (f) of the first proviso to sub-section (4) shall be laid, as soon as may be after it is issued, before each House of Parliament, while it is in session, and, if it is not in session, within seven days of its re-assembly, and the Central Government shall seek the approval of Parliament to the</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	notification by a resolution moved within a period of fifteen days beginning with the day on which the notification is so laid before the House of the People, and if, Parliament makes any modification in the notification or directs that the notification should cease to have effect, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, but without prejudice to the validity of anything previously done under that notification.	
	(7) For the removal of doubts, it is hereby declared that any notification issued under clause (f) of the first proviso to sub-section (4), including any such notification approved or modified under sub-section (6), may be rescinded by the Central Government at any time by like notification.	
	<i>Explanation.</i> — For the purposes of this section,—	
	(a) “export” with its grammatical variations and cognate expressions, means taking goods out of India to a place outside India and includes shipment of goods as provision or stores for use on board a ship proceeding to a foreign port or supplied to a foreign going aircraft.	
	(b) "refund" includes rebate of duty of excise;	
	(c) "relevant date" means,—	
	(i) in the case of goods exported out of India, where a refund of duty of excise paid is available in respect of the goods themselves or the excisable materials used in the manufacture of such goods, as the case may be, —	
	(I) if the goods are exported by sea or air, the date on which the ship or the aircraft in which such goods are loaded, leaves India; or	
	(II) if the goods are exported by land, the date on which such goods pass the frontier; or	
	(III) if the goods are exported by post, the date of dispatch of goods by the Post Office concerned to a place outside India;	
	(ii) in the case of goods returned for being remade, refined, reconditioned, or subjected to any other similar process, in any factory, the date of entry into the factory for the purposes aforesaid;	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(iii) in a case where a manufacturer is required to pay a sum, for a certain period, on the basis of the rate fixed by the Central Government, by notification, in full discharge of his liability for the duty leviable on his production of certain goods, if after the manufacturer has made the payment on the basis of such rate for any period but before the expiry of that period such rate is reduced, the date of such reduction;	
	(iv) in the case of a person, other than the manufacturer, the date of purchase of the goods by such person;	
	(v) in the case of goods which are exempt from payment of duty by a special order issued under sub-section (3) of section 10, the date of issue of such order;	
	(vi) in case where duty of excise is paid provisionally under this Act or the rules made thereunder, the date of adjustment of duty after the final assessment thereof;	
	(vii) in case where the duty becomes refundable as a consequence of judgment, decree, order or direction of Commissioner of Central Excise (Appeals), Appellate Tribunal or any court, the date of such judgment, decree, order or direction;	
	(viii) in any other case, the date of payment of duty.	
	26. If any duty ordered to be refunded under sub-section (4) of section 25 to any applicant is not refunded within sixty days from the date of receipt of application under sub-section (1) or sub-section (2) or sub-section (3) of that section, there shall be paid to that applicant interest on such duty at such rate, not exceeding six per cent. per annum, as the Central Government may, by notification, specify, from the date immediately after the expiry of sixty days from the date of receipt of such application till the date of refund of such duty.	Interest on delayed refunds.
	<i>Explanation.</i> — Where any order of refund is made by the Commissioner of Central Excise (Appeals), or Appellate Tribunal, or any court against an order of the Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise, under sub-section (4) of section 25, the order passed by the Commissioner of Central Excise (Appeals), or by the Appellate Tribunal, or by the court, as the case may be, shall be deemed to be an order passed under the said sub-section (4) for the purposes of this section.	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	27. Every person who has paid the central excise duty on any goods under this Act shall, unless the contrary is proved by him, be deemed to have passed on the full incidence of such duty to the buyer of such goods.	Presumption that incidence of duty has been passed on to buyer.
	28. (1) There shall be established by the Central Government a Fund, to be called the Consumer Welfare Fund.	Consumer Welfare Fund.
	(2) There shall be credited to the Fund, in such manner as may be prescribed,—	
	(a) the amount of duty of excise referred to in sub-section (4) of section 25 or sub-section (2) of section 34 or sub-section (7) of section 35;	
52 of 1962.	(b) the amount of duty of customs referred to in sub-section (2) of section 27 or sub-section (2) of section 28A, or sub-section (5) of section 28B of the Customs Act, 1962;	
	(c) any income from investment of the amount credited to the Fund and any other monies received by the Central Government for the purposes of this Fund.	
12 of 2017.	29. Any money credited to the Fund shall be utilised by the Central Government for the welfare of the consumers in such manner, as may be prescribed.	Utilisation of Fund.
	(2) The Central Government shall maintain or, if it thinks fit, specify the authority which shall maintain proper and separate account and other relevant records in relation to the Fund in such forms as may be prescribed, in consultation with the Comptroller and Auditor-General of India.	
	CHAPTER VI AUDIT	
	30. (1) The Central Excise Officer may undertake audit of any registered person either in his office or in the premises of the assessee for such period, at such frequency and in such manner, as may be prescribed.	Audit by Central Excise Officers.
	(2) During the course of the audit, the Central Excise Officer may require the registered person, - (a) to afford him the necessary facility to verify the books of account or other documents as he may require;	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(b) to furnish such information as he may require and render assistance for the completion of the audit.	
	31. (1) If at any stage of enquiry, investigation or any other proceedings before him, any Central Excise Officer not below the rank of Assistant Commissioner of Central Excise, having regard to the nature and complexity of the case and the interest of revenue, is of opinion that the value has not been correctly declared or determined by a manufacturer or any person, or the credit availed or utilised is not within the normal limits, he may, with the prior approval of the Principal Commissioner of Central Excise or Commissioner of Central Excise, direct such manufacturer or such person to get the accounts of his factory, office, depots, distributors or any other place, as may be specified by the said Central Excise Officer, audited by a cost accountant or chartered accountant, nominated by the Principal Commissioner of Central Excise or Commissioner of Central Excise in this behalf.	Special Audit in certain cases.
	(2) The cost accountant or chartered accountant, so nominated under sub-section (1) shall, within the period specified by the Central Excise Officer, submit a report of such audit duly signed and certified by him to the said Central Excise Officer mentioning therein such other particulars as may be specified:	
	Provided that the Central Excise Officer may, on an application made to him in this behalf by the manufacturer or the person and for any material and sufficient reason, extend the said period by such further period or periods as he thinks fit; so, however, that the aggregate of the period originally fixed and the period or periods so extended shall not, in any case, exceed one hundred and eighty days from the date on which the direction under sub-section (1) is received by the manufacturer or the person.	
	(3) The provisions of sub-section (1) shall have effect notwithstanding that the accounts of the manufacturer or person referred to in sub-section (1) have been audited under any other law for the time being in force.	
	(4) The manufacturer or the person shall be given an opportunity of being heard in respect of any material gathered on the basis of audit under sub-section (1) and proposed to be utilised in any proceedings under this Act or rules made thereunder.	
	<i>Explanation.</i> — For the purposes of this section,— (a) “chartered accountant” shall have the meaning assigned to it in clause (b) of sub-section (1) of section 2 of the Chartered	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

38 of 1949. 23 of 1959.	Accountants Act, 1949; (b) “cost accountant” shall have the meaning assigned to it in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959.	
	CHAPTER VII DEMANDS AND RECOVERY	
	32.(1) Where any duty of excise has not been levied or paid or has been short-levied or short-paid or erroneously refunded or where Central Excise Duty Credit has been wrongly availed or utilized, for any reason—	Determination of duties not levied or not paid or short-levied or short-paid or erroneously refunded or Central Excise Duty Credit wrongly availed or utilized.
	(a) the Central Excise Officer shall, within three years from the relevant date, serve notice on the person chargeable with the duty which has not been so levied or paid, or which has been so short-levied or short-paid, or to whom the refund has erroneously been made, or who has wrongly availed or utilized Central Excise Duty Credit, requiring him to show cause why he should not pay the amount specified in the notice along with interest payable thereon under section 24 and a penalty leviable under the provisions of this Act or the rules made thereunder.	
	(b) the person chargeable with duty may, before service of notice under clause (a), pay on the basis of,— (i) his own ascertainment of such duty; or (ii) the duty ascertained by the Central Excise Officer, the amount of duty along with interest payable thereon under section 24.	
	(2) The person who has paid the duty under clause (b) of sub-section (1), shall inform the Central Excise Officer of such payment in writing, who, on receipt of such information, shall not serve any notice under clause (a) of that sub-section in respect of the duty so paid or any penalty leviable under the provisions of this	

**Ministry of Finance
Department of Revenue**

	Act or the rules made thereunder.	
	(3) Where the Central Excise Officer is of opinion that the amount paid under clause (b) of sub-section (1) falls short of the amount actually payable, then, he shall proceed to issue the notice as provided for in clause (a) of that sub-section in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of three years shall be computed from the date of receipt of information under sub-section (2).	
	(4) Notwithstanding anything contained in sub-section (1) or sub-section (3), the Central Excise Officer may, serve, subsequent to any notice or notices served under any of those sub-sections, as the case may be, a statement, containing the details of central excise duty not levied or paid, or short-levied or short-paid, or erroneously refunded or Central Excise Duty Credit wrongly availed or utilized, for the subsequent period, on the person chargeable to central excise duty, then, service of such statement shall be deemed to be service of notice on such person under the aforesaid sub-section (1) or sub-section (3), subject to the condition that the grounds relied upon for the subsequent period are the same as are mentioned in the earlier notice or notices.	
	(5) Where the service of notice is stayed by an order of a court or the Appellate Tribunal, the period of such stay shall be excluded in computing the period of three years referred to in clause (a) of sub-section (1) as the case may be.	
	(6) The Central Excise Officer shall, after allowing the concerned person an opportunity of being heard, and after considering the representation, if any, made by such person, determine the amount of central excise duty due from such person not being in excess of the amount specified in the notice.	
	(7) The Central Excise Officer shall determine the amount of central excise duty under sub-section (6) within one year from the date of notice issued under sub-section (1):	
	Provided that where the Central Excise Officer fails to so determine within the specified period, any officer senior in rank to the Central Excise Officer may, having regard to the circumstances under which the Central Excise Officer was prevented from determining the amount of duty under sub-section (6), extend the period upto a maximum period of six months for reasons to be recorded in writing:	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>Provided further that where the Central Excise Officer fails to determine the amount of central excise duty under sub-section (6) within such extended period, such proceeding shall be deemed to have concluded as if no notice had been issued.</p>	
	<p>(8) Notwithstanding anything contained in sub-section (7), where the Central Excise Officer is unable to determine the amount of duty under sub-section (6) for the reason that—</p> <ul style="list-style-type: none"> (a) an appeal in a similar matter of the same person or any other person is pending before the Appellate Tribunal or the High Court or the Supreme Court; or (b) an interim order of stay has been issued by the Appellate Tribunal or the High Court or the Supreme Court; or (c) the Board has, in a similar matter, issued specific direction or order to keep such matter pending; or (d) the Settlement Commission has admitted an application made by the person concerned, <p>the Central Excise Officer shall inform the person concerned the reason for non-determination of the amount of duty under sub-section (6) and in such case, the time specified in sub-section (7) shall apply not from the date of notice, but from the date when such reason ceases to exist.</p>	
	<p>(9) Where the Commissioner of Central Excise (Appeals) or the Appellate Tribunal or court modifies the amount of duty of excise determined by the Central Excise Officer under sub-section (6), then the amount of penalties and interest shall stand modified accordingly, taking into account the amount of duty of excise so modified.</p>	
	<p>(10) Where the amount as modified by the Commissioner of Central Excise (Appeals) or the Appellate Tribunal or court is more than the amount determined under sub-section (6) by the Central Excise Officer, the time within which the interest or penalty is payable under this Act shall be counted from the date of the order of the Commissioner of Central Excise (Appeals) or the Appellate Tribunal or court in respect of such increased amount.</p>	
	<p>(11) Where an order determining the central excise duty is passed by the Central Excise Officer under this section, the person liable to pay the said central excise duty shall pay the amount so determined along with the interest due on such amount whether or not the amount of interest is specified separately.</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(12) The provisions of sub-sections (1) to (11) shall apply, mutatis mutandis, to the determination of interest where interest payable has not been paid, or part paid, or erroneously refunded.	
	(13) The provisions of this section shall not apply to a case where the liability of duty not paid or short-paid is self-assessed and declared as duty payable by the assessee in the periodic returns filed by him, and in such case, recovery of non-payment or short-payment of duty shall be made as per section 37 and the rules made thereunder.	
	(14) Where any order is required to be issued by a Central Excise Officer in pursuance of a direction or order of the Commissioner of Central Excise (Appeals) or Appellate Tribunal or a court, such order shall be issued by the Central Excise Officer within one year from the date of communication of the said direction or order:	
	Provided that where the Central Excise Officer fails to so determine within the specified period, any officer senior in rank to the Central Excise Officer may, having regard to the circumstances under which the Central Excise Officer was prevented from determining the amount of duty, extend the period upto a maximum period of six months for reasons to be recorded in writing.	
	<p><i>Explanation 1.</i>— For the purposes of this section and section 33,—</p> <p>(a) “refund” includes rebate of duty of excise on excisable goods exported out of India or on excisable materials used in the manufacture of goods which are exported out of India;</p> <p>(b) “relevant date” means,—</p> <p>(i) the due date for furnishing of annual return for the financial year to which the central excise duty not levied or paid, or short-levied or short-paid relates to;</p> <p>(ii) in any other case, the date on which duty of excise is required to be paid under this Act or the rules made thereunder;</p> <p>(iii) in a case where duty of excise is provisionally assessed under this Act or the rules made thereunder, the date of adjustment of duty after the final assessment thereof;</p> <p>(iv) in the case of excisable goods on which duty of excise has been erroneously refunded, the date of</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p style="text-align: center;">such refund;</p> <p style="text-align: center;">(v) in the case where only interest is to be recovered, the date of payment of duty to which such interest relates;</p> <p style="text-align: center;">(vi) in the case where Central Excise Duty Credit has been wrongly availed or utilised as per clause (i) above, as applicable.</p>	
1 of 1944	<p>Explanation 2.— For the removal of doubts, it is hereby declared that notwithstanding anything to the contrary contained in any other law for the time being in force, in cases where notice has been issued for duty of excise not levied or paid or short-levied or short-paid or erroneously refunded or CENVAT credit wrongly availed or utilised, prior to the date on which this Act is notified by the Central Government, such notice shall continue to be governed by the provisions of section 11A of the Central Excise Act, 1944 as it stood immediately before such date.</p>	
	<p>33. (1) The amount of penalty for non-levy, or short-levy, or non-payment, or short-payment, or erroneous refund or Central Excise Duty Credit wrongly availed or utilized, shall be as follows—</p>	<p>Penalty for short-levy or non-levy of duty or erroneous refund or Central Excise Duty Credit wrongly availed or utilized, in certain cases.</p>
	<p>(a) where any duty of excise has not been levied or paid, or has been short-levied or short-paid, or erroneously refunded, or where Central Excise Duty Credit has been wrongly availed or utilized, for any reason other than the reason of fraud, or any willful mis-statement, or suppression of facts to evade payment of duty, the person who is liable to pay duty as determined under sub-section (6) of section 32 shall also be liable to pay a penalty not exceeding ten per cent. of the duty so determined:</p>	
	<p>Provided that where such duty and interest payable under section 24 is paid either before the issue of show cause notice or within thirty days of issue of show cause notice, no penalty shall be payable by the person liable to pay duty or the person who has paid the duty and all proceedings in respect of said duty and interest shall be deemed to be</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	concluded;	
	(b) where any duty as determined under sub-section (6) of section 32 and the interest payable thereon under section 24 in respect of transactions referred to in clause (a) is paid within thirty days of the date of communication of the order of the Central Excise Officer who has determined such duty, the amount of penalty liable to be paid by such person shall be twenty-five per cent. of the penalty imposed, subject to the condition that such reduced penalty is also paid within the period so specified and all proceedings in respect of the said duty, interest and penalty shall be deemed to be concluded;	
	(c) where any duty of excise has not been levied or paid or has been short-levied or short-paid or erroneously refunded, by reason of fraud or any willful mis-statement or suppression of facts to evade payment of duty, the person who is liable to pay duty as determined under sub-section (6) of section 32 shall also be liable to pay a penalty equal to the duty so determined:	
	Provided that where such duty and interest payable under section 24 is paid before the issuance of show cause notice, the amount of penalty liable to be paid by such person shall be fifteen per cent. of the duty demanded, subject to the condition that such reduced penalty is also paid within the period so specified and all proceedings in respect of the said duty, interest and penalty shall be deemed to be concluded;	
	(d) where any duty demanded in a show cause notice and the interest payable thereon under section 24 issued in respect of transactions referred to in clause (c), is paid within thirty days of the communication of show cause notice, the amount of penalty liable to be paid by such person shall be twenty-five per cent. of the duty demanded, subject to the condition that such reduced penalty is also paid within the period so specified and all proceedings in respect of the said duty, interest and penalty shall be deemed to be concluded;	
	(e) where any duty as determined under sub-section (6) of section 32 and the interest payable thereon under section 24 in respect of transactions referred to in clause (c) is paid within thirty days of the date of communication of the order of the Central Excise Officer who has determined such duty, the amount of penalty liable to be paid by such person shall be fifty per cent. of the duty so determined,	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	subject to the condition that such reduced penalty is also paid within the period so specified and all proceedings in respect of the said duty, interest and penalty shall be deemed to be concluded.	
	<p>Explanation : For the purposes of this Act, -</p> <p>(i) the expression “all proceedings in respect of the said notice shall not include the proceedings under section 90.”</p> <p>(ii) the expression "suppression" shall mean non-declaration of facts or information which an assessee is required to declare in the returns, statement, report or any other document furnished under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing, by the Central Excise officer.</p>	
	(2) Where the appellate authority or tribunal or court modifies the amount of duty of excise determined by the Central Excise Officer under sub-section (6) of section 32, then, the amount of penalty payable under clause (a) or clause (c) of sub-section (1) and the interest payable under section 24 shall stand modified accordingly and after taking into account the amount of duty of excise so modified, the person who is liable to pay duty as determined under sub-section (6) of section 32 shall also be liable to pay such amount of penalty and interest so modified.	
	(3) Where the amount of duty or penalty is increased by the appellate authority or tribunal or court over the amount determined under sub-section (6) of section 32 by the Central Excise Officer, the time within which the interest and the reduced penalty is payable under clause (b) or clause (e) of sub-section (1) in relation to such increased amount of duty shall be counted from the date of the order of the appellate authority or tribunal or court.	
	34. (1) Notwithstanding anything contained in this Act, if the Central Government is satisfied—	
	(a) that a practice was, or is, generally prevalent regarding levy of duty of excise (including non- levy thereof) on any excisable goods; and	Power not to recover duty of excise not levied or short-levied as a result of general practice.
	<p>(b) that such goods were, or are, liable—</p> <p>(i) to duty of excise, in cases where according to the said practice the duty was not, or is not being, levied; or</p> <p>(ii) to a higher amount of duty of excise than what was, or is being, levied, according to the said practice,</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>then, the Central Government may, by notification, direct that the whole of the duty of excise payable on such goods, or, as the case may be, the duty of excise in excess of that payable on such goods, but for the said practice, shall not be required to be paid in respect of the goods on which the duty of excise was not, or is not being, levied, or was, or is being, short-levied, in accordance with the said practice.</p>	
	<p>(2) Where any notification under sub-section (1) in respect of any goods has been issued, the whole of the duty of excise paid on such goods or, as the case may be, the duty of excise paid in excess of that payable on such goods, which would not have been paid if the said notification had been in force, shall be dealt with in accordance with the provisions of sub-section (4) of section 25:</p>	
	<p>Provided that the person claiming the refund of such duty or, as the case may be, excess duty, makes an application in this behalf to the Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise, in the form referred to in sub-section (1) of section 25, before the expiry of six months from the date of issue of the said notification.</p>	
	<p>35. (1) Notwithstanding anything to the contrary contained in any order or direction of the Appellate Tribunal or any Court or in any other provision of this Act or the rules made thereunder, every person who has collected from any other person any amount as representing the duty under this Act, and has not paid the said amount to the Central Government, shall forthwith pay the said amount to the Central Government, irrespective of whether the goods in respect of which such amount was collected are dutiable or not.</p>	<p>Duties of excise collected but not paid to the Central Government</p>
	<p>(2) Where any amount is required to be paid to the credit of the Central Government under sub-section (1) and which has not been so paid, the Central Excise Officer may serve, on the person liable to pay such amount, a notice requiring him to show cause why the said amount, as specified in the notice, should not be paid by him to the credit of the Central Government and why a penalty equivalent to the amount specified in the notice should not be imposed on him under the provisions of this Act.</p>	
	<p>(3) The Central Excise Officer shall, after considering the representation, if any, made by the person on whom the notice is served under sub-section (2), determine the amount due from such person (not being in excess of the amount specified in the notice) and thereupon such person shall pay the amount so determined.</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(4) The Central Excise Officer shall issue an order within one year from the date of issue of the notice under sub-section (2).	
	(5) Where the issuance of order is stayed by an order of the court or Appellate Tribunal, the period of such stay shall be excluded in computing the period of one year.	
	(6) The amount paid to the credit of the Central Government under sub-section (1) or sub-section (3), as the case may be, shall be adjusted against the duty of excise payable by the person on finalisation of assessment or any other proceeding for determination of the duty of excise relating to the excisable goods referred to in sub-section (1).	
	(7) Where any surplus is left after the adjustment under sub-section (6), the amount of such surplus shall either be credited to the Fund or refunded to the person who has borne the incidence of such amount.	
	(8) The person who has borne the incidence of the amount, may apply for the refund of the same in accordance with the provisions of section 25 for the refund of such surplus amount.	
	36. (1) Where an amount has been collected in excess of the duty assessed or determined and paid or payable on any excisable goods under this Act or the rules made thereunder from the buyer of such goods, or from any person, or where a person has collected any amount as representing duty of excise on any excisable goods which are wholly exempt or are chargeable to nil rate of duty, the person who is liable to pay such amount as determined under sub-section (3) of section 35, shall, in addition to the amount, be liable to pay interest at such rate not exceeding eighteen per cent. per annum, as the Central Government may, by notification, specify, from the first day of the month succeeding the month in which the amount ought to have been paid under this Act, but for the provisions contained in sub-section (3) of section 35, till the date of payment of such amount:	Interest on amounts collected in excess of duty.
	Provided that in such cases where the amount becomes payable consequent to issue of an order, instruction or direction by the Board under section 105, and such amount payable is voluntarily paid in full, without reserving any right to appeal against such payment at any subsequent stage, within forty-five days from the date of issue of such order, instruction or direction, as the case may be, no interest shall be payable and in other cases the interest shall be payable on the whole amount, including the amount already paid.	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p style="text-align: center;"><i>Explanation.</i>— Where the amount determined under sub-section (3) of section 35 is —</p> <p>(a) reduced by the Commissioner of Central Excise (Appeals), or the Appellate Tribunal, or the court, the interest payable thereon under sub-section (1) shall be on such reduced amount;</p> <p>(b) increased by the Commissioner of Central Excise (Appeals), or the Appellate Tribunal, or the court, the interest payable thereon under sub-section (1) shall be on such increased amount.</p>	
	<p>37. (1) Where any amount payable by a person to the Central Government under any of the provisions of this Act or the rules made thereunder is not paid, the Central Excise Officer shall proceed to recover the amount by one or more of the following modes, namely:-</p> <p>(a) the Central Excise Officer may deduct or may require any other specified officer to deduct the amount so payable from any money owing to such person which may be under the control of the Central Excise Officer or such other specified officer;</p> <p>(b) the Central Excise Officer may recover or may require any other specified officer to recover the amount so payable by attaching and selling any goods belonging to such person which are under the control of the Central Excise Officer or such other specified officer;</p> <p>(c)</p> <p>(i) the Central Excise Officer may, by a notice in writing, require any other person from whom money is due or may become due to such person or who holds or may subsequently hold money for or on account of such person, to pay to the Central Government either forthwith upon the money becoming due or being held, or within the time specified in the notice not being before the money becomes due or is held, so much of the money as is sufficient to pay the amount due from such person or the whole of the money when it is equal to or less than that amount;</p> <p>(ii) every person to whom the notice is issued under sub-clause (i) shall be bound to comply with such notice, and in particular, where any such notice is issued to a post office, banking company or an insurer, it shall not be necessary to produce any pass book, deposit receipt, policy</p>	<p>Recovery of sums due to Government</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>or any other document for the purpose of any entry, endorsement or the like being made before payment is made, notwithstanding any rule, practice or requirement to the contrary;</p> <p>(iii) in case the person to whom a notice under sub-clause (i) has been issued, fails to make the payment in pursuance thereof to the Central Government, he shall be deemed to be a defaulter in respect of the amount specified in the notice and all the consequences of this Act or the rules made thereunder shall follow;</p> <p>(iv) the officer issuing a notice under sub-clause (i) may, at any time, amend or revoke such notice or extend the time for making any payment in pursuance of the notice;</p> <p>(v) any person making any payment in compliance with a notice issued under sub-clause (i) shall be deemed to have made the payment under the authority of the person in default and such payment being credited to the Central Government shall be deemed to constitute a good and sufficient discharge of the liability of such person to the person in default to the extent of the amount specified in the receipt;</p> <p>(vi) any person discharging any liability to the person in default after service on him of the notice issued under sub-clause (i) shall be personally liable to the Central Government to the extent of the liability discharged or to the extent of the liability of the person in default for duty, interest and penalty, whichever is less;</p> <p>(vii) where a person on whom a notice is served under sub-clause (i) proves to the satisfaction of the officer issuing the notice that the money demanded or any part thereof was not due to the person in default or that he did not hold any money for or on account of the person in default, at the time the notice was served on him, nor is the money demanded or any part thereof, likely to become due to the said person or be held for or on account of such person, nothing contained in this section shall be deemed to require the person on whom the notice has been served to pay to the Central Government any such money or part thereof;</p> <p>(d) the Central Excise Officer may, in accordance with the rules to be made in this behalf, distrain any movable or immovable property belonging to or under the control of such person, and detain the same until the amount payable is paid; and in case, any part of the said amount payable or of the cost of the distress or keeping of the property, remains unpaid for a period of thirty</p>	
--	---	--

<p>46 of 2023.</p>	<p>days next after any such distress, may cause the said property to be sold and with the proceeds of such sale, may satisfy the amount payable and the costs including cost of sale remaining unpaid and shall render the surplus amount, if any, to such person;</p> <p>(e) the Central Excise Officer may prepare a certificate signed by him specifying the amount due from such person and send it to the Collector of the district in which such person owns any property or resides or carries on his business or to any officer authorised by the Central Government and the said Collector or the said officer, on receipt of such certificate, shall proceed to recover from such person the amount specified thereunder as if it were an arrear of land revenue;</p> <p>(f) Notwithstanding anything contained in the Bharatiya Nagarik Suraksha Sanhita, 2023, the Central Excise Officer may file an application to the appropriate Magistrate and such Magistrate shall proceed to recover from such person the amount specified thereunder as if it were a fine imposed by him.</p>	
	<p>(2) Where the terms of any bond or other instrument executed under this Act or any rules or regulations made thereunder provide that any amount due under such instrument may be recovered in the manner laid down in sub-section (1), the amount may, without prejudice to any other mode of recovery, be recovered in accordance with the provisions of that sub-section.</p>	
	<p>(3) Where any amount of duty, interest or penalty is payable by a person to the Central Government under any of the provisions of this Act or the rules made thereunder and which remains unpaid, the Central Excise Officer, during the course of recovery of said duty arrears, may recover the amount from the said person as if it were an arrear of central excise duty and credit the amount so recovered to the account of the Central Government.</p>	
<p>18 of 2013. 51 of 1993. 54 of 2002. 31 of 2016.</p>	<p>38. Notwithstanding anything to the contrary contained in any Central Act or State Act, any amount of duty, penalty, interest, or any other sum payable by an assessee or any other person under this Act or the rules made thereunder shall, save as otherwise provided in section 326 of the Companies Act, 2013, the Recovery of Debts Due to Banks and the Financial Institutions Act, 1993, the Securitisation and Reconstruction of Financial Assets and the Enforcement of Security Interest Act, 2002 and the Insolvency and Bankruptcy Code, 2016, be the first charge on the property of the assessee or the person, as the case may be.</p>	<p>Liability under Act to be first charge.</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

52 of 1962.	<p>39. (1) Where, during the pendency of any proceedings under Chapter IV, Chapter VII and Chapter X, the Central Excise Officer is of opinion that for the purpose of protecting the interests of revenue, it is necessary so to do, he may, with the prior approval of the Principal Commissioner of Central Excise or Commissioner of Central Excise, by order in writing, attach provisionally any property belonging to the person on whom notice is served under section 32 or sub-section (2) of section 35, as the case may be.</p>	Provisional attachment to protect revenue in certain cases.
	(2) Every such provisional attachment shall cease to have effect after the expiry of a period of six months from the date of the order made under sub-section (1):	
	<p style="text-align: center;">Provided that the Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise may, for reasons to be recorded in writing, extend the said period by such further period or periods as he thinks fit, so, however, that the total period of extension shall not in any case exceed two years:</p>	
	<p style="text-align: center;">Provided further that where an application for settlement of case under section 48 is made to the Settlement Commission, the period commencing from the date on which such application is made and ending with the date on which an order under sub-section (1) of section 49 is made shall be excluded from the period specified in the preceding proviso.</p>	
30 of 2013.	<p>40. (1) Notwithstanding anything contained in the Companies Act, 2013, where any duty, interest or penalty due from a private company in respect of removal of any excisable goods for any period cannot be recovered, then, every person who was a director of the private company during such period shall, jointly and severally, be liable for the payment of such duty, interest or penalty unless he proves that the non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company.</p>	Liability of directors of private company
	(2) Where a private company is converted into a public company and the duty, interest or penalty in respect of removal of any excisable goods for any period during which such company was a private company cannot be recovered before such conversion, then, nothing contained in sub-section (1) shall apply to any person who was a director of such private company in relation to any duty, interest or penalty in respect of such removal of any excisable goods of such private company:	
	Provided that nothing contained in this sub-section shall apply to	

	any personal penalty imposed on such director.	
	41. Notwithstanding any contract to the contrary and any other law for the time being in force, where any firm is liable to pay any duty, interest or penalty under this Act, the firm and each of the partners of the firm shall, jointly and severally, be liable for such payment:	Liability of partners of firm to pay duty
	Provided that where any partner retires from the firm, he or the firm, shall intimate the date of retirement of the said partner to the Principal Commissioner of Central Excise or Commissioner of Central Excise by a notice in that behalf in writing and such partner shall be liable to pay duty, interest or penalty due up to the date of his retirement whether determined or not, on that date:	
	Provided further that if no such intimation is given within one month from the date of retirement, the liability of such partner under the first proviso shall continue until the date on which such intimation is received by the Principal Commissioner of Central Excise or Commissioner of Central Excise.	
	CHAPTER VIII SETTLEMENT COMMISSION	
	42. In this Chapter, unless the context otherwise requires,—	Definitions
	(a) “Bench” means a Bench of the Settlement Commission;	
	(b) “case” means any proceeding under this Act or any other Act for the— (i) levy or assessment or collection of duty of excise; or (ii) determination of Central Excise Duty Credit wrongly availed or utilised, and pending before an adjudicating authority on the date on which an application under sub-section (1) of section 48 is made:	
	Provided that when any proceeding is referred by any court, Appellate Tribunal or any other authority, to the adjudicating authority for fresh adjudication or decision, then such proceeding shall not be deemed to be a proceeding pending within the meaning of this clause;	
	(c) “Chairperson” means the Chairperson of the Settlement Commission;	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(d) “Commissioner (Investigation)” means an officer of the Customs or a Central Excise Officer appointed as such Commissioner to conduct inquiry or investigation for the purposes of this Chapter;	
	(e) “Member” means a Member of the Settlement Commission and includes the Chairperson and the Vice-Chairperson;	
	(f) “Settlement Commission” means the Customs, Central Excise and Service Tax Settlement Commission constituted under section 43; and	
	(g) “Vice-Chairperson” means a Vice-Chairperson of the Settlement Commission.	
52 of 1962.	43. (1) The Central Government shall, by notification, constitute a Commission to be called the Customs, Central Excise and Service Tax Settlement Commission for the settlement of cases under this Chapter and Chapter XIV-A of the Customs Act, 1962.	Customs, Central Excise and Service Tax Settlement Commission.
	(2) The Settlement Commission shall consist of a Chairperson and as many Vice-Chairpersons and other Members as the Central Government thinks fit and shall function within the Department of the Central Government dealing with Customs and Central Excise matters.	
	(3) The Central Government shall appoint the Chairperson, Vice-Chairpersons and other Members of the Settlement Commission from amongst persons of integrity and outstanding ability, having special knowledge of, and experience in, administration of customs and central excise laws.	
	44. (1) Subject to the other provisions of this Chapter, the jurisdiction, powers and authority of the Settlement Commission may be exercised by the Benches thereof.	Jurisdiction and powers of Settlement Commission.
	(2) Subject to the other provisions of this section, a Bench shall be presided over by the Chairperson or a Vice-Chairperson and shall consist of two other Members.	
	(3) The Bench for which the Chairperson is the presiding officer shall be the principal Bench and other Benches shall be known as additional Benches.	
	(4) Notwithstanding anything contained in sub-section (1) and sub-section (2), the Chairperson may, in addition, authorise the Vice-Chairperson or other Member appointed to one Bench to discharge	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	the functions of the Vice-Chairperson or, as the case may be, other Member of another Bench.	
	(5) The principal Bench shall sit at New Delhi and the Central Government shall, by notification, establish additional Benches at such places as it considers necessary.	
	(6) Notwithstanding anything contained in sub-sections (1) to (5), and subject to any rules that may be made in this behalf, when one of the persons constituting a Bench (whether such person be the presiding officer or other Member of the Bench) is unable to discharge his functions owing to absence, illness or any other cause or in the event of the occurrence of any vacancy either in the office of the presiding officer or in the office of one or the other Members of the Bench, the remaining Members may function as the Bench and if the presiding officer of the Bench is not one of the remaining Members, the senior among the remaining Members shall act as the presiding officer of the Bench:	
	Provided that if at any stage of the hearing of any such case or matter, it appears to the presiding officer that the case or matter is of such a nature that it ought to be heard by a Bench consisting of three Members, the case or matter may be referred by the presiding officer of such Bench to the Chairperson for transfer to such Bench as the Chairperson may deem fit:	
	Provided further that at any stage of the hearing of any such case or matter, referred to in the first proviso, the Chairperson may, if he thinks that the case or matter is of such a nature that it ought to be heard by a Bench consisting of three Members, constitute such Bench and if the Vice-Chairperson is not one of the Members, the senior among the Members shall act as the presiding officer of such Bench.	
	(7) Notwithstanding anything contained in sub-sections (1) to (6), the Chairperson may, for the disposal of any particular case, constitute a special Bench consisting of more than three Members.	
	(8) Subject to the other provisions of this Chapter, the special Bench shall sit at a place to be fixed by the Chairperson.	
	45. (1) In the event of the occurrence of any vacancy in the office of the Chairperson by reason of his death, resignation or otherwise, the Vice-Chairperson or the Member as the Central Government may, by notification, authorise in this behalf, shall act as the Chairperson until the date on which a new Chairperson, appointed in accordance with the provisions of this Chapter to fill such	Vice-Chairperson to act as Chairperson or to discharge his functions in certain

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	vacancy, enters upon his office.	circumstances.
	(2) When the Chairperson is unable to discharge his functions owing to absence, illness or any other cause, the Vice-Chairperson or the Member as the Central Government may, by notification, authorise in this behalf, shall discharge the functions of the Chairperson until the date on which the Chairperson resumes his duties.	
	46. The Chairperson may, on an application of the assessee or the Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise or Principal Commissioner of Central Excise or Commissioner of Central Excise, after giving notice, and hearing such of them as he may desire to be heard, or on his own motion without such notice, transfer any case pending before one Bench, for disposal, to another Bench.	Power of Chairperson to transfer cases from one Bench to another.
	47. If the Members of a Bench differ in opinion on any point, the point shall be decided according to the opinion of the majority, if there is a majority, but if the Members are equally divided, they shall state the point or points on which they differ, and make a reference to the Chairperson, who shall either hear the point or points himself, or refer the case for hearing on such point or points by one or more of the other Members of the Settlement Commission, and such point or points shall be decided according to the opinion of the majority of the Members of the Settlement Commission who have heard the case, including those who first heard it.	Decision to be by majority.
	48. (1) An assessee may, in respect of a case relating to him, make an application, before adjudication, to the Settlement Commission to have the case settled, in such form and manner, as may be prescribed, and shall contain— (a) a full and true disclosure of his duty liability, which has not been disclosed before the Central Excise Officer having jurisdiction; (b) the manner in which such liability has been derived; (c) the additional amount of duty of excise accepted to be payable by him; and (d) such other particulars, as may be prescribed, including the particulars of such excisable goods in respect of which he admits short levy on account of misclassification, undervaluation, inapplicability of exemption notification or Central Excise Duty Credit, and any such application shall be disposed of in the manner	Application for settlement of cases.

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	hereinafter provided:	
	<p>Provided that no such application shall be made unless,—</p> <p>(a) the applicant has filed returns showing production, clearance and the duty of excise paid in the manner as may be prescribed;</p> <p>(b) a show cause notice for recovery of duty issued by the Central Excise Officer has been received by the applicant;</p> <p>(c) the additional amount of duty accepted by the applicant in his application exceeds three lakh rupees; and</p> <p>(d) the applicant has paid the additional amount of duty of excise accepted by him along with interest due under section 24:</p>	
	<p>Provided further that if the Settlement Commission is satisfied that the circumstances exist for not filing the returns referred to in clause (a) of the first proviso, it may, after recording the reasons therefor, allow the applicant to make such application:</p>	
	<p>Provided also that no application shall be entertained by the Settlement Commission under this sub-section in cases which are pending with the Appellate Tribunal or any court:</p>	
	<p>Provided also that no application under this sub-section shall be made for the interpretation of the classification of excisable goods specified in the First Schedule.</p>	
	<p>(2) Every application made under sub-section (1) shall be accompanied by such fees as may be prescribed.</p>	
	<p>(3) An application made under sub-section (1) shall not be allowed to be withdrawn by the applicant.</p>	
	<p>(4) Any person other than an assessee, may also make an application to the Settlement Commission in respect of a show cause notice issued to him in a case relating to the assessee, which has been settled or is pending before the Settlement Commission and such notice is pending before an adjudicating authority, in such manner and subject to such conditions, as may be prescribed.</p>	
	<p>49. (1) The Settlement Commission shall, within seven days from the date of receipt of the application under section 48, issue a notice to the applicant to explain in writing as to why the</p>	<p>Procedure on receipt of application</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>application made by him should be allowed to be proceeded with, and after taking into consideration the explanation provided by the applicant, the Settlement Commission shall, within a period of fourteen days from the date of the notice, by an order, allow the application to be proceeded with, or reject the application, as the case may be, and the proceedings before the Settlement Commission shall abate on the date of rejection:</p>	
	<p>Provided that where no notice has been issued or no order has been passed within the said period by the Settlement Commission, the application shall be deemed to have been allowed to be proceeded with.</p>	
	<p>(2) A copy of every order under sub-section (1), shall be sent to the applicant and to the Principal Commissioner of Central Excise or Commissioner of Central Excise having jurisdiction (hereinafter in this Chapter referred to as the Commissioner of Central Excise).</p>	
	<p>(3) Where an application is allowed or deemed to have been allowed to be proceeded with under sub-section (1), the Settlement Commission shall, within seven days from the date of order under sub-section (1), call for a report along with the relevant records from the Commissioner of Central Excise, who shall furnish the report within a period of thirty days of the receipt of communication from the Settlement Commission:</p>	
	<p>Provided that where the Commissioner of Central Excise fails to furnish the report within the said period of thirty days, the Settlement Commission shall proceed further in the matter without the report of the Commissioner.</p>	
	<p>(4) Where a report of the Commissioner of Central Excise called for under sub-section (3) has been furnished within the period specified in that sub-section, the Settlement Commission may, after examination of such report, if it is of opinion that any further enquiry or investigation in the matter is necessary, direct, for reasons to be recorded in writing, the Commissioner (Investigation) within fifteen days of the receipt of the report, to make or cause to be made such further enquiry or investigation and furnish a report within a period of ninety days of the receipt of the communication from the Settlement Commission, on the matters covered by the application and any other matter relating to the case:</p>	
	<p>Provided that where the Commissioner (Investigation) fails to furnish the report within the said period, the Settlement Commission shall proceed to pass an order under sub-section (5)</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	without such report.	
	(5) After examination of the records and the report, if any, of the Commissioner of Central Excise received under sub-section (3), and the report, if any, of the Commissioner (Investigation) under sub-section (4), and after giving an opportunity to the applicant and to the Commissioner of Central Excise to be heard, either in person or through a representative duly authorised in this behalf, and after examining such further evidence as may be placed before it or obtained by it, the Settlement Commission may, in accordance with the provisions of this Act, pass such order as it thinks fit on the matters covered by the application and any other matter relating to the case not covered by the application, but referred to in the report of the Commissioner of Central Excise under sub-section (3) and in the report of the Commissioner (Investigation) under sub-section (4).	
	(6) The Settlement Commission may, at any time within three months from the date of passing of the order under sub-section (5), amend such order to rectify any error apparent on the face of record, either <i>suo motu</i> , or when such error is brought to its notice by the Commissioner of Central Excise or the applicant:	
	Provided that no amendment which has the effect of enhancing the liability of the applicant shall be made under this sub-section, unless the Settlement Commission has given notice of such intention to the applicant and the Commissioner of Central Excise, and has given them a reasonable opportunity of being heard.	
	(7) An order under sub-section (5) shall not be passed in respect of an application filed after nine months from the last day of the month in which the application was made:	
	Provided that the Settlement Commission may extend such period for reasons to be recorded in writing, for a further period not exceeding three months.	
	(8) If the Settlement Commission fails to pass an order within the period referred to in sub-section (7), the settlement proceedings shall abate, and the adjudicating authority before whom the proceeding at the time of making the application was pending, shall dispose of the case in accordance with the provisions of this Act as if no application under section 48 had been made.	
	(9) Subject to the provisions of section 44, the Members of the concerned Bench shall consider the materials brought on record before the Settlement Commission before passing any order under	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	sub-section (5) and, in relation to the passing of such order, the provisions of section 47 shall apply.	
	(10) The order passed under sub-section (5) shall provide for the terms of settlement including any demand by way of duty, penalty or interest, the manner in which any sums due under the settlement shall be paid and all other matters to make the settlement effective and in case of rejection contain the reasons thereof and it shall also provide that the settlement shall be void if it is subsequently found by the Settlement Commission that it has been obtained by fraud or misrepresentation of facts:	
	Provided that the amount of settlement ordered by the Settlement Commission shall not be less than the duty liability admitted by the applicant under section 48.	
	(11) Where any duty, interest, fine or penalty payable in pursuance of an order under sub-section (5), is not paid by the assessee within a period of thirty days of receipt of a copy of the order by him, the amount which remains unpaid, shall be recovered along with interest due thereon, as the sums due to the Central Government by the Central Excise Officer having jurisdiction over the assessee in accordance with the provisions of section 37.	
	(12) Where a settlement becomes void as provided under sub-section (10), the proceedings with respect to the matters covered by the settlement shall be deemed to have been revived from the stage at which the application was allowed to be proceeded with by the Settlement Commission and the Central Excise Officer having jurisdiction may, notwithstanding anything contained in any other provision of this Act, complete such proceedings at any time before the expiry of two years from the date of the receipt of communication that the settlement became void.	
	50. (1) Where, during the pendency of any proceeding before it, the Settlement Commission is of the opinion that for the purpose of protecting the interests of revenue it is necessary so to do, it may, by order, attach provisionally any property belonging to the applicant in such manner, as may be prescribed.	Power of Settlement Commission to order provisional attachment to protect revenue.
	(2) Every provisional attachment made by the Settlement Commission under sub-section (1) shall cease to have effect from the date, the sums due to the Central Government for which such attachment is made are discharged by the applicant and evidence to that effect is submitted to the Settlement Commission.	

**Ministry of Finance
Department of Revenue**

	<p>51. (1) In addition to the powers conferred on the Settlement Commission under this Chapter, it shall have all the powers which are vested in a Central Excise Officer under this Act or the rules made thereunder.</p>	<p>Powers and procedure of Settlement Commission.</p>
	<p>(2) Where an application made under section 48 has been allowed to be proceeded with under section 49, the Settlement Commission shall, until an order is passed under sub-section (5) of section 49, have, subject to the provisions of sub-section (4) of that section, exclusive jurisdiction to exercise the powers and perform the functions of any Central Excise Officer, under this Act in relation to the case.</p>	
	<p>(3) In the absence of any express direction by the Settlement Commission to the contrary, nothing in this Chapter shall affect the operation of the provisions of this Act in so far as they relate to any matters other than those before the Settlement Commission.</p>	
	<p>(4) The Settlement Commission shall, subject to the provisions of this Chapter, have power to regulate its own procedure and the procedure of Benches thereof in all matters arising out of the exercise of its powers, or of the discharge of its functions, including the places at which the Benches shall hold their sittings.</p>	
	<p>52. No person shall be entitled to inspect, or obtain copies of, any report made by any Central Excise Officer to the Settlement Commission but the Settlement Commission may, in its discretion furnish copies thereof to any such person on an application made to it in this behalf and on payment of the prescribed fee:</p>	<p>Inspection, etc., of reports.</p>
	<p>Provided that for the purpose of enabling any person whose case is under consideration to rebut any evidence brought on record against him in any such report, the Settlement Commission shall, on an application made in this behalf, and on payment of such fee, as may be prescribed, by such person, furnish him with a certified copy of any such report or part thereof relevant for the purpose.</p>	
	<p>53. (1) The Settlement Commission may, if it is satisfied that any person who made the application for settlement under section 48 has cooperated with the Settlement Commission in the proceedings before it and has made a full and true disclosure of his duty liability, grant to such person, subject to such conditions as it may think fit to impose, immunity from prosecution for any offence under this Act and also either wholly or in part from the imposition of any penalty and fine under this Act, with respect to the case covered by the settlement:</p>	<p>Power of Settlement Commission to grant immunity from prosecution and penalty.</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>Provided that no such immunity shall be granted by the Settlement Commission in cases where the proceedings for the prosecution for any such offence have been instituted before the date of receipt of the application under section 48.</p>	
	<p>(2) An immunity granted to a person under sub-section (1) shall stand withdrawn if such person fails to pay any sum specified in the order of the settlement passed under sub-section (5) of section 49 within the time specified in such order, or fails to comply with any other condition subject to which the immunity was granted and thereupon the provisions of this Act shall apply as if such immunity had not been granted.</p>	
	<p>(3) An immunity granted to a person under sub-section (1) may, at any time, be withdrawn by the Settlement Commission, if it is satisfied that such person had, in the course of the settlement proceedings, concealed any particular material to the settlement or had given false evidence, and thereupon such person may be tried for the offence with respect to which the immunity was granted or for any other offence of which he appears to have been guilty in connection with the settlement, and shall also become liable to the imposition of any penalty under this Act to which such person would have been liable, had no such immunity been granted.</p>	
	<p>54. (1) The Settlement Commission may, if it is of opinion that any person who made an application for settlement under section 48 has not cooperated with the Settlement Commission in the proceedings before it, return the case to the Central Excise Officer having jurisdiction who shall thereupon dispose of the case in accordance with the provisions of this Act as if no application under section 48 had been made.</p>	<p>Power of Settlement Commission to return a case back to Central Excise Officer.</p>
	<p>(2) For the purposes of sub-section (1), the Central Excise Officer shall be entitled to use all the materials and other information produced by the assessee before the Settlement Commission, or the results of the inquiry held or evidence recorded by the Settlement Commission, in the course of the proceedings before it as if such materials, information, inquiry and evidence had been produced before such Central Excise Officer or held or recorded by him in the course of the proceedings before him.</p>	
	<p>(3) For the purposes of the time limit under section 32 and for the purposes of interest under section 26, in a case referred to in sub-section (1), the period commencing on and from the date of the application to the Settlement Commission under section 48 and ending with the date of receipt by the Central Excise Officer of the order of the Settlement Commission returning the case to the</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	Central Excise Officer shall be excluded.	
	55. Every order of settlement passed under sub-section (5) of section 49 shall be conclusive as to the matters stated therein and no matter covered by such order shall, save as otherwise provided in this Chapter, be reopened in any proceeding under this Act or under any other law for the time being in force.	Order of settlement to be conclusive.
	56. Any sum specified in an order of settlement passed under sub-section (5) of section 49 may, subject to such conditions if any, as may be specified therein, be recovered, and any penalty for default in making payment of such sum may be imposed and recovered as sums due to the Central Government in accordance with the provisions under section 37 by the Central Excise Officer having jurisdiction over the person who made the application for settlement under section 48.	Recovery of sums due under order of settlement.
	57. (1) Where, — (i) an order of settlement provides for the imposition of a penalty on the person who made the application under section 48 for settlement, on the ground of concealment of particulars of his duty liability; or	Bar on subsequent application for settlement in certain cases.
	(ii) after the passing of an order of settlement in relation to a case, such person is convicted of any offence under this Act in relation to that case; or	
	(iii) the case of such person is returned to the Central Excise Officer having jurisdiction by the Settlement Commission under section 54,	
	then, he shall not be entitled to apply for settlement under section 48 in relation to any other matter.	
	<i>Explanation.</i> —For the purposes of clause (i), the concealment of particulars of liability of duty relates to any such concealment made from the Central Excise Officer.	
45 of 2023.	58. Any proceedings under this Chapter before the Settlement Commission shall be deemed to be a judicial proceeding within the meaning of sections 227 and 265, and for the purposes of section 231 of the Bharatiya Nagarik Nyaya Sanhita, 2023.	Proceedings before Settlement Commission to be judicial proceedings.
	CHAPTER IX	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

APPEALS		
	59. (1) Any person aggrieved by any decision or order passed under this Act by a Central Excise Officer, lower in rank than a Commissioner of Central Excise, may appeal to the Commissioner of Central Excise (Appeals) [hereafter in this Chapter referred to as the Commissioner (Appeals)] within a period of sixty days from the date of the communication to him of such decision or order:	Appeals to Commissioner (Appeals).
	Provided that the Commissioner (Appeals) may, if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the said period of sixty days, allow it to be presented within a further period of thirty days.	
	(2) The Commissioner (Appeals) may, if sufficient cause is shown, at any stage of hearing of an appeal, grant time to the parties or any of them and adjourn the hearing of the appeal for reasons to be recorded in writing:	
	Provided that no such adjournment shall be granted more than three times to a party during hearing of the appeal.	
	(3) Every appeal under this section shall be in such form and shall be verified in such manner, as may be prescribed.	
	60. (1) The Commissioner (Appeals) shall give an opportunity to the appellant to be heard, if he so desires.	Procedure in appeal.
	(2) The Commissioner (Appeals) may, at the hearing of an appeal, allow an appellant to go into any ground of appeal not specified in the grounds of appeal, if the Commissioner (Appeals) is satisfied that the omission of that ground from the grounds of appeal was not willful or unreasonable.	
	(3) The Commissioner (Appeals) shall, after making such further inquiry as may be necessary, pass such order, as he thinks just and proper, confirming, modifying or annulling the decision or order appealed against:	
	Provided that an order enhancing any penalty or fine in lieu of confiscation or confiscating goods of greater value or reducing the amount of refund shall not be passed unless the appellant has been given a reasonable opportunity of showing cause against the proposed order:	
	Provided further that where the Commissioner (Appeals) is of the opinion that any duty of excise has not been levied or paid, or has been short-levied or short-paid, or erroneously refunded, or	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>Central Excise Duty Credit has been wrongly availed or utilized, no order requiring the appellant to pay any duty not levied or paid, short-levied or short-paid, or erroneously refunded, or Central Excise Duty Credit wrongly availed or utilized, shall be passed unless the appellant is given notice within the time limit specified in section 32 to show cause against the proposed order.</p>	
	<p>(4) The order of the Commissioner (Appeals) disposing of the appeal shall be in writing and shall state the points for determination, the decision thereon and the reasons for the decision.</p>	
	<p>(5) The Commissioner (Appeals) shall, where it is possible to do so, hear and decide every appeal within a period of six months from the date on which it is filed.</p>	
	<p>(6) On the disposal of the appeal, the Commissioner (Appeals) shall communicate the order passed by him to the appellant, the adjudicating authority, the Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise and the Principal Commissioner of Central Excise or Commissioner of Central Excise.</p>	
	<p>61. (1) Any person aggrieved by any of the following orders may appeal to the Customs, Excise and Service Tax Appellate Tribunal against such order—</p> <p>(a) a decision or order passed by the Principal Commissioner of Central Excise or Commissioner of Central Excise as an adjudicating authority;</p> <p>(b) an order passed by the Commissioner (Appeals) under section 60:</p>	<p>Appeals to Appellate Tribunal.</p>
	<p>Provided that no appeal shall lie to the Appellate Tribunal and the Appellate Tribunal shall not have jurisdiction to decide any appeal in respect of any order referred to in clause (b) if such order relates to,—</p> <p>(i) a case of loss of goods, where the loss occurs in transit from a factory to a warehouse or to another factory, or from one warehouse to another, or during the course of processing of the goods in a warehouse or in storage, whether in a factory or in a warehouse;</p> <p>(ii) a rebate of duty of excise on goods exported to any country or territory outside India or on excisable materials used in the manufacture of goods which are exported to any country or territory outside India;</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	(iii) goods exported outside India (except to Nepal or Bhutan) without payment of duty:	
	<p>Provided further that the Appellate Tribunal may, in its discretion, refuse to admit an appeal in respect of an order referred to in clause (b), where—</p> <p>(i) in any disputed case, other than a case where the determination of any question having a relation to the rate of duty of excise or to the value of goods for purposes of assessment is in issue, or is one of the points in issue, the difference in duty involved or the duty involved; or</p> <p>(ii) the amount of fine or penalty determined by such order, does not exceed two lakh rupees.</p>	
	(2) The Board may, by order, constitute such Committees, as may be necessary, for the purposes of this Act.	
	<p>(3) Every Committee constituted under sub-section (2) shall consist of—</p> <p>(a) two Principal Chief Commissioners of Central Excise or two Chief Commissioners of Central Excise or a Principal Chief Commissioner of Central Excise and a Chief Commissioner of Central Excise;</p> <p>(b) two Principal Commissioners of Central Excise or two Commissioners of Central Excise or a Principal Commissioner of Central Excise and a Commissioner of Central Excise, as the case may be.</p>	
	(4) The Committee of Principal Commissioners of Central Excise or Commissioners of Central Excise may, if it is of opinion that an order passed by the Commissioner (Appeals) under section 60, is not legal or proper, direct any Central Excise Officer authorised by it in this behalf (hereafter in this Chapter referred to as the authorised officer) to appeal on its behalf to the Appellate Tribunal against such order:	
	<p>Provided that where the Committee of Principal Commissioners of Central Excise or Commissioners of Central Excise differs in its opinion regarding the appeal against the order of the Commissioner (Appeals), it shall state the point or points on which it differs and make a reference to the jurisdictional Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise who shall, after considering the facts of the order, if is of opinion that the order passed by the Commissioner (Appeals) is not legal or proper, direct any Central Excise Officer to appeal</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	to the Appellate Tribunal against such order.	
	<i>Explanation.</i> —For the purposes of this sub-section, “jurisdictional Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise” means the Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise having jurisdiction over the adjudicating authority in the matter.	
	(5) Every appeal under this section shall be filed within a period of three months from the date on which the order sought to be appealed against is communicated to the Principal Commissioner of Central Excise or Commissioner of Central Excise or to the other party preferring the appeal.	
	(6) On receipt of notice that an appeal has been preferred under this section, the party against whom the appeal has been preferred may, notwithstanding that he may not have appealed against such order or any part thereof, within a period of forty-five days of the receipt of the notice, file a memorandum of cross-objections verified in such manner, as may be prescribed, against any part of the order appealed against and such memorandum shall be disposed of by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (5).	
	(7) The Appellate Tribunal may admit an appeal or permit the filing of a memorandum of cross-objections after the expiry of the relevant period referred to in sub-section (5) or sub-section (6), if it is satisfied that there was sufficient cause for not presenting it within that period.	
	(8) An appeal to the Appellate Tribunal shall be in such form and shall be verified in such manner, as may be prescribed, and shall, irrespective of the date of demand of duty and interest or of levy of penalty in relation to which the appeal is made, be accompanied by a fee of,—	
	(a) where the amount of duty and interest demanded and penalty levied by any Central Excise Officer in the case to which the appeal relates is five lakh rupees or less, one thousand rupees;	
	(b) where the amount of duty and interest demanded and penalty levied by any Central Excise Officer in the case to which the appeal relates is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees;	
	(c) where the amount of duty and interest demanded and penalty levied by any Central Excise Officer in the case to which the	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	appeal relates is more than fifty lakh rupees, ten thousand rupees:	
	Provided that no such fee shall be payable in the case of an appeal referred to in sub-section (4) or a memorandum of cross-objections referred to in sub-section (6).	
	(9) Every application made before the Appellate Tribunal,— (a) in an appeal for rectification of mistake or for any other purpose; or (b) for restoration of an appeal or an application, shall be accompanied by a fee of five hundred rupees:	
	Provided that no such fee shall be payable in the case of an application filed by or on behalf of the Principal Commissioner of Central Excise or Commissioner of Central Excise under this sub-section.	
	62. (1) The Appellate Tribunal may, after giving the parties to the appeal an opportunity of being heard, pass such orders thereon as it thinks fit, confirming, modifying or annulling the decision or order appealed against, or may refer the case back to the authority which passed such decision or order with such directions, as the Appellate Tribunal may think fit, for a fresh adjudication or decision, as the case may be, after taking additional evidence, if necessary.	Orders of Appellate Tribunal.
	(2) The Appellate Tribunal may, if sufficient cause is shown, at any stage of hearing of an appeal, grant time to the parties or any of them and adjourn the hearing of the appeal for reasons to be recorded in writing:	
	Provided that no such adjournment shall be granted more than three times to a party during hearing of the appeal.	
	(3) The Appellate Tribunal may, at any time within six months from the date of the order, with a view to rectify any mistake apparent on the face of record, amend any order passed by it under sub-section (1) and shall make such amendments, if the mistake is brought to its notice by the Principal Commissioner of Central Excise or the Commissioner of Central Excise, or the other party to the appeal:	
	Provided that an amendment which has the effect of enhancing an assessment or reducing a refund or otherwise increasing the liability of the other party, shall not be made under	

	<p>this sub-section, unless the Appellate Tribunal has given notice to him of its intention to do so and has allowed him a reasonable opportunity of being heard.</p>	
	<p>(4) The Appellate Tribunal shall, where it is possible to do so, hear and decide every appeal within a period of three years from the date on which such appeal is filed.</p>	
	<p>(5) The Appellate Tribunal shall send a copy of every order passed under this section to the Principal Commissioner of Central Excise or Commissioner of Central Excise and to the other party to the appeal.</p>	
	<p>(6) Save as provided in the section 68 or section 70, orders passed by the Appellate Tribunal on appeal shall be final.</p>	
52 of 1962.	<p>63. (1) The provisions of sub-sections (1), (2), (5) and (6) of section 129C of the Customs Act, 1962, shall apply to the Appellate Tribunal in the discharge of its functions under this Act as they apply to it in the discharge of its functions under the said Act.</p>	Procedure of Appellate Tribunal.
	<p>(2) The President of the Appellate Tribunal, or any other Member of the Appellate Tribunal authorised in this behalf by the President of the Appellate Tribunal may, sitting singly, dispose of any case which has been allotted to the Bench of which he is a Member, where—</p> <p>(a) in any disputed case, other than a case where the determination of any question having a relation to the rate of duty of excise or to the value of goods for purposes of assessment is in issue or is one of the points in issue, the difference in duty involved or the duty involved; or</p> <p>(b) the amount of fine or penalty involved,</p> <p>does not exceed fifty lakh rupees.</p>	
	<p>64. (1) The Committee of Principal Chief Commissioners of Central Excise or Chief Commissioners of Central Excise may, of its own motion, call for and examine the record of any proceeding in which a Principal Commissioner of Central Excise or Commissioner of Central Excise, as an adjudicating authority, has passed any decision or order under this Act for the purpose of satisfying itself as to the legality or propriety of any such decision or order and may, by order, direct such Principal Commissioner of Central Excise or Commissioner of Central Excise, or any other Commissioner, to apply to the Appellate Tribunal for the determination of such points arising out of the decision or order as</p>	Powers of Committee of Principal Chief Commissioners of Central Excise or Chief Commissioners of Central Excise or Principal Commissioners

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	may be specified in its order:	of Central Excise or Commissioners of Central Excise to pass certain orders.
	<p>Provided that where the Committee of Principal Chief Commissioners of Central Excise or Chief Commissioners of Central Excise differs in its opinion as to the legality or propriety of the decision or order of the Principal Commissioner of Central Excise or Commissioner of Central Excise, it shall state the point or points on which it differs and make a reference to the Board, which, after considering the facts of the decision or order, if is of the opinion that the decision or order passed by the Principal Commissioner of Central Excise or Commissioner of Central Excise is not legal or proper, may, by order, direct such Principal Commissioner of Central Excise or Commissioner of Central Excise or any other Commissioner to apply to the Appellate Tribunal for the determination of such points arising out of the decision or order, as may be specified in its order.</p>	
	<p>(2) The Principal Commissioner of Central Excise or Commissioner of Central Excise may, of his own motion, call for and examine the record of any proceeding in which an adjudicating authority subordinate to him has passed any decision or order under this Act for the purpose of satisfying himself as to the legality or propriety of any such decision or order and may, by order, direct such authority or any Central Excise Officer subordinate to him, to apply to the Commissioner (Appeals) for the determination of such points arising out of the decision or order as may be specified by the Principal Commissioner of Central Excise or Commissioner of Central Excise in his order.</p>	
	<p>(3) Every order under sub-section (1) or sub-section (2), as the case may be, shall be made within a period of three months from the date of communication of the decision or order of the adjudicating authority:</p>	
	<p>Provided that the Board may, on sufficient cause being shown, extend the said period by another thirty days.</p>	
	<p>(4) Where in pursuance of an order under sub-section (1) or sub-section (2), the adjudicating authority or the authorised officer makes an application to the Appellate Tribunal or the Commissioner (Appeals) within a period of one month from the date of communication of the order under sub-section (1) or sub-section (2) to the adjudicating authority, such application shall be heard by the Appellate Tribunal or the Commissioner (Appeals), as the case may be, as if such application were an appeal made against the decision or order of the adjudicating authority and the provisions of this Act regarding appeals, including the provisions</p>	

	of sub-section (6) of section 61, shall, so far as may be, apply to such application.	
	65. (1) The Central Government may, on an application made to it by any person aggrieved by any order passed under section 60, where the order is of the nature referred to in the first proviso to sub-section (1) of section 61, annul or modify such order:	Revision by Central Government.
	Provided that the Central Government may in its discretion, refuse to admit an application in respect of an order, where the amount of duty or fine or penalty, determined by such order does not exceed five thousand rupees.	
	(2) The Principal Commissioner of Central Excise or Commissioner of Central Excise may, if he is of opinion that an order passed by the Commissioner (Appeals) under section 60 is not legal or proper, direct the jurisdictional Central Excise Officer to make an application on his behalf to the Central Government for revision of such order.	
	(3) An application under sub-section (1) shall be made within a period of three months from the date of the communication to the applicant of the order against which the application is being made:	
	Provided that the Central Government may, if it is satisfied that the applicant was prevented by sufficient cause from presenting the application within the said period of three months, allow it to be presented within a further period of three months.	
	(4) An application under sub-section (1) shall be in such form and shall be verified in such manner, as may be prescribed, and shall be accompanied by a fee of— (a) two hundred rupees, where the amount of duty and interest demanded, fine or penalty levied by any Central Excise Officer in the case to which the application relates is one lakh rupees or less; (b) one thousand rupees, where the amount of duty and interest demanded, fine or penalty levied by any Central Excise Officer in the case to which the application relates is more than one lakh rupees:	
	Provided that no such fee shall be payable in the case of an application referred to in sub-section (2).	
	(5) The Central Government may, of its own motion, annul or modify any order referred to in sub-section (1).	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>(6) No order enhancing any penalty or fine in lieu of confiscation or confiscating goods of greater value shall be passed under this section,—</p> <p>(a) in any case in which an order passed under section 60 has enhanced any penalty or fine in lieu of confiscation or has confiscated goods of greater value; and</p> <p>(b) in any other case, unless the person affected by the proposed order has been given notice to show cause against it within one year from the date of the order sought to be annulled or modified.</p>	
	<p>(7) Where the Central Government is of opinion that any central excise duty has not been levied or has been short-levied, no order levying or enhancing the duty shall be made under this section unless the person affected by the proposed order is given notice to show cause against it within the time limit specified in section 32.</p>	
	<p>66. The Appellate Tribunal or the Commissioner (Appeals), as the case may be, shall not entertain any appeal—</p> <p>(i) under sub-section (1) of section 59 unless the appellant has deposited seven and a half per cent. of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of a decision or an order passed by an officer of Central Excise lower in rank than the Commissioner of Central Excise;</p> <p>(ii) against the decision or order referred to in clause (a) of sub-section (1) of section 61, unless the appellant has deposited seven and a half per cent. of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of the decision or order appealed against;</p> <p>(iii) against the decision or order referred to in clause (b) of sub-section (1) of section 61, unless the appellant has deposited ten per cent. of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of the decision or order appealed against:</p>	<p>Deposit of certain percentage of duty demanded or penalty imposed before filing appeal.</p>
	<p>Provided that the amount required to be deposited under this section shall not exceed ten crore rupees.</p>	
	<p><i>Explanation 1.</i>—For the purposes of this section “duty demanded” shall include—</p> <p>(i) amount determined under section 35;</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>(ii) amount of Central Excise Duty Credit wrongly availed or utilised;</p> <p>(iii) any other amount payable under the Act or the rules made therein.</p>	
	<p><i>Explanation 2.</i>— For the purposes of this section, amount to be deposited, in a case where duty or duty and penalty are in dispute, may be deposited in cash or by utilisation of Central Excise Duty Credit, and in case where such penalty is in dispute shall be deposited only in cash.</p>	
	<p>67. Where an amount deposited by the appellant under section 66 is required to be refunded consequent upon the order of the appellate authority, there shall be paid to the appellant interest at such rate, not exceeding six per cent. per annum as the Central Government may, by notification, specify, on such amount from the date of payment of the amount till, the date of refund of such amount:</p>	<p>Interest on delayed refund of amount deposited under section 66.</p>
	<p>Provided that no interest shall be payable on the amount deposited under section 66 if the same is deposited by utilisation of Central Excise Duty Credit.</p>	
	<p>68. (1) An appeal shall lie to the High Court from every order passed in appeal by the Appellate Tribunal (not being an order relating, among other things, to the determination of any question having a relation to the rate of duty of excise or to the value of goods for purposes of assessment), if the High Court is satisfied that the case involves a substantial question of law.</p>	<p>Appeal to High Court.</p>
	<p>(2) The Principal Commissioner of Central Excise or Commissioner of Central Excise, or the other party aggrieved by any order passed by the Appellate Tribunal, may file an appeal to the High Court and such appeal under this sub-section shall be—</p> <p>(a) filed within a period of one hundred and eighty days from the date on which the order appealed against is received by the Principal Commissioner of Central Excise or Commissioner of Central Excise or the other party;</p> <p>(b) accompanied by a fee of two hundred rupees where such appeal is filed by the other party;</p> <p>(c) in the form of a memorandum of appeal precisely stating therein the substantial question of law involved.</p>	
	<p>(3) The High Court may admit an appeal after the expiry of the period of one hundred and eighty days referred to in clause (a) of sub-section (2), if it is satisfied that there was sufficient cause for</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	not filing the same within that period.	
	(4) Where the High Court is satisfied that a substantial question of law is involved in any case, it shall formulate that question.	
	(5) The appeal shall be heard only on the question formulated, under sub-section (4) and the respondents shall, at the hearing of the appeal, be allowed to argue that the case does not involve such question:	
	Provided that nothing in this sub-section shall be deemed to take away or abridge the power of the Court to hear, for reasons to be recorded, the appeal on any other substantial question of law not formulated by it, if it is satisfied that the case involves such question.	
	(6) The High Court shall decide the question of law so formulated and deliver such judgment thereon containing the grounds on which such decision is founded and may award such cost as it deems fit.	
	(7) The High Court may determine any issue which — <p style="margin-left: 40px;">(a) has not been determined by the Appellate Tribunal; or</p> <p style="margin-left: 40px;">(b) has been wrongly determined by the Appellate Tribunal, by reason of a decision on such question of law as is referred to in sub-section (1).</p>	
	(8) When an appeal has been filed before the High Court, it shall be heard by a Bench of not less than two Judges of the High Court, and shall be decided in accordance with the opinion of such Judges or of the majority, if any, of such Judges.	
	(9) Where there is no majority as referred to in sub-section (8), the Judges shall state the point of law upon which they differ and the case shall, then, be heard upon that point only by one or more of the other Judges of the High Court and such point shall be decided according to the opinion of the majority of the Judges who have heard the case including those who first heard it.	
5 of 1908.	(10) Save as otherwise provided in this Act, the provisions of the Code of Civil Procedure, 1908, relating to appeals to the High Court shall, as far as may be, apply in the case of appeals under this section.	
	69. (1) Where the High Court delivers a judgment in an appeal	Giving effect

	filed before it under section 68, effect shall be given to the order passed on the appeal by the concerned Central Excise Officer on the basis of a certified copy of the judgment.	to order of High Court and costs of appeal to High Court or Supreme Court.
	(2) The costs of an appeal to the High Court or an appeal to the Supreme Court, as the case may be, which shall not include the fee for making the reference, shall be in the discretion of the Court.	
	70. (1) An appeal shall lie to the Supreme Court from— (a) any judgment of the High Court delivered in an appeal made under section 68 in any case which, on its own motion or on an oral application made by or on behalf of the party aggrieved, immediately after the passing of the judgment, the High Court certifies to be a fit one for appeal to the Supreme Court; or (b) any order passed by the Appellate Tribunal relating, among other things, to the determination of any question having a relation to the rate of duty of excise or to the value of goods for purposes of assessment.	Appeal to Supreme Court.
	(2) For the purposes of this Chapter, the determination of any question having a relation to the rate of duty shall include the determination of taxability or excisability of goods for the purpose of assessment.	
5 of 1908.	71. (1) The provisions of the Code of Civil Procedure, 1908 relating to appeals to the Supreme Court shall, so far as may be, apply in the case of appeals under section 70 as they apply in the case of appeals from decrees of a High Court:	Procedure in appeals before Supreme Court.
	Provided that nothing in this sub-section shall be deemed to affect the provisions of section 72.	
	(2) The Supreme Court may impose costs of the appeal.	
	(3) Where the judgment of the High Court is varied or reversed in the appeal, effect shall be given to the order of the Supreme Court in the manner provided in section 69 in the case of a judgment of the High Court.	
	72. Notwithstanding that an appeal has been preferred to the Supreme Court, sums due to the Government as a result of an order passed under sub-section (1) of section 62 shall be payable in accordance with the order so passed.	Sums due to be paid notwithstanding reference,

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

		etc.
	73. In computing the period of limitation provided for an appeal or application under this Chapter, the day on which the order complained of was served, and if the party preferring the appeal or making the application was not furnished with a copy of the order when the notice of the order was served upon him, the time requisite for obtaining a copy of such order shall be excluded.	Exclusion of time taken for copy.
	74. (1) Any person who is entitled or required to appear before the Appellate Tribunal or a Central Excise Officer in connection with any proceedings under this Act, otherwise than when required under this Act to appear personally for examination on oath or affirmation, may, subject to the other provisions of this section, appear by an authorised representative.	Appearance by authorised representative.
	(2) For the purposes of this section, “authorised representative” means a person authorised by the person referred to in sub-section (1) to appear on his behalf, being— <p style="margin-left: 40px;">(a) his relative or regular employee; or</p> <p style="margin-left: 40px;">(b) any legal practitioner who is entitled to practise in any civil court in India; or</p> <p style="margin-left: 40px;">(c) any person who has acquired such qualifications, as may be prescribed.</p>	
	(3) Notwithstanding anything contained in this section, no person who was a member of the Indian Revenue Service (Customs and Indirect Taxes) and has retired or resigned from such Service after having served for not less than three years in any capacity in that Service, shall be entitled to appear as an authorised representative in any proceedings before a Central Excise Officer for a period of two years from the date of his retirement or resignation, as the case may be.	
52 of 1962. 45 of 1968. 1 of 1944. 12 of 2017.	(4) No person,— <p style="margin-left: 40px;">(a) who has been dismissed or removed from Government service; or</p> <p style="margin-left: 40px;">(b) who is convicted of an offence connected with any proceeding under this Act or the Customs Act, 1962 or the Gold (Control) Act, 1968 or the Central Excise Act, 1944 or the Central Goods and Services Tax Act, 2017;</p> <p style="margin-left: 40px;">(c) who has become an insolvent,</p> <p>shall be qualified to represent any person under sub-section (1), for all times in the case of a person referred to in clause (a), and for such time as the Principal Commissioner of Central Excise or</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

<p>52 of 1962. 45 of 1968. 1 of 1944. 12 of 2017.</p>	<p>Commissioner of Central Excise or the competent authority under the Customs Act, 1962 or the Gold (Control) Act, 1968 or the Central Excise Act, 1944 or the Central Goods and Services Tax Act, 2017, as the case may be, may, by order, determine in the case of a person referred to in clause (b), and for the period during which the insolvency continues in the case of a person referred to in clause (c).</p>	
	<p>(5) If any person,—</p> <p>(a) who is a legal practitioner, is found guilty of misconduct in his professional capacity under any law for the time being in force, an order passed against such legal practitioner shall have effect in relation to his right to appear before a Central Excise Officer or the Appellate Tribunal as it has in relation to his right to practise as a legal practitioner;</p> <p>(b) who is not a legal practitioner, is found guilty of misconduct in connection with any proceedings under this Act by an authority under any law for the time being in force, such authority may direct that he shall thenceforth be disqualified to represent any person under sub-section (1).</p>	
	<p>(6) Any order or direction under clause (b) of sub-section (4) or clause (b) of sub-section (5) shall be subject to the following conditions, namely:—</p> <p>(a) no such order or direction shall be made in respect of any person unless he has been given a reasonable opportunity of being heard;</p> <p>(b) any person against whom any such order or direction is made may, within a period of one month of the making of the order or direction, appeal to the Board to have the order or direction cancelled; and</p> <p>(c) no such order or direction shall take effect until the expiration of one month from the making thereof, or, where an appeal has been preferred, until the disposal of the appeal.</p>	
	<p>75. (1) The Board may, from time to time, issue orders or instructions or directions fixing such monetary limits, as it may deem fit, for the purposes of regulating the filing of appeal, application, revision or reference by the Central Excise Officer against any decision or order passed under the provisions of this Act:</p>	<p>Appeal not to be filed in certain cases.</p>
	<p>Provided that the Board may, in its orders or instructions or directions, specify such category or class of decisions or orders against which the Central Excise Officer shall prefer appeal,</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	application, revision or reference, notwithstanding the monetary limit fixed under this sub-section.	
	(2) Where a Central Excise Officer has not filed any appeal, application, revision or reference against any decision or order passed in respect of an assessee in any case for a particular period considering the monetary limit referred to in sub-section (1), it shall not preclude any Central Excise Officer from filing appeal, application, revision or reference on the same or similar issue against the same assessee for a different period, or against any other assessee for the same or different period, where the monetary limit for such period exceeds the monetary limit referred to in the said sub-section.	
	(3) Notwithstanding the fact that no appeal, application, revision or reference has been filed by the Central Excise Officer pursuant to the orders or instructions or directions issued under sub-section (1), no person, being a party in appeal, application, revision or reference shall contend that the Central Excise Officer has acquiesced in the decision on the disputed issue by not filing appeal, application, revision or reference.	
	(4) The Commissioner (Appeals) or the Appellate Tribunal or the court hearing such appeal, application, revision or reference shall have regard to the circumstances under which appeal, application, revision or reference was not filed by the Central Excise Officer in pursuance of the orders or instructions or directions issued under sub-section (1).	
	CHAPTER X SEARCH, SEIZURE, ARREST AND CONFISCATION	
	76. (1) Where the Joint Commissioner of Central Excise or Additional Commissioner of Central Excise has reasons to believe that an assessee has suppressed any transaction related to the production or manufacture of excisable goods or has availed Central Excise Duty Credit in excess of his entitlement under this Act, or has indulged in contravention of any provisions of this Act or the rules made thereunder to evade payment of duty under this Act, he may authorise, in writing, any other Central Excise Officer to inspect any factory, warehouse or any other place.	Power of inspection, search and seizure.
	(2) Where the Joint Commissioner of Central Excise or Additional Commissioner of Central Excise, either pursuant to an inspection carried out under sub-section (1) or otherwise, has reasons to believe that any goods liable to confiscation or any documents or books or things, which in his opinion shall be useful for or relevant	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	to any proceedings under this Act, are secreted in any place, he may authorise in writing any other Central Excise Officer to search and seize, or may himself search and seize such goods, documents or books or things:	
	Provided that where it is not practicable to seize any such goods, the Central Excise Officer, or any officer authorised by him, may serve on the owner or the custodian of the goods an order that he shall not remove, part with, or otherwise deal with the goods except with the previous permission of such officer:	
	Provided further that the documents or books or things so seized shall be retained by such officer only for so long as may be necessary for their examination and for any inquiry or proceedings under this Act.	
	(3) The documents, books or things referred to in sub-section (2) or any other documents, books or things produced by the assessee or any other person, which have not been relied upon for the issue of notice under this Act or the rules made thereunder, shall be returned to such person within a period not exceeding thirty days of the issue of the said notice.	
	(4) The officer authorised under sub-section (2) shall have the power to seal or break open the door of any premises or to break open any <i>almirah</i> , electronic devices, box, receptacle in which any goods, accounts, registers or documents of the person are suspected to be concealed, where access to such premises, <i>almirah</i> , electronic devices, box or receptacle is denied.	
	(5) The person from whose custody any documents are seized under sub-section (2) shall be entitled to make copies thereof or take extracts therefrom in the presence of an authorised officer at such place and time as such officer may indicate in this behalf except where making such copies or taking such extracts may, in the opinion of the officer, prejudicially affect the investigation.	
	(6) The goods so seized under sub-section (2) shall be released, on a provisional basis, upon execution of a bond and furnishing of a security, in such manner and of such quantum, respectively, as may be prescribed or on payment of applicable duty, interest and penalty payable, as the case may be.	
	(7) Where any goods are seized under sub-section (2) and no notice in respect thereof is given within six months of the seizure of the goods, the goods shall be returned to the person from whose possession they were seized:	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	Provided that the period of six months may, on sufficient cause being shown, be extended by the Principal Commissioner of Central Excise or Commissioner of Central Excise for a further period not exceeding six months.	
	(8) The Central Government may, having regard to the perishable or hazardous nature of any goods, depreciation in the value of the goods with the passage of time, constraints of storage space for the goods or any other relevant considerations, by notification, specify the goods or class of goods which shall, as soon as may be after its seizure under sub-section (2), be disposed of by the Central Excise Officer in such manner as may prescribed.	
	(9) Where any goods, being goods specified under sub-section (8), have been seized by a Central Excise Officer, or any officer authorised by him under sub-section (2), he shall prepare an inventory of such goods in such manner as may be prescribed.	
	(10) Any Central Excise Officer, may inspect or search any conveyance carrying excisable goods in respect of which he has reason to believe that the goods are being carried with the intention of evading duty.	
46 of 2023	(11) The provisions of the Bharatiya Nagarik Suraksha Sanhita, 2023, relating to search and seizure, shall, so far as may be, apply to search and seizure under this section subject to the modification that sub-section (5) of section 185 of the Sanhita shall have effect as if for the word "Magistrate", wherever it occurs, the words "Principal Commissioner of Central Excise or Commissioner of Central Excise" were substituted.	
	(12) Where the Central Excise officer has reasons to believe that any person has evaded or is attempting to evade the payment of any duty, he may, for reasons to be recorded in writing, seize the accounts, registers or documents of such person produced before him and shall grant a receipt for the same, and shall retain the same for so long as may be necessary in connection with any proceedings under this Act or the rules made thereunder for prosecution.	
	77. Any Central Excise Officer not below the rank of Inspector of Central Excise may, with the prior approval of the Principal Commissioner of Central Excise or Commissioner of Central Excise, arrest any person whom he has reason to believe to be liable to punishment under this Act or the rules made thereunder.	Power to arrest.
	78. (1) Any Central Excise Officer duly empowered by the Central Government in this behalf, shall have power to summon any	Power to summon

	person whose attendance he considers necessary, either to give evidence or to produce a document or any other thing, in any inquiry which such officer is making for any of the purposes of this Act.	persons to give evidence and produce documents in inquiries.
	<i>Explanation.</i> — For the purposes of this sub-section, a summons to produce documents or other things may be for the production of certain specified documents or things or for the production of all documents or things of a certain description in the possession or under the control of the person summoned.	
	(2) Every person so summoned shall be bound to attend, either in person or by an authorised agent, as such officer may direct; and every person so summoned shall be bound to state the truth upon any subject respecting which they are examined, or make statements and to produce such documents and other things, as may be required:	
5 of 1908.	Provided that the exemptions under sections 132 and 133 of the Code of Civil Procedure, 1908 shall be applicable to requisitions for attendance under this section.	
45 of 2023.	(3) Every inquiry under this section shall be deemed to be a "judicial proceeding" within the meaning of sections 227 and 265 of the Bharatiya Nagarik Nyaya Sanhita, 2023.	
	79. All officers of police and customs and all officers of the Government engaged in the collection of land revenue including village officers are hereby empowered and required to assist the Central Excise Officers in the execution of this Act.	Officers required to assist Central Excise Officers.
46 of 2023	80. All searches made under this Act or any rules made thereunder and all arrests made under this Act shall be carried out in accordance with the provisions of the Bharatiya Nagarik Suraksha Sanhita, 2023, relating respectively to searches and arrests made under that Sanhita.	Searches and arrests how to be made.
	81. Every person arrested under this Act shall be forwarded without delay to the nearest Central Excise Officer empowered to send persons so arrested to a Magistrate, or, if there is no such Central Excise Officer within a reasonable distance, to the officer-in-charge of the nearest police station.	Disposal of persons arrested.
	82. The officer-in-charge of a police station to whom any person is forwarded under section 81 shall, where the offence is non-cognizable, either admit him to bail to appear before the Magistrate having jurisdiction, or in default of bail forward him in	Procedure to be followed by officer-in-charge of

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	custody to such Magistrate.	police station.
	83. (1) When any person is forwarded under section 81 to a Central Excise Officer empowered to send persons so arrested to a Magistrate, the Central Excise Officer shall proceed to inquire into the charge against him.	Inquiry how to be made by Central Excise Officers
46 of 2023	(2) The Central Excise Officer may, for the purposes of sub-section (1), exercise the same powers and shall be subject to the same provisions as the officer-in-charge of a police station may exercise and is subject to under the Bharatiya Nagarik Suraksha Sanhita, 2023, when investigating a cognizable case:	against arrested persons forwarded to them under section 81.
	<p style="text-align: center;">Provided that—</p> <p>(a) if the Central Excise Officer is of opinion that there is sufficient evidence or reasonable ground of suspicion against the accused person, he shall, where the offence is non-cognizable, either admit him to bail to appear before a Magistrate having jurisdiction in the case, or forward him in custody to such Magistrate;</p> <p>(b) if it appears to the Central Excise Officer that there is no sufficient evidence or reasonable ground of suspicion against the accused person in respect of offence which is non-cognizable, he shall release the accused person on his executing a bond, with or without sureties as the Central Excise Officer may direct, to appear, if and when so required, before the Magistrate having jurisdiction, and shall make a full report of all the particulars of the case to his official superior.</p>	
43 of 1961.	<p>84. (1) Any person, being—</p> <p>(a) an assessee; or</p> <p>(b) a local authority or other public body or association; or</p> <p>(c) any authority of the State Government responsible for the collection of value added tax or sales tax or State tax or integrated tax, or any authority of Union territory responsible for the collection of Union territory tax or integrated tax; or</p> <p>(d) an income tax authority appointed under the provisions of the Income Tax Act, 1961; or</p> <p>(e) a banking company within the meaning of clause (a) of section 45A of the Reserve Bank of India Act, 1934; or</p> <p>(f) a State Electricity Board or an electricity distribution or</p>	Obligation to furnish information return.

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

<p>2 of 1934.</p> <p>36 of 2003.</p> <p>16 of 1908.</p> <p>18 of 2013.</p> <p>59 of 1988.</p> <p>30 of 2013.</p> <p>42 of 1956.</p> <p>22 of 1996.</p> <p>2 of 1934.</p> <p>18 of 2013.</p>	<p>transmission licensee under the Electricity Act, 2003, or any other entity entrusted with such functions by the Central Government or the State Government, as the case may be; or</p> <p>(g) the Registrar or Sub-Registrar appointed under section 6 of the Registration Act, 1908; or</p> <p>(h) a Registrar within the meaning of the Companies Act, 2013; or</p> <p>(i) the registering authority empowered to register motor vehicles under Chapter IV of the Motor Vehicles Act, 1988; or</p> <p>(j) the Collector referred to in clause (c) of section 3 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013; or</p> <p>(k) the recognised stock exchange referred to in clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956; or</p> <p>(l) a depository referred to in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996; or</p> <p>(m) an officer of the Reserve Bank of India, constituted under section 3 of the Reserve Bank of India Act, 1934; or</p> <p>(n) the Goods and Services Tax Network, a company registered under the Companies Act, 2013,</p> <p>and is responsible for maintaining record of registration, or statement of accounts, or any periodic return, or document containing details of payment of tax and other details, or transaction of goods or services, or transactions related to a bank account, or consumption of electricity, or transaction of purchase, sale or exchange of goods or property or right or interest in a property, under any law for the time being in force, shall furnish an information return of the same in respect of such periods, within such time, form (including electronic form) and manner, to such authority or agency, as may be prescribed.</p>	
	<p>(2) Where the authority prescribed under sub-section (1) considers that the information submitted in the information return is defective, he may intimate the defect to the person who has furnished such information return and give him an opportunity of rectifying the defect within a period of thirty days from the date of such intimation or within such further period which, on an application made in this behalf, such authority may allow and if</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	the defect is not rectified within the said period of thirty days or, as the case may be, the further period so allowed, then, notwithstanding anything contained in any other provision of this Act, such information return shall be treated as not submitted and the provisions of this Act shall apply.	
	(3) Where a person who is required to furnish information return has not furnished the same within the time specified in sub-section (1) or sub-section (2), the authority prescribed under sub-section (1) may serve upon him a notice requiring furnishing of such information return within a period not exceeding ninety days from the date of service of the notice and such person shall furnish the information return.	
	85. If a person who is required to furnish an information return under section 84 fails to do so within the period specified in the notice issued under sub-section (3) thereof, the authority prescribed under sub-section (1) of the said section may direct that such person shall pay, by way of penalty, a sum of one hundred rupees for each day of the period during which the failure to furnish such return continues.	Penalty for failure to furnish information return.
	86. (1) Where under this Act or by the rules made thereunder, any duty of excise not levied or paid, or short-levied or short-paid, or erroneously refunded is to be determined or anything is liable to confiscation or any person is liable to a penalty, such determination of duty or confiscation or penalty, as the case may be, may be adjudged up to such limit and by such officers, as the Board may specify in this behalf.	Power and procedures of adjudication
	(2) The adjudicating authority shall, in any proceeding under this Chapter or any other provision of this Act, give an opportunity of being heard to a party in a proceeding.	
	(3) The adjudicating authority may, if sufficient cause is shown, at any stage of the proceeding referred to in sub-section (2), grant time to the parties or any of them and adjourn the hearing for reasons to be recorded in writing:	
	Provided that no such adjournment shall be granted more than three times to a party during the proceeding.	
46 of 2023.	87. Without prejudice to the provisions contained in the Bharatiya Nagarik Suraksha Sanhita, 2023, no confiscation made or penalty imposed under the provisions of this Act or of any rule made thereunder shall prevent the infliction of any other punishment to which the person affected thereby is liable under the provisions of	Confiscation or penalty not to interfere with other punishments.

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	this Act or under any other law.	
	CHAPTER XI OFFENCES AND PENALTIES	
	<p>88. Confiscation and penalty for certain offences:-</p> <p>(1) Where an assessee, registered dealer or importer who issues an invoice on which Central Excise Duty Credit can be taken —</p> <ul style="list-style-type: none"> (a) removes any excisable goods in contravention of any of the provisions of this Act or the rules made thereunder; or (b) does not account for any excisable goods produced or manufactured or stored by him; or (c) engages in the manufacture, production or storage of any excisable goods without having applied for the registration required under section 16; or (d) removes excisable goods without issue of any invoice or issues incorrect or false invoice with regard to such removal; or (e) issues an invoice without removal of goods specified therein in contravention of the provisions of this Act or the rules made thereunder; or (f) issues any other document on the basis of which the user of said invoice or document is likely to take or has taken any ineligible benefit under the Act or the rules made thereunder, (g) avails or utilises Central Excise Duty Credit without actual receipt of goods either partially or fully, in contravention of the provisions of this Act or the rules made thereunder; or (h) contravenes any of the provisions of this Act, or the rules made thereunder, or a notification issued under this Act or the rules made thereunder, with intent to evade payment of duty, <p>then, all such goods or conveyances shall be liable to confiscation and such producer or manufacturer or registered person of the warehouse shall be liable to a penalty not exceeding the duty on the excisable goods, or Central Excise Duty Credit availed of or passed on.</p>	Penalty for certain offences.
	<p>(2) Where any person uses any conveyance as a means of transport for carriage of goods in contravention of the provisions of this Act or the rules made thereunder unless the owner of the conveyance proves that it was so used without the knowledge or connivance of the owner himself, his agent, if any, and the person in charge of the conveyance, the penalty under sub-section (1)</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	shall apply.	
	(3) Any person who retains the benefit of a transaction covered under clause (d) or clause (e) or clause (f) or clause (g) of sub-section (1) or under sub-section (2) and at whose instance such transaction is conducted, shall be liable to a penalty of an amount not exceeding the duty evaded or Central Excise Duty Credit availed of or passed on.	
	(4) Any person who- <ul style="list-style-type: none"> (a) aids or abets any of the offences specified in clauses (a) to (h) of sub-section (1): (b) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder; (c) fails to appear before the officer of Central Excise, when issued with a summon for appearance to give evidence or produce a document in an inquiry; shall be liable to a penalty which may extend to fifty thousand rupees.	
	(5) Whenever confiscation of any goods or conveyance is authorised by this Act, the officer adjudging it shall give to the owner of the goods an option to pay in lieu of confiscation, such fine as the said officer thinks fit:	
	Provided that such fine leviable shall not exceed the market value of the goods confiscated, less the duty chargeable thereon:	
	Provided further that the aggregate of such fine and penalty leviable shall not be less than the penalty equal to hundred per cent. of the duty payable on such goods.	
	Provided also that where any such conveyance is used for the carriage of the goods or passengers for hire, the owner of the conveyance shall be given an option to pay in lieu of the confiscation of the conveyance a fine equal to the duty payable on the goods being transported thereon.	
	(6) No order for confiscation of goods or conveyance or for imposition of penalty shall be issued without giving the person an opportunity of being heard.	
	(7) Where any goods or conveyance are confiscated under this Act, the title of such goods or conveyance shall thereupon vest in the	

Ministry of Finance
Department of Revenue

	Central Government.	
	(8) Where any excisable goods liable to confiscation are sold by a person having knowledge or reason to believe that the goods are, liable to confiscation, the sale-proceeds thereof shall be liable to confiscation.	
	(9) The Central Excise officer adjudging confiscation shall take and hold possession of the things confiscated and every officer of Police, on the requisition of such Central Excise officer, shall assist him in taking and holding such possession.	
	(10) The Central Excise officer may, after satisfying himself that the confiscated goods or conveyance are not required in any other proceedings under this Act and after giving reasonable time not exceeding three months to pay fine in lieu of confiscation, dispose of such goods or conveyance and deposit the sale proceeds thereof with the Central Government as prescribed.	
	Explanation - Where the notice under the same proceedings is issued to the main person liable to pay duty and some other persons, and such proceedings against the main person have been concluded under section 33, the proceedings against all the persons liable to pay penalty under this section and section 89 are deemed to be concluded.	
	89. Any person, who contravenes any of the provisions of this Act or any rules made thereunder, for which no other penalty is provided for in this Act, shall be punishable with a penalty which may extend to five thousand rupees and with confiscation of the goods in respect of which the offence is committed.	General penalty.
	90. (1) Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences, namely: (a) removes any excisable goods or in any way concerns himself with such removal, in contravention of any of the provisions of this Act or the rules made thereunder with the intention to evade duty; (b) issues any invoice without removal of goods in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of Central Excise Duty Credit or refund of duty; (c) avails Central Excise Duty Credit using the invoice referred to in clause (b) or fraudulently avails Central Excise Duty Credit without any invoice;	Punishment for certain offences.

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>(d) collects any amount as duty but fails to pay the same to the Central Government beyond a period of three months from the date on which such payment becomes due;</p> <p>(e) evades the payment of any duty payable under this Act or fraudulently obtains refund and where such offence is not covered under clauses (a) to (d);</p> <p>(f) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information with an intention to evade payment of duty due under this Act;</p> <p>(g) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, selling or purchasing, or in any other manner deals with any excisable goods which he knows or has reason to believe are liable to confiscation under this Act or the rules made thereunder;</p> <p>(h) attempts to commit, or abets the commission of, any of the offences mentioned in this section</p> <p>shall be punishable,—</p> <p style="padding-left: 40px;">(i) in cases where the amount of duty evaded or the amount of Central Excise Duty Credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;</p> <p style="padding-left: 40px;">(ii) in cases where the amount of duty evaded or the amount of Central Excise Duty Credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;</p> <p style="padding-left: 40px;">(iii) in the case of any other offence where the amount of duty evaded or the amount of Central Excise Duty Credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;</p> <p style="padding-left: 40px;">(iv) in cases where he commits or abets the commission of an offence specified in clause (f),</p>	
--	--	--

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	with imprisonment for a term which may extend to six months or with fine or with both.	
	(2) If any person convicted of an offence under this section is again convicted of an offence under this section, then, he shall be punishable for the second and for every subsequent offence with imprisonment for a term which may extend to five years and with fine:	
	(3) The imprisonment referred to in clauses (i), (ii) and (iii) of sub-section (1) and sub-section (2) shall, in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the Court, be for a term not less than six months.	
	(4) For the purposes of sub-sections (1) and (2), the following shall not be considered as special and adequate reasons for awarding a sentence of imprisonment for a term of less than six months, namely:— (i) the fact that the accused has been convicted for the first time for an offence under this Act; (ii) the fact that in any proceeding under this Act, other than a prosecution, the accused has been ordered to pay a penalty or the goods in relation to such proceedings have been ordered to be confiscated or any other action has been taken against him for the same act which constitutes the offence; (iii) the fact that the accused was not the principal offender and was acting merely as a carrier of goods or otherwise was a secondary party in the commission of the offence; (iv) the age of the accused.	
46 of 2023	91. (1) Notwithstanding anything contained in the Bharatiya Nagarik Suraksha Sanhita, 2023, offences under section 90, except the offences referred to in sub-section (2), shall be non-cognizable within the meaning of that Sanhita.	Certain offences to be non-cognizable.
	(2) The offences specified in clause (a) or clause (b) or clause (c) or clause (d) of sub-section (1) of section 90 and punishable under clause (i) of that sub-section shall be cognizable and non-bailable.	
	(3) Any offence under this Act may, either before or after the institution of prosecution, be compounded by the Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise, on payment by the person accused of the offence to the Central Government of such compounding amount and in such manner of compounding, as may be prescribed:	

Ministry of Finance
Department of Revenue

	<p><i>Explanation.</i>— For the purposes of this section,—</p> <p>(a) "company" means any body corporate and includes a firm or other association of individuals; and</p> <p>(b) "director" in relation to a firm means a partner in the firm.</p>	
	<p>93. (1) Where any person is convicted under this Act for contravention of any of the provisions thereof, it shall be competent for the court convicting the person to cause the name and place of business or residence of such person, nature of the contravention, the fact that the person has been so convicted and such other particulars as the court may consider to be appropriate in the circumstances of the case, to be published at the expense of such person, in such newspapers or in such manner as the court may direct.</p>	<p>Power of court to publish name, place of business, etc., of persons convicted under this Act.</p>
	<p>(2) No publication under sub-section (1) shall be made until the period for preferring an appeal against the orders of the court has expired without any appeal having been preferred, or such an appeal, having been preferred, has been disposed of.</p>	
	<p>(3) The expenses of any publication under sub-section (1) shall be recoverable from the convicted person as if it were a fine imposed by the court.</p>	
	<p>94. (1) In any prosecution for an offence under this Act, which requires a culpable mental state on the part of the accused, the court shall presume the existence of such mental state but it shall be a defence for the accused to prove the fact that he had no such mental state with respect to the act charged as an offence in that prosecution.</p>	<p>Presumption of culpable mental state.</p>
	<p><i>Explanation.</i>— For the purposes of this section, "culpable mental state" includes intention, motive, knowledge of a fact, and belief in, or reason to believe, a fact.</p>	
	<p>(2) For the purposes of this section, a fact is said to be proved only when the court believes it to exist beyond reasonable doubt and not merely when its existence is established by a preponderance of probability.</p>	
	<p>95. (1) A statement made and signed by a person before any Central Excise Officer of a Gazetted rank during the course of any inquiry or proceeding under this Act shall be relevant, for the purpose of proving, in any prosecution for an offence under this Act, the truth of the facts which it contains,—</p> <p>(a) when the person who made the statement is dead or</p>	<p>Relevancy of statements under certain circumstances.</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>cannot be found, or is incapable of giving evidence, or is kept out of the way by the adverse party, or whose presence cannot be obtained without an amount of delay or expense which, under the circumstances of the case, the court considers unreasonable; or</p> <p>(b) when the person who made the statement is examined as a witness in the case before the court and the court is of opinion that, having regard to the circumstances of the case, the statement should be admitted in evidence in the interests of justice.</p>	
	(2) The provisions of sub-section (1) shall, so far as may be, apply in relation to any proceeding under this Act, other than a proceeding before a court, as they apply in relation to a proceeding before a court.	
46 of 2023. 20 of 1958.	96. (1) Nothing contained in section 401 of the Bharatiya Nagarik Suraksha Sanhita, 2023, or in the Probation of Offenders Act, 1958, shall apply to a person convicted of an offence under this Act, unless that person is under eighteen years of age.	Application of section 401 of Bharatiya Nagarik Suraksha Sanhita, 2023, and of the Probation of Offenders Act, 1958.
	(2) The provisions of sub-section (1) shall have effect notwithstanding anything contained in sub-section (4) of section 90.	
	97. Any court trying an offence under this Act may order the forfeiture to Government of any goods in respect of which the court is satisfied that an offence under this Act has been committed, and may also order the forfeiture of any receptacles, packages or coverings in which such goods are contained and the animals, vehicles, vessels or other conveyances used in carrying the goods, and any implements or machinery used in the manufacture of the goods.	Power of courts to order forfeiture.
	CHAPTER XII SUPPLEMENTAL PROVISIONS	
	98. Where any document is produced by any person, or has been seized from the custody or control of any person, in either case, under this Act or under any other law, and such document is tendered by the prosecution in evidence against him or against him and any other person who is tried jointly with him, the court shall,—	Presumption as to documents in certain cases.
	(a) unless the contrary is proved by such person, presume—	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>(i) the truth of the contents of such document;</p> <p>(ii) that the signature and every other part of such document which purports to be in the handwriting of any particular person, or which the court may reasonably assume to have been signed by, or to be in the handwriting of, any particular person, is in handwriting of that person, and in the case of a document executed or attested, that it was executed or attested by the person by whom it purports to have been so executed or attested;</p> <p>(b) admit the document in evidence, notwithstanding that it is not duly stamped, if such document is otherwise admissible in evidence.</p>	
	<p>99. (1) Notwithstanding anything contained in any other law for the time being in force,—</p> <p>(a) a microfilm of a document or the reproduction of the image or images embodied in such microfilm (whether enlarged or not); or</p> <p>(b) a facsimile copy of a document; or</p> <p>(c) a statement contained in a document and included in a printed material produced by a computer, subject to such conditions, as may be prescribed; or</p> <p>(d) any information stored electronically in any device or media, including any hard copies made of such information,</p> <p>shall be deemed to be a document for the purposes of this Act and the rules made thereunder and shall be admissible in any proceedings thereunder, without further proof or production of the original, as evidence of any contents of the original or of any fact stated therein, of which direct evidence would be admissible.</p>	<p>Admissibility of microfilms, facsimile copies of documents and computer printouts as documents and as evidence.</p>
	<p>(2) In any proceedings under this Act or the rules made thereunder, where it is desired to give a statement in evidence by virtue of this section, a certificate,—</p> <p>(a) identifying the document containing the statement and describing the manner in which it was produced;</p> <p>(b) giving such particulars of any device involved in the production of that document as may be appropriate for the purpose of showing that the document was produced by a computer,</p> <p>shall be evidence of any matter stated in the certificate and for the purposes of this sub-section, it shall be sufficient for a matter to be stated to the best of the knowledge and belief of the person stating</p>	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	it.	
	100. Notwithstanding anything contained in any other provisions of this Act, any authority, who has passed or issued any decision or order or notice or certificate or any other document, may rectify any error which is apparent on the face of record in such decision or order or notice or certificate or any other document, either on its own motion or where such error is brought to its notice by any officer appointed under this Act or by the affected person within a period of three months from the date of issue of such decision or order or notice or certificate or any other document, as the case may be:	Rectification of errors apparent on the face of record.
	Provided that no such rectification shall be done after a period of six months from the date of issue of such decision or order or notice or certificate or any other document:	
	Provided further that the said period of six months shall not apply in such cases where the rectification is purely in the nature of correction of a clerical or arithmetical error, arising from any accidental slip or omission:	
	Provided also that where such rectification adversely affects any person, the principles of natural justice shall be followed by the authority carrying out such rectification.	
	101. (1) The Central Government may, by notification, make rules for carrying out the purposes of this Act.	Power of Central Government to make rules.
	(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for the following, namely:—	
	(a) the manner of levy and collection of duty of excise under sections 6 and 7;	
	(b) determination of the annual capacity of production, the factor relevant to the production of such goods and the quantity that is deemed to be produced by use of a unit of such factor and determination of the annual capacity of production of the factory, in which such goods are produced on the basis of such factor under sub-section (2) of section 7;	
	(c) the manner of levy of duty of excise on notified goods at such rate, on the unit of production or, as the case may be, on such factor relevant to the production under sub-section (3) of section 7;	
	(d) the conditions subject to which the duty of excise	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

calculated on a proportionate basis shall be abated in respect of a period under the proviso to sub-section (3) of section 7;

(e) the manner of providing for remission of duty of excise leviable on any excisable goods, which due to any natural cause are found to be deficient in quantity and the limit or limits of percentage beyond which no such remission shall be allowed and the different limit or limits of percentage for different varieties of the same excisable goods or for different areas or for different seasons under sub-section (1) of section 11;

(f) the manner of removal of excisable goods from the place where they are produced, stored or manufactured, or subjected to any process of production or manufacture and their transport to or from the premises of a registered person, or a warehouse under sub-section (1) of section 12;

(g) the manner of determining the value under clause (b) of sub-section (1) of section 13;

(h) the manner of determination of retail sale price of the goods liable to confiscation under sub-section (4) of section 14;

(i) the manner of issuance of invoice under sub-section (1) and the particulars to be mentioned on such invoice under sub-section (3) of section 15;

(j) the manner of registration under sub-section (1) of section 16;

(k) the conditions and manner for cancellation or revocation of the registration under sub-section (3) of section 16;

(l) the conditions, restrictions and manner of availment and utilisation of Central Excise Duty Credit and such other duties of excise under sub-sections (1) and (2) of section 17;

(m) such other amount for the payment of which the Central Excise Duty Credit may be utilised and the limitations, restrictions and conditions subject to which Central Excise Duty Credit may be utilised under sub-section (2) of section 17;

(n) the lapsing of credit of duty lying unutilised with the manufacturer of specified excisable goods on an appointed date and also for not allowing such credit to be utilised for payment of any kind of duty on any excisable goods on and from such date under sub-section (3) of section 17;

(o) the form, manner and frequency of filing of returns and late fees, if any, to be charged thereof, under sub-section (1) of section 20 and sub-section (1) of section 21;

(p) the period within which and the manner of paying the duty on the goods removed from the factory or the warehouse at the rate

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>specified in the First Schedule under section 23;</p> <p>(q) the form of application and manner in which refund shall be made under sub-section (1) of section 25;</p> <p>(r) the procedure, safeguards, conditions and limitations for grant of rebate of the duty paid on goods which are exported out of India or shipped for consumption on a voyage to any port outside India including interest thereon and duty paid on excisable goods used as inputs under sub-section (2) of section 25;</p> <p>(s) the formula, procedure, safeguards, conditions and limitations for refund of Central Excise Duty Credit under sub-section (3) of section 25;</p> <p>(t) the manner in which money is to be credited to the Fund under sub-section (2) of section 28;</p> <p>(u) the manner in which the money credited to the Fund shall be utilised for the welfare of the consumers under sub-section (1) of section 29;</p> <p>(v) the form in which the account and records relating to the Fund shall be maintained under sub-section (2) of section 29;</p> <p>(w) the manner of, the period for which and the frequency at which audit shall be undertaken by the Central Excise Officer under sub-section (1) of section 30;</p> <p>(x) the form of application, such other particulars for application and the manner of settlement of a case before the Settlement Commission under sub-section (1) and the fees for an application for settlement under sub-section (2) of section 48;</p> <p>(y) the manner and the conditions subject to which any person other than an assessee, may also make an application to the Settlement Commission in respect of a show cause notice issued to him in a case relating to the assessee under sub-section (4) of section 48;</p> <p>(z) the manner of provisional attachment of property belonging to the applicant by the Settlement Commission under sub-section (1) of section 50;</p> <p>(za) the manner and fee for obtaining the certified copy of inspection report made by any Central Excise Officer to the Settlement Commission or part thereof under section 52;</p> <p>(zb) the form and manner of verification of appeal before the Commissioner of Central Excise (Appeals) under sub-section (3) of section 59;</p> <p>(zc) the form and manner of verification of memorandum of cross-objections before the Appellate Tribunal under sub-section (6) of</p>	
--	---	--

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>section 61;</p> <p>(zd) the form and manner of verification of appeal before the Appellate Tribunal under sub-section (8) of section 61;</p> <p>(ze) the form and manner of verification of application for revision made by any person under sub-section (4) of section 65;</p> <p>(zf) the qualifications to be acquired by any person to appear on behalf of other person as an authorised representative under clause (c) of sub-section (2) of section 74;</p> <p>(zg) the manner of authorising and regulating inspection of factories for taking of samples, and making of tests, of any substance produced or stored therein or any other place, for proper levy and collection of the duties imposed on any excisable goods under sub-section (1) of section 76;</p> <p>(zh) the period and time within which, form (including electronic form), manner and the authority or agency, for furnishing information return under sub-section (1) of section 84;</p> <p>(zi) the manner of dealing with the goods confiscated under this Act or the rules made thereunder under sub-section (10) of section 88;</p> <p>(zj) the amount to be paid for compounding and the manner of compounding under sub-section (3) of section 91;</p> <p>(zk) the conditions subject to which statement contained in a document and included in a printed material produced by a computer shall be deemed to be also a document under sub-section (1) of section 99;</p> <p>(zl) the manner of publication of names and particulars of any person relating to any proceedings or prosecutions under this Act in respect of such person under sub-section (1) of section 111;</p> <p>(zm) any other matter to carry out the provisions of this Act.</p>	
	<p>102. Every rule made under this Act, every notification issued under sections 7, 9 and 14, sub-section (1) of section 10, sections 19 and 34, and every order made under sub-section (3) of section 10, other than an order relating to goods of strategic, secret, individual or personal nature, shall be laid, as soon as may be after it is made or issued, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or notification or order, or both Houses agree that the rule should not be made or notification or order should not be issued, the rule or notification or order shall</p>	<p>Laying of rules and notifications.</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification or order.</p>	
	<p>103. Where any rule, notification or order made or issued under this Act or any notification or order issued under such rule, is amended, repealed, superseded or rescinded, then, unless a different intention appears, such amendment, repeal, supersession or rescinding shall not—</p> <p>(a) revive anything not in force or existing at the time at which the amendment, repeal, supersession or rescinding takes effect; or</p> <p>(b) affect the previous operation of any rule, notification or order so amended, repealed, superseded or rescinded or anything duly done or suffered thereunder; or</p> <p>(c) affect any right, privilege, obligation or liability acquired, accrued or incurred under any rule, notification or order so amended, repealed, superseded or rescinded; or</p> <p>(d) affect any penalty, forfeiture or punishment incurred in respect of any offence committed under or in violation of any rule, notification or order so amended, repealed, superseded or rescinded; or</p> <p>(e) affect any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid,</p> <p>and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed, as if the rule, notification or order, as the case may be, had not been amended, repealed, superseded or rescinded.</p>	<p>Effect of amendments, etc. of rules, notifications or orders.</p>
	<p>104. The Central Government may, by notification, direct, subject to such conditions, if any, as may be specified in such notification, that—</p> <p>(a) any power exercisable by the Board under this Act may be exercisable also by a Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise or a Principal Commissioner of Central Excise or Commissioner of Central Excise empowered in this behalf by the Central Government;</p> <p>(b) any power exercisable by a Principal Commissioner of Central Excise or Commissioner of Central Excise under this Act may be exercisable also by an Additional</p>	<p>Delegation of powers.</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>Commissioner of Central Excise or Joint Commissioner of Central Excise or a Deputy Commissioner of Central Excise or an Assistant Commissioner of Central Excise empowered in this behalf by the Central Government;</p> <p>(c) any power exercisable by an Additional Commissioner of Central Excise or Joint Commissioner of Central Excise under this Act may be exercisable also by a Deputy Commissioner of Central Excise or an Assistant Commissioner of Central Excise empowered in this behalf by the Central Government; and</p> <p>(d) any power exercisable by a Deputy Commissioner of Central Excise or an Assistant Commissioner of Central Excise under this Act may be exercisable also by a Gazetted officer of Central Excise empowered in this behalf by the Board.</p>	
	<p>105. The Board, may, if it considers it necessary or expedient so to do for the purpose of uniformity in the classification of excisable goods or with respect to levy of duties of excise on such goods or for the implementation of any other provision of this Act, issue such orders, instructions and directions to the Central Excise Officers as it may deem fit, and such officers and all other persons employed in the execution of this Act shall observe and follow such orders, instructions and directions of the Board:</p>	<p>Instructions to Central Excise Officers.</p>
	<p>Provided that no such orders, instructions or directions shall be issued so as to —</p> <p>(a) require any Central Excise Officer to make a particular assessment or to dispose of a particular case in a particular manner; or</p> <p>(b) interfere with the discretion of the Commissioner of Central Excise (Appeals) in the exercise of his appellate functions.</p>	
	<p>106. (1) Any decision taken or order passed or any summons or notices issued under this Act or the rules made thereunder, shall be served by any one of the following methods, namely:—</p> <p>(a) by giving, or tendering, or by a messenger including a courier, to the person for whom it is intended or his authorised agent, if any, or a person regularly employed by him in connection with the business, or to any adult member of family residing with the registered person; or</p> <p>(b) by registered post or speed post or courier with acknowledgment due, to the person for whom it is intended or his authorised representative, if any, at his last</p>	<p>Service of decisions, orders, summons, etc.</p>

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>known place of business or residence; or</p> <p>(c) by sending a communication to his e-mail address provided at the time of registration or as amended from time to time; or</p> <p>(d) by publication in a newspaper circulating in the locality in which the registered person or the person to whom it is issued is last known to have resided, carried on business or personally worked for gain; or</p> <p>(e) if none of the modes specified in clauses (a) to (d) is practicable, by affixing a copy thereof to some conspicuous part of his factory or warehouse or other place of business or usual place of residence and if such mode is not practicable for any reason, then by affixing a copy thereof on the notice board of the office of the concerned officer or authority who or which passed such decision or order, or issued such summons or notice.</p>	
	(2) Every decision, order, summons, notice or any communication shall be deemed to have been served on the date on which it is tendered or published or a copy thereof is affixed in the manner provided in sub-section (1).	
	(3) When such decision, order, summons, notice or any communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved.	
	107. The amount of duty, interest, penalty, fine or any other sum payable, and the amount of refund or any other sum due, under the provisions of this Act shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then, if such part is fifty paise or more, it shall be increased to one rupee and if such part is less than fifty paise it shall be ignored.	Rounding off of duty, etc.
	108. Where any person claims that he is eligible for Central Excise Duty Credit under this Act, the burden of proving such claim shall lie on such person.	Burden of proof.
	109. Save as provided in sections 68 and 70, no civil court shall have jurisdiction to deal with or decide any question arising from or relating to anything done or purported to be done under this Act.	Bar on jurisdiction of civil courts.
	110. (1) Notwithstanding anything contained in this Act, the Central Government may, by notification, extend the time limit specified in, or prescribed or notified under this Act in respect of actions which cannot be completed or complied with due to <i>force</i>	Power of Government to extend time limit in special

	<i>majeure.</i>	circumstances.
	(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date not earlier than the date of commencement of this Act.	
	<i>Explanation.</i> — For the purposes of this section, the expression “ <i>force majeure</i> ” means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act.	
	111. (1) If the Central Government is of the opinion that it is necessary or expedient in the public interest to publish the names of any person and any other particulars relating to any proceedings or prosecutions under this Act in respect of such person, it may cause to be published such names and particulars in such manner as may be prescribed.	Publication of information respecting persons in certain cases.
	(2) No publication under this section shall be made in relation to any penalty imposed under this Act until the time for presenting an appeal to the Commissioner (Appeals) under section 59 or to the Appellate Tribunal under section 61, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.	
	<i>Explanation.</i> —In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Central Government, circumstances of the case justify it.	
	112. (1) No suit, prosecution or other legal proceeding shall lie against any person or any officer of the Central Government or a State Government or authorised under this Act, for anything which is done, or intended to be done, in good faith, in pursuance of this Act or any rule made thereunder.	Protection of action taken in good faith.
	(2) For the purpose of claiming immunity under sub-section (1), the officers appointed or authorised under this Act, shall perform and carry out the respective functions and responsibilities, with utmost care and due diligence.	
	(3) No proceeding, other than a suit, shall be commenced against any person or any officer of the Central Government or a State Government or authorised under this Act for anything done or purported to have been done in pursuance of this Act or any rule	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	made thereunder, without giving such person or such officer one month previous notice in writing of the intended proceeding and of the cause thereof or after the expiration of three months from the accrual of such cause.	
	113. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette make such provisions, not inconsistent with the provisions of this Act or the rules made thereunder as may appear to it to be necessary for removing the difficulty:	Removal of difficulties.
	Provided that no such order shall be made under this section after the expiry of a period of five years, from the commencement of this Act.	
	(2) Every order made under this section shall be laid, as soon as may be, after it is made, before each House of Parliament.	
1 of 1944. 12 of 2017.	114. (1) Save as otherwise provided in this Act, on and from the date of commencement of this Act, the Central Excise Act, 1944, as respects goods included in entry 84 of the Union List of the Seventh Schedule to the Constitution, saved by section 174 of the Central Goods and Services Tax Act, 2017 is hereby repealed.	Repeal and savings.
	(2) The repeal of the said Act shall not— (a) affect the previous operation of the repealed Act and orders or anything duly done or suffered thereunder; or (b) affect any right, privilege, obligation, or liability acquired, accrued or incurred under the repealed Act or orders under such repealed Act:	
	Provided that any tax exemption granted as an incentive against investment through a notification shall not continue as privilege if the said notification is rescinded on or after the date of commencement of this Act; or	
	(c) affect any duty, tax, surcharge, fine, penalty, interest as are due or may become due or any forfeiture or punishment incurred or inflicted in respect of any offence or violation committed against the provisions of the repealed Act; or (d) affect any investigation, inquiry, verification (including scrutiny and audit), assessment proceedings, adjudication and any other legal proceedings or recovery of arrears or remedy in respect of any such duty, tax, surcharge, penalty, fine, interest, right, privilege, obligation, liability,	

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

	<p>forfeiture or punishment, as aforesaid, and any such investigation, inquiry, verification (including scrutiny and audit), assessment proceedings, adjudication and other legal proceedings or recovery of arrears or remedy may be instituted, continued or enforced, and any such tax, surcharge, penalty, fine, interest, forfeiture or punishment may be levied or imposed as if the Act had not been so repealed; or</p> <p>(e) affect any proceedings including that relating to an appeal, review or reference, instituted before on, or after the date of commencement of this Act under the repealed Act and such proceedings shall be continued under the said repealed Act as if this Act had not come into force and the said Act had not been repealed; or</p> <p>(f) affect the reference made to the repealed Act under any other legislation, rule, order, or any other legal instrument and any such reference shall, in so far as it is not inconsistent with the provisions of this Act, be construed to as a reference to this Act or its corresponding provisions; or</p> <p>(g) revive anything not in force or existing at the time of such repeal.</p>	
	<p>(3) Where, in pursuance of an assessment or adjudication or appeal or review or reference proceedings initiated under the repealed Act in respect of a period before the date of commencement of this Act, any amount of duty, CENVAT credit, interest, fine or penalty becomes recoverable from any person, it shall, unless recovered under the repealed Act, be recoverable as an arrear of duty under this Act.</p>	
	<p>(4) Every notification, circular, instruction, standing order, trade notice or other order, which is issued under the repealed Act or the rules made thereunder by the Central Government, or Board, or Principal Chief Commissioner of Central Excise or Chief Commissioner of Central Excise, as the case may be, or the Principal Commissioner of Central Excise or Commissioner of Central Excise, as the case may be, and is in force on the date of commencement of this Act, shall, to the extent it is consistent with the provisions of this Act, be deemed to be valid as if the same was issued under the corresponding provisions of this Act.</p>	
<p>10 of 1897.</p>	<p>(5) Without prejudice to the provisions of sub-section (2), the provisions of section 6 of the General Clauses Act, 1897 shall apply with regard to the effect of repeal.</p>	

FIRST SCHEDULE

[See sections 2(i), 2 (o)(ii), 6(1), 7, 8(1), 9, 23 and 48(1)]

GENERAL RULES OF INTERPRETATION OF THIS SCHEDULE

I. Classification of goods in this Schedule shall be governed by the following principles :

1. The titles of Sections, Chapters and Sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Sections or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions.

2. Any reference in a heading —

(a) to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this rule), presented unassembled or disassembled;

(b) to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles of rule 3.

3. When by application of clause (b) of rule 2 or for any other reason, goods are, *prima facie*, classifiable under two or more headings, classification shall be effected as follows :—

(a) the heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods;

(b) mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to clause (a), shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable;

**Ministry of Finance
Department of Revenue**

(c) when goods cannot be classified by reference to clause (a) or clause (b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.

4. Goods which cannot be classified in accordance with the above rules shall be classified under the heading appropriate to the goods to which they are most akin.

5. For legal purposes, the classification of goods in the sub-headings of a heading shall be determined according to the terms of those sub-headings and any related sub-heading Notes and, *mutatis mutandis*, to the above rules, on the understanding that only sub-headings at the same level are comparable. For the purposes of this rule, the relative Chapter Notes also apply, unless the context otherwise requires.

II. General Explanatory Notes

1. Where in column (2) of this Schedule, the description of an article or group of articles under a heading is preceded by “-”, the said article or group of articles shall be taken to be a sub-classification of the article or group of articles covered by the said heading. Where, however, the description of an article or group of articles is preceded by “--”, the said article or group of articles shall be taken to be a sub-classification of the immediately preceding description of the article or group of articles which has “-”. Where the description of an article or group of articles is preceded by “---” or “----”, the said article or group of articles shall be taken to be a sub-classification of the immediately preceding description of the article or group of articles which has “-” or “--”.

2. The abbreviation “%” in column (4) of this Schedule, in relation to the rate of duty, indicates that the duty on the goods to which the entry relates shall be charged on the basis of the value of the goods fixed, defined or deemed to be, as the case may be, under or in sub-section (2) of section 6 or section 13 or section 14 of the Central Excise Act, 2024, the duty being equal to such percentage of the value as is indicated in that column.

III. Additional Notes

In this Schedule,—

(a) the expressions “Chapter” and “Section” shall mean, respectively, a Chapter and Section as specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and the expressions—

(i) “heading”, in respect of goods, means a description in the list of tariff provisions accompanied by a four- digit number and includes all sub-headings of tariff items, the first four - digits of which correspond to that number;

(ii) “sub-heading”, in respect of goods, means a description in the list of tariff provisions accompanied by a six- digit number and includes all tariff items, the first six- digits of which correspond to that number;

(iii) “tariff item” means a description of goods in the list of tariff provisions accompanying either eight- digit number and the rate of the duty of excise, or eight- digit number with blank in the column of the rate of duty;

(b) the list of tariff provisions is divided into Sections, Chapters and Sub-Chapters;

(c) in column (3), the standard unit of quantity is specified for each tariff item to facilitate the collection, comparison and analysis of trade statistics; and

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

(d) “.....” against any goods denotes that Central Excise duty under this Schedule is not leviable on such goods.

IV. List of Abbreviations used

Abbreviations	For
1. kg.	Kilogram
2. Tu	Thousand in Number

SECTION IV

TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES; PRODUCTS, WHETHER OR NOT CONTAINING NICOTINE, INTENDED FOR INHALATION WITHOUT COMBUSTION; OTHER NICOTINE CONTAINING PRODUCTS INTENDED FOR THE INTAKE OF NICOTINE INTO THE HUMAN BODY

NOTE:— In this Section, the expression “unit container” means a container, whether large or small (for example, tin, can, box, jar, bottle, bag or carton, drum, barrel or canister) designed to hold a predetermined quantity or number.

Chapter 24

TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES; PRODUCTS, WHETHER OR NOT CONTAINING NICOTINE, INTENDED FOR INHALATION WITHOUT COMBUSTION; OTHER NICOTINE CONTAINING PRODUCTS INTENDED FOR THE INTAKE OF NICOTINE INTO THE HUMAN BODY

NOTES

1. In this Chapter, “brand name” means a brand name, whether registered or not, that is to say, a name or a mark, such as a symbol, monogram, label, signature invented words or any writing which is used in relation to a product, for the purpose of indicating, or so as to indicate, a connection in the course of trade between the product and some person using such name or mark with or without any indication of the identity of that person.

2. In relation to products of heading 2401 or 2402 or 2403, labelling or relabelling of containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer, shall amount to “manufacture”.

3. In this Chapter, “Pan masala containing tobacco”, commonly known as “gutkha” or by any other name, included in tariff item 2403 99 90, means any preparation containing betel-nuts and tobacco and any one or more of the following ingredients, namely :—

- (i) lime; and
- (ii) kattha (catechu),

whether or not containing any other ingredients, such as cardamom, copra and menthol.

4. Any products classifiable in heading 2404 and any other heading of the Chapter are to be classified in heading 2404.

5. For the purposes of heading 2404, the expression “inhalation without combustion” means inhalation through heated delivery or other means, without combustion.

SUB-HEADING NOTE

For the purposes of sub-heading 2403 11, the expression “water pipe tobacco” means tobacco intended for smoking in a water pipe and which consists of a mixture of tobacco and glycerol, whether or not containing aromatic oils and extracts, molasses or sugar, and whether or not flavoured with fruit. However, tobacco-free products intended for smoking in a water pipe are excluded from this sub-heading.

SUPPLEMENTARY NOTES

For the purposes of this Chapter,—

(1) “tobacco” means any form of tobacco, whether cured or uncured and whether manufactured or not, and includes the leaf, stalks and stems of the tobacco plant, but does not include any part of a tobacco plant while still attached to the earth;

(2) “cut-tobacco” means the prepared or processed cut-to-size tobacco which is generally blended or moisturised to a desired extent for use in the manufacture of machine-rolled cigarettes;

(3) “smoking mixtures for pipes and cigarettes” of sub-heading 2403 10 does not cover “Gudaku”.

<i>Tariff Item</i>	<i>Description of goods</i>	<i>Unit</i>	<i>Rate of Duty</i>
(1)	(2)	(3)	(4)
2401	Unmanufactured Tobacco; Tobacco Refuse		
2401 10	- Tobacco, not stemmed or stripped:		
2401 10 10	--- Flue cured virginia tobacco	kg.	64%
2401 10 20	--- Sun cured country (natu) tobacco	kg.	64%
2401 10 30	--- Sun cured virginia tobacco	kg.	64%
2401 10 40	--- Burley tobacco	kg.	64%
2401 10 50	--- Tobacco for manufacture of biris, not stemmed	kg.	64%
2401 10 60	--- Tobacco for manufacture of chewing tobacco	kg.	64%
2401 10 70	--- Tobacco for manufacture of cigar and cheroot	kg.	64%
2401 10 80	--- Tobacco for manufacture of hookah tobacco	kg.	64%
2401 10 90	--- Other	kg.	64%
2401 20	- Tobacco, partly or wholly stemmed or stripped :		

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

2401 20 10	--- Flue cured virginia tobacco	kg.	64%
2401 20 20	--- Sun cured country (natu) tobacco	kg.	64%
2401 20 30	--- Sun cured virginia tobacco	kg.	64%
2401 20 40	--- Burley tobacco	kg.	64%
2401 20 50	--- Tobacco for manufacture of biris	kg.	64%
2401 20 60	--- Tobacco for manufacture of chewing tobacco	kg.	64%
2401 20 70	--- Tobacco for manufacture of cigar and cheroot	kg.	64%
2401 20 80	--- Tobacco for manufacture of hookah tobacco	kg.	64%
2401 20 90	--- Other	kg.	64%
2401 30 00	- Tobacco refuse	kg.	50%
2402	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes		
2402 10	- <i>Cigars, cheroots and cigarillos, containing tobacco :</i>		
2402 10 10	--- Cigar and cheroots	Tu	12.5% or Rs. 4006 per thousand whichever is higher
2402 10 20	--- Cigarillos	Tu	12.5% or Rs. 4006 per thousand whichever is higher
2402 20	- <i>Cigarettes, containing tobacco :</i>		
2402 20 10	--- Other than filter cigarettes, of length not exceeding 65 millimetres	Tu	Rs. 200 per thousand
2402 20 20	--- Other than filter cigarettes, of length exceeding 65 millimetres but not exceeding 70 millimetres	Tu	Rs. 250 per thousand
2402 20 30	--- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 65 millimetres	Tu	Rs. 440 per thousand
2402 20 40	--- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 65 millimetres but not exceeding 70 millimetres	Tu	Rs. 440 per thousand
2402 20 50	--- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual	Tu	Rs. 545 per thousand

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC

**Ministry of Finance
Department of Revenue**

	length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres		
2402 20 90	--- Other	Tu	Rs. 735 per thousand
2402 90	- <i>Other :</i>		
2402 90 10	--- Cigarettes of tobacco substitutes	Tu	Rs. 600 per thousand
2402 90 20	--- Cigarillos of tobacco substitutes	Tu	12.5% or Rs. 4006 per thousand whichever is higher
2402 90 90	--- Other	Tu	12.5% or Rs. 4006 per thousand whichever is higher
2403	Other manufactured tobacco and manufactured tobacco substitutes; “Homogenised” or “Reconstituted” tobacco; Tobacco extracts and essences		
	- <i>Smoking tobacco, whether or not containing tobacco substitute in any proportion;</i>		
2403 11	-- <i>Water pipe tobacco specified in Sub-heading Note to this Chapter:</i>		
2403 11 10	--- Hukkah or gudaku tobacco	kg.	25%
2403 11 90	--- Other	kg.	60%
2403 19	-- <i>Other:</i>		
2403 19 10	--- Smoking mixtures for pipes and cigarettes	kg.	60%
	--- <i>Biris :</i>		
2403 19 21	---- Other than paper rolled biris, manufactured without the aid of machine	Tu	Rs. 1.00 per thousand
2403 19 29	---- Other	Tu	Rs. 2.00 per thousand
2403 19 90	--- Other	kg.	25%
	- <i>Other :</i>		
2403 91 00	--- “Homogenised” or “reconstituted” tobacco	kg.	25%
2403 99	-- <i>Other :</i>		

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

2403 99 10	--- Chewing tobacco	kg.	25%
2403 99 20	--- Preparations containing chewing tobacco	kg.	25%
2403 99 30	--- Jarda scented tobacco	kg.	25%
2403 99 40	--- Snuff	kg.	25%
2403 99 50	--- Preparations containing snuff	kg.	25%
2403 99 60	--- Tobacco extracts and essence	kg.	25%
2403 99 70	--- Cut-tobacco	kg.	Rs. 70 per kg.
2403 99 90	--- Other	kg.	25%
2404	Products containing tobacco, reconstituted tobacco, nicotine, or tobacco or nicotine substitutes, intended for inhalation without combustion; other nicotine containing products intended for the intake of nicotine into the human body		
	- <i>Products intended for inhalation without combustion</i>		
2404 11 00	- Containing tobacco or reconstituted tobacco	kg.	81%
2404 12 00	-- Other, containing nicotine	kg.	.....
2404 19 00	-- Other	kg.	81%
	- <i>Other:</i>		
2404 91 00	-- For oral application	kg.	.....
2404 92 00	-- For transdermal application	kg.	.....
2404 99 00	-- Other	kg.	.....

SECTION V

MINERAL PRODUCTS

Chapter 27

**MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION;
BITUMINOUS SUBSTANCES; MINERAL WAXES**

NOTES

1. References in heading 2710 to “petroleum oils and oils obtained from bituminous minerals” include not only petroleum oils and oils obtained from bituminous minerals, but also similar oils, as well as those consisting mainly of mixed unsaturated hydrocarbons, obtained by

**Ministry of Finance
Department of Revenue**

any process, provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents:

Provided that the references do not include liquid synthetic polyolefins of which less than 60% by volume distils at 300°C, after conversion to 1,013 millibars when a reduced-pressure distillation method is used.

2. In relation to lubricating oils and lubricating preparations of heading 2710, labelling or relabelling of containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer, shall amount to “manufacture”.

3. In relation to natural gas falling under heading 2711, the process of compression of natural gas (even if it does not involve liquefaction), for the purpose of marketing it as Compressed Natural Gas (CNG), for use as a fuel or for any other purpose, shall amount to “manufacture”.

SUB-HEADING NOTE

For the purposes of sub-heading 2710 12, “light oils and preparations” are those of which 90% or more by volume (including losses) distil at 210°C (ASTM D 86 method).

SUPPLEMENTARY NOTES

In this Chapter, reference to any standard of the Bureau of Indian Standards refers to the last published version of that standard.

Illustration.— IS 1459 refers to IS 1459:2018 and not to IS 1459:1974.

Tariff Item	Description of goods	Unit	Rate of Duty
(1)	(2)	(3)	(4)
2709	Petroleum Oils and Oils obtained from Bituminous Minerals, Crude.		
2709 00	-- Petroleum oils and oils obtained from bituminous minerals, crude		
2709 00 10	--- Petroleum crude	kg.	Re. 1 per tonne
2709 00 90	--- Other	kg.	.....

Ministry of Finance
Department of Revenue

2710	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations; waste oils <i>- Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than those containing biodiesel and other than waste oil</i>		
2710 12	-- <i>Light oils and preparations:</i>		
	--- <i>Naphtha:</i>		
2710 12 21	---- Light Naphtha	kg.	.....
2710 12 22	---- Heavy Naphtha	kg.	.....
2710 12 29	---- Full range Naphtha	kg.	.....
	--- <i>Solvent 60/80, Solvent 50/120 and Solvent 145/205 (Petroleum Hydrocarbon solvents) as specified under standard IS 1745:</i>		.....
2710 12 31	---- Solvent 60/80	kg.	.....
2710 12 32	---- Solvent 50/120	kg.	.....
2710 12 39	---- Solvent 145/205	kg.	.....
	--- <i>Motor Gasoline conforming to standard IS 2796, IS 17021, IS 17586 or IS 17076:</i>		
2710 12 41	---- Motor Gasoline conforming to standard IS 2796	kg.	14% + Rs. 15.00 per litre
2710 12 42	---- E 20 Fuel conforming to standard IS 17021	kg.	14% + Rs. 15.00 per litre
2710 12 43	---- E 12 Fuel conforming to standard IS 17586	kg.	14% + Rs. 15.00 per litre
2710 12 44	---- E 15 Fuel conforming to standard IS 17586	kg.	14% + Rs. 15.00 per litre

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC

**Ministry of Finance
Department of Revenue**

2710 12 49	---- M15 Fuel conforming to standard IS 17076	kg.	14% + Rs. 15.00 per litre
2710 12 50	--- Aviation Gasoline conforming to standard IS 1604	kg.	.....
2710 12 90	--- Other	kg.	14% + Rs. 15.00 per litre
2710 19	-- <i>Other:</i>		
2710 19 20	--- Solvent 125/240 (Petroleum Hydrocarbon solvent) as specified under standard IS 1745	kg.	.....
	--- <i>Kerosene intermediate and oils obtained from Kerosene intermediate:</i>		
2710 19 31	---- Kerosene intermediate	kg.	.....
2710 19 32	---- Kerosene conforming to standard IS 1459	kg.	.....
2710 19 39	---- Aviation Turbine Fuels, Kerosene Type conforming to standard IS 1571	kg.	14%
	--- <i>Gas Oil and oils obtained from Gas oil:</i>		
2710 19 41	---- Gas oil	kg.	.....
2710 19 42	---- Vacuum gas oil	kg.	.....
2710 19 43	---- Light diesel oil conforming to standard IS 15770	kg.	.....
2710 19 44	---- Automotive diesel fuel, not containing Bio-diesel, conforming to standard IS 1460	kg.	14% + Rs. 15.00 per litre
2710 19 49	---- High flash high speed diesel fuel conforming to standard IS 16861	kg.	14% + Rs. 15.00 per litre
	--- <i>Fuel oils conforming to standard IS 1593:</i>		
2710 19 51	---- Grade LV	kg.	.....
2710 19 52	---- Grade MV1	kg.	.....
2710 19 53	---- Grade MV2	kg.	.....
2710 19 59	---- Grade HV	kg.	.....
	--- <i>Fuels (Class F) or Marine Fuels conforming to standard IS 16731:</i>		
2710 19 61	---- Distillate oil	kg.	.....

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

2710 19 69	---- Residual oil	kg.	.....
	--- <i>Base oil and Lubricating oil:</i>		
2710 19 71	---- Base oil	kg.	.....
2710 19 72	---- Engine oil (Internal combustion engine crankcase oils) conforming to IS 13656	kg.	.....
2710 19 73	---- Engine oil conforming to IS 14234	kg.	.....
2710 19 74	---- Automotive gear oil conforming to IS 1118	kg.	.....
2710 19 75	---- Industrial gear oil conforming to IS 8406	kg.	.....
2710 19 76	---- General purpose machinery and spindle oils conforming to standard IS 493	kg.	.....
2710 19 77	---- Turbine lubricating oil conforming to standard IS 1012	kg.	.....
2710 19 78	---- Other lubricating oil, conforming to any other BIS standard	kg.	.....
2710 19 79	---- Other lubricating oil, not conforming to any BIS standard	kg.	.....
	--- <i>Cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, transformer oil:</i>		
2710 19 81	---- Cutting oil conforming to standard IS 1115	kg.	.....
2710 19 82	---- Cutting oil (neat) conforming to standard IS 3065	kg.	.....
2710 19 83	---- Hydraulic oil conforming to standard IS 3098 or IS 11656	kg.	.....
2710 19 84	---- Industrial white oil conforming to standard IS 1083	kg.	.....
2710 19 85	---- Insulating oil for transformer and circuit-breaker (Transformer and circuit-breaker oils) conforming to standard IS 335 or IS 12463	kg.	.....
2710 19 86	---- Mineral oil for cosmetic industry conforming to standard IS 7299	kg.	.....
2710 19 87	---- Jute batching oil conforming to standard IS 1758	kg.	.....
2710 19 88	---- Other cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, transformer oil conforming to any other BIS standard	kg.	.....
2710 19 89	---- Other cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic	kg.	.....

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC

**Ministry of Finance
Department of Revenue**

	industry, transformer oil, not conforming to any other BIS standard		
2710 19 90	--- Other	kg.	.....
2710 20	- <i>Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, containing biodiesel, other than waste oil:</i>		
2710 20 10	--- Automotive diesel fuel, containing Bio-diesel, conforming to standard IS 1460	kg.	14% + Rs. 15.00 per litre
2710 20 20	--- Diesel fuel blend (B6 to B20) conforming to standard IS 16531	kg.	14% + Rs. 15.00 per litre
2710 20 90	--- Other	kg.	.....
2710 91 00	-- Containing Polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs)	kg.	.....
2710 99 00	-- Other	kg.	.....
2711	Petroleum gases and other gaseous hydrocarbons		
	- <i>Liquefied:</i>		
2711 11 00	-- Natural gas	kg.	14%
2711 12 00	-- Propane	kg.	
2711 13 00	-- Butane	kg.	
2711 14 00	-- Ethylene, propylene, butylene and butadiene	kg.	
2711 19 00	-- Other	kg.	
	- <i>In gaseous state:</i>		
2711 21 00	-- Natural gas	kg.	14%
2711 29 00	-- Other	kg.	.....

F.NO. CBIC-110267/80/2023-CX-VIII SECTION-CBEC
Ministry of Finance
Department of Revenue

SECOND SCHEDULE

[See section 2(o)(iii)]

NOTES

1. In this Schedule, “heading”, “sub-heading” and “tariff item” mean respectively, a heading, sub-heading and tariff item in the First Schedule.

2. The rules for the interpretation, the Section, Chapter Notes, the General Explanatory Notes and the Additional Notes of the First Schedule shall apply to the interpretation of this Schedule.

Sl. No.	Heading, Sub-heading or Tariff item	Description of goods
(1)	(2)	(3)
1.	2402 20 10 to 2402 20 90	All Goods
2.	2403 99 10, 2403 99 20, 2403 99 30	Chewing tobacco and preparations containing chewing tobacco
3.	2403 99 90	Pan masala containing tobacco