



**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs  
New Delhi**

**Notification No. 31/2006-Central Excise (N.T.)**

Dated 30th December, 2006

G.S.R. (E).- In exercise of the powers conferred by Section 37 of the Central Excise Act, 1944 (1 of 1944) and Section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely :-

1. (1) These rules may be called the CENVAT Credit (Seventh Amendment) Rules, 2006.
- (2) They shall come into force on the date of their publication in the Official Gazette.
2. In the CENVAT Credit Rules, 2004, after rule 12A, the following rule, shall be inserted, namely :-

"12AA. Power to impose restrictions in certain types of cases.- Notwithstanding anything contained in these rules, where the Central Government, having regard to the extent of misuse of CENVAT credit, nature and type of such misuse and such other factors as may be relevant, is of the opinion that in order to prevent the misuse of the provisions of CENVAT credit as specified in these rules, it is necessary in the public interest to provide for certain measures including restrictions on a manufacturer, first stage and second stage dealer or an exporter, may by a Notification in the Official Gazette, specify nature of restrictions including restrictions on utilization of CENVAT credit and suspension of registration in case of a dealer and type of facilities to be withdrawn and procedure for issue of such order by an officer authorized by the Board".

*Sd/-*

(RAHUL NANGARE)

Under Secretary to the Government of India

(F. No. 224/40/2006-CX. 6)

Note.- The principal rules were published vide Notification No. 23/2004-Central Excise (N.T.), dated the 10th September, 2004, G.S.R.600 (E), dated the 10th September, 2004 and was last amended vide Notification No.19/2006-Central Excise (N.T.), dated the 30th September, 2006, vide [G.S.R. 608(E), dated the 30th September, 2006].