

Finance Act, 1997

Section 83 - INSERTION OF NEW SECTION 14 -AfterSection 14 of the Central Excise Act-, the following section shall be inserted,

1) If the Commissioner of Central Excise has reason to believe that the credit of duty availed of or utilised under the rules made under this Act by a manufacturer of any excisable goods- (a) is not within the normal limits having regard to the nature of the excisable goods produced or manufactured, the type of inputs used and other relevant factors, as he may deem appropriate; (b) has been availed of or utilised by reason of fraud, collusion or any wilful misstatement or suppression of facts, he may direct such manufacturer to get the accounts of his factory, office, depot, distributor or any other place, as may be specified by him, audited by a cost accountant nominated by him. (2) The cost accountant so nominated shall, within the period specified by the Commissioner of Central Excise, submit a report of such audit duly signed and certified by him to the said Commissioner mentioning therein such other particulars as may be specified. (3) The provisions of sub-section (1) shall have effect notwithstanding that the accounts of the said manufacturer aforesaid have been audited under any other law for the time being in force or otherwise. (4) The expenses of, and incidental to, such audit (including the remuneration of the cost accountant) shall be determined by the Commissioner of Central Excise (which determination shall be final) and paid by the manufacturer and in default of such payment shall be recoverable from the manufacturer in the manner provided in Section 11 for the recovery of sums due to the Government. (5) The manufacturer shall be given an opportunity of being heard in respect of any material gathered on the basis of the audit under sub-section (1) and proposed to be utilised in any proceeding under this Act or rules made thereunder. Explanation.-For the purpose of this section, 'cost accountant' shall have the meaning assigned to it in clause (b) of sub-section (1) ofSection 2 of the Cost and Works Accounts Act, 1959 (23 of 1959)-".