

CENTRAL EXCISE

NOTIFICATIONS 5/94-CE (N.T.) DATED 1.3.94 AND 24/94-CE (N.T.) DATED 1.3.94 HAVE BEEN AMENDED SO AS TO ALLOW CREDIT ONLY OF NINETY FIVE PERCENT OF THE SPECIFIED DUTY PAID ON THE INPUTS RECEIVED IN THE FACTORY OF THE MANUFACTURER ON OR AFTER THE 2ND OF JUNE, 1998(.). CREDIT IN RESPECT OF INPUTS RECEIVED ON OR BEFORE 1ST JUNE, 1998 WOULD HOWEVER BE ALLOWED TO THE FULL EXTENT OF THE SPECIFIED DUTY PAID ON THE INPUTS(.). THE AMENDED PROVISIONS SHALL NOT AFFECT THE CREDIT IN RESPECT OF INPUTS IN STOCK AS ON 1.6.98 OR CONTAINED IN FINISHED GOODS IN STOCK AS ON 1.6.98(.). THE RESTRICTION SHALL ALSO NOT APPLY TO DUTY PAID ON SPECIFIED CAPITAL GOODS USED IN THE FACTORY OF THE MANUFACTURER(.).

THE SSI SCHEME (WITHOUT MODVAT) HAS BEEN REVISED(.). FIRST CLEARANCES UPTO RUPEES FIFTY LAKHS WILL ENJOY FULL EXEMPTION(.). CLEARANCES FROM RUPEES FIFTY LAKHS TO RUPEES HUNDRED LAKHS WILL SUFFER DUTY AT 5% AND CLEARANCES FROM RUPEES HUNDRED LAKHS TO RUPEES THREE HUNDRED LAKHS WILL PAY NORMAL DUTY(.).

BENEFIT OF SSI SCHEME HAS BEEN EXTENDED TO COMPUTERS(.). SSI BENEFIT HAS BEEN WITHDRAWN FROM COPPER ALLOYS FALLING UNDER HEADINGS 74.03 AND 74.09(.). SPECIAL SSI SCHEMES APPLICABLE TO TREAD RUBBER, AIR CONDITIONING AND REFRIGERATING MACHINERY AND COSMETICS ARE BEING CONTINUED WITHOUT ANY CHANGE(.). THE SSI SCHEME (WITH MODVAT) IS BEING CONTINUED WITHOUT CHANGE(.).

DUTY OF 8% IMPOSED ON MILK POWDER OTHER THAN FOR INFANT USE , BRANDED BUTTER, BRANDED CHEESE, BRANDED GHEE, BRANDED PACKAGED TEA(INCLUDING TEA BAGS) AND BRANDED SPICES(.). PROCESS OF BRANDING AND REPACKING DEFINED AS AMOUNTING TO MANUFACTURE IN RELATION TO SUCH

PRODUCTS BY INSERTION OF CHAPTER NOTES(.) EXCISE DUTY ON MALT INCREASED TO 13% (.)

DUTY OF 8% IMPOSED ON BRANDED PREPARATIONS OF MEAT AND FISH ETC. PROCESS OF BRANDING AND REPACKING ETC. DEEMED AS AMOUNTING TO MANUFACTURE IN RELATION TO THESE PRODUCTS (.)

SUB-HEADING NO.1704.10 AMENDED TO EXPRESSLY COVER BUBBLEGUM(.) HEADING NO. 19.05 RESTRUCTURED TO PROVIDE SEPARATE ENTRY FOR CHOCOLATE COVERED OR CHOCOLATE –COATED WAFERS WITH DUTY OF 18% (.)

DUTY OF 8% IMPOSED ON ROASTED CHICORY AND COFFEE SUBSTITUTES(.) UNBRANDED MISCELLANEOUS EDIBLE PREPARATIONS OF SUB-HEADING 2108.91 REMAIN EXEMPT(.)HOWEVER EXEMPTIONS RELATING TO BRANDED MISCELLANEOUS EDIBLE PREPARATIONS HAVE BEEN RESTRUCTURED AND SWEETMEATS (KNOWN AS 'MISTHANS' OR MITHAI), SNACKS, NAMKEENS AND SIMILAR EDIBLE PREPARATIONS IN READY FOR CONSUMPTION FORM IF PRODUCED IN A FACTORY (AS DEFINED IN THE FACTORY ACT, 1948) SHALL ATTRACT DUTY OF 8% WITHOUT MODVAT FACILITY (.) EXEMPTION ON SPECIFIED INSTANT FOOD MIXES WITHDRAWN AND THESE SHALL ATTRACT DUTY OF 8% WITHOUT MODVAT FACILITY(.)

TARIFF VALUE OF PAN MASALA REVISED UPWARDS FOR: (A) PACKS CONTAINING UPTO 2 GRAMS TO RE. 1.00 PER PACK (B) PACKS CONTAINING MORE THAN 2 GRAMS AND UPTO 4 GRAMS TO RS. 2.00 PER PACK (C) PACKS CONTAINING MORE THAN 4 GRAMS BUT LESS THAN 10 GRAMS TO RS. 6.00 PER PACK(.) MRP BASED ASSESSMENT SHALL APPLY TO PAN MASALA SOLD IN PACKS CONTAINING 10 GRAMS AND ABOVE WITH AN ABATEMENT OF 50% ON THE MRP(.)

DUTY RATES ON CIGARETTES REVISED (.) ON FILTER CIGARETTES EXCEEDING 85MM HAS BEEN INCREASED FROM RUPEES 1350 TO RUPEES 1470 PER THOUSAND STICKS(.) SIMILAR CHANGES HAVE BEEN MADE IN THE RATES ON OTHER CATEGORIES AS WELL(.)

DUTY ON MARBLE SLABS AND TILES INCREASED TO RS.40 PER SQUARE METRE.(.)

BASIC DUTY ON MOTOR SPIRIT INCREASED TO 35%(.) AN ADDITIONAL DUTY OF EXCISE (MOTOR SPIRIT) OF ONE RUPEE PER LITRE IMPOSED ON MOTOR SPIRIT GENERALLY KNOWN AS PETROL WITH IMMEDIATE EFFECT FROM MIDNIGHT OF FIRST AND SECOND JUNE,1998.(.)

DUTY ON POTASSIUM IODATE REDUCED TO 8 %.(.)

DUTY ON GENERIC ALLOPATHIC MEDICAMENTS INCREASED TO 8%(.)

DUTY ON WRITING INKS RAISED TO 18%(.)

DUTY ON MATCHES HAS BEEN REDUCED IN RESPECT OF ALL THE SECTORS AND FOR ALL SIZES OF PACKING.(.) FOR PACKS OF 50s THE DUTY ON THE COTTAGE SECTOR HAS BEEN REDUCED FROM 50 PAISE PER 100 BOXES TO 25 PAISE PER 100 BOXES.(.) SIMILAR CHANGES HAVE BEEN MADE IN RESPECT OF MATCHES MADE BY OTHER SECTORS AS WELL.(.)

READY MIX CONCRETE EXEMPTED FROM DUTY.(.)

DUTY ON CELLOPHANE, PVC COMPOUND AND ON CERTAIN TYPES OF RESINS REDUCED TO 18%(.)

LAY FLAT TUBING FULLY EXEMPTED.(.) PRODUCTS OF JUTE AND PHENOLIC RESINS CONTAINING AT LEAST 40% BY WEIGHT OF JUTE AND MANUFACTURED BY PULTRUSION PROCESS EXEMPTED.(.)

PRESENT EXEMPTION ON PLASTIC MATERIALS FALLING UNDER HEADINGS 39.01 TO 39.14 REPROCESSED FROM SCRAP OR WASTE OF GOODS FALLING UNDER CHAPTERS 39, 54, 55, 59, 64 OR 85 EXTENDED TO WASTE AND SCRAP PRODUCED FROM GOODS FALLING UNDER CHAPTERS 56, 84, 86, 87 AND 90 TO 96.(.)

DUTY AT 5% LEVIED ON PLASTIC ARTICLES OTHER THAN GOODS OF POLYURETHANES, INSULATED WARE AND BAGS AND SACKS MADE OUT OF FABRICS WOVEN FROM STRIPS OR TAPES OF PLASTICS ON CLEARANCES ABOVE AN AGGREGATE VALUE OF RS. 1 CRORE PROVIDED MODVAT IS NOT AVAILED.(.)

FOR THE FINANCIAL YEAR 1998-99, THE BENEFIT OF NIL RATE OF DUTY WILL BE AVAILABLE ONLY UPTO AGGREGATE VALUE OF CLEARANCES OF RS. 85 LAKHS CALCULATED FROM THE 1ST JUNE, 1998.(.)

DUTY ON SOLID OR CUSHION TYRES AND INTERCHANGEABLE TYRE TREADS AND TYRE FLAPS RAISED TO 30%(.) DUTY ON ADV TYRES OF CERTAIN SIZES AND THEIR TUBES RAISED TO 13% (.) DUTY ON SURGICAL GLOVES AND MEDICAL EXAMINATION GLOVES OF RUBBER REDUCED TO 8%(.)

100% WOOD FREE PLAIN AND PRE-LAMINATED PARTICLE AND FIBRE BOARD MADE FROM SUGARCANE BAGASSE AND OTHER AGRO BASED RESIDUES FULLY EXEMPTED.(.)

DUTY ON CARTONS, BOXES, CASES AND OTHER PACKING CONTAINERS FALLING UNDER SUB-HEADING NO. 4819.19 RAISED TO 13%(.)

EXEMPTION TO SECURITY PAPER MANUFACTURED BY THE SECURITY PRESS HOSHANGABAD EXTENDED ALSO TO SUPPLIES MADE TO THE SECURITY PRINTING PRESS, HYDERABAD, BHARTIYA RESERVE BANK NOTE MUDRAN LTD., MYSORE AND SALBONY(.) INTERMEDIATE PRODUCTS ARISING DURING THE COURSE OF MANUFACTURE OF SUCH SECURITY PRINTING PAPER AND USED CAPTIVELY FOR PULPING ALSO EXEMPTED.(.)

FULL EXEMPTION GIVEN TO CARDED WOOL, POPULARLY KNOWN AS 'LEFA' USED FOR MAKING HAND-SPUN YARN OF UPTO 10 COUNTS.(.)

DUTY ON YARN OF WASTE WOOL INCLUDING SHODDY AND GARNETTED STOCK OF WOOL INCREASED TO 8% (.)

FULL EXEMPTION FROM DUTY UNDER ADDITIONAL DUTY OF EXCISE (TEXTILE AND TEXTILE ARTICLES) ACT EXTENDED TO WOOLLEN FABRICS.(.)

BASIC DUTY LEVIED AT THE RATE OF 5% ON UNPROCESSED COTTON FABRICS (NOT CONTAINING ANY OTHER TEXTILE MATERIAL) AND AT THE RATE OF 12% ON OTHER WOVEN GREY FABRICS OF CHAPTER 52 AND 55 MANUFACTURED BY A MULTI-LOCATIONAL COMPOSITE MILL WHEN CLEARED TO ANOTHER FACTORY OWNED BY THE SAME MILL FOR PROCESSING THE GREY

FABRICS(.)

NOTIFICATION NO. 24/94 –CE(NT) AMENDED TO ALLOW MODVAT CREDIT ON INPUT DUTY PAID ON FIBRE AND YARN USED IN THE MANUFACTURE OF UNPROCESSED FABRICS MANUFACTURED BY MULTI-LOCATIONAL COMPOSITE MILLS(.)

NOTIFICATION NO. 22/96-CE AMENDED TO ALLOW EXEMPTION FROM DUTY ON CAPTIVELY CONSUMED YARN USED IN THE MANUFACTURE OF GREY FABRICS BY MULTI-LOCATIONAL COMPOSITE MILLS(.)

FULL EXEMPTION HAS BEEN PROVIDED ON THE PLEATING OR EMBOSsing OF FABRICS WHEN MADE FROM DUTY PAID PROCESSED FABRICS FALLING UNDER CHAPTERS 52, 54 OR 55(.)

BASIC DUTY REDUCED TO 25% ON NYLON FILAMENT YARN (.) BASIC DUTY INCREASED FROM RS. 6 PER KG TO RS. 9 PER KG. ON DYEING OF FILAMENT YARN BY NON-INTEGRATED UNITS (.)

EXEMPTION TO THE PROCESSES OF DOUBLING AND DYEING OF YARN IN A FACTORY WHICH DOES NOT HAVE THE FACILITIES OF PRODUCING SINGLE YARN EXTENDED TO YARNS UNDER SUB-HEADING NO. 5510.90 (.)

BASIC EXCISE DUTY ON YARN OF SHODDY UPTO 10 COUNTS (55.09 OR 55.10) INCREASED TO 8%(.) FULL EXEMPTION EXTENDED TO JUTE FELT AND METALLISED YARN (IMITATION ZARI)(.)

RATE OF COMPOUNDED LEVY ON EMBROIDERY IN THE PIECE, STRIP OR MOTIFS HAS BEEN RAISED FROM RS. 30 TO RS. 60 PER METER LENGTH OF THE MACHINE PER SHIFT(.) DEFINITION OF ‘METER LENGTH’ UNDER RULE 96ZI AMENDED (.)

SPECIFIC RATE OF AED (ST) DUTY PRESCRIBED ON TYRE CORD FABRICS AT RS. 10 PER KG (.)

JUTE BLANKETS HAVE BEEN EXEMPTED(.)

HEADING 6401.12 RESTRUCTURED TO APPLY TO SHOES OF RETAIL SALE PRICE NOT EXCEEDING RS. 125 PER PAIR(.) THE ABATEMENT IN RESPECT OF

FOOTWEAR UNDER HEADING NO. 64.01 UNDER THE MRP BASED LEVY REDUCED FROM FIFTY PERCENT TO FORTY PERCENT(.)

DUTY ON GOODS, IN WHICH NOT LESS THAN 25% BY WEIGHT OF FLY-ASH OR PHOSPHO-GYPSUM OR BOTH HAVE BEEN USED, CEMENT BONDED PARTICLE BOARD, JUTE PARTICLE BOARD, RICE HUSK BOARD, GLASS-FIBRE REINFORCED GYPSUM BOARD (GRG), SISAL-FIBRE BOARD, BAGASSE BOARD, AND GOODS IN WHICH MORE THAN 25% BY WEIGHT OF RED MUD, PRESS MUD OR BLAST FURNACE SLAG OR ONE OR MORE OF THESE MATERIALS, HAVE BEEN USED REDUCED FROM 8% TO NIL(.)

PRINTING, DECORATING OR ORNAMENTING OF SPECIFIED CERAMIC WARE AND GLASS WARE DEEMED TO BE “MANUFACTURE”(.)

EFFECTIVE RATE OF DUTY FOR PLAIN GOLD JEWELLERY MANUFACTURED BY A HUNDRED PER CENT EXPORT ORIENTED UNDERTAKING OR A UNIT IN AN EXPORT PROCESSING ZONE AND ALLOWED TO BE SOLD IN INDIA INCREASED FROM RS. 220 PER 10 GRAMS TO RS. 250 PER 10 GRAMS(.)

STAINLESS STEEL CIRCLES CUT ON JOB WORK BASIS, FOR USE IN THE MANUFACTURE OF UTENSILS FULLY EXEMPTED SUBJECT TO CERTAIN CONDITIONS(.) STAINLESS STEEL COIN BLANKS MADE BY SALEM STEEL PLANT FOR SUPPLY TO THE GOVERNMENT OF INDIA MINT FOR COINING OF COINS EXEMPTED(.)

EFFECTIVE DUTY ON KNIVES OF HEADING 82.11 AND 82.14 REDUCED TO 8%(.) DUTY ON SPOONS, FORKS, LADLES, FISH-KNIVES, BUTTER-KNIVES ETC. OF HEADING 82.15 INCREASED TO 8%(.)

DUTY ON SWITCHES, PLUGS, ETC. MANUFACTURED WITHOUT THE AID OF POWER AND WITH HAND MOULDING PRESSES REDUCED TO 8% IF MODVAT IS NOT AVAILED(.) FOR MANUFACTURERS AVAILING MODVAT RATE OF 13% CONTINUES(.)

CONCESSIONAL DUTY OF 8% PRESENTLY AVAILABLE TO VACUUM AND GAS FILLED BULBS OF VALUE NOT EXCEEDING RS.10/- PER BULB EXTENDED TO

COVER ALL SUCH BULBS OF RETAIL SALE PRICE NOT EXCEEDING RS.20/- PER BULB(.)

EXCISE DUTY ON SPECIFIED POLLUTION CONTROL EQUIPMENT INCREASED FROM 5% TO 8%(.) EFFLUENT TREATMENT PLANTS ALSO EXTENDED 8% DUTY(.)

EXCISE DUTY ON MILKING MACHINERY, DAIRY MACHINERY AND PARTS THEREOF INCREASED TO 8%(.) EXCISE DUTY ON SEWING MACHINES (OTHER THAN HAND OPERATED) IMPOSED AT 8%(.) EXCISE DUTY ON DIESEL ENGINES UPTO 10 HP REDUCED TO 8%(.)

DUTY ON ELECTRONIC POCKET CALCULATORS REDUCED TO 8%(.) EXEMPTION TO COMPUTER SOFTWARE EXTENDED TO ALL SOFTWARE FALLING UNDER HEADING 85.24(.)

SPECIFIC RATES OF EXCISE DUTY PRESCRIBED IN RESPECT OF COLOUR TELEVISION RECEIVERS WHERE THE RETAIL SALE PRICE IS NOT DECLARED ON THE PACKAGES AT THE TIME OF CLEARANCE OR WHERE THE RETAIL SALE PRICE DECLARED IS NOT THE SOLE CONSIDERATION FOR SALE TO THE ULTIMATE CONSUMER (.) IN RESPECT OF TV SETS SOLD AT MRP WHERE PRICE IS THE SOLE CONSIDERATION, DUTY CONTINUES AT 18%(.)

DUTY ON UNRECORDED AUDIO CASSETTES INCREASED TO 13%(.) RECORDED AUDIO CASSETTES FULLY EXEMPTED FROM DUTY (.) VIDEO CASSETTES INTENDED FOR TELEVISION BROADCASTING FULLY EXEMPTED FROM CENTRAL EXCISE DUTY(.)

DUTY ON PAGERS REDUCED TO 13%(.)

DUTY ON TRACTORS OF ENGINE CAPACITY NOT EXCEEDING 1800CC AND CHASSIS THEREOF INCREASED TO 8% (.) DUTY ON MOTOR VEHICLES PRINCIPALLY DESIGNED FOR THE TRANSPORT OF MORE THAN SIX PERSONS BUT NOT MORE THAN 12 PERSONS AND CHASSIS THEREOF RAISED TO 30%(.)

CONCESSIONAL RATE OF DUTY OF 15% ON AMBULANCES CONTINUED AND EXTENDED TO COVER AMBULANCES OF SUB-HEADING NO. 8702.10(.)

REVISED PROCEDURE PRESCRIBED FOR AVAILING OF THE CONCESSIONAL RATE OF DUTY ON AMBULANCES AND TAXIS(.)

CONCESSIONAL RATE OF 8% ON BATTERY, BATTERY CHARGERS AND SPECIFIED PARTS AND TYRES, TUBES AND FLAPS, INTENDED FOR MANUFACTURE OF ELECTRICALLY OPERATED VEHICLES INCLUDING ELECTRICALLY OPERATED TWO WHEELERS AND THREE WHEELERS WITHDRAWN(.)

DUTY ON SPECTACLE LENSES, INTRAOCULAR LENSES AND CONTACT LENSES, FRAMES AND MOUNTINGS FOR SPECTACLES, GOGGLES OR THE LIKE, OF PLASTICS OR OF OTHER MATERIALS INCREASED FROM NIL TO 8%(.) DUTY ON SUNGLASSES (OTHER THAN THOSE USED FOR CORRECTING VISION) RAISED FROM 8% TO 13%(.)

DUTY ON CERTAIN MEDICAL EQUIPMENT RAISED TO 8% (.) DUTY ON PROGRAMMABLE PROCESS CONTROLLERS RAISED TO 18%(.)

DUTY ON ARMS AND AMMUNITION RAISED TO 25% (.) EXEMPTION FOR MILITARY WEAPONS/AMMUNITION CONTINUES(.).

DUTY ON MEDICAL, SURGICAL, DENTAL, OR VETERINARY FURNITURE AND PARTS THEREOF RAISED TO 13% (.)

NOTIFICATION NO. 115/75-CE AMENDED TO EXCLUDE RUBBERISED COIR MATTRESSES(.). SUCH MATTRESSES WILL NOW ATTRACT A DUTY OF 5% IF NO MODVAT IS AVAILED(.). DUTY ON SLIDE FASTENERS AND PARTS THEREOF INCREASED TO 8%(.)

MAXIMUM RETAIL SALE PRICE (MRP) BASED ASSESSMENT UNDER SECTION 4A EXTENDED TO CHOCOLATES, PREPARATION OF CEREALS, MALT EXTRACT, PAN MASALA, GLAZED TILES, COOKING APPLIANCES, RAZOR AND RAZOR BLADES. PRIMARY CELLS AND BATTERIES, ELECTRO-MECHANICAL DOMESTIC APPLIANCES, SHAVERS, ELECTRIC WATER HEATERS AND OTHER ELECTRO-THERMIC APPLIANCES, RADIO SETS AND ELECTRIC LAMPS(.)

SERVICE TAX ABOLISHED ON SERVICES PROVIDED BY ROAD TRANSPORT OPERATORS, PANDAL OR SHAMIANA CONTRACTORS AND OUTDOOR CATERERS(.)

SERVICE TAX AT 5% IMPOSED ON ARCHITECTS, INTERIOR DECORATORS, MANAGEMENT CONSULTANTS, PRACTISING CHARTERED ACCOUNTANT/ COST ACCOUNTANT/ COMPANY SECRETARY, REAL ESTATE AGENTS/CONSULTANTS, CREDIT RATING AGENCIES, SECURITY/DETECTIVE AGENCIES, MARKET RESEARCH AGENCIES AND UNDERWRITING AGENCIES(.) SERVICE TAX ALSO IMPOSED ON MECHANISED SLAUGHTER OF BOVINE ANIMALS AT RUPEES ONE THOUSAND PER ANIMAL(.) CHANGES ALSO MADE IN SERVICE TAX RULES (.)

THE F.M. HAS ANNOUNCED THE SETTING UP OF AN EXPERT GROUP TO RECAST THE CENTRAL EXCISE LAW (.) THE SETTING UP OF AN ADVANCE RULING AUTHORITY HAS ALSO BEEN ANNOUNCED (.) PROVISIONS HAVE BEEN MADE IN THE FINANCE BILL FOR THE SETTING UP OF A SETTLEMENT COMMISSION (.) SECTION 35B OF THE CENTRAL EXCISE ACT HAS BEEN AMENDED SO THAT SECOND APPEALS IN MODVAT CASES WOULD NOT LIE TO CEGAT BUT TO THE GOVERNMENT BY WAY OF REVISION APPLICATION (.)