

Amendment to Rule 21 of CE Rules - Half done !

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Notification 8/2007 CE(NT) Dt 1/3/2007, certain amendments have been made in the Central Excise rules 2002. Vide the said notification , Rule 21 of the Central Excise rules has been amended as under:

- (a) in the first proviso, for the words, "one thousand rupees", the words, "ten thousand rupees" shall be substituted;
- (b) in the second proviso, for the words, "two thousand five hundred rupees", the words, "one lakh rupees" shall be substituted;
- (c) in the third proviso, for the words, "five thousand rupees", the words, "five lakh rupees" shall be substituted.

After the above amendment, the rule now reads as under:

Provided that where such duty does not exceed ten thousand rupees, the provisions of this rule shall have effect as if for the expression "Commissioner", the expression "Superintendent of Central Excise" has been substituted:

Provided further that where such duty exceeds **one thousand rupees** but does not exceed one lakh rupees, the provisions of this rule shall have effect as if for the expression "Commissioner", the expression "Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise, as the case may be," has been substituted:

Provided also that where such duty exceeds **two thousand five hundred rupees** but does not exceed five lakh rupees, the provisions of this rule shall have effect as if for the expression "Commissioner", the expression "Joint Commissioner of Central Excise or Additional Commissioner of Central Excise, as the case may be," has been substituted.

In the second and third provisos, in fact two words need to be substituted in each proviso, for upper and lower limits, but only one word of the revised upper limit has been substituted. So now there is overlap of powers between the Superintendent , Assistant / Deputy Commissioner and the Joint Commissioner. Therefore there is a need to substitute "one thousand" in second proviso to "ten thousand" and in the third proviso, "two thousand five hundred" needs to be replaced with "one lakh rupees".

(The views expressed are strictly personal of the author)