

REMISSION OF DUTY AND DESTRUCTION OF GOODS

Question 1

What are the situations in which duty can be remitted under rule 21 of Central Excise Rules, 2002.
(2 Marks) (June 2009)

Answer

Rule 21 of the Central Excise Rules, 2002 provides that where it is shown to the satisfaction of Commissioner empowered to remit the duty, that:-

- (i) goods have been lost or destroyed by **natural causes** or,
- (ii) goods have been lost or destroyed by **unavoidable accident** or
- (iii) the goods have become **unfit for consumption or for marketing**.

at any time before removal, he may remit the duty payable on such goods subject to such conditions as may be imposed by him by order in writing.