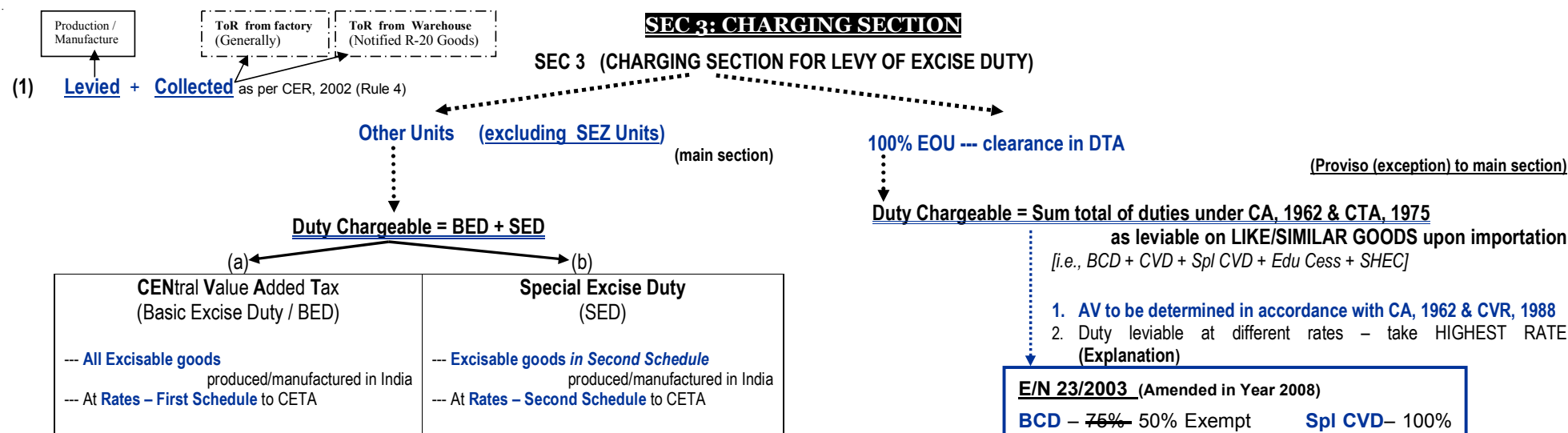


SHORT REVISIONARY KONCEPTS



CASE LAWS:

1. BOMBAY TYRE INTERNATIONAL-SC

- ⇒ Excise duty is on production/manufacture (& not on their removal)
- ⇒ Collection is a matter of administrative convenience only Under excise, collection has been deferred till removal of goods from factory or warehouse.

2. WALLACE FLOUR MILLS-SC

(on CENVAT, i.e.. BED only)

- ⇒ Goods excisable on date of production ---- whatever duty rate at time of removal shall be paid [Rule 5 of CER, 2002]
- ⇒ Goods not excisable on date of production --- no duty liability arise

3. VAZIR SULTAN TOBACCO (VST)-SC

(on duty other than CENVAT)

- ⇒ A completely new levy – not applicable to stock of goods manufactured prior to the date of such levy
- [The test pf taxable event shall be applied separately in respect of each & every duty.]

- (1A) **Excise duty – also payable by Govt Undertaking** manufacturing excisable goods
- (Implication: These also require registration under Excise- May, 2003)

Some other special provisions of 100% EoU:

Rule 17 of CER, 2002

- ✓ Rule-8 “monthly payment facility is not available for 100% EoU. It is required to pay duty on Transaction basis (i.e., at the time of removal of goods itself)
- ✓ Accounts Maintenance Form “AC-1”
- ✓ Excise Return: Form “E.R.-2” [Monthly Basis (within 10 days)]

Rule 9 of CER, 2002 (Registration)

- ✓ 100% EoU – if has no sale to / purchase from DTA – then, no separate excise registration is required.
- ✓ 100% EoU – if has inter-linkage with DTA (it sells into DTA // it purchases from DTA)– then, separate excise registration is required)