The Concessional central excise duty rate of 4% is being increased to 5% and thus all goods currently attracting 4% duty will now attract 5% unless otherwise specified.

Chapter 1 to 12

No change

Chapter 13

The exemption from excise duty on Cashew shell liquid (CNSL) is being withdrawn and consequently it will now attract a concessional rate of 1% without CENVAT credit facility. (S. No. 6 of Notification No. 3/2006 – C.E dated 1st March, 2006, is being omitted by Notification No. 3 /2011-C.E dated the 1st March 2011, S. No. 1 of Notification No. 1/2011-C.E &2 /2011-C.E both dated the 1st March 2011 refers)

Chapter 14

The exemption from basic excise duty on Indian Katha falling under tariff item 1404 90 50 is being withdrawn. Thus while a Tariff rate of 5% is being prescribed on Indian Katha, it would attract a concessional rate of 1% without CENVAT credit facility (Finance bill 2011 & S. No. 2 of Notification No. 1/2011-C.E dated the 1st March 2011 refers)

Chapter 15

15.1 The exemption from basic excise duty provided to Margarine is being withdrawn. A Tariff rate of 5% is being prescribed for the tariff items falling under heading 1501 00 00, 1502 00 10, 1502 00 20, 1502 00 30, 1502 00 90, 1503 00 00, 1504 10 10, 1504 10 91, 1504 10 99, 1504 20 10, 1504 20 20, 1504 20 30, 1504 20 90, 1504 30 00, 1505 00 10, 1505 00 20, 1505 00 90 1506 00 10, 1506 00 90, 1516 10 00. However these items would attract the concessional rate of 1% without CENVAT credit facility (Finance bill 2011, S. No.3,4,5,6,7 & 8 of Notification No. 1/2011-C.E and S. No. 2 of Notification No. 2/2011-C.E both dated the 1st March 2011 refers. (S.No. 12 of Notification No. 3/2006 – C.E dated 1st March, 2006, is being omitted by Notification No. 3/2011-C.E dated the 1st March 2011)

15.2 Chapter note 5 is being amended to declare that in relation to products falling under headings 1501, 1502, 1503, 1504, 1505, 1506 and tariff item 1516 10 00, the process of labeling or relabeling of containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer shall amount to “manufacture” (Finance bill 2011 refers)

Chapter 16

A Tariff rate of 5% has been prescribed for all the tariff items of chapter 16. However these goods would also a concessional rate of 1% without CENVAT credit facility. (Finance bill 2011 and S. No.9 of Notification No. 1/2011-C.E dated the 1st March 2011 refers)
Chapter 17 and 18

No change

Chapter 19

The exemption from basic excise duty on paws, mudis and the like is being withdrawn and a Tariff rate of 5% is being prescribed for the tariff items falling under tariff heading 1901 10, 1901 10 90, 1902 (other than 1902 40 10 and 1902 40 90) and 1903 00 00. However a concessional rate of 1% without CENVAT credit facility is being imposed on items of tariff heading 1901 10 which are put up in unit containers and pasta, sphagetti, macaroni, noodles etc., tapioca and substitutes. (Finance bill 2011 and S.No.10,11,12,13 of Notification No. 1/2011-C.E dated the 1st March 2011 refers. S. No. 17B of Notification No. 3/2006 – C.E dated 1st March, 2006, is being omitted by Notification No. 3 /2011-C.E dated the 1st March 2011)

Chapter 20

The exemption from basic excise duty provided to the goods of chapter 20 is being withdrawn. However a concessional rate of 1% without CENVAT credit facility is being imposed on these goods. (S. No. 22 of Notification No. 3/2006 – C.E dated 1st March, 2006, is being omitted by Notification No. 3 /2011-C.E dated the 1st March 2011, Also refer S. No. 14 of Notification No.1 /2011-C.E dated the 1st March 2011 and S. No. 4 of Notification No. 2/2011-C.E dated the 1st March 2011)

Chapter 21

21.1 The exemption from basic excise duty on coffee or tea pre mixes, sauces, ketchup and the like, soups and broths and preparations, all kinds of food mixes, including instant food mixes, betel nut product known as “ supari”, ready to eat packaged food, milk containing edible nuts with sugar or other ingredients is being withdrawn. However these goods would be subject to the concessional rate of 1% without CENVAT credit facility (S. Nos. 15, 16, 17, 18, 19, 20, 21, 22 of Notification No. 1/2011 – C.E dated 1st March, 2011 and S. Nos. of 5,6,7,8,9,10 of Notification No. 2/2011 – C.E dated 1st March, 2011 refers. Further S. No. 24, 25, 26, 27, 30, 30 A, 30 B of Notification No. 3/2006 – C.E dated 1st March, 2006, is being omitted by Notification No. 3 /2011-C.E dated the 1st March 2011 )

21.2 A Tariff rate of 5% has been prescribed for the tariff items falling under tariff heading 2105 00 00, 2106 90 92 while keeping the effective rate at 1% with Cenvat credit.

Chapter 22

22.1 A Tariff rate of 5% has been prescribed on tariff item 2202 90 10 which would however attract the concessional rate of 1% without CENVAT facility.

22.2 A concessional rate of 1% without CENVAT credit facility is being imposed on fruit pulp or fruit juice based drinks, Flavoured milk of animal origin, Tender coconut water. ( S.no. 23, 24, 25, 26 of Notification No. 1/2011 – C.E dated 1st March, 2011 and S. Nos. of 11, 12, 13 of Notification No. 2/2011 – C.E dated 1st March, 2011 refers. Entry 11A of notification no.

22.3 A chapter note has been added so as to make the process of labeling or relabeling of containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer shall amount to “manufacture” in relation to the products of this chapter.

**Chapter 23 and 24**

No change

**Chapter 25**

Central excise duty rates on cement and cement clinker are being revised as follows:

<table>
<thead>
<tr>
<th>I</th>
<th>Mini Cement Plant:</th>
<th>Existing duty rate</th>
<th>New duty rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All goods cleared in packaged form,—</td>
<td>₹ 185 per tonne</td>
<td>10% ad valorem</td>
</tr>
<tr>
<td></td>
<td>(i) of retail sale price not exceeding Rs. 190 per 50 kg bag or of per tonne equivalent retail sale price not exceeding Rs. 3800;</td>
<td>₹ 315 per tonne</td>
<td>10% ad valorem + ₹ 30 per MT</td>
</tr>
<tr>
<td></td>
<td>(ii) of retail sale price exceeding Rs. 190 per 50 kg bag or of per tonne equivalent retail sale price exceeding Rs. 3800;</td>
<td>₹ 375 per tonne</td>
<td>10% ad valorem</td>
</tr>
<tr>
<td></td>
<td>(iii) All goods other than those cleared in packaged form;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>II</th>
<th>Other than Mini Cement plant</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All goods cleared in packaged form,—</td>
<td>₹290 per tonne</td>
<td>10% ad valorem + ₹ 80 per MT</td>
</tr>
<tr>
<td></td>
<td>(i) of retail sale price not exceeding Rs. 190 per 50 kg bag or of per tonne equivalent retail sale price not exceeding Rs. 3800;</td>
<td>10% of retail sale price</td>
<td>10% ad valorem + ₹ 160 per MT</td>
</tr>
<tr>
<td></td>
<td>(ii) of retail sale price exceeding Rs. 190 per 50 kg bag or of per tonne equivalent retail sale price exceeding Rs. 3800;</td>
<td>10% or ₹ 290 per tonne whichever is higher</td>
<td>10% ad valorem</td>
</tr>
<tr>
<td></td>
<td>(iii) All goods other than those cleared in packaged form;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| III | Cement clinker | ₹ 375 per tonne | 10% ad valorem + ₹ 200 per MT |

ExN3
Chapter 26
26.1 A Chapter note No. 4 is being inserted prescribing that in relation to products of this chapter, the process of converting Ores to concentrates shall amount to manufacture. [Finance Bill, 2011 refers]

26.2 Current exemption on Fly ash is being withdrawn. It will now attract 1% duty without CENVAT credit facility. [S. No. 15 of Notification No.76/86-CE as superseded by Notification No. 17/2011-CE dated the 1st March 2011 read with S. No. 27 of Notification No. 1/2011-CE & S.No.14 of Notification No. 2/2011-CE refers]

Chapter 27
27.1 A Tariff rate of 5% has been prescribed for all tariff items falling under headings 2701, 2702, 2703, 2704 and 2706 [Coal, Lignite, Peat, Coke, Tar etc.]. However these items would attract the concessional rate of 1% without CENVAT credit facility. [S.No.28 to 32 of Notification No. 1/2011-CE refers]

Chapter 28
28.1 Existing Exemptions from excise duty on following goods are being withdrawn and excise duty of 1% without Cenvat credit facility is being imposed on such goods.

(i) Potassium Iodate,
(ii) Silicon in all forms (also falling under chapter 38),
(iii) Medicinal grade hydrogen peroxide and Anaesthetics (also falling under 29 or 30) 2004.
(iv) Anaesthetics (also falling under chapter 29 or 30)

(S. Nos.33, 34, 35, 36 of notification No.1/2011-Central Excise, dated 1st March, 2011 refers). However, a general effective rate of 5% is also being prescribed without any condition. (S. Nos.15, 16, 17, 18 of notification No.2/2011-Central Excise, dated 1st March, 2011 refers)

Chapter 29
No change

Chapter 30
30.1 Exemptions from excise duty on following goods are being withdrawn and excise duty of 1% without Cenvat credit facility is being imposed on such goods:

(i) Medicaments (including those used in Ayurvedic, Unani, Siddha, Homeopathic or Bio-chemic systems), manufactured exclusively in accordance with the formulae described in the authoritative books specified in the First Schedule to the Drugs and Cosmetics Act, 1940 (23 of 1940) or Homeopathic Pharmacopoeia of India or the United States of America or the United Kingdom or the German Homeopathic Pharmacopoeia, as the case may be, and sold under the name as specified in such books or Pharmacopoeia
(ii) Intravenous fluids, which are used for sugar, electrolyte or fluid replenishment

ExN4
S. Nos.37, 38 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers). A general effective rate of 5% is also being prescribed without any condition (S. Nos.19, 20 of notification No.2 /2011-Central Excise, dated 1st March, 2011 refers)

30.2 While a tariff rate of 5% is being prescribed on Vaccines (other than those included in National Immunisation Program) they would be subject to the concessional duty of 1% without CENVAT credit facility. (S. No.39 of notification No.1 /2011-Central Excise refers)

Chapter 31
31.1 Exemptions from excise duty on all goods, other than those specified under than those which are clearly not be used as fertiliser, are being withdrawn and concessional duty of 1% without CENVAT credit facility is being imposed on such goods (S. Nos.40 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers). However, the general effective rate is being reduced to 5% on the said goods. (S. Nos.21 of notification No.2 /2011-Central Excise, dated 1st March, 2011 refers)

Chapter 32
32.1 Enzymatic preparations falling under sub heading 3202 90 30 of Central Excise Tariff Act, 1975 is being fully exempted from Central Excise duty (S.No.64A of notification No. 4/2006-CE as amended vide notification No. 4/2006-CE refers)

32.2 Exemption from excise duty on Drawing ink is being withdrawn and concessional duty of 1% without CENVAT credit facility is being imposed on such goods [S. Nos.43 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers]. A general effective rate of 5% without any condition is being prescribed on such goods (S. Nos.22 of notification No.2 /2011-Central Excise, dated 1st March, 2011 refers)

33.3 A tariff rate of excise duty of 5% on Fountain pen ink and Ball pen ink is being prescribed though these items would attract the concessional duty of 1% without CENVAT credit facility is being imposed on such goods. (S. No.41,42 of notification No.1 /2011-Central Excise refers)

Chapter 33
33.1 Exemptions from excise duty on Tooth Powder, is being withdrawn and concessional duty of 1% without CENVAT credit facility is being imposed on such good (S. Nos.44 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers). However, duty the general effective rate of 5% without any condition is also being prescribed. (S. Nos.23 of notification No.2 /2011-Central Excise, dated 1st March, 2011 refers)

33.2 Notification is being issued to exempt payment of duty at the time of removal of traditional perfumes commonly known as ‘Attar’ from the retail shops if the manufacturers pays the duty on such goods at the retail sale price at the time of clearance of such goods in bulk from the factory. (Notification No. 5/2011-Central Excise (NT), dated 1st March, 2011 refers)

Chapter 34
34.1 Exemptions from excise duty on Candles, is being withdrawn and concessional duty of 1% without CENVAT credit facility is being imposed on such good (S. Nos.45 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers). A general effective rate of 5% is also
being prescribed without any condition (S. Nos.24 of notification No.2 /2011-Central Excise, dated 1st March, 2011 refers)

Chapter 35 and 36
No change

Chapter 37
37.1 Colour, unexposed cinematographic film in jumbo rolls of 400 ft and 1000 ft is being fully exempted from Central Excise duty so that imports of this item are not required to pay CVD [additional duty of customs]. (S.No.73A of notification No. 4/2006-Central Excise, as amended vide notification No. 4/2011-CE refers)

Chapter 38
38.1 A tariff rate of 5% excise duty is being prescribed on Ready-mix concrete (RMC). However these goods would attract the concessional 1% duty without CENVAT credit facility. (S. No.46 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers)

Chapter 39
39.1 Exemptions from excise duty on following goods are being withdrawn and these goods would attract a concessional excise duty of 1% without CENVAT credit facility (S. Nos.47, 48 and 50 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers). However, a general effective rate of 5% is also being prescribed on these items without any condition. Products of jute and phenolic resins manufactured by pultrusion process, containing at least forty percent. by weight of jute.

(i) Unexpanded polystyrene beads purchased by Malaria Research Centre.
(ii) Nipples for feeding bottles (also falls under chapter 40)


39.2 A tariff rate of 5% excise duty is being prescribed on canes of polymers, plastics or vegetable products. However these goods would attract a concessional duty of 1% ad valorem without CENVAT credit facility (S. No. 49 of notification No. 1/2011-Central Excise, dated 1st March, 2011 refers)

Chapter 40
40.1 The existing exemption on surgical rubber gloves or medical examination gloves is being withdrawn and would now attract 1% duty without CENVAT credit facility. A general effective rate of 5% is also being prescribed without any condition [S.No. 81 of Notification No. 4/2006-CE dated the 1st March 2006 as amended by Notification No. 4/2011-CE dated the 1st March 2011 read with S.No.51 of Notification No. 1/2011-CE & S.No. 28 of Notification No. 2/2011-CE refers]

Chapter 41 to 43
No changes

Chapter 44

ExN6
44.1 The existing exemption on resin bonded bamboo mat board is being withdrawn. Now such goods will attract 1% duty without CENVAT credit facility. A general effective rate of 5% is also being prescribed without any condition [S.No. 86A of Notification No.4/2006-CE dated the 1st March 2006 as amended by Notification No. 4/2011-CE dated the 1st March 2011 read with S.No. 52 of Notification No. 1/2011-CE & S.No.29 of Notification No. 2/2011-CE refers]

44.2 The existing exemption Coir composite boards, coir matting boards, coir bords is being withdrawn. These goods would now attract 1% duty without CENVAT credit facility A general effective rate of 5% is also being prescribed without any condition [S.No. 87A of Notification No.4/2006-CE dated the 1st March 2006 as amended by Notification No. 4/2011-CE dated the 1st March 2011 read with S.No.53 of Notification No. 1/2011-CE & S.No.30 of Notification No. 2/2011-CE refers]

Chapter 45
No changes

Chapter 46
46. A Tariff rate of 5% is being prescribed for all tariff items falling under headings 4601 and 4602. However, these goods would attract the concessional rate of 1% without CENVAT credit facility [S. No. 54 and 55 of Notification No. 1/2011-CE refers]

Chapter 47
47.1 A Tariff rate of of 5% is being prescribed for all tariff items falling under headings 4701, 4702, 4703, 4704 4705 and 4706 {all sorts of wood pulp} However these goods would attract the concessional rate of 1% without CENVAT credit facility [S. No. 56 to 61 of Notification No. 1/2011-CE refers]

Chapter 48
48.1 The benefit of concessional excise duty is being extended to such cartons, boxes and cases of corrugated paper or corrugated board made out from the stage of kraft paper etc. whether or not pasted with duplex sheets on the outer surface. [S.No. 96E of Notification No.4/2006-CE dated the 1st March 2006 as amended by Notification No. 4 /2011-CE dated the 1st March 2011 refers]

48.2 The benefits of concessional excise duty rate of 5% is being extended to greaseproof paper and glassine paper falling under Tariff items 4806 20 00 and 4806 40 10 respectively [S.No. 98 of Notification No.4/2006-CE dated the 1st March 2006 as amended by Notification No. 4/2011-CE dated the 1st March 2011 refers]

48.3 Particle Boards made of Cotton stalk are being fully exempted from payment of central excise duty [S.No.82 of Notification No.6/2006-CE dated the 1st March 2006 as amended by Notification No. 6/2011-CE dated the 1st March 2011 refers]

48.4 The central excise duty exemption available to clearances of paper manufactured from non-conventional material upto 3500 MT is being withdrawn. [S.No. 90 of Notification No.4/2006-CE dated the 1st March 2006 is being omitted by Notification No. 4/2011-CE dated the 1st March 2011 refers]
48.5  Excise duty on Baby and clinical diapers & adult diapers falling under Tariff item no. 4818 40 10 and Sanitary napkins falling under Tariff item no. 4818 40 90 is being reduced to 1% without cenvat credit facility. The general effective rate of 5% is also being prescribed on these goods without any conditions [S.No. 96B, 96C and 96D of Notification No.4/2006-CE dated the 1st March 2006 as amended by Notification No. 4/2011-CE dated the 1st March 2011 read with S.No. 66, 67 and 71 of Notification No. 1 /2011-CE & S.No.34 and 35 of Notification No. 2/2011-CE refers]

48.6  The existing exemption on Notebooks & exercise note books is being withdrawn. Now they will attract 1% duty without CENVAT credit facility. The general effective rate of 5% is also being prescribed on these goods without any conditions [S.No. 97 of Notification No.4/2006-CE dated the 1st March 2006 as omitted by Notification No. 4/2011-CE dated the 1st March 2011 read with S.No. 68 of Notification No. 1/2011-CE& S.No. 36 of Notification No. 2/2011-CE refers]

48.7  A Tariff rate of 5% is being prescribed on Letters, envelops, lettercards and postcards However, they would attract 1% duty without CENVAT credit facility The general effective rate of 5% is also being prescribed on these goods without any conditions Letters, envelops, lettercards and postcards of Department of Posts are fully exempted from central excise duty [S.No. 99 of Notification No.4/2006-CE dated the 1st March 2006 as inserted by Notification No. 4/2011-CE dated the 1st March 2011 read with S.No. 65 of Notification No. 1/2011-CE refers]

48.8  The existing exemption on Leather board is being withdrawn and such goods would now attract 1% duty without CENVAT credit facility. The general effective rate of 5% is also being prescribed on these goods without any conditions [S. No. 20 of Notification No.76/86-CE as superseded by Notification No. 17/2011-CE dated the 1st March 2011 read with S. No. 62 of Notification No. 1/2011-CE & S.No. 31 of Notification No. 2/2011-CE refers]

48.9  The existing exemption on writing or printing paper for printing of educational text books is being withdrawn and would now attract 1% duty without CENVAT credit facility. The general effective rate of 5% is also being prescribed on these goods without any conditions [S. No. 44 of Notification No.4/2006-CE dated the 1st March 2006 as amended by Notification No. 4/2011-CE dated the 1st March 2011 read with S. No. 63 of Notification No. 1/2011-CE & S.No. 32 of Notification No. 2/2011-CE refers]

48.10 The existing exemption on Paper or paper board made from hand lifted pulp etc. is being withdrawn and would now attract 1% duty without CENVAT credit facility. A general effective rate of 5% is also being prescribed on these goods without any conditions. [S.No. 45 of Notification No.3/2005-CE dated the 1st March 2005 as amended by Notification No. 15/2011-CE dated the 1st March 2011 read with S.No.64 of Notification No. 1 /2011-CE & S.No. 33 of Notification No. 2/2011-CE refers]

Chapter 49

49.1  A Tariff rate of 5% is being prescribed on all goods falling under 4909 (Greeting cards or wedding cards etc.). However they will attract 1% duty without CENVAT credit facility. A general effective rate of 5% is also being prescribed on these goods without any conditions. [S.No.69 of Notification No. 1/2011-CE refers]

ExN8
49.1 A Tariff rate of 5% is being prescribed on all goods falling under 4910 (Calendars etc.). However they will attract 1% duty without CENVAT credit facility. A general effective rate of 5% is also being prescribed on these goods without any conditions [S.No. 70 of Notification No. 1/2011-CE refers]

Chapter 50
No change

Chapter 51 and 52
No change

Chapter 53
53.1 A tariff rate of 10% is being prescribed on Jute yarn falling under tariff items 53071010 and 53072000 while simultaneously exempting them from Central Excise Duty. (S.No.2B of notification No. 5/2006-Central Excise, dated 1st March, 2006 as amended vide notification No5/2011-CE, dated 1st March,2011 refers)

Chapter 54 and 55
No Change

Chapter 56
56.1 A tariff rate of 5% excise duty is being prescribed on goods falling under sub-heading 5601 10 00. However it will attract the concessional rate of 1% without CENVAT credit facility (S. No. 71 of notification No. 1/2011-Central Excise, dated 1st March, 2011 refers)

Chapter 57
57.1 Exemptions from excise duty on hand-made carpets, carpets and other textile floor coverings, knotted, woven, tufted or flocked of coconut fibres (coir) or jute, whether or not made up are being withdrawn and would now attract a concessional duty of 1% without Cenvat credit facility (S. Nos.72 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers). A general effective duty rate of 5% is also being prescribed on the said goods without any conditions. (S. Nos.37 of notification No.2 /2011-Central Excise, dated 1st March, 2011 refers).

Chapter 58
58.1 A tariff rate of 5% excise duty is being prescribed on all goods falling under heading 5805 and 5807. However these goods would attract a concessional rate of 1% without Cenvat credit facility.(S. Nos.73 and 74 of notification No. /2011-Central Excise refers)

Chapter 59
59.1 Exemptions from excise duty on adhesive tapes of a width not exceeding 20 cm is being withdrawn and would now attract 1% without CENVAT credit facility (S. Nos.72 of notification No.1 /2011-Central Excise, dated 1st March, 2011 refers). However, a general effective rate of 5% is being prescribed on these goods without any condition. (S. Nos.38 of notification No.2 /2011-Central Excise, dated 1st March, 2011 refers).

Chapter 60
No change

ExN9
Chapter 61 to 63

61.1 Exemptions from excise duty on laminated jute bags is being withdrawn and such goods would now be subject to excise duty of 1% without CENVAT credit facility (S. No.76 of notification No.1/2011-Central Excise, dated 1st March, 2011 refers). However, a general effective rate of 5% is being prescribed without any condition (S. Nos.39 of notification No.2/2011-Central Excise, dated 1st March, 2011 refers).

61.2 The optional scheme for payment of excise duty on readymade garments and textile made up, which bear a brand name or are sold under a brand name would no longer be available. An excise duty @10% is being imposed on such goods with Cenvat credit facility. (S.No. of notification No. 30/2004-CE as amended vide notification no.12/2011-Central Excise refers). The general SSI exemption has been extended to such goods. (Notification No. 8/2003-Central Excise as amended vide notification No.8/2011-Central Excise dated 1st March, 2011 refers).

61.3 The tariff value for charging duty on readymade garments and textile made-ups would be @ 60% of the retail sale price. (Notification No.20/2001-Central Excise (NT) as amended vide notification No.7/2011-Central Excise (NT) refers).

Chapter 64 to 65

64.1. No change

Chapter 66

66.1. The Concessional rate of excise duty at the rate of 1% without Cenvat credit is being imposed on walking sticks, seat-sticks, whips, riding crops falling under heading 6602. (S. No. 78 of notification No. 1/2011-CE and S. No. 40 of notification No. 2/2011-CE both dated 01.03.2011 refers).

Chapter 67

67.1. No change

Chapter 68 AND 69

68.1. A Tariff rate of 5% excise duty on Bricks of siliceous fossil meals or similar siliceous earths falling under heading 6901 00 10 is being prescribed. However, these goods would be subject to the concessional duty of 1% without CENVAT credit facility. (S. No. 81 of notification No. 1/2011-CE dated 01.03.2011 refers)

68.2. Concessional excise duty at the rate of 1%, without CENVAT credit facility, is being imposed on the following goods, namely:-

(i) Sandlime bricks falling under Chapter 68 or 69
(ii) Ceramic building bricks falling under CETH 6904 10 00
(iii) Roofing tiles falling under CETH 6905 10 00
(iv) Burnt Clay tiles conforming to IS specification No.3367-1975
(v) Ceramic tiles subjected to the process of printing, decorating or ornamenting in a factory which does not have the facilities (including plant and equipment) of producing ceramic tiles

(S. Nos. 78, 82, 83, 79 and 80 of notification No. 1/2011-CE and S. No. 41, 44, 45, 42 and 43 of ExN10
CHAPTER 70
70.1. A tariff rate of 5% excise duty on Glass chimneys for lamps and lanterns, Globes for lamps and lanterns and Founts for kerosene wick lamps is being prescribed. However these goods would be subject to the concessional rate of 1% excise without CENVAT credit facility (S. No. 86 of notification No. 1/2011-CE dated 01.03.2011 refers).

70.2. The Concessional excise duty of 1% without CENVAT credit of duty or tax is being imposed on Glassware produced by mouth –blown process and Glasses for corrective spectacles and flint buttons (S. Nos. 84 and 85 of notification No. 1/2011-CE and S. No. 46 and 47 of notification No. 2/2011-CE both dated 01.03.2011 refers).

CHAPTER 71
71.1. A chapter note in Chapter 71 has been inserted stating that the process of “refining of gold dore bar into standard gold bar” amounts manufacture.

71.2. A tariff rate of 5% excise duty on Piezo-electric quartz falling under CETH 7104 10 00 has been imposed. However a concessional excise duty at the rate of 1% is being provided without CENVAT credit facility. (S. No. 87 of notification No. 1/2011-CE dated 01.03.2011 refers).

71.3. The tariff rate of excise duty on Silver powder, Silver unwrought and semi-manufactured silver in forms other than sheets, plates, strips, tubes and pipes (falling under CETH 7106 10 00, 7106 91 00 and 7106 92 90) is being increased from NIL to 10%. However the effective excise duty on these products (except when produced during gold ore/concentrate refining, dore bar refining and copper smelting) would be nil. (S. No. 87 of notification No. 5/2006-CE dated 01.03.06 as inserted by notification no 5/2011-CE dated 01.03.2011 refers).

71.4. The Concessional excise duty of 1% without CENVAT credit facility is being imposed on the following goods, namely:-
   (i) Articles of jewellery manufactured or sold under a brand name
   (ii) Branded articles of gold, silver, platinum, palladium, rhodium, iridium, osmium, or ruthenium
(S. Nos. 88 and 89 of notification No. 1/2011-CE dated and S. No. 48 and 49 of notification No. 2/2011-CE both dated 01.03.2011 refers).

71.5. Excise duty is being reduced on serially numbered gold bars, other than tola bars, made starting from the ore/concentrate stage in the same factory from ‘Rs.280 per 10 grams’ to ‘Rs.200 per 10 grams’. (S. No. 21A of notification No. 5/2006-CE dated 01.03.06 as amended by notification no 5/2011-CE dated 01.03.2011 refers).

71.6. A concessional excise duty rate of Rs.200 per 10 grams is being extended to serially numbered gold bars manufactured by refining of gold dore bar also. (S. No. 21A of notification

ExN11
Chapter 72

A chapter note is being inserted to provide that in relation to goods of this chapter, the process of galvanization shall amount to manufacture. (Finance Bill, 2011 refers)

Chapter 73

73.1 The exemption from excise duty on goods falling under heading 7310 or 7326 (Mathematical boxes, geometry boxes and colour boxes, pencil sharpeners) is being withdrawn and a concessional duty @ 1% without CENVAT credit facility is being imposed on such goods. (S.No. 31 of the notification No.05/2006-C.E. is omitted vide notification No. 05/2011-C.E dated 01.03.2011 refers. S.No. 90 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 50 of the notification No.2/2011-C.E dated 01.03.2011 refers).

73.2 The exemption from excise duty on goods falling under heading 7319 (Sewing needles) is being withdrawn and a concessional duty @ 1% without CENVAT credit facility is being imposed on such goods. (S.No. 65 of the notification No.03/2005-C.E. is omitted vide notification No. 15/2011-C.E dated 01.03.2011 refers. S.No. 92 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 52 of the notification No.2/2011-C.E dated 01.03.2011 refers).

73.3 The exemption from excise duty on goods falling under heading 7321 (Kerosene burners, kerosene stoves and wood burning stoves of iron or steel,) is being withdrawn. A concessional duty @ 1% without CENVAT credit facility is being imposed of such goods. (S.No. 34 of the notification No.05/2006-C.E. is omitted vide notification No. 05/2011-C.E dated 01.03.2011 refers. S.No. 91 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 51 of the notification No.2/2011-C.E dated 01.03.2011 refers).

73.4 The exemption from excise duty on goods falling under heading 7323 (All goods other than parts and pressure cookers) is being withdrawn and a concessional duty @ 1% without CENVAT credit facility if being imposed on all goods in the above mentioned category. (S.No. 11 of the notification No.10/2006-C.E. is omitted vide notification No. 10/2011-C.E dated 01.03.2011 refers. S.No. 93 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 53 of the notification No.2/2011-C.E dated 01.03.2011 refers).
74.1 The exemption from excise duty on goods falling under heading 7418 (All goods other than parts and pressure cookers) is being withdrawn and a concessional duty @ 1% without CENVAT credit facility on all goods in the above mentioned category. (S.No. 34 of the notification No.05/2006-C.E. and S.No. 13 of the notification No.10/2006-C.E is omitted vide notification No. 05/2011-C.E dated 01.03.2011 and notification No.10/2011-C.E dated 01.03.2011 refers. S.No. 91 & 93 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 51 & 53 of the notification No.2/2011-C.E dated 01.03.2011 refers).

74.2 The exemption from excise duty on goods falling under heading 7419 (Kerosene burners, kerosene stoves and wood burning stoves of copper or copper alloy) is being withdrawn and a concessional duty @ 1% without CENVAT credit facility on such goods is being imposed. (S.No. 34 of the notification No.05 /2006-C.E. is omitted vide notification No. 05/2011-C.E dated 01.03.2011 refers. S.No. 91 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 51 of the notification No.2/2011-C.E dated 01.03.2011 refers).

Chapter 75.
No change.

Chapter 76.

76.1 The exemption from excise duty on goods falling under heading 7615 (All goods other than parts and pressure cookers) is being withdrawn and a concessional duty @ 1% without CENVAT credit facility is being imposed on such goods (S.No. 14 of the notification No.10 /2006-C.E. is omitted vide notification No. 10/2011-C.E dated 01.03.2011 refers. S.No. 93 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 53 of the notification No.2/2011-C.E dated 01.03.2011 refers).

Chapter 77 to 81.
No change.

Chapter 82

82. The exemption from excise duty on all goods falling under heading 8215 (Spoons, forks, ladles, skimmers, cake-servers, fish-knives, butter-knives, sugar tongs and similar kitchen or tableware) is being withdrawn and a concessional duty of 1% without CENVAT credit facility on such goods is being imposed. (S.No. 16 of the notification No.10 /2006-C.E. is omitted vide notification No. 10/2011-C.E dated 01.03.2011 refers. S.No. 94 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 54 of the notification No.2/2011-C.E dated 01.03.2011 refers).

Chapter 83
No Change

Chapter 84 & 85

ExN13
84.1 Full exemption from excise duty is being extended to parts of power tillers when cleared to another factory of the same manufacturers for manufacturing power tillers. (Notification No. 32/2007-C.E. dated 30.07.2007 as superseded vide notification No. 16/2011-C.E dated 01.03.2011 refers).

84.2 Full exemption from excise duty is being extended to pipe fittings such as joints, elbows couplings etc used for delivery of drinking water from its source to the plant and from there to the first storage plant is being extended to. (S.No. 7 of the notification No. 6/2006-Central Excise as amended vide S.No. 7 of the notification No.06/2011-C.E dated 01.03.2011 refers). Water filters functioning without electricity but with pressurized tap water as well as without pressurised water and replaceable kits thereof are being subject to 1% duty without Cenvat credit facility [S. No. 57 of notification No. 2/2011-CE refers].

84.3 Excise duty has been reduced on parts of 40 specified Textile machinery and equipments (List 2) of Notification No. 6/2006-CE dated 01.03.2006 from 10% to 5%. [list 2 amended vide notification No. 6/2011-CE refers].

84.4 Full Central Excise duty exemption for air conditioning equipment & panels of 3 Tonne air-conditioning capacity and above, and refrigeration panels required for the installation of a cold storage, cold room or refrigerated vehicle for the preservation, storage, transport or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic & marine produce is being provided. [List 4 of notification No. 6/2006-CE amended vide notification No. 6/2011-CE refers].

84.5 Conveyer Belt Systems used in cold storage facilities for the preservation, storage, transport or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic & marine produce and meat and in Mandis & Warehouses for storage of Food grains and Sugar are being fully exempted from Central Excise duty. [S. No. 5A of notification No. 6/2006-CE inserted vide notification No. 6/2011-CE refers].

84.6 The concessional rate of duty of 5% BCD, 5% Excise Duty/CVD & Nil SAD presently applicable to High speed machinery (>70000 copies per hour) is being extended to mailroom equipment viz. overhead conveyor gripper, stacker, wrapper, labeler, strapper, inserters and delivery conveyors designed for use with high speed printing machines with a minimum speed of 70000 copies per hour, imported by newspapers registered with Registrar of Newspapers of India (RNI). [S. No. 12B of notification No. 6/2006-CE inserted vide notification No. 6/2011-CE refers].

84.7 Excise duty of 5% has been imposed on automatic looms and projectile looms. [S. No.14 and14A of notification No. 6/2006-CE amended vide notification No. 6/2011-CE refers].

84.8 Full Central Excise duty exemption is provided to the crank shaft/arm shaft used for manufacture of sewing machines- other than those with in-built motors [S. No. 15A of notification No. 6/2006-CE inserted vide notification No. 6/2011-CE refers].

84.9 An Excise Duty @ 5% has been imposed on specified IT products viz microprocessor other than motherboards, floppy disc drives, CD-Rom drive etc when these items are meant for
internal use in the CPU housing/laptop body. These items meant primarily for external use with a computer or laptop will also be liable for 5% excise duty/ CVD. [S. No. 17 of notification No. 6/2006-CE substituted vide notification No. 6/2011-CE refers].

84.10 Excise duty/ CVD has been reduced to 5% and SAD to NIL on parts of inkjet & laser-jet printers imported by actual users for manufacture of printers [S. No. 17C of notification No. 6/2006-CE inserted vide notification No. 6/2011-CE refers].

84.11 Full exemption has been provided for parts/ components of PC connectivity cable imported for its manufacture. [S. No. 31 of notification No. 6/2006-CE suitably amended vide notification No. 6/2011-CE refers].

84.12 Full exemption are also being provided for sub parts of parts & components of battery charger, hands free headphones & PC connectivity cable imported for manufacture of these parts of mobile handsets including cellular phones. [S. No. 31 of notification No. 6/2006-CE suitably amended vide notification No. 6/2011-CE refers].

84.13 Duty on the parts of optical disc drives viz CD drives, DVD Drives/ Writers and Combo Drives is being reduced to 5% CVD / excise duty and NIL SAD subject to actual user condition. [S. No. 17B of notification No. 6/2006-CE inserted vide notification No. 6/2011-CE refers].

84.14 Excise duty/CVD is being reduced from 10% to 5% and Special Additional Duty of customs leviable under Section 3(5) of the Customs Tariff Act, 1975 is being fully exempted on LEDs used for manufacture of LED lights and light fixtures with actual user condition. [S. No. 71C of notification No. 6/2006-CE inserted vide notification No. 6/2011-CE refers].

Chapter 86

86. The exemption from excise duty on all goods falling under heading 8601 to 8606 (except Railway track machines falling under tariff item 8604 00 00) is being withdrawn and a concessional duty of 1% without CENVAT credit facility is being imposed on such goods (S.No. 33 of the notification No.06 /2006-C.E. is omitted vide notification No. 06/2011-C.E dated 01.03.2011 refers. S.No. 106 of the notification No. 1/2011-C.E dated 01.03.2011 and S.No. 65 of the notification No. 2/2011-C.E dated 01.03.2011 refers).

Chapter 87

87.1 A Concessional rate of excise duty @ 10% is being given to the Hydrogen Vehicles based on fuel cell technology. (Inserted vide S.No. 42B of the notification No. 6/2011-Central Excise dated 28.02.2011 refers).

87.2 Excise duty is being reduced from 10% to 5% on Hybrid kits for conversion of fossil fuel vehicles to hybrid vehicles. (Inserted vide S.No. 42C of the notification No.6 /2011-Central Excise dated 01.03.2011 refers).

87.3 A Concessional rate of excise duty @ 10% is being extended to factory built ambulances, other vehicles retrofitted as ambulances subsequent to their removal from the factory shall
continue to be eligible for refund based concession. *(S.No. 34 of the notification No. 6/2006-Central Excise as amended vide S.No. 34 of the notification No. 6/2011-Central Excise dated 01.03.2011 refers).*

87.4 The scope for Taxis is being extended to include vehicles carrying 13 persons including driver. Concessional excise duty structure for Taxis is also being rationalized to provide refund of 20% of the excise duty paid on such vehicles, if they are registered as taxi subsequent to removal. *(S.No. 34 of the notification No. 6/2006-Central Excise as amended vide S.No. 34 of the notification No. 6/2011-Central Excise dated 01.03.2011 refers).*

87.5 The definition for “Hybrid Motor Vehicle” is being modified to exclude micro-hybrid motor vehicles with start & stop technology using battery powered electric motor only for idling. *(S.No. 42A of the notification No. 6/2006-Central Excise as amended vide S. No. 42A of the notification No. 6/2011-Central Excise dated 01.03.2011 refers).*

87.6 The exemption from excise duty on all goods falling under heading 8712 (Bicycles and other cycles [including delivery tricycles], not motorized) is being withdrawn and a concessional duty @ 1% without CENVAT credit facility is being imposed on such goods. *(S.No. 24 of the notification No.10/2006-C.E is omitted vide notification No. 10/2011-Central Excise dated 01.03.2011 refers. S.No. 107 of the notification No.1/2011-C.E dated 01.03.2011 and S.No. 66 of the notification No.2/2011-C.E dated 01.03.2011 refers).*

87.7 A concessional rate of excise duty @ 5% is being extended to specified part of Hybrid motor vehicles, namely, battery pack, battery charger, AC/DC electric motors and motor controllers till 31.03.2013. *(S.No. 35A of the notification No. 6/2006-Central Excise as amended vide S.No. 35A of the notification No.6/2011-Central Excise dated 01.03.2011 refers).*

**Chapter 88**

88.1 A Tariff rate of 5% is being prescribed for all goods falling under tariff heading 8801 (Balloons and dirigibles; gliders, hang gliders and other non-powered aircraft). However these goods would be subject to the concessional duty @ 1% without CENVAT credit facility. *(Finance bill 2011 and S.No. 108 of the notification No. 1/2011-Central Excise dated 01.03.2011 refers).*

88.2 A Tariff rate of 5% is being prescribed for all goods falling under tariff heading 8804 (Parachutes [including dirigible parachutes and par gliders] and rotochutes; parts thereof and accessories thereto). However these goods would be subject to the concessional duty @ 1% without CENVAT credit facility. *(Finance bill 2011 and S.No. 109 of the notification No. 1/2011-Central Excise 01.03.2011 refers).*

88.3 A Tariff rate of 5% is being prescribed for all goods falling under tariff heading 8805 (Aircraft launching gear; deck-arrestor or similar gear; ground flying trainers; parts of the foregoing articles). However these goods would be subject to the concessional duty @ 1% without CENVAT credit facility. *(Finance bill 2011 and S.No. 110 of the notification No. 1/2011-Central Excise 01.03.2011 refers).*
Chapter 89
89.1 A Tariff rate of 5% is being prescribed for all goods falling under tariff heading 8901 (Cruise ships, excursion boats, ferry-boats, cargo ships barges and similar vessels for the transport of persons or goods). However these goods would be subject to the concessional duty @ 1% without CENVAT credit facility. (Finance bill 2011 and S.No. 111 of the notification No. 1/2011-Central Excise dated 01.03.2011 refers).

89.2 A Tariff rate of 5% is being prescribed for all goods falling under tariff heading 8904 (Tugs and pusher craft). However these goods would be subject to the concessional duty @ 1% without CENVAT credit facility. (Finance bill 2011 and S.No. 112 of the notification No. 1/2011-Central Excise dated 01.03.2011 refers).

89.3 A Tariff rate of 5% is being prescribed for all goods falling under tariff heading 8905 (Light-vessels, fire-floats, dredgers, floating cranes, and other vessels the navigability of which is subsidiary to their main function; floating docks; floating or submersible drilling or production platforms). However these goods would be subject to the concessional duty @ 1% without CENVAT credit facility. (Finance bill 2011 and S.No. 113 of the notification No. 01/2011-Central Excise dated 01.03.2011 refers).

89.4 A Tariff rate 5% is being prescribed for all goods falling under tariff heading 8906 90 00 (other vessels, including warships and lifeboats other than rowing boats) except warships. However these goods would be subject to the concessional duty @ 1% without CENVAT credit facility. (Finance bill 2011 and S.No. 114 of the notification No. 01/2011-Central Excise dated 01.03.2011 refers).

89.5 The availment of CENVAT credit by the ship breakers is being restricted to 85% of the CVD paid at the time of importation of the ships for breaking. (S.No. 3 (1) (b) of the notification No. 3/2011-Central Excise (NT) dated 01.03.2011 refers)

CHAPTER 90

No change