

1.9 IMPORTANT PROVISIONS OF CENTRAL EXCISE RULES, 2002

Rule No.	Brief Contents
2(b)	‘Assessment’ includes self-assessment of duty made by the assessee and provisional assessment made under rule 7.
2(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 authorized agent of such person.
2(ea)	A taxpayer who is registered under Central Excise or Service tax provisions and is an assessee under Income Tax Act and has PAN number, and who fulfils prescribed conditions is ‘Large Tax payer’.
5	Duty will be payable at rate and valuation as applicable at the time of actual removal from factory or warehouse, except in case of khandsari molasses [rule 5(1)]. Rate of duty applicable in case of khandsari molasses shall be the rate in force on date of receipt of such molasses in the factory of the procurer of such molasses [Rule 5(2)].
6	Assessee shall himself assess the duty payable on excisable goods, except that that in case of cigarettes, the Superintendent or Inspector of Central Excise shall assess the duty payable before removal of goods.
7	Provisional assessment can be requested by the assessee. Department cannot itself order provisional assessment. Final assessment will be made later by Assistant / Deputy Commissioner after getting the required details.
8	Duty is payable by 5th of following month (6th in case of e-payment). SSI units availing SSI exemption have to pay duty by 15th of following month (16th in case of e-payment). For the month of March, duty is payable by 31st March, both by large units as well as SSI
8(2)	Duty is deemed to have been paid for purpose of availment of Cenvat credit by the buyer
8(3)	If duty is not paid fully on due date, assessee is liable to pay the outstanding amount along with interest on unpaid amount at the rate specified under section 11AB. If part of duty is paid, the provision of interest will apply to that part of duty which is not paid [present rate of interest is 13%]
8(3A)	If duty and interest is not paid within 30 days after due date, assessee will forfeit the facility to pay duty in monthly instalments. He will have to pay duty through PLA before clearance of goods. He cannot utilise Cenvat credit for payment of duty during that period. This forfeiture of facility is automatic and mandatory. If despite such restrictions, assessee clears goods without payment of duty and consequences and penalties as applicable for removal of goods without payment of duty will follow.