

THE CENTRAL EXCISE ACT, 1944

[Act No. 1 of 1944]

An Act to consolidate and amend the law relating to Central Duties of Excise

[24th February, 1944]

Whereas it is expedient to consolidate and amend the law relating to Central duties of excise on goods manufactured or produced in certain parts of India.

It is hereby enacted as follows:-

CHAPTER I PRELIMINARY

SECTION 1. Short title, extent and commencement. - (1) This Act may be called the Central Excise Act, 1944.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf.

SECTION 2. Definitions.— In this Act, unless there is anything repugnant in the subject or context, -

- (a) “Adjudicating authority” means any authority competent to pass any order or decision under this Act, but does not include the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963 (54 of 1963), Commissioner of Central Excise (Appeals) or Appellate Tribunal;
- (aa) “Appellate Tribunal” means the Customs, Excise and Service Tribunal Tax constituted under section 129 of the Customs Act, 1962 (52 of 1962);
- (aaa) “broker” or “commission agent” means a person who in the ordinary course of business makes contract for the sale or purchase of excisable goods for others;
- (b) “Central Excise Officer” means the Chief Commissioner of Central Excise, Commissioner of Central Excise, Commissioner of Central Excise (Appeals), Additional Commissioner of Central Excise, Joint Commissioner of Central Excise, Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise or any other officer of the Central Excise Department, or any person (including an officer of the State Government) invested by the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963 (54 of 1963) with any of the powers of a Central Excise Officer under this Act.
- (c) “curing” includes wilting, drying, fermenting and any process for rendering an unmanufactured product fit for marketing or manufacture;
- (d) “excisable goods” means goods specified in the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) as being subject to a duty of excise and includes salt;

Explanation - For the purposes of this clause, “goods “ includes any article, material or substance which is capable of being bought and sold for a consideration and such goods shall be deemed to be marketable.

- (e) “factory” means any premises, including the precincts thereof, wherein or in any part of which

excisable goods other than salt are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods is being carried on or is ordinarily carried on;

- (ee) "Fund" means the Consumer Welfare Fund established under section 12C;
- (f) "manufacture" includes any process, -
 - i) incidental or ancillary to the completion of a manufactured product;
 - ii) which is specified in relation to any goods in the Section or Chapter notes of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) as amounting to manufacture; or which, in relation to the goods specified in the Third Schedule, involves packing or repacking
 - iii) of such goods in a unit container or labelling or re-labelling of containers including the declaration or alteration of retail sale price on it or adoption of any other treatment on the goods to render the product marketable to the consumer;

and the word "manufacturer" shall be construed accordingly and shall include not only a person who employs hired labour in the production or manufacture of excisable goods, but also any person who engages in their production or manufacture on his own account;

- (ff) "National Tax Tribunal" means the National Tax Tribunal established under section 3 of the National Tax Tribunal Act, 2005;
- (g) "prescribed" means prescribed by rules made under this Act;
- (h) "sale" and "purchase", with their grammatical variations and cognate expressions, mean any transfer of the possession of goods by one person to another in the ordinary course of trade or business for cash or deferred payment or other valuable consideration;
- (i) Omitted
- (j) Omitted
- (jj) Omitted
- (k) "wholesale dealer" means a person who buys or sells excisable goods wholesale for the purpose of trade or manufacture, and includes a broker or commission agent who, in addition to making contracts for the sale or purchase of excisable goods for others, stocks such goods belonging to others as an agent for the purpose of sale.

SECTION 2A. References of certain expressions. — In this Act, save as otherwise expressly provided and unless the context otherwise requires, references to the expressions "duty", "duties", "duty of excise" and "duties of excise" shall be construed to include a reference to "Central Value Added Tax (CENVAT)".