Rule 2 a - Capital Goods

8 Categories of CG	Motor Vehicles: **Goods Transpotation**	Motor Vehicles: **Carrying Passenger**	**Components, spares and acessories of MV which are CG for the assessee**
Chapter 82,84,85,90,6805/04	OS of renting of MV	OS of renting of MV	
Pollution control equipment;	Transportation of I and CG used for providing OS	Transportation of Passenger	
Components, spares and accessories of the goods specified and (i) and (ii)	OS of Courier	Imparting driving skills	
Moulds and dies, jigs and fixtures;			
Refractories and refractory materials;			
Tubes and pipes and fittings thereof;			
Storage tank.			
Motor Vehicle other than 8702/03/04/11			

Used by

M: *In the factory*	M: *Oustide the factory*	OSP
Except equipment or appliance used in an office	Electricity generated captive consumption	For providing the OS

Rule 2 k - Inputs

All goods used in the factory by **M**	Good cleared with FP	Goods used in electricity	Goods used for OS

Excludes

- Contruction of Civil sturcture, Laying foundation for **CG**, except provision for service portion.
- Food items used in guest house, primarly for personal
- CG (Rule 2a) except used as part or component in
- Good which have no relation with manufacturing.
- LDO, HSD, Petrol.
- Motor Vehicles.

Rule 2 l - Input Service

Means any service
Used for providing OS
Used directly or indirectly in FP upto place of removal

Includes

- Of a Factory premises and office relating to such factory - Modernisation, Renovation, Repair
- advertisement, sales promotion, market research, storage upto place of removal, procurement of inputs
- Accounting,auditing,financing,business exhibition, legal services,Inward of I/CG,Outward upto place of removal

Excludes

- Contruction of Civil sturcture, Laying foundation for CG, except provision for service portion.
- Renting services of a MV, relating to MV not **CG**
- Service primarly for personal consumption or use.
- Service of GIS, Servicing, repair, relating to MV not CG
- --M of MV in respect of MV manufactured by such person
- --insurance co. in respect of MV insured/reinsured by such person

Condition of Availment of Cenvat Credit

Rule 4 (2)

CC may be taken as CG is received in the factory of M or OSP, or outside the factory for electricity generation for captive consumption.

CG not removed as such	CG removed as such
CC in a FY - upto 50% of ED paid on such CG.	CC in a FY - 100% of ED paid on such CG.
--100% in a FY for Spl CVD {ACD 3(5)}.	
--100% in a FY for SSI	

Rule 4 (1)

- CC may be taken immediately on their receipt in the factory of M or OSP
- There is no time limit for availment of CC after received in the factory
- CC is available as it is received in factory, Rule 2k proportionate credit should be reversed.

Rule 4 (3)

- CC is available on or after date of invoice/bill/challan.
- In reverse charge date after amount is paid.
- If IS and ST not made within 3 month, M or OSP pay amount of CC availed before.
- If case of refund or credit note, M o rOSP pay amount of CC availed before.

Used by M and OSP

I/CG/IS excusively used for Exempted Service/goods

FP under SSI exemption: CG	*FP under SSI exemption*: I/IS	*Other exemption*
		--Rule 6(4) CG
		--Rule 6(1) I
		--Rule 6(1) IS
SSI can avail CC of CG but allowed to be utilize after limit of 150lakh.	SSI cannot avail CC of I/IS used in exempted goods upto limit of 150lakh.	CC is not available on I/IS/CG which exclusively used in exempted goods

I/CG/IS excusively used for Service / goods.

I/IS/CG which exclusively used in dutiable goods/service, CC is available.

I/CG/IS excusively used for Exempted and chargable Service/goods

Rule 6(4) CG	Rule 6(2) I	Rule 6(3) IS
	Option 1	Option 2
M or OSP can avail CC of CG @ 50%, remaining in subsequent, can alos be utilise for payment of any ED or ST	*--Exempted FP/ Services* <No CC *--Chargeable FP/ Services* < CCavailable on I/IS chargeable	Full credit of CC on I/IS and thereafter --pay 6% of exempted service OR --pay as per Rule 6(3A)

Removed or Written off

Rule 3(5)	Rule 3(5A)	Rule 3(5B)	Rule 4(5)	Rule 4(6)
I/CG, CC availed removed as such, M/OSP shall pay amount equal to CC availed earlier.	I/CG, CC availed removed as waste and Scrap, M/OSP shall pay amount equal to CC availed earlier and reduce by-- For Computers - 10,8,5,1% p.q. For Other- 2.5% quaterly	I/CG, CC availed is written off completely, M/OSP shall pay amount equal to CC availed earlier.	I/CG on which CC is availed sent to JW for further processing, that goods should e received back in factory within 180 days, except moulds, dyes, jigs, fixtures OR M/OSP pay CC.	Assistant/Commissioner of Central Excise, by order (validate for a FY) impose Duty in interest of revenue, if leviable, is to be paid, allow FP to be cleared from Premises of JW

Rule 9 - Documents and Accounts

Input or Capital Goods

An Invoice	*Other Documents*
----By Manufacture	A bill of entry
>>for clearnace of I/CG from his factory/depot/premises of consignment agent/any other premises.	A certificate issued by an appraiser of customs in respect of goods importer through a Foreign Post Office.
>>I/CG removed as such	
----By importer	
>> from his depot/premises of consignment agent/any other premises.	
----By 1st and 2nd stage dealer.	
----Supplementary Invoice (Include challan or other similar document evidence payment) issue by M/Importer of I/CG.	

Input Service

- An Invoice/bill/challan issued by provider of IS.
- An Invoice/bill/challan issued by ISD.
- A challan evidence payment of ST, by the service recipient as ther person liable to pay serviec tax.
- GAR 7 - Reverse charge
- Payment challan of ISD