



सीमाशुल्क, केंद्रीय उत्पाद शुल्क एवं सेवाकर आयुक्त का कार्यालय
OFFICE OF THE COMMISSIONER OF CUSTOMS, CENTRAL EXCISE & SERVICE TAX
हैदराबाद 1 आयुक्तालय HYDERABAD-1 COMMISSIONERATE
केंद्रीय शुल्क भवन, एल बी स्टेडियम रोड, बशीर बाग, हैदराबाद-500 004
KENDRIYA SHULK BHAVAN, L.B. STADIUM ROAD, BASHEER BAGH, HYDERABAD 500 004.
☎ - 040-23212072 (Telefax)

व्यापार सूचना सं. Trade Notice No, 03/2012 (C.Ex.,)

दिनांक Date : 20.04.2012

सामान्य सं. General No.01/2012

केन्द्रीय उत्पाद व सीमा शुल्क बोर्ड, राजस्व विभाग, वित्त मंत्रालय, भारत सरकार, नई दिल्ली द्वारा जारी निम्नलिखित परिपत्रों की प्रतिलिपियाँ सूचना, मार्गदर्शन और आवश्यक कार्यवाही हेतु संप्रेषित हैं।

Copies of the following Circulars issued by the Central Board of Excise & Customs, Department of Revenue, Ministry of Finance, Government of India, New Delhi, are communicated herewith for information, guidance and necessary action.

क्रमांक Sl.No.	परिपत्र सं./फाइल सं. Circular No. / File No.	विषय Subject
01.	Circular No.962/05/2012-CX, dated 28.03.2012 (F.No.267/96/2009-CX-8)	Payment of arrears from Cenvat Credit earned at later date
02.	Circular No.963/06/2012-CX, dated 29.03.2012 (F.No.101/9/2011-CX-3)	Clarification regarding Mega Power Project (MPP) exemption – Reg.
03.	Circular No.964/7/2012-CX, dated 02.04.2012 (F.No.84/18/2011-CX-1)	Clarification regarding classification of structural components of Boiler and admissibility of Cenvat credit on these structural components – Reg.

02. इस व्यापार सूचना की विषय-वस्तु सभी संबंधितों की जानकारी में लाई जाए।
The contents of this Trade Notice may be brought to the notice of all concerned.

संलग्न Encl: यथोपरि As above


(जी. ए. रामाराव G.A. RAMA RAO)

सहायक आयुक्त (तक) ASST. COMMISSIONER(TECH.,)

प्रति To

वितरण सूची-1 के अनुसार As per Distribution List-I
(फाइल सं.C.No.IV/16/58/2012-C.Ex.,Tech.II/Hyd.Iसे जारी)
(Issued from file C.No.IV/16/58/2012-C.Ex.,Tech.II/Hyd.I)

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S.No. 29(77)

Circular No.962/05/2012-CX

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03 APR 2012
Subst (Tech)

F.No.267/96/2009-CX8
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise & Customs)

New Delhi, dated the 28th March, 2012

To,
All Director Generals,
All Chief Commissioners of Central Excise (including LTU),
All Commissioners of Central Excise (including LTU).

Sir/ Madam,

Subject: Payment of arrears from Cenvat Credit earned at a later date

Reference was received from the field formation seeking clarification on the issue as to whether the arrears of duty can be paid by utilizing the cenvat credit which has accrued subsequent to the period to which the arrears pertained. Such clarification has been sought in view of first proviso to rule 3(4) of the Cenvat Credit Rules, 2004. As per this proviso, "while paying duty of excise or service tax, as the case may be, the cenvat credit shall be utilized only to the extent such credit is available on the last day of the month or quarter, as the case may be, for payment of duty or tax relating to that month or the quarter, as the case may be."

2. Doubts have been raised whether these restrictions will be applicable to duty payable in terms of Section 11A or duty paid after due date in terms of rule 8 of the Central Excise Rules, 2002.

3. The matter has been examined in the Board. Practice ascertained from field formations points out that in majority of cases the payment of demands confirmed under Section 11A are being permitted to be paid by utilizing cenvat credit without linking the same to the period to which these demand pertain.

4. A harmonious reading of rule 8 of Central Excise Rules' 2002 and first proviso to rule 3 (4) of the Cenvat Credit Rules, 2004 indicates that the restriction with regard to the utilization of cenvat credit is relating to the normal payment of duty in terms of rule 8 of the Central Excise Rules, 2002, where duty for a particular month or quarter is to be discharged by the 5th of the next month. For this proviso, the cenvat credit allowed to be used is what was in balance on the last date of that month

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Sl No. 28 (CR)

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Circular No. 963/06/2012-CX

F.No.101/9/2011-CX.3
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

02 APR 2012

New Delhi, the, 29th March, 2012

To

All Chief Commissioners of Central Excise & Customs,
All Chief Commissioners of Central Excise,
All Directors Generals

Sir/Madam,

Sub: Clarification Regarding Mega Power Project (MPP) exemption – reg.

Representations have been received seeking clarification regarding the entry at S.No. 91B of Notification No.6/2006-CE dated 1.3.2006 (present entry no. 338 of Notification No. 12/2012-CE dated 17.3.2012). SI.No.91B of Notification No.6/2006-CE dated 1.3.2006 prescribes exemption to specified goods when supplied to Mega Power Projects. The exemption is available subject to condition No.28 which, inter alia, prescribes that in case the certificate issued by the Joint Secretary in the Ministry of Power regarding the project having the status of Mega Power Project is provisional, the Chief Executive Officer of the Project has to furnish a Fixed Deposit Receipt (FDR) for an amount equal to the Central Excise duty payable for a term of thirty six months or more to the Deputy Commissioner or the Assistant Commissioner of Central Excise having jurisdiction.

2. Representations have been received in the Board seeking clarification on certain issues relating to clearances of goods for Mega Power Projects under the aforesaid Notification. These have been examined by the Board and the following issues are clarified for guidance of the field formations and the trade:

- a) **Whether the FDR is required to be submitted to the jurisdictional officer in-charge of the Mega Power Project or to the jurisdictional officer in-charge of the factory from where the goods are cleared for supply to such project:** It is clarified that the FDR is required to be submitted to the jurisdictional Deputy Commissioner or Assistant Commissioner, in-charge of the factory from where the goods are cleared in terms of this notification and not to the jurisdictional officer, in-charge of the Project.
- b) **Whether only one FDR is required to be submitted in respect of the clearances which are likely to take place over a period of time or the fixed deposits can be submitted at regular intervals:** It is clarified that the notification do not provide for submission of a single FDR. The FDRs can be submitted by the Project Director at

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S.No. 27 (Receipt)

Circular No.964/07/2012-CX

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PP circular
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Support (Recd)

F. No. 84/1/2011-CX-1
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

No.	803/2012
Date	10/4/2012

New Delhi, dated the 2nd April, 2012

To

All Chief Commissioners of Central Excise & Customs,
All Chief Commissioners of Central Excise,
All Directors General

Sir/Madam,

Sub: Clarification regarding classification of structural components of Boiler and admissibility of CENVAT credit on these structural components – reg.

Reference has been received from Trade seeking clarification regarding classification of structural parts/components of Boiler and admissibility of CENVAT credit on these parts/components to the buyers of the Boilers. It has been represented that CENVAT credit is being denied to the supporting structural parts of the Boilers at the buyers' end by classifying the same under Chapter 73 as structural parts and not as a part of Boiler. These are not being covered under the definition of inputs under the CENVAT Credit Rules, 2004, on account of exclusion given in rule 2 (k)(iv)(B)(b). This denial is on the ground that these are used for structures for support of Capital goods, without which the Capital goods can function.

2 The matter has been examined in the Board. The Boilers are a combination of various systems such as Coal Handling System, Coal Feeding System, Draft Air System, Demineralization Plant, Boiler Feed Water System, Boiler Tubes, Boiler Drums, Super Heat System, Flue Gases Treatment System and Ash Handling System etc. All these Systems work in tandem to make a modern Boiler. These Systems comprise of many parts including structural components which are essentially the part of Boiler by way of technical specifications. As per Section Note 4 to the Section XVI of the First Schedule to the Central Excise Tariff Act, 1985, "Where a machine (including a combination of machines) consists of individual components (whether separate or interconnected by piping, by transmission devices, by electric cables or by other devices) intended to contribute together to a clearly defined function covered by one of the headings in Chapter 84 or Chapter 85, then the whole falls to be classified in the heading appropriate to that function."

3. Accordingly it is clarified that those structural components which are to be used essentially as a part of Boiler System would be classifiable as parts of Boiler only under Heading 8402 of the Tariff. It is further clarified that since these structural components are nothing but the parts and accessories of the Boiler, they would be covered by the definition of inputs under Rule 2(k)(iii) of the CENVAT Credit rules, 2004 (i.e. all goods for generation of electricity & steam). Further these structural components shall not be hit by the exclusion

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