

Finance (No. 2) Act, 1996

33 of 1996

[September 28,1996]

CONTENTS

CHAPTER 1 :- PRELIMINARY

1. Short title and commencement

CHAPTER 2 :- RATES OF INCOME TAX

2. Income tax

CHAPTER 3 :- DIRECT TAXES

3. Amendment of Section 2
4. Amendment of Section 10
5. Amendment of Section 12A
6. Insertion of new Section 12AA
7. Amendment of Section 16
8. Amendment of Section 17
9. Amendment of Section 24
10. Amendment of Section 28
11. Amendment of Section 32
12. Amendment of Section 35
13. Amendment of Section 35AC
14. Amendment of Section 36
15. Amendment of Section 40A
16. Amendment of Section 41
17. Amendment of Section 43
18. Amendment of Section 43B
19. Amendment of Section 45
20. Insertion of new sections 54-EA and 54-EB
21. Amendment of Section 56
22. Omission of Section 80-CC
23. Insertion of new Section 80-CCC
24. Amendment of Section 80D
25. Insertion of new Section 80DDB
26. Amendment of Section 80-G
27. Amendment of Section 80-GG
28. Amendment of Section 80IA
29. Omission of Section 80J
30. Amendment of Section 80-L
31. Amendment of Section 80R
32. Amendment of Section 80RR
33. Amendment of Section 80-RRA
34. Amendment of Section 88
35. Omission of Section 88A
36. Amendment of Section 88B
37. Amendment of Section 112
38. Amendment of Section 115AC
39. Insertion of new Section 115JA

40. Amendment of Section 115K
41. Amendment of Section 120
42. Amendment of Section 139
43. Amendment of Section 148
44. Amendment of Section 153
45. Amendment of Section 158B
46. Amendment of Section 158BB
47. Amendment of Section 158BE
48. Amendment of Section 158BG
49. Amendment of Section 194A
50. Amendment of Section 199
51. Omission of Sections 206-A and 206B
52. Amendment of Section 206C
53. Amendment of Section 208
54. Amendment of Section 234C
55. Amendment of Section 272A
56. Amendment of Section 2
57. Amendment of Section 4
58. Amendment of Section 21A

CHAPTER 4 :- INDIRECT TAXES

59. Amendment of Section 15
60. Amendment of Section 27
61. Amendment of Section 28AA
62. Insertion of new Section 28AB
63. Amendment of Section 46
64. Insertion of new Section 114A
65. Amendment of Section 129
66. Amendment of Section 129C
67. Amendment of Act 51 of 1975
68. Special duties of customs
69. Amendment of long title
70. Amendment of preamble
71. Amendment of Section 1
72. Amendment of Section 2
73. Amendment of Section 3
74. Amendment of Section 4
75. Amendment of Section 11AA
76. Insertion of new Sections 11-AB and 11-AC
77. Amendment of Section 11B
78. Amendment of Section 12
79. Omission of Chapter V
80. Amendment of Section 35D
81. Amendment of Act 32 of 1985
82. Amendment of Act 5 of 1986
83. Amendment of Act 58 of 1957
84. Amendment of Act 40 of 1978

CHAPTER 5 :- SERVICE TAX

85. Amendment of Act 32 of 1994
86. Validation

CHAPTER 6 :- MISCELLANEOUS

87. Amendment of Act 74 of 1956
88. North-Eastern Development Finance Corporation Limited to be exempt for a certain period from liability to pay income tax
89. Amendment of Act 6 of 1898

90. Repeal

SCHEDULE 1 :- THE FIRST SCHEDULE

SCHEDULE 2 :- THE SECOND SCHEDULE

SCHEDULE 3 :- THE THIRD SCHEDULE

SCHEDULE 4 :- THE FOURTH SCHEDULE

SCHEDULE 5 :- THE FIFTH SCHEDULE

Finance (No. 2) Act, 1996

33 of 1996

[September 28,1996]

An Act to give effect to the financial proposals of tile Central Government for the Financial Year 1996-97 Be it enacted by Parliament in the Forty-seventh Year of the Republic of India as follows:-

CHAPTER 1
PRELIMINARY

1. Short title and commencement :-

(1) This Act may be called the Finance (No. 2) Act, 1996.

(2) Save as otherwise provided in this Act, section 2 to Section 58 and Section 88 shall be deemed to have come into force on the 1st day of April, 1996.

CHAPTER 2
RATES OF INCOME TAX

2. Income tax :-

(1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 1996, income tax shall be charged at the rates specified in Part I of the First Schedule and such tax shall be increased in the cases to which Paragraph E of that Part applies by a surcharge calculated in the manner provided therein.

(2) In the cases to which sub-paragraph I or sub-paragraph II of Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding six hundred rupees, in addition to total income, and the total income exceeds,-

(i) in case to which the said sub-paragraph I applies, forty thousand rupees, and

(ii) in a case to which the said sub-paragraph II applies, eighteen thousand rupees, then,-

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after,-

(i) in a case to which the said sub-paragraph I applies, the first forty thousand rupees, and

(ii) in a case to which the sub-paragraph II applies, the first eighteen thousand rupees, of the total income but without being liable to tax], only for the purpose of charging income tax in respect of the total income; and

(b) the income tax chargeable shall be calculated as follows :-

(i) the total income and the net agricultural income shall be aggregated and the amount of income tax shall be determined in respect of the aggregate income at the rates specified in sub-paragraph I or, as the case may be, sub-paragraph II of the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased,-

(A) in a case to which the said sub-paragraph I applies, by a sum of forty thousand rupees; and

(B) in a case to which the said sub-paragraph II applies, by a sum of eighteen thousand rupees, and the amount of income tax shall be determined in respect of the net agricultural income as so increased at the rates specified in sub-paragraph I or, as the case may be, sub-paragraph II of the said Paragraph A, as if the net agricultural income as so increased were the total income;

(iii) the amount of income tax determined in accordance with sub-clause (i) shall be reduced by the amount of income tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income tax in respect of the total income.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or sub-section (1-A) of Section 161 or Section 164 or Section 164A or S.167B of the Income-tax Act, 1961 (hereinafter referred to as the Income Tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be : Provided that the amount of income tax computed in accordance with the provisions of Sections 112 and Section 113 of the Income Tax Act, 1961 shall be increased in the case of a domestic company by a surcharge as provided in Paragraph E of Part I of the First Schedule : Provided further that in respect of any income chargeable to tax under Section 115B, or in the case of a domestic company having a total income exceeding seventy-five thousand rupees under S.115BB, of the Income tax Act, 1961, the income tax computed shall be increased by a surcharge calculated at the rate of fifteen per cent of such income tax.

(4) In cases in which tax has to be deducted under Sections 193, Section 194 of the Income Tax Act, 1961 , Section 194A of the Income Tax Act, 1961 , Section 194B of the Income Tax Act, 1961 , Section 194BB of the Income Tax Act, 1961 , Section 194D of the Income Tax Act, 1961 and Section 195 of the Income Tax Act, 1961 at the rates in force, the deduction shall be made at the rates specified in Part II of the First Schedule and shall be increased, in the cases to which the provisions of sub-item (a) of Item 2 of that part apply, by a surcharge calculated in the manner provided therein.

(5) In cases in which tax has to be deducted under Sections 194C, Section 194G of the Income Tax Act, 1961 , Section 194I of the Income Tax Act, 1961 , Section

194J of the Income Tax Act, 1961 and Section 194K of the Income Tax Act, 1961 , the deduction shall be made at the rates specified in those sections and shall be increased in the case of an assessee, being a domestic company, by a surcharge calculated at the rate of seven-and-a-half per cent of such deduction.

(6) In cases in which tax has to be collected under Section 206C of the Income tax Act, 1961 , the collection shall be made at the rates specified in that section and shall be increased in the case of a buyer, being a domestic company, by a surcharge calculated at the rate of seven- and-a-half per cent of such collection.

(7) Subject to the provisions of sub-section (8), in cases in which income tax has to be calculated under the first proviso to sub-section (5) of Section 132 of the Income tax Act, 1961 or charged under sub-section (4) of Section 172 or sub-section (2) of Section 174 or Section 175 or sub-section (2) of Section 176 of the said Act or deducted under Section 192 of the said Act from income chargeable under the head "Salaries" or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased, in the cases to which Paragraph E of that Part applies, by a surcharge calculated in the manner provided therein : Provided that in the cases to which the provisions of Chapter XII or Chapter XII-A or sub-section (1-A) of Section 161 or Section 164 or Section 164A or Section 167B of the Income tax Act, 1961 apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that chapter or section, as the case may be : Provided further that the amount of income tax computed in accordance with the provisions of Sections 112 and Section 113 of the Income Tax Act, 1961 shall be increased in the case of a domestic company by a surcharge as provided in Paragraph E of Part III of the First Schedule: Provided also that in respect of any income chargeable to tax under Section 115B, or in the case of a domestic company, under Section 115BB of the Income tax Act, 1961 , having a total income exceeding seventy-five thousand rupees, the "advance tax" computed under the first proviso shall be increased by a surcharge calculated at the rate of seven-and-a-half per cent of such "advance tax".

(8) In the cases to which Paragraph A of Part III of First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income Tax Act, income tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding six hundred rupees, in addition to total income and the total income exceeds forty thousand rupees, then, in calculating income tax under the first proviso to sub-section (5) of Section 132 of the Income tax Act, 1961 or in charging income tax under sub-section (2) of Section 174 or Section 175 or sub-section (2) of Section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,-

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first forty thousand rupees of the total income but without being liable to tax], only for the purpose of calculating,

charging or computing such income tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income tax or, as the case may be, "advance tax" shall be so calculated, charged or computed as follows :-

(i) the total income and the net agricultural income shall be aggregated and the amount of income tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of forty thousand rupees, and the amount of income tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A as if the net agricultural income as so increased were the total income;

(iii) the amount of income tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income tax or, as the case may be, "advance tax" in respect of the total income.

(9) For the purposes of this section and the First Schedule,-

(a) "domestic company" means an Indian company, or any other company which, in respect of its income is liable to income tax under the Income Tax Act for the assessment year commencing on the 1st day of April, 1996, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income in accordance with the provisions of Section 194 of the Act;

(b) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(c) "net agricultural income", in relation to a person, means the total amount of agricultural income from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(d) all other words and expressions used in this section or in the First Schedule but not defined in this sub-section and defined in the Income Tax Act shall have the meanings respectively assigned to them in that Act.

CHAPTER 3 DIRECT TAXES

3. Amendment of Section 2 :-

In Section 2 of the Income tax Act, 1961 with effect from the 1st day of October, 1996,-

(a) in clause (7-A), for the words "Assistant Commissioner" and "Deputy Commissioner" the words "Assistant Commissioner or Assistant Director" and "Deputy Commissioner" or "Deputy Director" shall respectively be substituted,

(b) in clause (24), after sub-clause (x), the following sub-clause shall be inserted, namely:-

'(xi) any sum received under a Keyman insurance policy including the sum allocated by way of bonus on such policy. Explanation.-For the purposes of this clause, the expression "keyman insurance policy" shall have the meaning assigned to it in the Explanation to clause (10-D) of Section 10;'

4. Amendment of Section 10 :-

In Section 10 of the Income tax Act, 1961 Act,-

(a) in clause (10-A), after sub-clause (ii), the following sub-clause shall be inserted with effect from the 1st day of April, 1997, namely :- "(iii) any payment in commutation of pension received from a fund under clause (23-AAB);";

(b) in clause (10-D), after the words, brackets figures and letters "other than any sum received under sub-section (3) of Section 80DDA", the following shall be inserted with effect from the 1st day of October, 1996, namely :- 'or under a Keyman insurance policy. Explanation.-For the purposes of this clause, "Keyman insurance policy" means a life insurance policy taken by a person on the life of another person who is or was the employee of the first mentioned person or is or was connected in any manner whatsoever with the business of the first mentioned person;';

(c) in clause (15), in sub-clause (iv), after item (i), in the Explanation, for clause (e), the following clause shall be substituted with effect from the 1st day of April, 1997, namely :- "(e) the operation of ships or aircraft's or construction or operation of rail systems;";

(d) after clause (23-AAA), the following clause shall be inserted with effect from the 1st day of April, 1997, namely :- '(23-AAB) any income of a fund, by whatever name called, set up by the Life Insurance Corporation of India on or after the 1st day of August, 1996 under a pension scheme,- (i) to which contribution is made by any person for the purpose of receiving pension from such fund; (ii) which is approved by the Controller of Insurance. Explanation.-For the purposes of this clause, the expression "Controller of Insurance" shall have the meaning assigned to it in clause (5-B) of Section 2 of the Insurance Act, 1938 (4 of 1938);';

(e) after clause (23-BBB), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1992, namely:- "(23-BBC) any income of the SAARC Fund for Regional Project set up by Colombo Declaration issued on the 21st day of December, 1991 by the Heads of State or Government of the Member Countries of South Asian Association for Regional Cooperation established on the 8th day of December, 1985 by the Charter of the South Asian Association for Regional Cooperation;";

(f) after clause (23-F), the following clause shall be inserted with effect from the 1st day of April, 1997, namely :- "(23-G) any income by way of dividends, interest or long-term capital gains of an infrastructure capital fund or an infrastructure capital company from investments made by way of shares or long-term finance in any enterprise carrying on the business of developing, maintaining and operating any infrastructure facility, which fulfils the conditions specified in

sub-section (4-A) of Section 80IA. Explanation.-For the purposes of this clause,-

(a) "infrastructure capital company" means such company as has made investments by way of acquiring shares or providing long-term finance to an enterprise carrying on the business of developing, maintaining and operating infrastructure facility;

(b) "infrastructure capital fund" means such fund operating under a trust deed, registered under provisions of the Registration Act, 1908, established to raise monies by the trustees for investment by way of acquiring shares or providing long-term finance to an enterprise carrying on the business of developing, maintaining and operating infrastructure facility;

(c) "infrastructure facility" shall have the meaning assigned to it in clause (ca) of sub-section (12) of Section 80IA;

(d) "long-term finance" shall have the meaning assigned to it in clause (viii) of sub-section (1) of Section 36 ;';

(g) for clause (24), the following clause shall be substituted with effect from the 1st day of April, 1997, namely :- '(24) any income chargeable under the heads "Income from house property" and "Income from other sources" of-

(a) a registered union within the meaning of the Trade Unions Act, 1926 formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen;

(b) an association of registered unions referred to in sub-clause (a)','.

5. Amendment of Section 12A :-

In Section 12A of the Income tax Act, 1961 , in clause (a) for the words "whichever is later", the words, figures and letters "whichever is later and such trust or institution is registered under Section 12AA" shall be substituted with effect from the 1st day of April, 1997.

6. Insertion of new Section 12AA :-

After Section 12A of the Income tax Act, 1961 , the following section shall be inserted with effect from the 1st day of April, 1997, namely :- "12-AA. Procedure for registration.-(1) The Chief Commissioner or Commissioner, on receipt of an application for registration of a trust or institution made under clause (a) of Section 12A, shall-

(a) call for such documents or information from the trust or institution as he thinks necessary in order to satisfy himself about the genuineness of activities of the trust or institution and may also make such inquiries as he may deem necessary in this behalf; and

(b) after satisfying himself about the object of the trust or institution and the genuineness of its activities, he-

(i) shall pass an order in writing registering the trust or institution;

(2) Every order granting or refusing registration under clause (b) of sub-section (1) shall be passed before the expiry of six months from the end of the month in which the application was received under clause (a) of Section 12A".

7. Amendment of Section 16 :-

In Section 16 of the Income tax Act, 1961 , for clause (i), the following clauses shall be substituted with effect from the 1st day of April, 1997, namely:-

'(i) in the case of an assessee whose income from salary, before allowing a deduction under this clause, does not exceed sixty thousand rupees, a deduction of a sum equal to thirty-three and one-third per cent of the salary or eighteen thousand rupees, whichever is less;

(ia) in any other case, a deduction of a sum equal to thirty-three-and-one-third per cent of the salary or fifteen thousand rupees, whichever is less : Provided that in the case of an assessee, being a woman, whose total income before making any deduction under this clause, does not exceed seventy-five thousand rupees, the provisions of this clause shall have effect as if for the words "fifteen thousand rupees", the words "eighteen thousand rupees" had been substituted. Explanation.-For the removal of doubts, it is hereby declared that where, in the case of an assessee, salary is due from, or paid or allowed by, more than one employer, the deduction under this clause shall be computed with reference to the aggregate salary due, paid or allowed to the assessee and shall in no case exceed the amount specified under clause (i) or clause (i-a), as the case may be;'

8. Amendment of Section 17 :-

In Section 17 of the Income tax Act, 1961 , in clause (3), in sub-clause (ii), for the words "interest on such contributions", the following shall be substituted with effect from the 1st day of October, 1996, namely :- 'interest on such contributions or any sum received under a Keyman insurance policy including the sum allocated by way of bonus on such policy. Explanation.-For the purposes of this sub-clause, the expression "Keyman insurance policy" shall have the meaning assigned to it in clause (10-D) of Section 10.'

9. Amendment of Section 24 :-

In Section 24 of the Income tax Act, 1961 , in sub-section (2), in the proviso,-

(a) for the words "ten thousand rupees", the words "fifteen thousand rupees" shall be substituted with effect from the 1st day of April. 1997;

(b) after the words, brackets, figures and letters "sub-clause (i) of clause (a) of sub- section (2) of Section 23 ", the words, brackets and figures "or sub-section (3) of Section 23 " shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1995.

10. Amendment of Section 28 :-

In Section 28 of the Income tax Act, 1961 , after clause (v), the following clause shall be inserted with effect from the 1st day of October, 1996, namely:-

'(vi) any sum received under a Keyman insurance policy including the sum allocated by way of bonus on such policy. Explanation.-For the purposes of this clause, the expression "Keyman insurance policy" shall have the meaning assigned to it in clause (IO-D) of Section 10;'

11. Amendment of Section 32 :-

In Section 32 of the Income tax Act, 1961 , with effect from the 1st day of April,

1997-

(a) in sub-section (1), after the words "plant or furniture owned", the words "wholly or partly", shall be inserted;

(b) in sub-section (1), after the third proviso, the following proviso shall be inserted, namely:- "Provided also that the aggregate deduction, in respect of depreciation of buildings, machinery, plant or furniture allowable to the predecessor and the successor in the case of succession, referred to in Section 170 or the amalgamating company and the amalgamated company in the case of amalgamation, as the case may be, shall not exceed in any previous year the deduction calculated at the prescribed rates as if the succession or the amalgamation had not taken place, and such deduction shall be apportioned between the predecessor and the successor, or the amalgamating company and the amalgamated company, as the case may be, in the ratio of the number of days for which the assets were used by them.";

(c) for sub-section (2), the following sub-section shall be substituted, namely :- "
(2) Where in the assessment of the assessee full effect cannot be given to any allowance under clause (ii) of sub-section (1) in any previous year owing to there being no profits or gains chargeable for that previous year or owing to the profits or gains being less than the allowance, then the allowance or the part of allowance to which effect has not been given (hereinafter referred to as unabsorbed depreciation allowance), as the case may be,-

(i) shall be set off against the profits and gains, if any, of any business or profession carried on by him and assessable for that assessment year;

(ii) if the unabsorbed depreciation allowance cannot be wholly set off under clause (i), the amount not so set off shall be set off from the income under any other head, if any, assessable for that assessment year;

(iii) if the unabsorbed depreciation allowance cannot be wholly set off under clause (i) and clause (ii), the amount of allowance not so set off shall be carried forward to the following assessment year and-

(a) it shall be set off against the profits and gains, if any, of any business or profession carried on by him and assessable for that assessment year;

(b) if the unabsorbed depreciation allowance cannot be wholly so set off, the amount of unabsorbed depreciation allowance not so set off shall be carried forward to the following assessment year not being more than eight assessment years immediately succeeding the assessment year for which the aforesaid allowance was first computed :

S.17 of the Sick Industrial Company (Special Provisions) Act, 1985 and ending with the assessment year relevant to the previous year in which the entire networth of such company becomes equal to or exceeds the accumulated losses. Explanation.-For the purposes of this clause, "net worth" shall have the meaning assigned to it in clause (ga) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986).'

12. Amendment of Section 35 :-

In Section 35 of the Income tax Act, 1961 , in sub-section (2-AA), for the provisos, the following proviso shall be substituted with effect from the 1st day of

October, 1996, namely :- "Provided that prescribed authority shall, before granting approval, satisfy itself about the feasibility of carrying out the scientific research and shall submit its report to the Director-General in such form as may be prescribed."

13. Amendment of Section 35AC :-

In Section 35AC of the Income tax Act, 1961 , after sub-section (3) and before the Explanation, the following sub-sections shall be inserted with effect from the 1st day of October, 1996, namely :-

"(4) Where an association or institution is approved by the National Committee under sub-section (1), and subsequently that Committee is satisfied that the project or the scheme is not being carried on in accordance with all or any of the conditions subject to which approval was granted, it may, at any time, after giving a reasonable opportunity of showing cause against the proposed withdrawal to the association or institution concerned, withdraw the approval.

(5) Where any project or scheme has been notified as an eligible project or scheme under clause (b) of the Explanation and subsequently the National Committee is satisfied that the project or the scheme is not being carried out in accordance with all or any of the conditions subject to which such project or scheme was notified, such notification may be withdrawn in the same manner in which it was issued : Provided that a reasonable opportunity of showing cause against the proposed withdrawal shall be given by the National Committee to the association concerned, institution, public sector company or the local authority, as the case may be."

14. Amendment of Section 36 :-

In Section 36 of the Income tax Act, 1961 , in sub-section (1), in clause (viii),-

(a) for the words "before making any deduction under this section", the words "before making any deduction under this clause" shall be substituted and shall be deemed to have been substituted;

(b) in the second proviso, for the brackets and words "(excluding the amounts capitalised from reserves)", the words "and of the general reserves" shall be substituted with effect from the 1st day of April, 1997;

(c) in the Explanation, after clause (d), the following clause shall be inserted and shall be deemed to have been inserted, namely :- '(e) "long-term finance" means any loan or advance where the terms under which moneys are loaned or advanced provide for repayment along with interest thereof during a period of not less than seven years.'

15. Amendment of Section 40A :-

In Section 40A of the Income tax Act, 1961 , in sub- section (3), for the words "ten thousand" wherever they occur, the words "twenty thousand" shall be substituted with effect from the 1st day of April, 1997,

16. Amendment of Section 41 :-

In Section 41 of the Income tax Act, 1961 , Explanation occurring below sub-section (1) shall be renumbered as Explanation 2, and before Explanation 2 as so renumbered, the following Explanation shall be inserted with effect from the 1st

day of April 1997, namely :-

"Explanation 1.-For the purposes of this sub-section, the expression loss or expenditure or some benefit in respect of any such trading liability by way of remission or cessation thereof shall include the remission or cessation of any liability by a unilateral act by the first mentioned person under clause (a) or the successor in business under clause (b) of that sub-section by way of writing off such liability in his accounts."

17. Amendment of Section 43 :-

In Section 43 of the Income tax Act, 1961 , in clause (1), after Explanation 4, the following Explanation shall be inserted with effect from the 1st day of October, 1996, namely :-

"Explanation 4-A.-Where before the date of acquisition by the assessee (hereinafter referred to as the first mentioned person) the assets were at any time used by any other person (hereinafter referred to as the second mentioned person) for the purposes of his business or profession and depreciation allowance has been claimed in respect of such assets in the case of the second mentioned person and such person acquires on lease, hire or otherwise assets from the first mentioned person, then, notwithstanding anything contained in Explanation 3, the actual cost of the transferred assets, in the case of first mentioned person, shall be the same as the written down value of the said assets at the time of transfer thereof by the second mentioned person."

18. Amendment of Section 43B :-

In Section 43B of the Income tax Act, 1961 , with effect from the 1st day of April, 1997-

(a) in clause (d), for the words "governing such loan or borrowing", the words "governing such loan or borrowing; or" shall be substituted',

(b) after clause (d), the following clause shall be inserted, namely :- "(e) any sum payable by the assessee as interest on any term loan from a scheduled bank in accordance with the terms and conditions of the agreement governing such loan."

(c) after Explanation 3, the following Explanation shall be inserted, namely :-

"Explanation 3-A.-For the removal of doubts, it is hereby declared that where a deduction in respect of any sum referred to in clause (e) of this section is allowed in computing the income referred to in Section 28 of the previous year (being a previous year relevant to the assessment year commencing on the 1st day of April, 1996, or any earlier assessment year) in which the liability to pay such sum was incurred by the assessee, the assessee shall not be entitled to any deduction under this section in respect of such sum in computing the income of the previous year in which the sum is actually paid by him.";

(d) in Explanation 4, after clause (a), the following clause shall be inserted, namely:-

'(aa) "scheduled bank" shall have the meaning assigned to it in clause (ii) of the Explanation to clause (vii-a) of sub-section (1) of Section 36 ;'.

19. Amendment of Section 45 :-

In Section 45 of the Income tax Act, 1961 , in sub-section (1), after the figures and letter "54-E", the figures and letters "54-EA, 54-EB" shall be inserted with effect from the 1st day of October, 1996.

20. Insertion of new sections 54-EA and 54-EB :-

After Section 54E of the Income tax Act, 1961 , the following sections shall be inserted with effect from the 1st day of October, 1996, namely:- '54-EA. Capital gain on transfer of long-term capital assets not to be charged in the case of investment in specified bonds or debentures.-

(1) Where the capital gain arises from the transfer of a long-term capital asset (the capital asset so transferred being hereafter in this section referred to as the original asset) and the assessee has, at any time within a period of six months after the date of such transfer, invested the whole or any part of the net consideration in any of the bonds, debentures or units of any mutual fund referred to in clause (23-D) of Section 10 specified by the Board in this behalf by notification in the Official Gazette (such assets hereafter in this section referred to as the specified bonds or debentures), the capital gain shall be dealt with in accordance with the following provisions of this section, that is to say,-

(a) if the cost of the specified bonds or debentures is not less than the net consideration in respect of the original assets, the whole of such capital gain shall not be charged under Section 45 ;

(b) if the cost of the specified bonds or debentures is less than the net consideration in respect of the original asset, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of acquisition of the specified bonds or debentures bears to the net consideration shall not be charged under Section 45 .

(2) Where the specified bonds or debentures are transferred or converted (otherwise than by transfer) into money at any time within a period of three years from the date of their acquisition, the amount of capital gain arising from the transfer of the original asset not charged under Section 45 on the basis of the cost of such specified bonds or debentures as provided in clause (a) or clause (b) of sub-section (1) shall be deemed to be the income chargeable under the head "Capital gains" relating to long- term capital assets of the previous year in which the specified bonds or debentures are transferred or converted (otherwise than by transfer) into money.

Explanation.-In a case where the original asset is transferred and the assessee invests the whole or any part of the net consideration in respect of the original asset in any specified bonds or debentures and such assessee takes any loan or advance on the security of such specified bonds or debentures, he shall be deemed to have converted (otherwise than by transfer) such specified bonds or debentures into money on the date on which such loan or advance is taken.

(3) Where the cost of the specified bonds or debentures has been taken into account for the purposes of clause (a) or clause (b) of sub-section (1), a rebate with reference to such cost shall not be allowed under Section 88 .

Explanation.-For the purposes of this section,-

(a) "cost", in relation to any specified bonds or debentures, means the amount invested in such specified bonds or debentures out of the net consideration received or accruing as a result of the transfer of the original asset;

(b) "net consideration", in relation to the transfer of a capital asset, means the full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by the expenditure incurred wholly and exclusively in connection with such transfer.

(a) if the cost of the long-term specified asset is not less than the capital gain arising from the transfer of the original asset, the whole of such capital gain shall not be charged under Section 45 ;

(b) if the cost of the long-term specified asset is less than the capital gain arising from the transfer of the original asset, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of acquisition of the long-term specified assets bears to the whole of the capital gain, shall not be charged under Section 45 .

Explanation.-"Cost", in relation to any long-term specified asset, means the amount invested in such specified asset out of capital gains received or accruing as a result of the transfer of the original asset.

(2) Where the long-term specified asset is transferred or converted (otherwise than by transfer) into money at any time within a period of seven years from the date of its acquisition, the amount of capital gains arising from the transfer of the original asset not charged under Section 45 on the basis of the cost of such long-term specified asset as provided in clause (a), or, as the case may be, clause (b) of sub-section (1) shall be deemed to be the income chargeable under the head "Capital gains" relating to long-term capital assets of the previous year in which the long-term specified asset is transferred or converted (otherwise than by transfer) into money.

Explanation.-In a case where the original asset is transferred and the assessee invests the whole or any part of the capital gain received or accrued as a result of transfer of the original asset in any long-term specified asset and such assessee takes any loan or advance on the security of such specified asset, he shall be deemed to have converted (otherwise than by transfer) such specified asset into money on the date on which such loan or advance is taken.

(3) Where the cost of the long-term specified asset has been taken into account for the purposes of clause (a) or clause (b) of sub-section (1), a deduction from the amount of income tax with reference to such cost shall not be allowed under Section 88 .'

21. Amendment of Section 56 :-

In Section 56 in sub-section (2), after clause (iii), the following clause shall be inserted with effect from the 1st of October, 1996, namely :-

'(iv) income referred to in sub-clause (xi) of clause (24) of Section 2 , if such income is not chargeable to income tax under the head "Profits and gains of business or profession" or under the head "Salaries";'.

22. Omission of Section 80-CC :-

Section 80CC of the Income tax Act, 1961 shall be omitted and shall be deemed to have been omitted with effect from the 1st day of April, 1993.

23. Insertion of new Section 80-CCC :-

After Section 80CCB of the Income tax Act, 1961 , the following section shall be inserted with effect from the 1st day of April, 1997, namely :- "80-CCC. Deduction in respect of contribution of certain pension funds.-

(1) Where an assessee being an individual has in the previous year paid or deposited any amount out of his income chargeable to tax to effect or keep in force a contract for any annuity plan of Life Insurance Corporation of India for receiving pension from the fund referred to in clause (23-AAB) of Section 10 , he shall, in accordance with, and subject to, the provisions of this section, be allowed a deduction in the computation of his total income, of the whole of the amount paid or deposited (excluding interest or bonus accrued or credited to the assessee's account, if any) as does not exceed the amount of ten thousand rupees in the previous year.

(2) Where any amount standing to the credit of the assessee in a fund, referred to in sub-section (1) in respect of which a deduction has been allowed under sub-section (1), together with the interest or bonus accrued or credited to the assessee's account, if any, is received by the assessee or his nominee,-

(a) on account of the surrender of the annuity plan whether in whole or in part, in any previous year, or

(b) as pension received from the annuity plan, an amount equal to the whole of the amount referred to in clause (a) or clause (b) shall be deemed to be the income of the assessee or his nominee, as the case may be, in that previous year in which such withdrawal is made or, as the case may be, pension is received, and shall accordingly be chargeable to tax as income of that previous year.

(3) Where any amount paid or deposited by the assessee has been taken into account for the purposes of this section, a rebate with reference to such amount shall not be allowed under Section 88 .".

24. Amendment of Section 80D :-

In Section 80D of the Income tax Act, 1961 , in sub- section (1), for the words "six thousand rupees" wherever they occur, the words "ten thousand rupees" shall be substituted with effect from the 1st day of April, 1997.

25. Insertion of new Section 80DDB :-

After S.80DDA of the Income tax Act, 1961, the following section shall be inserted with effect from the 1st day of April, 1997, namely :-

'80-DDB. Deduction in respect of medical treatment, etc.-Where an assessee who is resident in India has, during the previous year, incurred any expenditure for the medical treatment of such disease or ailment as may be specified in the rules made in this behalf by the Board-

(a) for himself or a dependant relative, in case the assessee is an individual; or

(b) for any member of a Hindu undivided family, in case the assessee is a Hindu undivided family, the assessee shall be allowed a deduction of a sum of fifteen

thousand rupees in respect of that previous year in which such expenditure was incurred:

Explanation.-For the purposes of this section, "dependant" means a person who is not dependant for his support or maintenance on any person other than the assessee."

26. Amendment of Section 80-G :-

In Section 80G of the Income tax Act, 1961 , with effect from the 1st day of April, 1997-

(a) in sub-section (1), in clause (i), after the words, brackets, figures and letter "sub- clause (iii-h) or" the words, brackets, figures and letters "sub-clause (iii-ha) or sub-clause (iii-hb) or sub-clause (iii-hc) or" shall be inserted,

(b) in sub-section (2), in clause (a), after sub-clause (iii-h), the following sub-clauses shall be inserted, namely :-

(iii-ha) the National Blood Transfusion Council or to any State Blood Transfusion Council which has its sole object the control, supervision, regulation or encouragement in India of the services related to operation and requirements of blood banks.

Explanation.-For the purposes of this sub-clause,-

(a) "National Blood Transfusion Council" means a society registered under the Societies Registration Act, 1860 (21 of 1860) and has an officer not below the rank of a Additional Secretary to the Government of India dealing with the AIDS Control Project as its Chairman, by whatever name called;

(b) "State Blood Transfusion Council" means a society registered, in consultation with the National Blood Transfusion Council, under the Societies Registration Act, 1860 (21 of 1860) or under any law corresponding to that Act in force in any part of India and has Secretary to the Government of that State dealing with the Department of Health, as its Chairman, by whatever name called, or

(iii-hb) any fund set up by a State Government to provide medical relief to the poor; or

(iii-hc) the Army Central Welfare Fund or the Indian Naval Benevolent Fund or the Air Force Central Welfare Fund established by the armed forces of the Union for the welfare of the past and present members of such forces or their dependants; or'

27. Amendment of Section 80-GG :-

In Section 80GG of the Income tax Act, 1961 , for the words "one thousand rupees", the words "two thousand rupees" shall be substituted with effect from the 1st day of April, 1997.

28. Amendment of Section 80IA :-

In Section 80IA of the Income tax Act, 1961 , with effect from the 1st day of April, 1997-

(a) in sub-section (1), after the words "infrastructure facility", the words "or scientific and industrial research and development" shall be inserted;

(b) after sub-section (4-A), the following sub-section shall be inserted, namely :-
"(4-B) This section applies to any company registered in India carrying on scientific and industrial research and development which fulfils all the following conditions, namely:-

(i) the company has the main object of scientific and industrial research and development;

(ii) the company is for the time being approved by the prescribed authority at any time before the 1st day of April, 1998.";

(c) in sub-section (5), after clause (i-a), the following clause shall be inserted, namely:- "(i-b) in the case of a company referred to in sub-section (4-B), hundred per cent of the profits and gains derived from such business;"

(d) in sub-section (6), after clause (iv), the following clause shall be inserted, namely:- "(v) five in the case of an assessee, being a company referred in sub-section (4-B), deriving profits and gains from scientific and industrial research and development.";

(e) in sub-section (12),-

(i) in clause (c), after sub-clause (2), the following sub-clause shall be inserted, namely:- "(3) in the case of a company carrying on scientific and industrial research and development, means the assessment year relevant to the previous year in which the company is approved by the prescribed authority for the purposes of sub-section (4-B);";

(ii) for clause (c-a), the following clause shall be substituted, namely :- '(c-a) "infrastructure facility" means,-

(i) a road, highway, bridge, airport, port, rail system or any other public facility of a similar nature as may be notified by the Board in this behalf in Official Gazette;

(ii) a water supply project, irrigation project, sanitation and sewerage system;';

29. Omission of Section 80J :-

Section 80J of the Income tax Act, 1961 shall be omitted and shall be deemed to have been omitted with effect from the 1st day of April, 1989.

30. Amendment of Section 80-L :-

In Section 80L of the Income tax Act, 1961 , in sub- section (1), with effect from 1st day of April, 1997,-

(a) in clauses (1) and (2), for the words "thirteen thousand", the words "twelve thousand" shall be substituted,

(b) after clause (2), the following proviso shall be inserted, namely :- "Provided that where any income referred in clause (iv), clause (v) or clause (v-a) remains unallowed after the deduction under the foregoing provision of this section, there shall be allowed in computing the total income of the assessee, an additional deduction of an amount equal to so much of such income as has remained unallowed; so, however, that the amount of such additional deduction shall not exceed three thousand rupees."

31. Amendment of Section 80R :-

In Section 80R of the Income tax Act, 1961 , for the portion beginning with the words "equal to" and ending with the words "whichever is higher", the following shall be substituted with effect from the 1st day of April, 1997, namely:- "equal to seventy-five per cent of such remuneration, as is brought into India by, or on behalf of, the assessee in convertible foreign exchange within a period of six months, from the end of the previous year or where the Chief Commissioner or Commissioner is satisfied (for reasons to be recorded in writing) that the assessee is, for reasons beyond his control unable to do so within the said period of six months, within such further period as the Chief Commissioner or Commissioner may allow in this behalf: Provided that no deduction under this section shall be allowed unless the assessee furnishes a certificate, in the prescribed form, along with the return of income, certifying that the deduction has been correctly claimed in accordance with the provisions of this section."

32. Amendment of Section 80RR :-

In Section 80RR of the Income tax Act, 1961 , for the portion beginning with the words "equal to" and ending with the words "whichever is higher", the following shall be substituted with effect from the 1st day of April, 1997, namely:- "equal to seventy-five per cent of such income, as is brought into India by, or on behalf of, the assessee in convertible foreign exchange within a period of six months from the end of the previous year or where the Chief Commissioner or Commissioner is satisfied (for reasons to be recorded in writing) that the assessee is, for reasons beyond his control unable to do so within the said period of six months, within such further period as the Chief Commissioner or Commissioner may allow in this behalf: Provided that no deduction under this section shall be allowed unless the assessee furnishes a certificate, in prescribed form, along with the return of income certifying that the deduction has been correctly claimed in accordance with the provisions of this section."

33. Amendment of Section 80-RRA :-

In Section 80RRA of the Income tax Act, 1961 , in sub-section (1), for the portion beginning with the words "equal to" and ending with the words "whichever is higher", the following shall be substituted with effect from the 1st day of April, 1997, namely - "equal to seventy-five per cent of such remuneration, as is brought into India by, or on behalf of, the assessee in convertible foreign exchange within a period of six months from the end of the previous year or where the Chief Commissioner or Commissioner is satisfied (for reasons to be record in writing) that the assessee is, for reasons beyond his control unable to do so within the said period of six months, within such further period as the Chief Commissioner or Commissioner may allow in this behalf: Provided that no deduction under this sub-section shall be allowed unless the assessee furnishes a certificate, in the prescribed form, along with the return of income, certifying that the deduction has been correctly claimed in accordance with the provisions of this section."

34. Amendment of Section 88 :-

In Section 88 of the Income tax Act, 1961 , with effect from the 1st day of April, 1997,-

(a) in sub-section (2), after clause (xv), the following clause shall be inserted, namely:- '(xvi) as subscription to equity shares or debentures forming part of any

eligible issue of capital approved by the Board on an application made by a public company in the prescribed form : Provided that where a deduction is claimed and allowed under this clause with reference to the cost of any equity shares or debentures, the cost of such shares or debentures shall not be taken into account for the purposes of Section 54EA and Section 54-EB.

Explanation.-For the purposes of this clause,-

(i) "eligible issue of capital" means an issue made by a public company formed and registered in India and the issue is wholly and exclusively for the purposes of developing, maintaining and operating an infrastructure facility or for generating, or for generating and distributing, power;

(ii) "infrastructure facility" shall have the meaning assigned to it in clause (c-a) of sub-section (12) of Section 80-IA;

(iii) "public company" shall have the meaning assigned to it in Section 3 of the Companies Act, 1956 (1 of 1956);';

(xvii) as subscription to any units of any mutual fund referred to in clause (23-D) of Section 10 and approved by the Board on an application made by such mutual fund in the prescribed form :

Explanation.-For the purposes of this clause, "eligible issue of capital" means an issue referred to in clause (i) of Explanation to clause (xvi) of sub-section (2) of Section 88';

(b) after sub-section (5), the following sub-section shall be inserted, namely :-
'(5-A) Where the aggregate of any sums specified in clause (i) to clause (xv) of sub-section (2) exceeds an amount of sixty thousand rupees, a deduction under sub-section (1) shall be allowed with reference to so much of the aggregate as does not exceed an amount of sixty thousand rupees : Provided that, in the case of an individual referred to in the proviso to sub-section (1), the provision of this sub-section shall have effect as if for the words "sixty thousand rupees", the words "seventy thousand rupees" had been substituted.'

(c) in sub-section (6), in clause (ii), for the words, "twelve thousand rupees", the words "fourteen thousand rupees" shall be substituted;

(d) after sub-section (7), the following sub-section shall be inserted, namely :-
(7-A) If any equity shares or debentures, with reference to the cost of which a deduction is allowed under sub-section (1) are sold or otherwise transferred by the assessee to any person at any time within a period of three years from the date of their acquisition, the aggregate amount of the deductions of income tax so allowed in respect of such equity shares or debentures in the previous year or years preceding the previous year in which such sale or transfer has taken place shall be deemed to be tax payable by the assessee for the assessment year relevant to such previous year and shall be added to the amount of income tax on the total income of the assessee with which he is chargeable for such assessment year.

Explanation.-A person shall be treated as having acquired any shares or debentures on the date on which his name is entered in relation to those shares or debentures in the register of members or of debenture holders, as the case

may be, or the public company."

35. Omission of Section 88A :-

Section 88A of the Income tax Act, 1961 shall be omitted and shall be deemed to have been omitted with effect from the 1st day of April, 1994.

36. Amendment of Section 88B :-

In Section 88B of the Income tax Act, 1961 , for the words "one hundred thousand rupees", the words "one hundred and twenty thousand rupees" shall be substituted with effect from the 1st day of April, 1997.

37. Amendment of Section 112 :-

In Section 112 of the Income tax Act, 1961 , in sub-section (1), with effect from the 1st day of April, 1997-

(a) in clause (b), in sub-clause (ii), for the words "thirty per cent" the words "twenty per cent" shall be substituted;

(b) in clause (d), in sub-clause (ii), for the words "thirty per cent", the words "twenty per cent" shall be substituted.

38. Amendment of Section 115AC :-

In Section 115AC of the Income tax Act, 1961 , in sub-section (1), in clause (a), after the words "specify in this behalf", the words "or on bonds or shares of a public sector company, sold by the Government" shall be inserted with effect from the 1st day of October, 1996.

39. Insertion of new Section 115JA :-

After Section 115J of the Income tax Act, 1961 , the following section shall be inserted with effect from the 1st day of April, 1997, namely :- "115-JA. Deemed income relating to certain companies.-

(1) Notwithstanding anything contained in any other provisions of this Act, where in the case of an assessee, being a company, the total income, as computed under this Act in respect of any previous year relevant to the assessment year commencing on or after the 1st day of April, 1997 (hereafter in this section referred to as the relevant previous year) is less than thirty per cent of its book profit, the total income of such assessee chargeable to tax for the relevant previous year shall be deemed to be an amount equal to thirty per cent of such book profit.

(2) Every assessee, being a company, shall, for the purposes of this section prepare its profit and loss account for the relevant previous year in accordance with the provisions of Parts II and III of Schedule VI to the Companies Act, 1956 : Provided that while preparing profit and loss account, the depreciation shall be calculated on the same method and rates which have been adopted for calculating the depreciation for the purpose of preparing the profit and loss account laid before the company at its annual general meeting in accordance with the provisions of Section 210 of the Companies Act, 1956 : Provided further that where a company has adopted or adopts the financial year under the Companies Act, 1956 which is different from the previous year under the Act, the method and rates for calculation of depreciation shall correspond to the method and rates which have been adopted for calculating the depreciation for such financial year or

part of such financial year falling within the relevant previous year.

Explanation.-For the purposes of this section, "book profit" means the net profit as shown in the profit and loss account for the relevant previous year prepared under sub-section (2), as increased by-

- (a) the amount of income tax paid or payable, and the provision therefor; or
- (b) the amounts carried to any reserves by whatever name called; or
- (c) the amount or amounts set aside to provisions made for meeting liabilities, other than ascertained liabilities; or
- (d) the amount by way of provision for losses of subsidiary companies; or
- (e) the amount or amounts of dividends paid or proposed; or
- (i) the amount withdrawn from any reserves or provisions if any such amount is credited to the profit and loss account :
- (ii) the amount of income to which any of the provisions of Chapter III applies, if any such amount is credited to the profit and loss account; or
- (iii) the amount of loss brought forward or unabsorbed depreciation, whichever is less as per books of account.

Explanation.-For the purposes of this clause, the loss shall not include depreciation; or

- (iv) the amount of profits derived by an industrial undertaking from the business of generation or generation and distribution of power; or
- (v) the amount of profits derived by an industrial undertaking located in an industrially backward State or district as referred to in sub-clause (b) or sub-clause (c) of clause (iv) of sub-section (2) of Section 80-IA, for the assessment years such industrial undertaking is eligible to claim a deduction of hundred per cent of the profits and gains under sub-section (5) of Section 80-IA; or
- (vi) the amount of profits derived by an industrial undertaking from the business of developing, maintaining and operating any infrastructure facility as defined under sub-section (12) of Section 80-IA, and subject to fulfilling the conditions laid down in sub-section (4-A) of Section 80-IA; or
- (vii) the amount of profits of a sick industrial company for the assessment year commencing from the assessment year relevant to the previous year in which the said company has become a sick industrial company under sub-section (1) of S.17 of the Sick Industrial Companies (Special Provisions) Act, 1985 and ending with the assessment year during which the entire net worth of such company becomes equal to or exceeds the accumulated losses.

Explanation.-For the purposes of this clause, "net worth" shall have the meaning assigned to it in clause (g-a) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986).

(3) Nothing contained in sub-section (1) shall affect the determination of the amounts in relation to the relevant previous year to be carried forward to the subsequent year or years under the provisions of sub-section (2) of Section 32 or

sub-section (3) of Section 32-A or clause (ii) of sub-section (1) or Section 72 or Section 73 or Section 74 or sub-section (3) or Section 74A.

(4) Save as otherwise provided in this section, all other provisions of this Act shall apply to every assessee, being a company, mentioned in this section.'

40. Amendment of Section 115K :-

In Section 115K of the Income tax Act, 1961 , with effect from the 1st day of April, 1997,-

(a) for the words "forty-seven thousand rupees", wherever they occur, the words "forty-nine thousand three hundred and thirty rupees" shall be substituted;

(b) for the words "six lakh rupees", at both the places where they occur, the words "seven lakh rupees" shall be substituted.

41. Amendment of Section 120 :-

In Section 120 of the Income tax Act, 1961 , in sub-section (4), in clause (b), for the words "a Deputy Commissioner" and "such Deputy Commissioner", the words "a Deputy Commissioner or a Deputy Director" and "such Deputy Commissioner or Deputy Director" shall respectively be substituted with effect from the 1st day of October, 1996.

42. Amendment of Section 139 :-

In Section 139 of the Income tax Act, 1961 , in sub-section (1), with effect from the 1st day of April, 1997-

(a) the Explanation shall be renumbered as Explanation 1 and in the Explanation 1 as so renumbered, in clause (b), for sub-clause (i), the following sub-clause shall be substituted, namely :-

"(i) in a case where the accounts of the assessee are required under this Act or any other law to be audited or where the report of an accountant is required to be furnished under Section 80-HHC or Section 80-HHD or where the prescribed certificate is required to be furnished under Section 80-R or Section 80-RR or sub-section (1) of Section 80-RRA, or in the case of a co-operative society or in the case of a working partner of a firm whose accounts are required under this Act or any other law to be audited, the 31st day of October of the assessment year;"

(b) after Explanation 1 as so renumbered, the following Explanation shall be inserted, namely:- 'Explanation 2.-For the purposes of sub-clause (i) of clause (b) of Explanation 1, the expression "working partner" shall have the meaning assigned to it in Explanation 4 of clause (b) of Section 40.'

43. Amendment of Section 148 :-

In Section 148 of the Income tax Act, 1961 , in sub-section (1), the words "not being less than thirty days", shall be omitted and shall be deemed to have been omitted with effect from the 1st day April, 1989.

44. Amendment of Section 153 :-

In Section 153 of the Income tax Act, 1961 , in Explanation 1, in clause (iii), for the words "the date on which the assessee furnishes", the words "the last date on which the assessee is required to furnish" shall be substituted with effect from the 1st day of April, 1997.

45. Amendment of Section 158B :-

In Section 158B of the Income tax Act, 1961 , in clause (a), for the words "period of ten previous years", the words "previous years relevant to ten assessment years" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 1995.

46. Amendment of Section 158BB :-

In S.158BB, of the Income tax Act, 1961, in sub-section (1), in the Explanation, for clause (b), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 1995, namely:-

"(b) of a firm, returned income and total income assessed for each of the previous years falling within the block period shall be the income determined before allowing deduction of salary, interest, commission, bonus, or remuneration by whatever name called: Provided that undisclosed income of the firm so determined shall not be chargeable to tax in the hands of the partners, whether on allocation or on account of enhancement.",

47. Amendment of Section 158BE :-

In Section 158BE of the Income tax Act, 1961 , after sub-section (2), the following Explanation shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 1995, namely :-

"Explanation.-In computing the period of limitation for the purposes of this section the period-

(i) during which the assessment proceeding is stayed by an order or injunction of any court, or

(ii) commencing from the day on which the Assessing Officer directs the assessee to get his accounts audited under sub-section (2-A) of Section 142 and ending on the day on which the assessee is required to furnish a report of such audit under that sub-section, shall be excluded."

48. Amendment of Section 158BG :-

In Section 158BG of the Income tax Act, 1961 , for the proviso, the following proviso shall be substituted with effect from the 1st day of October, 1996, namely:- "Provided that no such order shall be passed without previous approval of the Commissioner or Director, as the case may be."

49. Amendment of Section 194A :-

In Section 194A of the Income tax Act, 1961 , in sub- section (3), in clause (i), for the proviso, the following proviso shall be substituted with effect from the 1st day of October, 1996, namely :- "Provided that in respect of the income credited or paid in respect of-

(a) time deposits with a banking company to which the Banking Regulation Act, 1949 applies (including any bank or banking institution referred to in Section 51 of that Act); or

(b) time deposits with a cooperative society engaged in carrying on the business of banking;

(c) deposits with a public company which is formed and registered in India with

the main object of carrying on the business of providing long-term finance for construction or purchase of houses in India for residential purposes and which is for the time being approved by the Central Government for the purpose of the clause (viii) of sub-section (1) of Section 36 , the provisions of this clause shall have effect as if for the words "two thousand five hundred rupees", the words "ten thousand rupees" had been substituted and the aforesaid amount shall be computed with reference to the income credited or paid by a branch of the banking company or the cooperative society or the public company, as the case may be;".

50. Amendment of Section 199 :-

In Section 199 of the Income tax Act, 1961 , with effect from the 1st day of April, 1997-

(i) for the words "owner of the security", the words "owner of the security, or depositor or owner of property or of unit-holder" shall be substituted;

(ii) in the first proviso, for the word "owner", the words "owner or depositor or unit- holder" shall be substituted;

(iii) for the second proviso, the following proviso shall be substituted, namely :-
"Provided further that where any property, deposit, security, unit or share is owned jointly by two or more persons not constituting a partnership, the payment shall be deemed to have been made on behalf of, and credit shall be given to, each such person in the same proportion in which rent, interest on deposit or on security or income in respect of unit or dividend on share is assessable as his income.".

51. Omission of Sections 206-A and 206B :-

Sections 206A and Section 206B of the Income Tax Act, 1961 shall be omitted with effect from the 1st day of October, 1996.

52. Amendment of Section 206C :-

In Section 206C of the Income tax Act, 1961 , in sub- section (1), for the Table, the following Table shall be substituted with effect from the 1st day of October, 1996, namely -

53. Amendment of Section 208 :-

In Section 208 of the Income tax Act, 1961 , for the words "one thousand five hundred rupees", the words "five thousand rupees" shall be substituted with effect from the 1st day of October, 1996.

54. Amendment of Section 234C :-

In Section 234C of the Income tax Act, 1961 , in sub- section (1), with effect from the 1st day of April, 1997,-

(a) in the first proviso, for the words "instalment of advance tax which is immediately due or where no such instalment is so due", the words "remaining instalments of advance tax which are due or where no such instalments are due" shall be substituted;

(b) the second proviso shall be omitted.

55. Amendment of Section 272A :-

In Section 272A of the Income tax Act, 1961 , in sub- section (2), in clause (c), the words, figures and letters "or Section 206A or Section 206B" shall be omitted with effect from the 1st day of October, 1996.

56. Amendment of Section 2 :-

In Section 2 of the Wealth Tax Act, 1957 (hereinafter referred to as the Wealth Tax Act), in clause (e-a), for sub-clause (i), the following sub-clause shall be substituted with effect from the 1st day of April, 1997, namely:-

'(i) any building or land appurtenant thereto (hereinafter referred to as "house"), whether used for residential or commercial purposes or for the purpose of maintaining a guest-house or otherwise including a farmhouse situated within twenty-five kilometres from local limits of any municipality (whether known as municipality, municipal corporation or by any other name) or a cantonment board, but does not include-

(1) a house meant exclusively for residential purposes and which is allotted by a company to an employee or an officer or director who is in whole-time employment, having a gross annual salary of less than two lakh rupees;

(2) any house for residential or commercial purposes which forms part of stock-in-trade;

(3) any house which the assessee may occupy for the purposes of any business or profession carried on by him;'.
'.

57. Amendment of Section 4 :-

In Section 4 of the Wealth Tax Act, 1957 , with effect from the 1st day of April 1997, for sub-section (7), the following sub-sections shall be substituted, namely:-

"(7) Where the assessee is a member of a co-operative society, company or other association of persons and a building or part thereof is allotted or leased to him under a house building scheme of the society, company or association, as the case may be, the assessee shall notwithstanding anything contained in this Act or any other law for the time being in force, be deemed to be the owner of such building or part and the value of such building or part shall be included in computing the net wealth of the assessee; and in determining the value of such building or part, the value of any outstanding instalments of the amount payable under such scheme by the assessee to the society, company or association towards the cost of such building or part and the land appurtenant thereto shall, whether the amount so payable is described as such or in any other manner in such scheme, be deducted as a debt owed by him in relation to such building or part.

(8) A person-

(a) who is allowed to take or retain possession of any building or part thereof in part performance of a contract of the nature referred to in Section 53A of the Transfer of Property Act, 1882 ;

(b) who acquires any rights (excluding any rights by way of a lease from month to month or for a period not exceeding one year) in or with respect to any building or part thereof by virtue of any such transaction as is referred to in clause (f) of Section 269UA of the Income tax Act, 1961 , shall be deemed to be

the owner of that building or part thereof and the value of such building or part shall be included in computing the net wealth of such person."

58. Amendment of Section 21A :-

In Section 21A of the Wealth Tax Act, 1957 , for the words "Where any property is held", the words, brackets and figures "Notwithstanding anything contained in clause (i) of Section 5 , where any property is held" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1993.

CHAPTER 4
INDIRECT TAXES

59. Amendment of Section 15 :-

In the Customs Act, 1962 (hereinafter referred to as the Customs Act), in Section 15 , in sub-section (1), for the proviso, the following proviso shall be substituted, namely :- "Provided that if a bill of entry has been presented before the date of entry inwards of the vessel or the arrival of the aircraft by which the goods are imported, the bill of entry shall be deemed to have been presented on the date of such entry inwards or the arrival, as the case may be."

60. Amendment of Section 27 :-

In Section 27 of the Customs Act, 1962 , in sub-section (1), after the second proviso, the following proviso shall be inserted, namely :- "Provided also that in the case of goods which are exempt from payment of duty by a special order issued under sub-section (2) of Section 25 , the limitation of one year or six months, as the case may be, shall be computed from the date of issue of such order."

61. Amendment of Section 28AA :-

In Section 28AA of the Customs Act, 1962 , in the opening paragraph, for the words "Where a person", the words, figures and letters "Subject to the provisions contained in Section 28-AB, where a person" shall be substituted.

62. Insertion of new Section 28AB :-

After Section 28AA of the Customs Act, 1962 , the following section shall be inserted, namely :- "28-AB. Interest on delayed payment of duty in special cases.-

(1) Where any duty has not been levied or has been short levied or erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty as determined under sub-section (2) of Section 28 , shall, in addition to the duty, be liable to pay interest at such rate not below ten per cent and not exceeding thirty per cent per annum, as is for the time being fixed by the Board, from the first day of the month succeeding the month in which the duty ought to have been paid under this Act, or from the date of such erroneous refund, as the case may be, but for the provisions contained in sub-section (2) of Section 28 , till the date of payment of such duty.

(2) For the removal of doubts, it is hereby declared that the provisions of sub-section (1) shall not apply to cases where the duty became payable before the date on which the Finance (No. 2) Bill, 1996, receives the assent of the President.

Explanation 1.-Where the duty determined to be payable is reduced by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court,

the interest shall be payable on such reduced amount of duty.

Explanation 2.-Where the duty determined to be payable is increased or further increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, the interest shall be payable on such increased or further increased amount of duty."

63. Amendment of Section 46 :-

In S.46 of the Customs Act, in sub-section (3), for the second proviso, the following proviso shall be substituted, namely :- "Provided further that a bill of entry may be presented even before the delivery of such manifest if the vessel or the aircraft by which the goods have been shipped for importation into India is expected to arrive within thirty days from the date of such presentation."

64. Insertion of new Section 114A :-

After Section 114 of the Customs Act, 1962 , the following section shall be inserted, namely :-

"114-A. Penalty for short-levy or non-levy of duty in certain cases.-Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (2) of Section 28 shall be liable to pay a penalty equal to the duty or interest so determined: Provided that where the duty or interest determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, for the purposes of this section, the duty or interest as reduced or increased, as the case may be, shall be taken into account : Provided further that where any penalty has been levied under this section, no penalty shall be levied under Section 112 or Section 114."

65. Amendment of Section 129 :-

In S.129 of the Customs Act, for sub-section (3), the following sub-section shall be substituted, namely :- "(3) The Central Government shall appoint-

(a) a person who is or has been a Judge of a High Court; or

(b) one of the members of the Appellate Tribunal, to be the President thereof."

66. Amendment of Section 129C :-

In S.129-C of the Customs Act, in sub- section (4), for the words "one lakh rupees", the words "ten lakh rupees" shall be substituted.

67. Amendment of Act 51 of 1975 :-

Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act) shall be amended in the manner specified in the Second Schedule.

68. Special duties of customs :-

(1) In the case of goods mentioned in the First Schedule to the Customs Tariff Act, or in that Schedule, as amended from time to time, there shall be levied and collected as a special duty of customs, an amount equal to ¹[five per cent] of the value of the goods as determined in accordance with the provisions of S.14 of the

Customs Act. 1962

2 [Provided that in the case of goods falling under heading Nos. 27.09 to 27.15 and heading No. 98.01 of the said First Schedule, the provisions of this sub-section shall have effect as if for the words 'five per cent', the words 'two per cent' had been substituted.'.]

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1999, and upon such cesser. Section 6 of the General Clauses Act, 1897 (10 of 1897), shall apply as if the said sub-section had been repealed by Central Act.

(3) The special duties of customs referred to in sub-section (1) shall be in addition to any duties of customs chargeable on such goods under the Customs Act, or any other law for the time being in force.

(4) The provisions of the Customs Act and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties shall, as far as may be, apply in relation to the levy and collection of the special duties of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations, as the case may be.

1. Substituted Sub-section(1) in Section-68 for "two per cent" by The Finance (Amendment) Act, 1998, July 7,1998, (16 of 1998)

2. Inserted Proviso after Sub-section(1) in Section-68 by The Finance (Amendment) Act, 1998, July 7,1998, (16 of 1998)

69. Amendment of long title :-

In the Central Excises and Salt Act, 1944 (I of 1944) (hereinafter referred to as the Central Excises Act), in the long title, the words "and to salt" shall be omitted.

70. Amendment of preamble :-

In the preamble to the Central Excises Act, the words "and to salt" shall be omitted.

71. Amendment of Section 1 :-

In S.1 of the Central Excises Act, 1944, for sub-section (1), the following sub-section shall be substituted, namely :- "(1) This Act may be called the Central Excises Act, 1944."

72. Amendment of Section 2 :-

In S.2 of the Central Excises Act, clauses (i) and (j) shall be omitted.

73. Amendment of Section 3 :-

In Section 3 of the Central Excise Act, 1944 , in sub-section (1), for the words "other than salt which are produced or manufactured in India and a duty on salt manufactured in, or imported by land into, any part of India", the words "which are produced or manufactured in India" shall be substituted.

74. Amendment of Section 4 :-

In S.4 of the Central Excises Act, 1944,-

(a) in sub-section (1), in clause (a), in the proviso, after clause (i), the following clause shall be inserted, namely :-

"(ia) where the price at which such goods are ordinarily sold by the assessee is

different for different places of removal, each such price shall, subject to the existence of other circumstances specified in clause (a), be deemed to be the normal price of such goods in relation to each such place of removal;";

(b) in sub-section (4),-

(i) in clause (b),-

(A) in sub-clause (i), the word "or" occurring at the end shall be omitted;

(B) after sub-clause (ii), the following sub-clause shall be inserted, namely:-

"(iii) a depot, premises of a consignment agent or any other place or premises from where the excisable goods are to be sold after their clearance from the factory and,";

(ii) after clause (b), the following clause shall be inserted, namely :-

'(ba) "time of removal", in respect of goods removed from the place of removal referred to in sub-clause (iii) of clause (b), shall be deemed to be the time at which such goods are cleared from the factory.'

75. Amendment of Section 11AA :-

In Section 11AA of the Central Excise Act, 1944 , in the opening paragraph, for the words "Where a person", the words, figures and letters "Subject to the provisions contained in Section 11-AB where a person" shall be substituted.

76. Insertion of new Sections 11-AB and 11-AC :-

After Section 11AA of the Central Excise Act, 1944 , the following sections shall be inserted, namely :-

"11-AB. Interest on delayed payment of duty.-

(1) Where any duty of excise has not been levied or paid or has been short-levied or short-paid or erroneously refunded by reason of fraud, collusion or any wilful mis-statement or suppression of facts, or contravention of any of the provisions of this Act or the rules made thereunder with intent to evade payment of duty, the person liable to pay duty as determined under sub- section (2) of Section 11-A shall, in addition to the duty, be liable to pay interest at such rate not below ten per cent and not exceeding thirty per cent per annum, as is for the time being fixed by the Board, from the first day of the month succeeding the month in which the duty ought to have been paid under this Act or the rules made thereunder or from the date of such erroneous refund, as the case may be, but for the provisions contained in sub-section (2) of Section 11-A, till the date of payment of such duty.

(2) For the removal of doubts, it is hereby declared that the provisions of sub-section (1) shall not apply to cases where the duty became payable before the date on which the Finance (No. 2) Bill, 1996, receives the assent of the President.

Explanation 1.-Where the duty determined to be payable is reduced by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, the interest shall be payable on such reduced amount of duty.

Explanation 2.-Where the duty determined to be payable is increased or further increased by the Commissioner (Appeals) the Appellate Tribunal or, as the case

may be, the court, the interest shall be payable on such increased or further increased amount of duty.

11-AC. Penalty for short-levy or non-levy of duty in certain cases.-Where any duty of excise has not been levied or paid or has been short-levied or short-paid or erroneously refunded by reasons of fraud, collusion or any wilful mis-statement or suppression of facts, or contravention of any of the provisions of this Act or of the rules made thereunder with intent to evade payment of duty, the person who is liable to pay duty as determined under sub-section (2) of Section 11-A, shall also be liable to pay a penalty equal to the duty so determined : Provided that where the duty determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, for the purposes of this section, the duty as reduced or increased, as the case may be, shall be taken into account."

77. Amendment of Section 11B :-

In Section 11B of the Central Excise Act, 1944 , in the Explanation, in clause (B), after sub-clause (e), the following sub-clause shall be inserted, namely:-

"(ea) in the case of goods which are exempt from payment of duty by a special order issued under sub-section (2) of Section 5-A, the date of issue of such order;"

78. Amendment of Section 12 :-

In S.12 of the Central Excises Act, for the words and figures "Customs Act, 1878", the words and figures " Customs Act, 1962 " shall be substituted.

79. Omission of Chapter V :-

Central Excises Act shall be omitted.

80. Amendment of Section 35D :-

In S.35D of the Central Excises Act, 1944, in sub- section (3), for the words "one lakh rupees", the words "ten lakh rupees" shall be substituted.

81. Amendment of Act 32 of 1985 :-

In the Finance Act, 1985 -

(a) section 44 and Section 49 shall be omitted,

(b) Fifth Schedule shall be omitted.

82. Amendment of Act 5 of 1986 :-

The Central Excise Tariff Act, 1985 (hereinafter referred to as the Central Excise Tariff Act) shall be amended in the manner specified in the Third Schedule.

83. Amendment of Act 58 of 1957 :-

The Additional Duties of Excise (Goods of Special Importance) Act, 1957 (hereinafter referred to as the Additional Duties of Excise Act) shall be amended in the manner specified in the Fourth Schedule.

84. Amendment of Act 40 of 1978 :-

In the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978-

(a) in Section 3, in sub-section (1), for the words "twenty per cent", the words "fifteen per cent" shall be substituted;

(b) the Schedule shall be amended in the manner specified in the Fifth Schedule.

CHAPTER 5
SERVICE TAX

85. Amendment of Act 32 of 1994 :-

In the Finance Act, 1994 , with effect from such date as the Central Government may, by notification in the Official Gazette, appoint,-

(1) in Section 65 ,-

(a) clause (1) shall be renumbered as clause (1-B) and before the clause as so renumbered, the following clauses shall be inserted, namely :-

'(1) "advertisement" includes any notice, circular, label, wrapper, document, hoarding or any other audio or visual representation made by means of light, sound, smoke or gas;

(1-A) "advertising agency" means any commercial concern engaged in providing any service connected with the making, preparation, display or exhibition of advertisement and includes an advertising consultant;";

(b) after clause (4), the following clause shall be inserted, namely :-

'(4-A) "courier agency" means a commercial concern engaged in the door-to-door transportation of time-sensitive documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or . accompany such documents, goods or articles.";

(c) after clause (6), the following clause shall be inserted, namely :-

'(6-A) "pager" means an instrument, apparatus or appliance which is a non-speech, one way personal calling system with alert and has the capability of receiving, storing and displaying numeric or alpha-numeric messages.";

(d) in clause (15), for words "telephone connection", the words "telephone connection or pager" shall be substituted;

(e) in clause (16),-

(i) after sub-clause (b), the following sub-clause shall be inserted, namely:- "(ba) to a subscriber, by the telegraph authority, in relation to a pager;";

(ii) after sub-clause (c), the following sub-clauses shall be inserted, namely:-

"(d) to a client, by an advertising agency in relation to advertisements in any manner;

(e) to a customer by a courier agency in relation to door-to-door transportation of time-sensitive documents, goods or articles;";

(2) for Section 66 , the following section shall be substituted, namely :-

"66. Charge of service tax.-(1) On and from the commencement of this Chapter, there shall be charged a tax (hereinafter referred to as the service tax), at the rate of five per cent of the value of the taxable services referred to in sub- clauses (a), (b) and (c) of clause (16) of Section 65 which are provided to any person by the person responsible for collecting the service tax.

(2) With effect from the date notified under S.85 of the Finance (No.2) Act, 1996, there shall be charged a service tax at the rate of five per cent of the value of the taxable services referred to in sub-clauses (ba), (d) and (e) of clause (16) of Section 65 which are provided to any person by the person responsible for collecting the service tax.";

(3) in Section 67 , -

(i) in clause (b), for the words "telephone connections," at both the places where they occur, the words "telephone connections or pagers" shall be substituted,

(ii) after clause (c), the following clauses shall be inserted, namely :-

"(d) in relation to service provided by an advertising agency to a client shall be the gross amount charged by such agency from the client for services in relation to advertisements;

(e) in relation to service provided by a courier agency to a customer shall be the gross amount charged by such agency from the customer for services in relation to door-to-door transportation of time sensitive documents, goods and articles;"

(4) in Section 68 , in sub-section (1), for the words "or the insurer", the words ", the insurer, the advertising agency or the courier agency" shall be substituted.

86. Validation :-

Notwithstanding anything contained in Section 93 of the Finance Act, 1994 , the notification of the Government of India in the Ministry of Finance, Department of Revenue No. G.S.R. 174(E), dated the 3rd April, 1996, shall have and shall be deemed always to have had, effect on and from the 1st day of July, 1994.

CHAPTER 6 MISCELLANEOUS

87. Amendment of Act 74 of 1956 :-

In Section 15 of the Central Sales Tax Act, 1956 , after clause (c), the following clause shall be inserted, namely :- "(ca) where a tax on sale or purchase of paddy referred to in sub-clause (i) of clause (0 of Section 14 is leviable under that law and the rice procured out of such paddy is exported out of India, then, for the purposes of sub-section (3) of Section 5 , the paddy and rice shall be treated as a single commodity."

88. North-Eastern Development Finance Corporation Limited to be exempt for a certain period from liability to pay income tax :-

Notwithstanding anything contained in the Income Tax Act, the North-Eastern Development Finance Corporation Limited [a company formed and registered under the Companies Act, 1956] shall not be liable to pay tax on its income for the previous year relevant to the assessment year commencing on the 1st day of April, 1996, and for the nine previous years next following that previous year.

89. Amendment of Act 6 of 1898 :-

In the Post Office Act, 1898 , with effect from such date as the Central Government may, by notification in the Official Gazette, appoint, for the First Schedule, the following Schedule shall be substituted, namely :- "THE FIRST SCHEDULE (See Section 7) INLAND POSTAGE RATES Letters For weight not exceeding twenty grams Re 1.00 For every twenty grams, or fraction thereof,

exceeding twenty grams Re 1.00 Letter-cards For a letter card 75 paise Post cards (not being post cards containing printed communication or competition post cards) Single 15 paise Reply 30 paise Post cards containing printed communication (not being competition post cards) For a post card Re 1.00 Explanation.-A post card shall be deemed to contain a printed communication, if any matter (except the name and address of, and other particulars relating to, the sender and the place and date of despatch) is recorded by printing or by cyclostyling or by any other mechanical process, not being typewriting, on any part of the post card except the right hand half of the address-side thereof. Competition post cards For a post card Rs 2.00 Explanation.-A post card shall be deemed to be a competition post card if it is used in response to any competition organised on or through television, radio, newspaper, magazine or any other media. Book, pattern and sample packets For the first fifty grams or fraction thereof Re 1.00 For every additional one hundred grams, or fraction thereof, in excess of fifty grams Re 1.00 Registered newspapers For a weight not exceeding fifty grams 15 paise For a weight exceeding fifty grams but not exceeding one hundred grams 25 paise For every additional one hundred grams, or fraction thereof, exceeding one hundred grams 10 paise In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet- For a weight not exceeding one hundred grams 25 paise For every additional one hundred grams, or fraction thereof, exceeding one hundred grams 10 paise : Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the Post Office. Parcels For a weight not exceeding five hundred grams Rs 6.00 For every five hundred grams, or fraction thereof, exceeding five hundred grams Rs 6.00."

90. Repeal :-

Section 2 of the Finance Act, 1996 (5 of 1996) is hereby repealed and shall be deemed never to have been enacted.

SCHEDULE 1

THE FIRST SCHEDULE

(See Section 2) PART I INCOME TAX Paragraph A Sub-Paragraph I In the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of Section 2 of the Income tax Act, 1961 , not being a case to which sub-paragraph II of this paragraph or any other paragraph of this part applies,- Rates of Income Tax (1) where the total income does not exceed Nil, Rs. 40,000 (2) where the total income exceeds Rs. 20 per cent of the amount by which the total 40,000 but does not exceed Rs 60,000 income exceeds Rs 40,000; (3) where the total income exceeds Rs Rs 4000 plus 30 per cent of the amount by which 60,000 but does not exceed Rs 1,20,000 the total income exceeds Rs 60,000; (4) where the total income exceeds Rs Rs 22,000 plus 40 per cent of the amount by 1,20,000 which the total income exceeds Rs 1,20,000. Sub-Paragraph II In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1996 exceeds Rs. 40,000,- Rates of Income Tax (1) where the total income does not exceed Nil; Rs 18,000 (2) where the total income exceeds Rs 30 per cent of the amount by which the total 18,000 but does not exceed Rs 1,00,000 income exceeds Rs 18,000; (3) where the total income exceeds Rs Rs 24,600 plus 40 per cent of the amount by 1,00,000 which the total income exceeds Rs 1,00,000. Paragraph B In the case of every cooperative society,- Rates of Income Tax (1) where the total income does not exceed 10 per cent of the total income; Rs 10,000 (2) where the total income exceeds Rs 10,000 Rs 1000 plus 20 per cent of the amount by which but does not exceed Rs 20,000 the total income exceeds Rs 10,000; (3) where the total income exceeds Rs 20,000 Rs 3000 plus 35 per cent of the amount by which the total income exceeds Rs 20,000. Paragraph C In the case of every firm,- Rate of Income Tax On the whole of the total income 40 per cent

Paragraph D In the case of every local authority,- Rate of Income Tax On the whole of the total income 30 per cent. Paragraph E In the case of a company,- Rates of Income Tax I. In the case of a domestic company 40 per cent of the total income; II. In the case of a company other than a domestic company,- (i) on so much of the total income as consists of- (a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or (b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976. and where such agreement has, in either case, 50 per cent; been approved by the Central Government (ii) on the balance, if any, of the total 55 per cent income Surcharge on Income Tax The amount of income tax computed in accordance with the provisions of this paragraph or Sections 112 and Section 113 of the Income Tax Act, 1961 , shall, in the case of every domestic company having a total income exceeding seventy-five thousand rupees, be increased by a surcharge calculated at the rate of Fifteen per cent of such income tax. PART II RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES In every case in which under the provisions of Sections 193, Section 194 of the Income Tax Act, 1961 , Section 194A of the Income Tax Act, 1961 , Section 194B of the Income Tax Act, 1961 , Section 194BB of the Income Tax Act, 1961 , Section 194D of the Income Tax Act, 1961 and Section 195 of the Income Tax Act, 1961 , tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates :-

Rate of income tax 1. In the

case of a person other than a company- (a) where the person is resident in India- (i) on income by way of interest other than 10 per cent; "interest on securities" (ii) on income by way of winnings from 40 per cent; lotteries and crossword puzzles (iii) on income by way of winnings from 40 per cent; horse races (iv) on income by way of insurance 10 per cent; commission (v) on income by way of interest payable 10 per cent; on- (A) any security of the Central or a State Government; (B) any debentures or other securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act; (C) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and any rules made thereunder; (vi) on any other income 20 per cent; (b) where the person is not resident in India- (i) in the case of a non-resident Indian- (A) on investment income and long- 20 per cent; term capital gains (B) on income by way of dividends 20 per cent; and interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (C) on income by way of winnings 40 per cent; from lotteries and crossword puzzles (D) on income by way of winnings 40 per cent; from horse races (E) on the whole of other income income tax at 30 per cent of the amount of income or \ \ \ \ the income at the rates \ \ \ \ prescribed in Paragraph A \ \ \ \ of Part III of this \ \ \ \ Schedule, if such income \ \ \ \ had been the total income, \ \ \ \ whichever is higher; (ii) in the case of any other person- (A) on income by way of dividends, \ \ \ \ \ 20 per cent; interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (B) on income by way of winnings 40 per cent; from lotteries and crossword puzzles (C) on income by way of winnings 40 per cent; from horse races (D) on income by way of long-term 20 per cent; capital gains (E) on the whole of the other income income tax at 30 per cent of the amount of income or \ income tax in respect of \ the income at the rates \ prescribed in Paragraph A \ of Part m of this \ Schedule, if such income \ had been the total income, \ whichever is higher. 2. In the case of a company- (a) where the company is a domestic company- (i) on income by way of interest other than \ \ \ \ \ 20 per cent; "interest on securities" (ii) on income by way of winnings from \ \ \ \ \ 40 per cent; lotteries and crossword puzzles (iii) on income by way of winnings from \ \ \ \ \ 40 per cent: horse races (iv) on any other income \ \ \ \ \ 21.5 per cent; (b) where the company is not a domestic company- (i) on income by way of dividends payable \ \ \ \ \ 20 per cent; by any domestic company (ii) on income by way of winnings from \ \ \ \ \ 40 per cent; lotteries and crossword puzzles (iii) on income by way of winnings from \ \ \ \ \ 40 per cent; horse races (iv) on income by way of interest payable \ \ \ \ \ 20 per cent; by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (v) on income by way of royalty payable by \ \ \ \ \ 30 per cent; Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976, where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the First proviso to sub-section (1-A) of S.115A of the Income tax Act, 1961, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1-A) of S.115A of the

Income Tax Act, 1961, to a person resident in India (vi) on income by way of royalty [not being royalty of the nature referred to in sub- item (b)(v)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy- (A) where the agreement is made 50 per cent after the 31st day of March, 1961 but before the 1st day of April, 1976 (B) where the agreement is made 30 per cent; after the 31st day of March, 1976 (vii) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy- (A) where the agreement is made 50 per cent; after the 29th-day of February, 1964 but before the 1st day of April, 1976 (B) where the agreement is made 30 per cent; after the 31st day of March, 1976 (via) on income by way of long-term capital gains 20 per cent; (ix) on any other income 55 per cent; Explanation.-For the purpose of Item (b)(i) of this part, "investment income" and "non-resident Indian" shall have the meanings assigned to them in Chapter XII-A of the Income Tax Act. Surcharge on Income Tax The amount of income tax deducted in accordance with the provisions of sub-item (a) of Item 2 of this Part shall be increased by a surcharge calculated at the rate of seven-and-a-half per cent of such income tax.

PART III RATES FOR CALCULATING OR CHARGING INCOME TAX IN CERTAIN CASES, DEDUCTING INCOME TAX FROM INCOME CHARGEABLE UNDER THE HEAD "SALARIES" AND COMPUTING "ADVANCE TAX" In cases in which income tax has to be calculated under the first proviso to sub-section (5) of Section 132 of the Income tax Act, 1961 or charged under sub-section (4) of Section 172 or sub-section (2) of Section 174 or Section 175 or sub-section (2) of Section 176 of the said Act or deducted under Section 192 of the said Act from income chargeable under the head "Salaries" or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or sub-section (I-A) of Section 161 or Section 164 or Section 164-A or Section 167B of the Income tax Act, 1961 at the rates as specified in that Chapter or section or surcharge on such advance tax in respect of any income chargeable to tax under section 115 B], shall be calculated, charged, deducted or computed at the following rate or rates :-

Paragraph A In the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of Section 2 of the Income tax Act, 1961 , not being a case to which any other paragraph of this part applies,- Rates of Income Tax (1) where the total income does not exceed Nil; Rs 40,000 (2) where the total income exceeds Rs 15 per cent of the amount by which the total 40,000 but does not exceed Rs 60,000 income exceeds Rs 40,000; (3) where the total income exceeds Rs Rs 3000 plus 30 per cent of the amount by which 60,000 but does not exceed Rs 1,20,000 the total income exceeds Rs 60,000; (4) where the total income exceeds Rs 21,000 plus 40 per cent of the amount by Rs 1,20,000 which the total income exceeds Rs 1,20,000

Paragraph B In the case of every cooperative society,- Rates of Income Tax (1) where the total income does not exceed 10 per cent of the total income; Rs 10,000 (2) where the total income exceeds Rs Rs 1000 plus 20 per cent of the amount by which 10,000 but does not exceed Rs 20,000 the total income exceeds Rs 10,000; (3) where the total income exceeds Rs Rs 3000 plus 35 per cent of the amount by which 20,000 the total income exceeds Rs 20,000.

Paragraph C In the case of every firm,- 40 per cent Rate of Income Tax On the whole of the total income 40 per cent

Paragraph D In the case of every local authority,- Rate of Income Tax On the whole of the total income 30 per cent

Paragraph E In the case of a company,- Rates of Income Tax I. In the case of a domestic company 40 per cent of the total income; II. In the case of a company other than a domestic company,- (i) on so much of the total income as consists of- (a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or (b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976, and where such agreement has, in either case, 50 per cent; been approved by the Central Government (ii) on the balance, if any, of the total income 55 per cent. Surcharge on Income Tax The amount of income tax computed in accordance with the provisions of this Paragraph or Sections 112 and Section 113 of the Income Tax Act, 1961 shall, in the case of every domestic company having a total income exceeding seventy-five thousand rupees, be increased by a surcharge

calculated at the rate of seven-and-a-half per cent of such income tax. PART IV [See Section 2(9)(c)] RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME Rule 1.-Agricultural income of the nature referred to in sub-clause (a) of clause (I-A) of Section 2 of the Income tax Act, 1961 shall be computed as if it were income chargeable to income tax under that Act under the head "Income from other sources" and the provisions of Sections 57 to Section 59 of the Income Tax Act, 1961 of that Act shall, so far as may be, apply accordingly : Provided that sub-section (2) of Section 58 shall apply subject to the modification that the reference to Section 40-A therein shall be construed as not including a reference to sub-sections (3) and (4) of Section 40-A. Rule 2.-Agricultural income of the nature referred to in sub-clause (B) or sub-clause (c) of clause (1-A) of Section 2 of the Income tax Act, 1961 [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income tax under that Act under the head "Profits and gains of business or profession" and the provisions of Sections 30 , Section 31 of the Income Tax Act, 1961 , Section 32 of the Income Tax Act, 1961 , Section 36 of the Income Tax Act, 1961 , Section 37 of the Income Tax Act, 1961 , Section 38 of the Income Tax Act, 1961 , Section 40 of the Income Tax Act, 1961 , Section 40A of the Income Tax Act, 1961 [other than sub-sections (3) and (4) thereof], Section 41 of the Income Tax Act, 1961 , Section 43 of the Income Tax Act, 1961 , Section 43A of the Income Tax Act, 1961 , Section 43B of the Income Tax Act, 1961 and Section 43C of the Income Tax Act, 1961 shall, so far as may be, apply accordingly. Rule 3.-Agricultural income of the nature referred to in sub-clause (c) of clause (I-A) of Section 2 of the Income tax Act, 1961 , being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent- in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income tax under that Act under the head "Income from house property" and the provisions of section 23 to Section 27 of that Act shall, so far as may be, apply accordingly. Rule 4.-Notwithstanding anything contained in any other provisions of these rules, in a case where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with R.8 of the Income Tax Rules, 1962, and sixty per cent of such income shall be regarded as the agricultural income of the assessee. Rule 5.-Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income Tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income, then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee. Rule 6.-Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income : Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income. Rule 7.-Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income. Rule 8.-(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1996, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1988 or the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991 or the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995, is a loss, then, for the purposes of sub-section (2) of Section 2 of this Act,- (i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1988, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991 or the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995, (ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1990 or the 1st day of April, 1991 or the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995, (iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the

assessment year commencing on the 1st day of April, 1991 or the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995, (iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1991, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995, (v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1992, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995, (vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1993, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1994 or the 1st day of April, 1995, (vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1994, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1995, (viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1995, shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1996. (2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1997 or, if by virtue of any provision of the Income Tax Act, income tax is to be charged in respect of the income of a period other than that previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1989 or the 1st day of April, 1990 or the 1st day of April, 1991 or the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995 or the 1st day of April, 1996, is a loss, then, for the purposes of sub-section (8) of Section 2 of this Act,- (i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1990 or the 1st day of April, 1991 or the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995 or the 1st day of April, 1996, (ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1991 or the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995 or the 1st day of April, 1996, (iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1991, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1992 or the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995 or the 1st day of April, 1996, (iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1992, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1993 or the 1st day of April, 1994 or the 1st day of April, 1995 or the 1st day of April, 1996, (v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1993, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1994 or the 1st day of April, 1995 or the 1st day of April, 1996, (vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1994, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1995 or the 1st day of April, 1996, (vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1995, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1996, and (viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1996, shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1997. (3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2). (4) Notwithstanding anything contained in this rule, no loss which has not been

determined by the Assessing Officer under the provisions of these rules or the rules contained in Part IV of the First Schedule to the Finance Act, 1988 (26 of 1988), or of the First Schedule to the Finance Act, 1989 (13 of 1989), or of the First Schedule to the Finance Act, 1990 (12 of 1990), or of the First Schedule to the Finance (No. 2) Act, 1991 (49 of 1991), or of the First Schedule to the Finance Act, 1992 (18 of 1992), or of the First Schedule to the Finance Act, 1993 (38 of 1993), or of the First Schedule to the Finance Act, 1994 (32 of 1994), or of the First Schedule to the Finance Act, 1995 (22 of 1995), shall be set off under sub-rule (1), or, as the case may be, sub-rule (2). Rule 9.-Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be nil. Rule 10.-The provisions of the Income Tax Act relating to procedure for assessment (including the provisions of Section 288-A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income. Rule 11.-For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income Tax Act for the purposes of assessment of the total income.

SCHEDULE 2

THE SECOND SCHEDULE

[See Section 67] In the First Schedule to the Customs Tariff Act,- (1) In Chapter 4, for the entry in column (4) occurring against all the sub-heading Nos., (except sub-heading Nos. 0402.10 and 0402.21), the entry "30%" shall be substituted; (2) In Chapter 7- (i) in sub-heading Nos. 0713.10, 0713.20, 0713.31, 0713.32, 0713.33, 0713.39, 0713.40, 0713.50 and 0713.90, for the entries in column (4) and column (5) occurring against each of them, the entries "5%" and "5%" shall respectively be substituted; (ii) in sub-heading Nos. 0714.10, 0714.20 and 0714.90, for the entries in column (4) and column (5) occurring against each of them, the entries "10%" and "10%" shall respectively be substituted, (3) In Chapter 8- (i) in sub-heading No. 0801.31, for the entries in column (4) and column (5), the entries "Free" and "Free" shall respectively be substituted; (ii) in sub-heading No. 0804.10, for the entries in column (4) and column (5), the entries "30%" and "20%" shall respectively be substituted; (iii) in sub-heading No. 0806.20, for the entries in column (4) and column (5), the entries "130%" and "120%" shall respectively be substituted; (iv) in sub-heading No. 0810.90, for the entries in column (4) and column (5), the entries "10%" and "10%" shall respectively be substituted; (4) In Chapter 9- (i) in sub-heading No. 0903.00, for the entries in column (4) and column (5) occurring against each of them, (he entries "30%" and "30% less 26 paise per kg." shall respectively be substituted', (ii) in sub-heading Nos. 0904.11 and 0904.12, for the entries in column (4) and column (5), occurring against each of them, the entries "30%" and "22.5%" shall respectively be substituted, (iii) in sub-heading Nos. 0904.20 and 0905.00, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted;, (iv) in sub-heading Nos. 0906.10, 0906.20, 0907.00 and 0908.10, for the entries in column (4) and column (5) occurring against each of them, the entries "30%" and "22.5%" shall respectively be substituted, (v) in sub-heading No. 0908.20, for the entry in column (4), the entry "30%" shall be substituted-, (vi) in sub-heading No. 0908.30, for the entries in column (4) and column (5), the entries "30%" and "22.5%" shall respectively be substituted; (vii) in sub-heading Nos. 0909.10, 0909.20, 0909.30, 0909.40, 0909.50, 0910.10, 0910.20, 0910.30, 0910.40, 0910.50, 0910.91 and 0910.99, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted, (5) In Chapter 11, for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 1107.10, 1107.20, 1108.11, 1108.12, 1108.13, 1108.14, 1108.19 and 1108.20), the entry "30%" shall be substituted; (6) In Chapter 12, in sub-heading No. 1211.90, for the entry in column (4), the entry "10%" shall be substituted; (7) In Chapter 13, in sub-heading Nos. 1302.19 and 1302.20, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted, (8) In Chapter 15- (i) in sub-heading No. 1501.00, for the entry in column (4), the entry "40%" shall be substituted, (ii) in sub-heading No. 1502.00, for the entry in column (4), the entry "10%" shall be substituted, (iii) in sub-heading Nos. 1503.00, 1504.10, 1504.20, 1504.30, 1505.10, 1505.90 and 1506.00, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted, (iv) in sub-heading Nos. 1507.10 and 1507.90, for the entries in column (4) and column (5) occurring against each of them, the entries "30%" and "20%" shall respectively be substituted-, (v) in sub-heading Nos. 1508.10 and 1508.90, for the entries in column (4) and column (5) occurring against each of them, the entries "40%" and "30%" shall respectively be substituted-, (vi) in sub-heading Nos. 1509.10, 1509.90 and 1510.00, for the entries in column (4) and column (5) occurring against each of them, the entries "30%" and "20%" shall respectively be substituted, (vii) in sub-heading Nos. 1511.10, 1511.90, 1512.11, 1512.19, 1512.21, 1512.29, 1513.11, 1513.19, 1513.21 and 1513.29, for the entries in column (4) and column (5) occurring against each of them, the entries "40%" and "30%" shall respectively be substituted, (viii) in sub-heading Nos. 1514.10 and 1514.90, for the

entries in column (4) and column (5) occurring against each of them, the entries "30%" and "20%" shall respectively be substituted-, (ix) in sub-heading Nos. 1515.11, 1515.19, 1515.21, 1515.29, 1515.30, 1515.40, 1515.50, 1515.60, and 1515.90, for the entries in column (4) and column (5) occurring against each of them, the entries "40%" and "30%" shall respectively be substituted; (x) in sub-heading Nos. 1516.10, 1516.20, 1517.10, 1517.90, 1518.00, 1520.00, 1521.10, 1521.90 and 1522.00, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (9) In Chapter 17- (i) in sub-heading Nos. 1702.11 and 1702.19, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (ii) in sub-heading Nos. 1703.10 and 1703.90, for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted, (10) In Chapter 18, for the entry in column (4) occurring against all the sub-heading Nos., the entry "40%" shall be substituted; (11) In Chapter 19, in sub-heading No. 1901.10, for the entry in column (4), the entry "10%" shall be substituted; (12) In Chapter 21, in sub-heading No. 2106.90, for the entry in column (4), the entry "195%" shall be substituted; (13) In Chapter 22- (i) in sub-heading No. 2203.00, for the entry in column (4), the entry "150%" shall be substituted, (ii) in sub-heading Nos. 2204.10, 2204.21 and 2204.29, for the entry in column (4) occurring against each of them, the entry "275%" shall be substituted, (iii) in sub-heading No. 2204.30 for the entry in column (4), the entry "150%" shall be substituted, (iv) in sub-heading Nos. 2205.10 and 2205.90, for the entry in column (4), occurring against each of them, the entry "275%" shall be substituted, (v) in sub-heading No. 2206.00 for the entry in column (4), the entry "150%" shall be substituted-, (vi) in sub-heading No. 2207.10 for the entry in column (4), the entry "275%" shall be substituted, (vii) in sub-heading No. 2207.20, for the entry in column (4), the entry "10%" shall be substituted-, (viii) in sub-heading Nos. 2208.20, 2208.30, 2208.40, 2208.50, 2208.60, 2208.70, and 2208.90, for the entry in column (4), occurring against each of them, the entry "275%" shall be substituted, (14) In Chapter 23, in sub-heading No. 2301.20, for the entry in column (4), the entry "10%" shall be substituted, (15) In Chapter 25- (i) in sub-heading No. 2501.00, for the entry in column (4), the entry "40%" shall be substituted, (ii) in sub-heading No. 2502.00, for the entry in column (4), the entry "25%" shall be substituted, (iii) in sub-heading No. 2503.00, for the entry in column (4), the entry "40%" shall be substituted-, (iv) in sub-heading Nos. 2504.10 and 2504.90, for the entries in column (4) and column (5), occurring against each of them, the entries "40%" and "30%" shall respectively be substituted-, (v) in sub-heading Nos. 2505.10, 2505.90, 2506.10, 2506.21, 2506.29, 2507.00, 2508.10, 2508.20, 2508.30, 2508.40, 2508.50, 2508.60, 2508.70 and 2509.00, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted, (vi) in sub-heading Nos. 2510.10 and 2510.20, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted, (vii) in sub-heading Nos. 2511.10, 2511.20, 2512.00, 2513.11, 2513.19, 2513.20 and 2514.00, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (viii) in sub-heading Nos. 2515.11, 2515.12, 2515.20, 2516.11, 2516.12, 2516.21, 2516.22, 2516.90, 2517.10, 2517.20, 2517.30, 2517.41, and 2517.49 for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (ix) in sub-heading Nos. 2518.10, 2518.20, 2518.30, 2520.10 and 2520.20, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (x) in sub-heading Nos. 2521.00, 2522.10, 2522.20, 2522.30, 2523.10, 2523.21, 2523.29, 2523.30, 2523.90 and 2524.00, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (xi) in sub-heading Nos. 2525.10, 2525.20, 2525.30, 2526.10 and 2526.20, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (xii) in sub-heading No. 2527.00, for the entries in column (4) and column (5), the entries "25%" and "15%" shall respectively be substituted; (xiii) in sub-heading Nos. 2528.10, 2528.90, 2529.10, 2529.21, 2529.22, 2529.30, 2530.10, 2530.20, 2530.40 and 2530.90, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted, (16) In Chapter 26- (i) in sub-heading Nos. 2601.11, 2601.12 and 2601.20, for the entry in column (4) occurring against each of them, the entry "5%" shall be substituted; (ii) in sub-heading Nos. 2620.11, 2620.19 and 2620.30, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted, (17) In Chapter 27- (i) in sub-heading Nos. 2701.11, 2701.12, 2701.19, 2701.20, 2702.10, 2702.20, 2703.00 and 2704.00, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted-, (ii) in sub-heading Nos. 2705.00, 2706.00, 2707.10, 2707.20, 2707.30, 2707.40, 2707.50, 2707.60, 2707.91, 2707.99, 2708.10 and 2708.20, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (iii) in sub-heading No. 2709.00, for the entry in column (4), the entry "25%" shall be substituted, (iv) in sub-heading No. 2710.00, for the entry in column (4), the entry "30%" shall be substituted; (v) in sub-heading Nos. 2711.11, 2711.12, 2711.13, 2711.14, 2711.19, 2711.21 and 2711.29, for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted; (vi) in sub-heading Nos. 2712.10, 2712.20 and 2712.90, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (vii) in sub-heading No. 2713.11, for the entry in column (4), the entry "25%" shall be substituted; (viii) in sub-heading Nos. 2713.12, 2713.20 and 2713.90, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (ix) in sub-heading Nos. 2714.10 and 2714.90, for the entry in

column (4) occurring against each of them, the entry "10%" shall be substituted; (x) in sub-heading No. 2715.00, for the entry in column (4), the entry "30%" shall be substituted-, (18) In Chapter 28,- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 2801.20, 2815.1 1, 2815.12 and 2845.10), the entry "40%" shall be substituted, (ii) in sub-heading No. 2801.20, for the entry in column (4), the entry " 10%" shall be substituted, (iii) in sub-heading Nos. 2815.11 and 2815.12, for entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (iv) in sub-heading No. 2845.10, for the entry in column (4), the entry "10%" shall be substituted-, (19) In Chapter 29- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 2901.10,2901.21,2901.22,2901.23,2901.24,2901.29,2902.11,2902.19,2902.20,2902.30,2902.41, 2902.42, 2902.43, 2902.44, 2902.50, 2902.60, 2902.70, 2902.90, 2903.15, 2903.21, 2905.31, 2907.11, 2915.21, 2917.12, 2917.36, 2917.37, 2918.12, 2926.10, 2933.21, 2933.71, 2936.10, 2936.21, 2936.22, 2936.23, 2936.24, 2936.25, 2936.26, 2936.27, 2936.28, 2936.29, 2936.90, 2937.10, 2937.21, 2937.22, 2937.29, 2937.91, 2937.92, 2937.99, 2939.41, 2939.42, 2939.49, 2939.50, 2941.10, 2941.20, 2941.30, 2941.40, 2941.50 and 2941.90), the entry "40%" shall be substituted; (ii) in sub-heading Nos. 2901.10, 2901.21, 2901.22, 2901.23, 2901.24, 2901.29, 2902.11, 2902.19, 2902.20, 2902.30, 2902.41, 2902.42, 2902.43, 2902.44, 2902.50, 2902.60, 2902.70, 2902.90, 2903.15 and 2903.21, for the entry in column (4) occurring against each of them, [he entry "10%" shall be substituted; (iii) in sub-heading No. 2905.31, for the entry in column (4), the entry "25%" shall be substituted; (iv) in sub-heading No. 2907. II, for the entry in column (4), the entry "30%" shall be substituted; (v) in sub-heading Nos. 2915.21, 2917.12 and 2917.36, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (vi) in sub-heading No. 2917.37, for the entries in column (4) and column (5), the entries "25%" and " 15%" shall respectively be substituted; (vii) in sub-heading No. 2918.12, for the entry in column (4), the entry "25%" shall be substituted; (viii) in sub-heading No. 2926.10, for the entry in column (4), the entry "10%" shall be substituted; (ix) in sub-heading No. 2933.21, for the entry in column (4), the entry "25%" shall be substituted; (x) in sub-heading No. 2933.71, for the entries in column (4) and column (5), the entries "30%" and "20%" shall respectively be substituted; (xi) in sub-heading Nos. 2936.10, 2936.21, 2936.22, 2936.23, 2936.24, 2936.25, 2936.26, 2936.27, 2936.28, 2936.29 and 2936.90, for the entries in column (4) and column (5), occurring against each of them, the entries "40%" and "34%" shall respectively be substituted; (xii) in sub-heading Nos. 2937.10, 2937.21, 2937.22, 2937.29, 2937.91, 2937.92, 2937.99, 2939.41, 2939.42, 2939.49 and 2939.50, for the entries in column (4) and column (5), occurring against each of them, the entries "40%" and "30%" shall respectively be substituted; (xiii) in sub-heading Nos. 2941.10, 2941.20, 2941.30, 2941.40, 2941.50 and 2941.90, for the entries in column (4) and column (5), occurring against each of them, the entries "40%" and "34%" shall respectively be substituted; (ii) in sub-heading Nos. 3005.10, 3005.90, 3006.10, 3006.20, 3006.30, 3006.40 and 3006.50, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (iii) in sub-heading No. 3006.60, for the entry in column (4), the entry "Free" shall be substituted; (21) In Chapter 31, for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 3102.21, 3102.50, 3104.30, 3105.20, 3105.30, 3105.40, 3105.51, 3105.59, 3105.60, and 3105.90), the entry "40%" shall be substituted; (22) In Chapter 32- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 3201.10, 3201.20 and 3201.90), the entry "40%" shall be substituted; (ii) in sub-heading Nos. 3201.10 and 3201.20, for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted; (iii) in sub-heading No. 3201.90, for the entries in column (4) and column (5), the entries "10%" and "Free" shall respectively be substituted; (23) In Chapter 33. in sub-heading No. 3302.10, for the entry in column (4), the entry "195%" shall be substituted; (24) In Chapter 35, for the entry in column (4) occurring against all the sub-heading Nos. the entry "40%" shall be substituted; (25) In Chapter 36, for the entry in column (4) occurring against all the sub-heading Nos., the entry "40%" shall be substituted; (26) In Chapter 37- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 3701.20 and 3702.20), the entry "30%" shall be substituted; (ii) in sub-heading Nos. 3701.20 and 3702.20, for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted; (27) In Chapter 38- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 3801.10, 3802.10, 3812.10, 3815.11, 3815.12, 3815.19 3815.90 and 3817.10), the entry "40%" shall be substituted; (ii) in sub-heading Nos. 3801.10, 3802.10 and 3812.10, for the entries in column (4) and column (5) occurring against each of them, the entries "40%" and "30% shall respectively be substituted; (ill) in sub-heading Nos. 3815.11 and 3815.12, for the entries in column (4) and column (5) occurring against each of them, the entries "30%" and "20%" shall respectively be substituted; (iv) in sub-heading Nos. 3815.19, 3815.90 and 3817.10, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (28) In Chapter 39- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 3916.10, 3916.20, 3916.90, 3917.10,3917.21, 3917.22, 3917.23, 3917.29, 3917.31, 3917.32. 3917.33, 3917.39, 3917.40, 3918.10, 3918.90, 3919.10, 3919.90, 3920.10, 3920.20, 3920.30, 3920.41, 3920.42, 3920.51, 3920.59, 3920.61, 3920.62, 3920.63,

3920.69, 3920.71, 3920.72, 3920.73, 3920.79, 3920.91, 3920.92, 3920.93, 3920.94, 3920.99, 3921.11, 3921.12, 3921.13, 3921.14, 3921.19, 3921.90, 3922.10, 3922.20, 3922.90, 3923.10, 3923.21, 3923.29, 3923.30, 3923.40, 3923.50, 3923.90, 3924.10, 3924.90, 3925.10, 3925.20, 3925.30, 3925.90, 3926.10, 3926.20, 3926.30, 3926.40 and 3926.90). the entry "30%" shall be substituted; (ii) in sub-heading Nos. 3916.10, 3916.20, 3916.90, 3917.10, 3917.21, 3917.22, 3917.23, 3917.29, 3917.31, 3917.32, 3917.33, 3917.39, 3917.40, 3918.10, 3918.90, 3919.10, 3919.90, 3920.10, 3920.20, 3920.30, 3920.41, 3920.42, 3920.51, 3920.59, 3920.61, 3920.62, 3920.63, 3920.69, 3920.71, 3920.72, 3920.73, 3920.79, 3920.91, 3920.92, 3920.93, 3920.94, 3920.99, 3921.11, 3921.12, 3921.13, 3921.14, 3921.19, 3921.90, 3922.10, 3922.20, 3922.90, 3923.10, 3923.21, 3923.29, 3923.30, 3923.40, 3923.50, 3923.90, 3924.10, 3924.90, 3925.10, 3925.20, 3925.30, 3925.90, 3926.10, 3926.20, 3926.30, 3926.40 and 3926.90, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (29) In Chapter 40, in sub-heading Nos. 4001.10, 4001.21, 4001.22 and 4001.29, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (30) In Chapter 41- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 4101.10, 4101.21, 4101.22, 4101.29, 4101.30, 4101.40, 4102.10, 4102.21, 4102.29, 4103.10, 4103.20 and 4103.90), the entry "20%" shall be substituted; (ii) in sub-heading Nos. 4101.10, 4101.21, 4101.22, 4101.29, 4101.30, 4101.40, 4102.10, 4102.21, 4102.29, 4103.10, 4103.20 and 4103.90, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted; (31) In Chapter 43, for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 4303.10, 4303.90 and 4304.00), the entry "10%" shall be substituted; (32) In Chapter 44- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 4401.10, 4401.21, 4401.22, 4401.30, 4402.00, 4403.10, 4403.20, 4403.41, 4403.49, 4403.91, 4403.92 and 4403.99), the entry "30%" shall be substituted; (ii) in sub-heading Nos. 4401.10, 4401.21, 4401.22, 4401.30, 4402.00, 4403.10, 4403.20, 4403.41, 4403.49, 4403.91, 4403.92 and 4403.99, for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted; (33) In Chapter 45, for the entry in column (4) occurring against all the sub-heading Nos.. the entry "30%" shall be substituted; (34) In Chapter 47- (i) for the entry in column (4) occurring against all the sub-heading Nos, (except sub-heading No. 4702.00), the entry "5%" shall be substituted; (ii) in sub-heading No. 4702.00 for the entry in column (4), the entry "10%" shall be substituted', (35) In Chapter 48, in sub-heading Nos. 4801.00, 4802.10, 4802.20, 4802.30, 4802.40, 4802.51, 4802.52, 4802.53, 4802.60, 4803.00, 4804.11, 4804.19, 4804.21, 4804.29, 4804.31, 4804.39, 4804.41, 4804.42, 4804.49, 4804.51, 4804.52, 4804.59, 4805.10, 4805.21, 4805.22, 4805.23, 4805.29, 4805.30, 4805.40, 4805.50, 4805.60, 4805.70, 4805.80, 4806.10, 4806.20, 4806.30, 4806.40, 4807.10, 4807.90, 4808.10, 4808.20, 4808.30, 4808.90, 4809.10, 4809.20, 4809.90, 4810.11, 4810.12, 4810.21, 4810.29, 4810.31, 4810.32, 4810.39, 4810.91, 4810.99, 4811.10, 4811.21, 4811.29, 4811.31, 4811.39, 4811.40 and 48 II.90, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (36) In Chapter 49- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 4902.10, 4902.90, 4904.00, 4905.10, 4905.91, 4905.99 and 4906.00), the entry "20%" shall be substituted; (ii) in sub-heading Nos. 4902.10, 4902.90 and 4904.00, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted; (iii) in sub-heading Nos. 4905.10, 4905.91, 4905.99 and 4906.00. for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted; (37) In Chapter 50, in sub-heading No, 5001.00, for the entry in column (4), the entry "40%" shall be substituted; (38) In Chapter 51, in sub-heading No. 5105.30, for the entry in column (4), the entry "40%" shall be substituted; (39) In Chapter 53, in sub-heading Nos. 5301.10, 5301.21, 5301.29, 5301.30, 5302.10, 5302.90, 5303.10, 5303.90, 5304.10, 5304.90, 5305.11, 5305.19, 5305.21, 5305.29, 5305.91 and 5305.99, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (40) In Chapter 54, in sub-heading Nos. 5402.10, 5402.20, 5402.31, 5402.32, 5402.33, 5402.39, 5402.41, 5402.42, 5402.43, 5402.49, 5402.51, 5402.52, 5402.59, 5402.61, 5402.62, 5402.69, 5403.10, 5403.20, 5403.31, 5403.32, 5403.33, 5403.39, 5403.41, 5403.42 and 5403.49, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (41) In Chapter 55, in sub-heading Nos. 5501.10, 5501.20, 5501.30, 5501.90, 5502.00, 5503.10, 5503.20, 5503.30, 5503.40, 5503.90, 5504.10, 5504.90, 5506.10, 5506.20, 5506.30, 5506.90 and 5507.00, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (42) In Chapter 63, in sub-heading Nos. 6310.10 and 6310.90, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (43) In Chapter 68, in sub-heading Nos. 6806,10, 6806.20 and 6806.90, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (44) In Chapter 69, in sub-heading Nos. 6902.10, 6902.20 and 6902.90, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (45) In Chapter 72, for the entry in column (4) occurring against all the sub-heading Nos., the entry "30%" shall be substituted; (46) In Chapter 73, for the entry in column (4) occurring against all the sub-heading Nos.. the entry "30%" shall be substituted; (47) In Chapter 74, for the entry in column (4) occurring against all the sub-heading Nos.. the entry "30%" shall be substituted; (48) In Chapter 75. for the entry in column (4)

occurring against all the sub-heading Nos. (except sub-heading Nos. 7501.10, 7501.20, 7502.10, 7502.20 and 7503.00) the entry "20%" shall be substituted; (49) In Chapter 76- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 7601.10, 7601.20 and 7602.00). the entry "20%" shall be substituted; (ii) in sub-heading Nos. 7601.10, 7601.20 and 7602.00, for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted; (50) In Chapter 78, for the entry in column (4) occurring against all the sub-heading Nos. the entry "30%" shall be substituted; (51) In Chapter 79, for the entry in column (4) occurring against all the sub-heading Nos. the entry "30%" shall be substituted; (52) In Chapter 80, for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 8001.10, 8001.20 and 8002.00), the entry "30%" shall be substituted; (53) In Chapter 81, for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 8101.10, 8101.91, 8102.10, 8102.91, 8103.10, 8105.10, 8106.00, 8107.10, 8108.10, 8109.10, 8110.00, 8111.00, 8112. II, 8112.20, 8112.30, 8112.40 and 8112.91), the entry "30%" shall be substituted; (54) In Chapter 84- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 8407.21, 8414.30, 8414.40, 8414.80, 8414.90, 8415.10, 8415.20, 8415.81, 8415.82, 8415.83, 8415.90, 8418.10, 8418.21, 8418.22, 8418.29, 8418.91, 8418.99, 8422.11, 8422.19, 8422.90, 8423.10, 8447.20, 8448.11, 8448.19, 8448.51, 8448.59, 8450.11, 8450.12, 8450.19, 8450.20, 8450.90, 8451.10, 8451.90, 8452.10, 8452.21, 8452.29, 8452.30, 8452.40, 8452.90, 8469.11, 8469.12, 8469.20, 8469.30, 8470.10, 8470.21, 8470.29, 8470.30, 8470.40, 8470.50, 8470.90, 8471.10, 8471.30, 8471.41, 8471.49, 8471.50, 8471.60, 8471.70, 8471.80, 8471.90, 8472.10, 8472.20, 8472.30, 8472.90, 8473.10, 8473.21, 8473.29, 8473.30, 8473.40, 8473.50, 8479.50, 8479.60, 8479.89, 8482.10, 8482.20, 8482.30, 8482.40, 8482.50, 8482.80, 8482.91, 8482.99, 8485.10 and 8485.90), the entry "25%" shall be substituted; (ii) in sub-heading No. 8407.21, for the entry in column (4), the entry "10%" shall be substituted; (111) in sub-heading Nos. 8471.10, 8471.30, 8471.41, 8471.49, 8471.50, 8471.60, 8471.70, 8471.80, 8471.90 and 8473.30, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (iv) in sub-heading Nos. 8482.10, 8482.20, 8482.30, 8482.40, 8482.50, 8482.80, 8482.91 and 8482.99, for the entry in column (4) occurring against each of them, the entry "25% plus Rs. 150 Kg." shall be substituted; (55) In Chapter 85- (i) in sub-heading Nos. 8501.20, 8501.31, 8501.32, 8501.33, 8501.34, 8501.40, 8501.51, 8501.52, 8501.53, 8501.61, 8501.62, 8501.63, 8501.64, 8502.11, 8502.12, 8502.13, 8502.20, 8502.31, 8502.39, 8502.40, 8503.00, 8504.10, 8504.21, 8504.22, 8504.23, 8504.31, 8504.32, 8504.33, 8504.34, 8504.40, 8504.50, 8504.90, 8505.11, 8505.19, 8505.20, 8505.30, 8505.90, 8508.90, 8514.10, 8514.20, 8514.30, 8514.40, 8514.90, 8515.11, 8515.19, 8515.21, 8515.29, 8515.31, 8515.39, 8515.80, 8515.90 and 8516.90, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (ii) in sub-heading Nos. 8517.11, 8517.19, 8517.21, 8517.22, 8517.30, 8517.50 and 8517.80, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (iii) in sub-heading Nos. 8517.90, 8518.90 and 8522.10, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (iv) in sub-heading Nos. 8525.10, 8525.20 and 8527.90, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (v) in sub-heading Nos. 8529.10 and 8529.90, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (vi) in sub-heading Nos. 8530.10, 8530.80 and 8530.90, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (vii) in sub-heading Nos. 8533,10, 8533.21, 8533.29, 8533.31, 8533.39, 8533.40, 8533.90 and 8534.00, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (viii) in sub-heading Nos. 8535.10, 8535.21, 8535.29, 8535.30, 8535.40, 8535.90 and 8537.20, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (ix) in sub-heading No. 8540.11, for the entry in column (4), the entry "35%" shall be substituted; (x) in sub-heading Nos. 8540.12, 8540.20, 8540.40, 8540.50, 8540.60, 8540.71, 8540.72, 8540.79, 8540.81 and 8540.89, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (xi) in sub-heading No. 8540.91, for the entry in column (4), the entry "30%" shall be substituted; (xii) in sub-heading Nos. 8540.99, 8541.10, 8541.21, 8541.29, 8541.30, 8541.40, 8541.50, 8541.60, 8541.90, 8542.12, 8542.13, 8542.14, 8542.19, 8542.30, 8542.40, 8542.50 and 8542.90, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (xiii) in sub-heading Nos. 8543.11, 8543.19, 8543.20, 8543.30, 8543.90, 8545.11, 8545.19, 8545.20, 8545.90, 8546.10, 8546.20, 8546.90, 8547.10, 8547.20 and 8547.90, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (xiv) in sub-heading No. 8548.10, for the entry in column (4), the entry "30%" shall be substituted, (56) In Chapter 86, in sub-heading Nos. 8607.11, 8607.12, 8607.19, 8607.21, 8607.29, 8607.30, 8607.91, 8607.99 and 8608.00, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (57) In Chapter 89, in sub-heading No. 8908.00, for the entry in column (4), the entry "10%" shall be substituted; (58) In Chapter 90- (i) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 9001.10,9001.20, 9001.30, 9001.40, 9001.50, 9001.90, 9002.11, 9002.19, 9002.20, 9002.90, 9003.11, 9003.19, 9003.90, 9004.10, 9004.90, 9005.10, 9005.80, 9005.90, 9006.10, 9006.20, 9006.30, 9006.40, 9006.51, 9006.52,

9006.53, 9006.59, 9006.61, 9006.62, 9006.69, 9006.91, 9006.99, 9007.11, 9007.19, 9007.20, 9007.91, 9007.92, 9008.10, 9008.20, 9008.30, 9008.40, 9008.90, 9009.11, 9009.12, 9009.21, 9009.22, 9009.30, 9009.90, 9010.10, 9010.41, 9010.42, 9010.49, 9010.50, 9010.60, 9010.90, 9013.10, 9013.20, 9013.80, 9013.90, 9018.11, 9018.12, 9018.13, 9018.14, 9018.19, 9018.20, 9018.31, 9018.32, 9018.39, 9018.41, 9018.49, 9018.50, 9018.90, 9019.10, 9019.20, 9020.00, 9021.11, 9021.19, 9021.21, 9021.29, 9021.30, 9021.40, 9021.50, 9021.90, 9022.12, 9022.13, 9022.14, 9022.19, 9022.21, 9022.29, 9022.30 and 9022.90), the entry "25%" shall be substituted; (ii) in sub-heading Nos. 9018.11, 9018.12, 9018.13, 9018.14, 9018.19, 9018.20, 9018.31, 9018.32, 9018.39, 9018.41, 9018.49, 9018.50, 9018.90, 9019.10, 9019.20, 9020.00, 9021.11, 9021.19, 9021.21, 9021.29, 9021.30, 9021.40, 9021.50, 9021.90, 9022.12, 9022.13, 9022.14 and 9022.21, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (59) In Chapter 92, for the entry in column (4) occurring against all the sub-heading Nos. the entry "30%" shall be substituted; (60) In Chapter 95, for the entry in column (4) occurring against all the sub-heading Nos., the entry "30%" shall be substituted; (61) In Chapter 97- (i) in sub-heading No. 9704.00, for the entry in column (4), the entry "Free" shall be substituted; (ii) in sub-heading No. 9705.00, for the entry in column (4), the entry "40%" shall be substituted; (62) In Chapter 98, in eg. sub-heading No. 9801.00, for the entry in column (4), the entry "25%" shall be substituted.

SCHEDULE 3

THE THIRD SCHEDULE

(See Section 82) PART I In the Schedule to the Central Excise Tariff Act,- (1) In Chapter II, in sub-heading No. 1102.00, for the entry in column (4), the entry "10%" shall be substituted; (2) In Chapter 15, in sub-heading Nos. 1501.00, 1504.00 and 1508.90, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (3) In Chapter 17- (i) in sub-heading No. 1701.31, for the entry in column (4), the entry "Rs. 17 per quintal" shall be substituted; (ii) in sub-heading No. 1701.39, for the entry in column (4), the entry "Rs. 34 per quintal" shall be substituted; (iii) in sub-heading No. 1701.90, for the entry in column (4), the entry "20%" shall be substituted; (4) In Chapter 19,- (i) in sub-heading No. 1902.10, for the entry in column (4), the entry "15%" shall be substituted; (ii) in sub-heading No. 1903.10, for the entry in column (4), the entry "Nil" shall be substituted; (5) In Chapter 21,- (i) in sub-heading Nos. 2101.10 and 2101.20, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (ii) in sub-heading Nos. 2101.30, 2103.11, 2103.19 and 2104.10, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (iii) in sub-heading No.2106.00, for the entry in column (4), the entry "40%" shall be substituted; (6) In Chapter 22, in NOTE 2, for the words and figures "natural or artificial mineral waters of heading Nos. 22.01 and 22.02", the words and figures "waters, including natural or artificial mineral waters of heading No. 22.01 and waters, including mineral waters of heading No. 22.02" shall be substituted; (7) In Chapter 24, after NOTE 4, the following NOTE shall be inserted, namely - "5. In this Chapter, 'smoking mixtures for pipes and cigarettes' of sub-heading No. 2404.10 does not cover 'Gudaku.'"; (8) In Chapter 25- (i) in sub-heading No. 2502.21, for the entry in column (4), the entry "30%" shall be substituted; (ii) in sub-heading Nos. 2502.30, 2502.40, 2502.50 and 2502.90, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (iii) in sub-heading No. 2503.00, for the entry in column (4), the entry "Nil" shall be substituted; (iv) in sub-heading Nos. 2504.21 and 2504.31, for the entry in column (4) occurring against each of them, the entry "Rs. 30 per square metre" shall be substituted; (v) in sub-heading No. 2504.90, for the entry in column (4), the entry "Nil" shall be substituted; (9) In Chapter 27- (i) in sub-heading Nos. 2701.00, 2702.00, 2703.00, 2704.00 and 2709.00, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (ii) in sub-heading Nos. 2710.14 and 2710.90, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted; (iii) in sub-heading No. 2711.21, for the entry in column (4), the entry "Nil" shall be substituted; (iv) in sub-heading Nos. 2712.10, 2712.20, 2712.90, 2713.11, 2713.12, 2713.20, 2713.30, 2714.10, 2714.90, 2715.10 and 2715.90, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted; (10) In Chapter 28, in sub-heading No. 2845.10, for the entry in column (4), the entry "Nil" shall be substituted; (11) In Chapter 34, in sub-heading Nos. 3401.20 and 3402.90, for the entry in column (4) occurring against each of them, the entry "25%" shall be substituted; (12) In Chapter 37, in sub-heading Nos. 3701.10, 3701.20, 3701.90, 3702.10, 3702.20, 3702.90, 3703.10, 3703.20, 3704.10, 3704.20, 3704.90 and 3707.00, for the entry in column (4) occurring

against each of them, the entry "15%" shall be substituted; (13) In Chapter 38- (i) NOTES 2 and 3 shall be renumbered as NOTES 3 and 4 respectively and before NOTE 3 as so renumbered, the following NOTE shall be inserted, namely :- "2. In relation to products of heading No. 38.08, addition of chemicals and other ingredients like inert carriers or solvents, surface active dispersing and stabilising agents, emulsifiers, wetting and dispersing agents, deodorant, masking agent, attractants and feeding stimulants to pesticidal chemicals in concentrated form, labelling or relabelling of containers intended for consumers and repacking from bulk pack to retail packs or the adoption of any other treatment to render the product marketable to the consumer shall amount to 'manufacture'. "; (ii) in sub-heading No. 3808.10, for the entry in column (4), the entry "10%" shall be substituted', (14) In Chapter 39, in sub-heading Nos. 3903.20. 3903.30, 3904.61, 3905.10, 3905.20. 3905.90. 3906.10, 3906.20. 3906.90, 3907.10. 3907.20, 3907.30, 3907.40, 3907.50, 3907.60, 3907.70, 3907.80, 3907.91. 3907.99, 3908.10, 3908.90, 3909.10. 3909.20, 3909.30, 3909.40, 3909.51, 3909.52, 3909.59, 3909.60, 3910.00, 3911.10, 3911.20, 3911.90. 3912.11, 3912.12, 3912.20, 3912.31, 3912.39, 3912.90, 3913.10, 3913.20, 3913.30, 3913.90. 3914.00, 3917.00. 3920.21. 3920.22, 3920.23, 3920.24, 3920.25. 3920.26, 3920.27, 3920.28 and 3920.29, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted'; (15) In Chapter 40.- (i) in sub-heading No. 4001.00. for the entry in column (4), the entry "Nil" shall be substituted; (ii) in sub-heading No. 4006.10, for the entry in column (3), the following entry shall be substitute; namely:- "- 'Camel-back' strip, tread rubber, tread rubber compound, cushion compound, cushion gum, tread gum, tread packing strip for resoling or repairing or retreading rubber tyres"; (iii) in sub-heading Nos. 4011.80, 4011.91 and 401 1.99, for the entry in column (4) occurring against each of them, the entry "30%" shall be substituted; (16) In Chapter 46, in sub-heading No. 4601.00, for the entry in column (4), the entry "Nil" shall be substituted; (17) In Chapter 47, in sub-heading No. 4701.00, for the entry in column (4), the entry "Nil" shall be substituted; (18) in Section 11 .- (i) in NOTE 1- (a) for clause (e), the following clause shall be substituted, namely :- "(e) Articles of Chapter 30 (for example, wadding, gauze, bandages and similar articles for medical, surgical, dental or veterinary purposes, sterile surgical suture materials); yarn used to clean between the teeth (dental floss), in individual retail packages, of heading No. 33.06;"; (b) after clause (1), the following clause shall be inserted, namely :- "(u) Articles of Chapter 96 (for example brushes, travel sets for sewing, slide fasteners and typewriter ribbons)."; (ii) in NOTE 3, for clauses (b) and (c), the following clauses shall be substituted, namely :- "(b) Dressed for use as sewing thread; and (c) With a final 'Z' twist"; (iii) in NOTE 5, for clause (f), the following clause shall be substituted, namely :- "(f) Knitted or crocheted to shape, whether presented as separate items or in the form of a number of items in the length."; (iv) for NOTE 6, the following NOTE shall be substituted, namely :- "6. For the purposes of Chapters 50 to 60 : (a) Chapters 50 to 55 and 60 and, except where the context otherwise requires, Chapters 56 to 59 do not apply to goods made up within the meaning of NOTE 5 above; and (b) Chapters 50 to 55 and 60 do not apply to goods of Chapters 56 to 59."; (v) in sub-heading NOTE 2, in clause (B), for sub-clause (ill), the following sub-clause shall be substituted, namely:- "(iii) in the case of embroidery of heading No. 58.05 and goods thereof, only the ground fabric shall be taken into account. However, embroidery without visible ground, and goods thereof, shall be classified with reference to the embroidering threads alone."; (19) In Chapter 51. in sub-heading No. 5105.10, for the entry in column (4), the entry "10%" shall be substituted; (20) In Chapter 52, in sub-heading Nos. 5207.10, 5207.21, 5207.22, 5207.23, 5207.29, 5208.10, 5208.21, 5208.22, 5208.23, 5208.29. 5209.10. 5209.21. 5209.22, 5209.23 and 5209.29, for the entry in column (4) occurring against each of them. the entry "12%" shall be substituted; (21) In Chapter 54- (i) in sub-heading Nos. 5402.20, 5402.32, 5402.42, 5402.43, 5402.52 and 5402.62, for the entry in column (4) occurring against each of them, the entry "40%" shall be substituted; (ii) in sub-heading Nos. 5403.10, 5403.20, 5403.31, 5403.32, 5403.33, 5403.39, 5403.41, 5403.42 and 5403.49, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (iii) in sub-heading Nos. 5406.10, 5406.21, 5406.22, 5406.23, 5406.29, 5407.10. 5407.21, 5407.22, 5407.23 and 5407.29, for the entry in column (4) occurring against each of them, the entry "12%" shall be substituted; (22) In Chapter 55- (i) in NOTE 2, for the figures and word "55.09 and 55.10", the figures and word "55.08, 55.09 and 55.10", shall be substituted; (ii) in sub-heading Nos. 5511.10, 5511.21, 5511.22, 5511.23, 5511.29, 5512.10, 5512.21, 5512.22, 5512.23, 5512.29, 5513.10, 5513.21, 5513.22, 5513.23, 5513.29, 5514.10, 5514.21, 5514.22, 5514.23 and 5514.29, for the entry in column (4) occurring against each of them, the entry "]"2%" shall be substituted; (23) In Chapter 57, after NOTE 2, the following NOTE shall be inserted, namely :- "3. For the purpose of heading No. 57.02, the term 'machines' shall not include manually operated implements, used independently by hand, such as booking guns, tufting guns and knitting guns."; (24) In Chapter 58- (i) in heading No. 58.04, for the entry in column (3), the following entry shall be substituted, namely :- "TULES AND OTHER NET FABRICS. NOT INCLUDING WOVEN, KNITTED OR CROCHETED FABRICS; LACE IN PIECE, IN STRIPS OR IN

MOTIFS, OTHER THAN FABRICS OF HEADING No. 60.02"; (ii) in sub-heading Nos. 5801.21, 5801.22, 5801.31, 5801.32, 5802.21, 5802.22, 5802.31, 5802.32, 5806.31 and 5806.32, for the entry in column (4) occurring against each of them, the entry "10%" shall be substituted; (iii) in sub-heading Nos. 5802.51, 5802.52, 5804.11, 5804.12 and 5806.10, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted; (iv) in sub-heading Nos. 5807.10 and 5807.90, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (25) In Chapter 59- (i) in NOTE 4, for clauses (c) and (d), the following clause shall be substituted, namely :- "(c) Fabrics composed of parallel textile yarns agglomerated with rubber, irrespective of their weight per square metre, This heading does not, however, apply to plates, sheets or strip of cellular rubber, combined with textile fabric, where the textile fabric is present merely for reinforcing purposes (Chapter 40), or textile product of heading No. 58.10."; (ii) in NOTE 7, in clause (a), for sub-clause (i). the following sub-clause shall be substituted, namely :- "(i) Textile fabrics, felt and felt-lined woven fabrics, coated, covered or laminated with rubber, leather or other material, of a kind used for card clothing, and similar fabrics of a kind used for other technical purposes, including narrow fabrics made of velvet impregnated with rubber, for covering weaving spindles (weaving beams)"; (iii) in sub-heading Nos. 5906.10, 5906.91 and 5906.99, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted, (iv) in heading No. 59.10. for the entry in column (3), the following entry shall be substituted, namely:- "TRANSMISSION OR CONVEYOR BELTS OR BELTING, OF TEXTILE MATERIAL, WHETHER OR NOT IMPREGNATED, COATED, COVERED OR LAMINATED WITH PLASTICS, OR REINFORCED WITH METAL OR OTHER MATERIAL"; (v) in sub-heading No. 5911.10. for the entry in column (3), the following entry shall be substituted, namely:- "-Textile fabrics, felt and felt-lined woven fabrics, coated, covered or laminated with rubber. leather or other material, of a kind used for card clothing, and similar fabrics of a kind used for other technical purposes, including narrow fabrics made of velvet impregnated with rubber, for covering weaving spindles (weaving beams)"; (26) In Chapter 60- (i) in sub-heading Nos. 6001.11, 6001.12, 6001.21, 6001.22, 6001.91, 6001.92, 6002.30. 6002.42, 6002.43, 6002.92 and 6002.93, for the entry in column (4) occurring against each of them, the entry "12%" shall be substituted; (ii) in sub-heading No. 6002.20, for the entry in column (4), the entry "15%" shall be substituted; (27) In Chapter 62. for the entry in column (4) occurring against sub-heading No, 6202.00, the entry "Nil" shall be substituted; (28) In Chapter 66, in sub-heading Nos. 6601.00 and 6602.00, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (29) In Chapter 68, in sub-heading Nos. 6804.10, 6804.20, 6804.30 and 6804.90, for the entry in column (4) occurring against each of them, the entry "20%" shall be substituted; (30) In Chapter 69, for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading Nos. 6903.10, 6906.10 and 6908.90), the entry "15%" shall be substituted; (31) In Chapter 70- (i) in sub-heading Nos. 7012.10 and 7013.10, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (ii) in sub-heading No. 7015.00, for the entry in column (4), the entry "10%" shall be substituted; (32) In Chapter 71, in sub-heading Nos. 7101.50 and 7101.60, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (33) In Chapter 84- (i) in sub-heading No. 8427.00, for the entry in column (4), the entry "15%" shall be substituted', (ii) in sub-heading Nos. 8432.00, 8433.00, 8436.00 and 8437.00, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (iii) in sub-heading No. 8476.11, for the entry in column (4), the entry "20%" shall be substituted; (34) In Chapter 85- (i) in sub-heading No. 8521.00, for the entry in column (4), the entry "15%" shall be substituted; (ii) in sub-heading No. 8523.12, for the entry in column (4), the entry "Nil" shall be substituted; (iii) in sub-heading No. 8533.00, for the entry in column (4), the entry "15%" shall be substituted; (35) In Chapter 87, for the entry in column (4) occurring against sub-heading No. 8707.00, the entry "20%" shall be substituted; (36) In Chapter 88, for the entry in column (4) occurring against all the sub-heading Nos., the entry "Nil" shall be substituted; (37) In Chapter 90, in sub-heading Nos. 9018.00, 9019.00, 9020.00 and 9021.00, for the entry in column (4) occurring against each of them, the entry "5%" shall be substituted; (38) In Chapter 94, for the entry in column (4) occurring against sub-heading No. 9406.00, the entry "10%" shall be substituted; (39) In Chapter 95, in sub-heading Nos. 9501.00, 9502.00 and 9503.00, for the entry in column (4) occurring against each of them. the entry "Nil" shall be substituted; (40) In Chapter 96- (i) in sub-heading Nos. 9603.00, 9609.00 and 9615.00, for the entry in column (4) occurring against each of them, the entry "Nil" shall be substituted; (ii) in sub-heading No. 9617.00, for the entry in column (4), the entry "10%" shall be substituted. PART II Heading No. \Sub-heading No. \Description of Goods \ \ \Rate of duty (1) \ \ (2) \ \ (3) \ \ \ \ (4) In the Schedule to the Central Excise Tariff Act.- (1) In Chapter 19, in heading No. 19.01. for sub-heading No. 1901.90 and the entries relating [hereto, the following sub-headings and the entries shall be substituted, namely :- \ \ \Other \ \1901.91 \Malt extract \ \ \ \ \ \20% \1901.92 \Food preparations containing malt or malt extract \20% \ \ or cocoa powder in any proportion \ \1901.99

COMPOUNDS \ \ \ (INCLUDING SACCHARIN AND ITS SALTS) \ \ \ AND IMINE-FUNCTION COMPOUNDS \ \ 2925.10 \ Sacharin and its salts \ \ \ \ 10% \ 2925.90 \ - Other \ \ \ \ \ 20%"; (8) in Chapter 30, in heading No. 30.03, for sub-heading No. 3003.30 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- \ - Medicaments, including those used in Ayurvedic, \ \ Unani, Siddha, Homoeopathic or Bio-chemic \ \ systems: \ \ 3003.31 \ Manufactured exclusively in accordance with the \ \ Nil \ \ formulae described in the authoritative books \ \ \ specified in the First Schedule to the Drugs and Cosmetics Act, 1940 of 1940) or \ \ \ Homoeopathic Pharmacopoeia of India or the \ \ \ United States of America or the United Kingdom or \ \ \ the German Homoeopathic Pharmacopoeia, as the \ \ \ case may be, and sold under the name as specified \ \ \ in such books or pharmacopoeia \ \ 3003.32 \ Medicaments (including veterinary medicaments) \ \ Nil \ \ used in Bio-chemic system and not bearing a brand \ \ \ name \ \ 3003.39 \ - - Other \ \ \ \ \ 10%"; (9) In Chapter 33- (i) for sub-heading No. 3305.90 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- \ \ Other: \ \ 3305.91 \ Hair fixer \ \ \ \ \ 20% \ 3305.99 \ - - Other \ \ \ \ \ 40%"; (ii) for heading No. 33.06 and the entries relating thereto, the following shall be substituted, namely :- "33.06 \ PREPARATIONS FOR ORAL OR DENTAL \ \ \ HYGIENE, INCLUDING DENTIFRICES (FOR \ \ \ EXAMPLE, TOOTHPASTE AND TOOTH \ \ \ POWDER) AND DENTURE FIXATIVE PASTES \ \ \ AND POWDERS \ \ 3306.10 \ Tooth powder and toothpaste \ \ \ \ 10% \ 3306.90 \ Other \ \ \ \ \ 20%"; (iii) for sub-heading No. 3307.30 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- \ \ Perfumed bath salts and other bath preparations : \ \ 3307.31 \ Bath oil (thailam) \ \ \ \ 20% \ 3307.39 \ - - Other \ \ \ \ \ 40%"; (10) In Chapter 34- (i) for sub-heading No. 3401.10 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- \ \ \ - Soap in any form : \ \ 3401.11 \ - - Soap, other than for toilet use, whether or not \ 10% \ \ containing medicament or disinfectant \ 3401.12 \ Soap, in or in relation to the manufacture of which, \ Nil \ \ no process has been carried on with the aid of \ \ \ power or of steam for heating \ 3401.19 \ - - Other \ \ \ \ \ 20%"; (ii) for heading No. 34.03 and the entries relating thereto, the following shall be substituted, namely :- "34.03 \ LUBRICATING PREPARATIONS (INCLUDING \ \ \ CUTTING-OIL PREPARATIONS, BOLT OR \ \ \ NUT RELEASE PREPARATIONS, ANTI-RUST \ \ \ OR ANTI-CORROSION PREPARATIONS AND \ \ \ MOULD RELEASE PREPARATIONS BASED \ \ \ ON LUBRICANTS) AND PREPARATIONS OF A \ \ \ KIND USED FOR THE OIL OR GREASE \ \ \ TREATMENT OF TEXTILE MATERIALS, \ \ \ LEATHER, FUR SKINS OR OTHER MATERIALS, BUT EXCLUDING \ \ \ PREPARATIONS CONTAINING, AS BASIC \ \ \ CONSTITUENTS, 70% OR MORE BY WEIGHT \ \ \ OF PETROLEUM OILS OR OF OILS OBTAINED \ \ \ FROM BITUMENOUS MINERALS \ 3403.10 \ Lubricating preparations (including cutting-oil \ \ 15% \ \ preparations, bolt or nut release preparations, anti- \ \ \ rust or anti-corrosion preparations and mould \ \ \ release preparations based on lubricants) \ 3403.90 \ Other \ \ \ \ \ 20%"; (iii) for heading No. 34.06 and the entries relating thereto, the following shall be substituted, namely :- "34.06 \ CANDLES, TAPERS AND THE LIKE \ 3406.10 \ Candles \ \ \ \ \ \ Nil \ 3406.90 \ Other \ \ \ \ \ 20%"; (11) In Chapter 38, for heading No. 38.08 and the entries relating thereto, the following shall be substituted, namely:- "38.08 \ INSECTICIDES, RODENTICIDES, \ \ \ FUNGICIDES, HERBICIDES, ANTI- \ \ \ SPROUTING PRODUCTS AND PLANT \ \ \ GROWTH REGULATORS, DISINFECTANTS \ \ \ AND SIMILAR PRODUCTS, PUT UP IN FORMS \ \ \ OR PACKINGS FOR RETAIL SALE OR AS \ \ \ PREPARATIONS OR ARTICLES (FOR \ \ \ EXAMPLE, SULPHUR-TREATED BANDS, \ \ \ WICKS AND CANDLES, AND FLY-PAPERS) \ 3808.10 \ Insecticides, fungicides, herbicides, weedicides and \ 10% \ \ pesticides \ 3808.20 \ Plant growth regulators \ \ \ \ 10% \ 3808.90 \ Other \ 20%"; (12) In Chapter 39, for heading No. 39.16 and the entries relating thereto, the following shall be substituted, namely:- "39.16 \ MONOFILAMENT OF WHICH ANY CROSS- \ \ \ SECTIONAL DIMENSION EXCEEDS 1 MM, \ \ \ RODS, STICKS AND PROFILE SHAPES, \ \ \ WHETHER OR NOT SURFACE-WORKED BUT \ \ \ NOT OTHERWISE WORKED, OF PLASTICS \ 3916.10 \ Plastic canes \ \ \ \ \ Nil \ 3916.90 \ Other \ 25%"; (13) In Chapter 40, for heading No. 40.05 and the entries relating thereto, the following shall be substituted, namely:- "40.05 4005.00 \ COMPOUNDED RUBBER, UNVULCANISED, \ \ \ 20%"; \ \ \ IN PRIMARY FORMS OR IN PLATES, SHEETS \ \ \ OR STRIP, OTHER THAN THE FORMS AND \ \ \ ARTICLES OF UNVULCANISED RUBBER \ \ \ DESCRIBED IN HEADING No. \ \ \ 40.06 \ (14) In Chapter 44, for heading No. 44.04 and the entries relating thereto, the following shall be substituted, namely:- "44.04 \ VENEER SHEETS AND SHEETS FOR \ \ \ PLYWOOD (WHETHER OR NOT SLICED) AND \ \ \ OTHER WOOD SAWN LENGTHWISE, SLICED \ \ \ OR PEELED. WHETHER OR NOT PLANED, \ \ \ SANDED OR FINGER-JOINTED, OF A \ \ \ THICKNESS NOT EXCEEDING 6 M.M. \ 4404.10 \ Veneer sheets, for matchboxes and match splints \ Nil \ 4404.90 \ Other \ \ \ \ \ 20%"; (15) In Chapter 48, for heading No. 48.19 and the entries relating thereto, the following shall be substituted, namely:- "48.19 \ CARTONS (INCLUDING FLATTENED OR \ \ \ FOLDED CARTONS). BOXES

(INCLUDING \ \ \ \ FLATTENED OR FOLDED BOXES), CASES, \ \ \ \ BAGS AND OTHER PACKING CONTAINERS, \ \ \ \ OF PAPER, PAPERBOARD, CELLULOSE \ \ \ \ WADDING OR WEBS OF CELLULOSE FIBRES, \ \ \ \ WHETHER IN ASSEMBLED OR \ \ \ \ UNASSEMBLED CONDITION; BOX FILES, \ \ \ \ LETTER TRAYS, AND SIMILAR ARTICLES, OF \ \ \ \ PAPER OR PAPERBOARD OF A KIND USED IN \ \ \ \ OFFICES, SHOPS OR THE LIKE \ \ \ \ Cartons, boxes, cases, bags and other packing \ \ \ \ containers: \ \4819.11 \ Cartons, boxes, containers and cases, intended for \ \ Nil \ \ the packing of matchsticks \ \4819.12 \ - - Cartons, boxes, containers and cases, of corrugated \ Nil \ \ paper or paperboard \ \4819.19 \ - - Other \ \ \ \ \ \ \ \ \10% \4819.90 \ Other \20%"; (16) In Chapter 51, in heading No. 51.06, for sub-heading Nos. 5106.11, 5106.12 and 5106.90 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- \ \ \ \ - In or in relation to the manufacture of which any \ \ \ \ process is ordinarily carried on with the aid of \ \ \ \ power: \ \5106.11 \ Yam of waste wool including shoddy and garnetted \ \5% \ \ stock of wool \ \5106.12 \ Other yarn containing 85% or more by weight of \ \ \10% \ \ wool \ \5106.13 \ Other yarn containing less than 85% by weight of \ \ \10% \ \ wool \ \5106.90 \ Other \ \ \ \ \ \ \ \ Nil"; (17) In Chapter 57, for heading Nos. 57.01, 57.02, 57.03, 57.04 and 57.05 and the entries relating thereto, the following shall be substituted, namely :- "57.01 5701.00 \ HAND-MADE CARPETS WHETHER OR NOT \ \ \ \ Nil \ \ ANY MACHINES HAVE BEEN USED TO \ \ \ \ ACHIEVE BETTER FINISH DURING PRE- \ \ \ \ WEAVING OR POST-WEAVING OPERATIONS \ 57.02 \ \ CARPETS AND OTHER TEXTILE FLOOR \ \ \ \ COVERINGS (OTHER THAN THOSE OF \ \ \ \ HEADING No. 57.01), KNOTTED, WOVEN, \ \ \ \ TUFTED, OR FLOCKED, WHETHER OR NOT \ \ \ \ MADE UP \ \ \ \ In or in relation to the manufacture of which any \ \ \ \ process is ordinarily carried on with the aid of \ \ \ \ machines: \ \5702.11 \ Of coconut fibres (coir) \ \ \ \ \ Nil \5702.12 \ - - Of jute \ \ \ \ \ \ \ \ \5% \5702.19 \ - - Other \ \ \ \ \ \ \ \ \30% \5702.90 \ - - Other \ Nil 57.03 \ \ OTHER CARPETS AND OTHER TEXTILE \ \ \ \ FLOOR COVERINGS, WHETHER OR NOT \ \ \ \ MADE UP \ \5703.10 \ Of coconut fibres (coir) \ \ \ \ \ Nil \5703.20 \ Of jute \ \ \ \ \ \ \ \ \5% \5703.90 \ Other \ \ \ \ \ \ \ \ \30%"; (18) In Chapter 58, for heading No. 58.08, and the entries relating thereto, the following shall be substituted, namely:- "58.08 \ BRAIDS IN THE PIECE; ORNAMENTAL \ \ \ \ TRIMMINGS IN THE PIECE, WITHOUT \ \ \ \ EMBROIDERY, OTHER THAN KNITTED OR \ \ \ \ CROCHETED; TASSELS, POMPONS AND \ \ \ \ SIMILAR ARTICLES \ \5808.10 \ Not subjected to any process \ \ \ \ \ Nil \5808.90 \ Other \ \ \ \ \ \ \ \ \15%"; (19) in Chapter 59. in heading No. 59.07, for sub-heading No. 5907.90 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- "5907.30 \ Other, in or in relation to the manufacture of which \ Nil \ \ no process is ordinarily carried on with the aid of \ \ \ \ power \ \5907.90 \ Other \ \ \ \ \ \ \ \ \30%"; (20) In Chapter 63, for heading No. 63.07 and the entries relating thereto, the following shall be substituted, namely:- "63.07 \ OTHER MADE-UP ARTICLES NOT \ \ \ \ ELSEWHERE SPECIFIED \ \6307.10 \ Indian National Flag \ \ \ \ \ Nil \6307.90 \ Other \ \ \ \ \ \ \ \ \10%"; (21) In Chapter 70, in heading No. 70.11, for sub-heading No. 7011.10 and the entries relating thereto, the following sub-heading and the entries shall be substituted, namely :- "7011.10 \ Glasses for corrective spectacles and flint buttons \ Nil"; (22) In Chapter 73- (i) for heading No. 73.19 and the entries relating thereto, the following shall be substituted, namely :- "73.19 \ SEWING NEEDLES, KNITTING-NEEDLES, \ \ \ \ BODKINS, CROCHET HOOKS, EMBROIDERY \ \ \ \ STILETTOS, AND SIMILAR ARTICLES, FOR \ \ \ \ USE IN THE HAND, OF IRON OR STEEL; \ \ \ \ SAFETY PINS AND OTHER PINS OF IRON OR \ \ \ \ STEEL, NOT ELSEWHERE SPECIFIED OR \ \ \ \ INCLUDED \ \7319.10 \ Sewing Needles \ \ \ \ \ Nil \7319.90 \ Other \ \ \ \ \ \ \ \ \15%"; (ii) for heading No. 73.23 and the entries relating thereto, the following shall be substituted, namely :- "73.23 \ TABLE, KITCHEN OR OTHER HOUSEHOLD \ \ \ \ ARTICLES AND PARTS THEREOF, OF IRON \ \ \ \ OR STEEL; IRON OR STEEL WOOL; POT \ \ \ \ SCOURERS AND SCOURING OR POLISHING \ \ \ \ PADS, GLOVES AND THE LIKE OF IRON OR \ \ \ \ STEEL \ \7323.10 \ Pressure Cookers \ \ \ \ \ \ \ \ \10% \7323.90 \ Other \ \ \ \ \ \ \ \ \15%"; (23) In Chapter 76, for heading No. 76.15 and the entries relating thereto, the following shall be substituted, namely:- "76.15 \ TABLE, KITCHEN OR OTHER HOUSEHOLD \ \ \ \ ARTICLES AND PARTS THEREOF. OF \ \ \ \ ALUMINIUM; POT SCOURERS AND \ \ \ \ SCOURING OR POLISHING PADS, GLOVES \ \ \ \ AND THE LIKE, OF ALUMINIUM; SANITARY \ \ \ \ WARE AND PARTS THEREOF, OF \ \ \ \ ALUMINIUM \ \7615.10 \ Table, Kitchen or other household articles and parts \ \15% \ \ thereof; pot scourers and scouring or polishing \ \ \ \ pads, gloves and the like \ \ \ \ \ \ \ \ \10% \7615.20 \ Pressure Cookers \ \ \ \ \ \ \ \ \7615.30 \ Sanitary ware and parts thereof \ \ \ \ \ \ \ \ \15% (24) In Chapter 84- (i) in heading No. 84.13, for sub-heading Nos. 8413.10 and 8413.90 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- \ \ \ \ -Power-driven pumps primarily designed for \ \ \ \ handling water: \ \8413.11 \ Centrifugal pumps (horizontal or vertical) \ \ \ Nil \8413.12 \ Deep tubewell turbine pumps \ \ \ \ \ Nil \8413.13 \ Submersible pumps \ Nil \8413.14 \ Axial flow and mixed flow vertical pumps \ \ \ \ Nil \8413.19 \ - - Other \ \ \ \ \ \ \ \ \10% \8413.20 \ Hand pumps \ \ \ \ \ \ \ \ \ Nil \8413.80 \ Other \ \ \ \ \ \ \ \ \10% \ \ Parts: \ \8413.91 \ - - Of

hand pumps for handling water \ \ \ \ Nil \ 8413.99 \ - - Other \ \ \ \ \ \ \ \ \ 15%": (ii) in heading No. 84.14, for sub-heading Nos. 8414.10, 8414.20, 8414.80, 8414.91 and 8414.99 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- "8414.10 \ Bicycle Pumps \ \ \ \ \ \ \ \ \ Nil \ 8414.20 \ Hand Pumps \ \ \ \ \ \ \ \ \ Nil \ 8414.30 \ Gas compressors of a kind used in refrigerating and \ \ 40% \ \ \ air-conditioning appliances and machinery \ \ 8414.40 \ Electric fans \ \ \ \ \ \ \ \ \ 10% \ 8414.80 \ Other \ 10% \ \ \ Parts and accessories: \ \ 8414.91 \ - - Of goods covered by sub-heading No. 8414.10 \ \ \ Nil \ 8414.92 \ - - Of goods covered by sub-heading No. 8414.30 \ \ \ 40% \ 8414.99 \ - - Other \ \ \ \ \ \ \ \ \ 15%"; (iii) for heading No. 84.18 and the entries relating thereto, the following shall be substituted, namely :- "84.18 \ REFRIGERATORS, FREEZERS AND OTHER \ \ \ \ REFRIGERATING OR FREEZING EQUIPMENT, \ \ \ \ ELECTRIC OR OTHER; HEAT PUMPS OTHER \ \ \ \ THAN AIR-CONDITIONING MACHINES OF \ \ \ \ HEADING No. 84.15 \ \ 8418.10 \ All goods other than parts \ \ \ \ \ \ \ \ \ 20% \ 8418.90 \ Parts \ \ \ \ \ \ \ \ \ \ 40%"; (iv) for heading No. 84.19 and the entries relating thereto, the following shall be substituted, namely :- "84.19 \ MACHINERY, PLANT OR LABORATORY \ \ \ \ EQUIPMENT, WHETHER OR NOT \ \ \ \ ELECTRICALLY HEATED, FOR THE \ \ \ \ TREATMENT OF MATERIALS BY A PROCESS \ \ \ \ INVOLVING A CHANGE OF TEMPERATURE \ \ \ \ SUCH AS HEATING, COOKING, ROASTING, \ \ \ \ DISTILLING, RECTIFYING, STERILISING, \ \ \ \ PASTEURISING, STEAMING, DRYING, \ \ \ \ EVAPORATING, VAPORISING, CONDENSING \ \ \ \ OR COOLING, OTHER THAN MACHINERY OR \ \ \ \ PLANT OR A KIND USED FOR DOMESTIC \ \ \ \ PURPOSES; INSTANTANEOUS OR STORAGE \ \ \ \ WATER HEATERS, NON-ELECTRIC \ \ 8419.10 \ Refrigeration or air-conditioning machinery \ \ \ 40% \ 8419.80 \ Other \ \ \ \ \ \ \ \ \ \ 10% \ \ \ Parts: \ \ 8419.91 \ Of goods covered by sub-heading No. 8419.10 \ \ \ 40% \ 8419.99 \ - - Other \ \ \ \ \ \ \ \ \ \ 15%"; (v) in heading No. 84.22, for sub-heading No. 8422.90 and the entries relating thereto, the following subheadings and the entries shall be substituted, namely :- "8422.99 \ Other \ \ \ \ \ \ \ \ \ \ 10% \ 8422.90 \ Parts \ \ \ \ \ \ \ \ \ \ 15%"; (vi) in heading No. 84.24, for sub-heading Nos. 8424.10 and 8424.90 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- "8424.10 \ Mechanical appliances of a kind used in agriculture \ \ Nil \ \ \ or horticulture \ \ 8424.80 \ Other \ \ \ \ \ \ \ \ \ \ 10% \ \ \ Parts: \ \ 8424.91 \ Of goods covered by sub-heading No. 8424.10 \ \ \ Nil \ 8424.99 \ - - Other \ \ \ \ \ \ \ \ \ \ 15%"; (vii) for heading No. 84.28 and the entries relating thereto, the following shall be substituted, namely :- "84.28 \ OTHER LIFTING, HANDLING, LOADING OR \ \ \ \ UNLOADING MACHINERY (FOR EXAMPLE, \ \ \ \ LIFTS, ESCALATORS, CONVEYORS, \ \ \ \ TELEFERICS) \ \ 8428.10 \ Lifts and escalators \ \ \ \ \ \ \ \ \ \ 15% \ 8428.90 \ Other \ 10%"; (viii) for heading No. 84.69 and the entries relating thereto, the following shall be substituted, namely :- "84.69 \ TYPEWRITERS AND WORD-PROCESSING \ \ \ \ MACHINES \ \ 8469.10 \ Braille typewriters \ \ \ \ \ \ \ \ \ Nil \ 8469.90 \ Other \ 15%"; (ix) in heading No. 84.81, for sub-heading Nos. 8481.10, 8481.80, 8481.91 and 8481.99 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- "8481.10 \ Expansion valves and Solenoid valves for \ \ \ \ 40% \ \ \ refrigerating and air-conditioning appliances and \ \ \ \ machinery \ \ 8481.20 \ Bicycle valves \ \ \ \ \ \ \ \ \ Nil \ 8481.80 \ Other \ 15% \ \ \ Parts: \ \ 8481.91 \ Of goods covered by sub-heading No. 8481.10 \ \ \ 40% \ 8481.92 \ Of goods covered by sub-heading No. 8481.20 \ \ \ Nil \ 8481.99 \ - - Other \ \ \ \ \ \ \ \ \ \ 15%"; (25) In Chapter 85- (i) for heading No. 85.24 and the entries relating thereto, the following shall be substituted, namely :- "85.24 \ RECORDS, TAPES AND OTHER RECORDED \ \ \ \ MEDIA FOR SOUND OR OTHER SIMILARLY \ \ \ \ RECORDED PHENOMENA, INCLUDING \ \ \ \ MATRICES AND MASTERS FOR THE \ \ \ \ PRODUCTION OF RECORDS, BUT \ \ \ \ EXCLUDING PRODUCTS OF CHAPTER 37 \ \ 8524.10 \ Gramophone records \ \ \ \ \ \ \ \ \ 15% \ 8524.20 \ Computer software \ \ \ \ \ \ \ \ \ Nil \ \ \ Magnetic tapes: \ \ 8524.31 \ Audio tapes in any form \ \ \ \ \ \ \ \ \ 20% \ 8524.32 \ Audio cassettes \ \ \ \ \ \ \ \ \ Nil \ 8524.33 \ Video tapes in any form \ \ \ \ \ \ \ \ \ 20% \ 8524.34 \ Video cassettes \ \ \ \ \ \ \ \ \ 20% \ 8524.39 \ - Other \ \ \ \ \ \ \ \ \ 20% \ 8524.40 \ Magnetic discs \ \ \ \ \ \ \ \ \ 20% \ 8524.90 \ Other \ \ \ \ \ \ \ \ \ 20%"; (ii) for heading No. 85.43 and the entries relating thereto, the following shall be substituted, namely :- "85.43 \ - ELECTRICAL MACHINES AND APPARATUS, \ \ \ \ HAVING INDIVIDUAL FUNCTIONS, NOT \ \ \ \ SPECIFIED OR INCLUDED ELSEWHERE IN \ \ \ \ THIS CHAPTER \ \ 8543.10 \ Machinery for the production of a commodity \ \ \ 10% \ 8543.90 \ Other \ \ \ \ \ \ \ \ \ \ 20%"; (iii) for heading No. 85.44 and the entries relating thereto, the following shall be substituted, namely :- "85.44 \ INSULATED (INCLUDING ENAMELLED OR \ \ \ \ ANODISED) WIRE, CABLE (INCLUDING CO- \ \ \ \ AXIAL CABLE) AND OTHER INSULATED \ \ \ \ ELECTRIC CONDUCTORS, WHETHER OR \ \ \ \ NOT FITTED WITH CONNECTORS; OPTICAL \ \ \ \ FIBRE CABLES, MADE UP OF INDIVIDUALLY \ \ \ \ SHEATHED FIBRES, WHETHER OR NOT \ \ \ \ ASSEMBLED WITH ELECTRIC CONDUCTORS \ \ \ \ OR FITTED WITH CONNECTORS \ \ 8544.10 \ Fibre optic cables \ \ \ \ \ \ \ \ \ 20% \ 8544.90 \ Other \ \ \ \ \ \ \ \ \ \ 25%"; (26) In Chapter 87- (i) for heading Nos. 87.01, 87.02 and 87.03 and the entries relating thereto, the following shall be substituted, namely:- "87.01 \ TRACTORS (OTHER THAN TRACTORS OF \ \ \ \ HEADING NO. 87.09) \ \ 8701.10 \ Tractors of engine

capacity not exceeding 1800cc \ Nil \ 8701.90 \ Other \ \ \ \ \ \ \ \ \ \ 10% 87.02 \ \ \ MOTOR VEHICLES PRINCIPALLY DESIGNED \ \ \ \ FOR THE TRANSPORT OF MORE THAN SIX \ \ \ \ PERSONS, EXCLUDING THE DRIVER \ \ 8702.10 \ Motor vehicles principally designed for the \ \ \ 20% \ \ \ transport of more than six persons, but not more \ \ \ \ than twelve persons, excluding the driver \ 8702.90 \ Other \ \ \ \ \ \ \ \ \ \ 15% 87.03 \ 8703.00 \ MOTOR CARS AND OTHER MOTOR \ \ \ \ \ 40%"; \ \ \ VEHICLES PRINCIPALLY DESIGNED FOR \ \ \ \ THE TRANSPORT OF NOT MORE THAN SIX \ \ \ \ PERSONS. EXCLUDING THE DRIVER, \ \ \ \ INCLUDING RACING CARS \ (ii) in heading No. 87.06, for sub-heading Nos. 8706.10 and 8706.20 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :- \ " \ For the vehicles of heading No. 87.01 : \ 8706.11 \ For the vehicles of sub-heading No. 8701.10 \ \ \ Nil \ 8706.19 \ For the vehicles of sub-heading No. 8701.90 \ \ \ 10% \ \ -- \ For the vehicles of heading No. 87.02 : \ 8706.21 \ For the vehicles of sub-heading No. 8702.10 \ \ \ 20% \ 8706.29 \ For the vehicles of sub-heading No. 8702.90 \ \ \ 15%"; (iii) for heading No. 87.11 and the entries relating thereto, the following shall be substituted, namely :- "87.11 \ \ MOTOR CYCLES (INCLUDING SCOOTERS \ \ \ \ AND MOPEDS) AND CYCLES FITTED WITH \ \ \ \ AN AUXILIARY MOTOR, WITH OR WITHOUT \ \ \ \ SIDE-CARS; SIDE-CARS \ 8711.10 \ Two-wheeled motor vehicles of engine capacity not \ \ 15% \ \ \ exceeding 75 cubic centimetres \ 8711.20 \ Two-wheeled motor vehicles of engine capacity \ \ 25% \ \ \ exceeding 75 cubic centimetres \ 8711.30 \ Side-cars \ \ \ \ \ \ \ \ \ 15% \ 8711.90 \ Other \ \ \ \ \ \ \ \ \ 25%"; (27) In Chapter 90- (i) for heading No. 90.01 and the entries relating thereto, the following shall be substituted, namely :- "90.01 \ \ OPTICAL FIBRES AND OPTICAL FIBRE \ \ \ \ BUNDLES; OPTICAL FIBRE CABLES OTHER \ \ \ \ THAN THOSE OF HEADING NO. 85.44; \ \ \ \ SHEETS AND PLATES OF POLARISING \ \ \ \ MATERIAL; LENSES (INCLUDING CONTACT \ \ \ \ LENSES), PRISMS, MIRRORS AND OTHER \ \ \ \ OPTICAL ELEMENTS, OF ANY MATERIAL. \ \ \ \ UNMOUNTED, OTHER THAN SUCH \ \ \ \ ELEMENTS OF GLASS NOT OPTICALLY \ \ \ \ WORKED \ 9001.10 \ Spectacle lenses, intraocular lenses and contact \ \ \ Nil \ \ \ lenses \ 9001.90 \ Other \ \ \ \ \ \ \ \ \ 20%"; (ii) for heading No. 90.17 and the entries relating thereto, the following shall be substituted, namely :- "90.17 \ \ DRAWING, MARKING-OUT OR \ \ \ \ MATHEMATICAL CALCULATING \ \ \ \ INSTRUMENTS (FOR EXAMPLE. DRAFTING \ \ \ \ MACHINES, PANTOGRAPHS, PROTRACTORS, \ \ \ \ DRAWING SETS, SLIDE RULES. DISC \ \ \ \ CALCULATORS); INSTRUMENTS FOR \ \ \ \ MEASURING LENGTH, FOR USE IN THE \ \ \ \ HAND (FOR EXAMPLE. MEASURING RODS \ \ \ \ AND TAPES, MICROMETERS, CALLIPERS), \ \ \ \ NOT SPECIFIED OR INCLUDED ELSEWHERE \ \ \ \ IN THIS CHAPTER \ 9017.10 \ Drawing and mathematical instruments \ \ \ \ Nil \ 9017.90 \ Other \ \ \ \ \ \ \ \ \ 10%"; (28) In Chapter 91, for heading Nos. 91.01 and 91.02 and the entries relating thereto, the following shall be substituted, namely:- "91.01 \ \ WRIST-WATCHES. POCKET-WATCHES AND \ \ \ \ OTHER WATCHES, INCLUDING STOP- \ \ \ \ WATCHES, WITH CASE OF PRECIOUS METAL \ \ \ \ OR OF METAL CLAD WITH PRECIOUS \ \ \ \ METAL \ 9101.10 \ Braille watches \ \ \ \ \ \ \ \ \ Nil \ 9101.90 \ Other \ \ \ \ \ \ \ \ \ 10% 91.02 \ \ WRIST-WATCHES. POCKET-WATCHES AND \ \ \ \ OTHER WATCHES, INCLUDING STOP- \ \ \ \ WATCHES, OTHER THAN THOSE OF \ \ \ \ HEADING NO. 91.01 \ \ 9102.10 \ Braille watches \ \ \ \ \ \ \ \ \ Nil \ 9102.90 \ Other \ \ \ \ \ \ \ \ \ 10%"; (29) In Chapter 96, for heading No. 96.06 and the entries relating thereto, the following shall be substituted, namely:- "96.06 BUTTONS, PRESS-FASTENERS, SNAP- FASTENERS AND PRESS-STUDS, BUTTON MOULDS AND OTHER PARTS OF THESE ARTICLES; BUTTON BLANKS \ 9606.10 - Buttons and button blanks Nil \ 9606.90 - Other 20%".

SCHEDULE 4

THE FOURTH SCHEDULE

(See Section 83) PART I In the First Schedule to the Additional Duties of Excise Act,- (1) In sub-heading No. 1703.31, for the entry in column (4), the entry "Rs. 21 per quintal" shall be substituted; (2) In sub-heading No. 1701.39, for the entry in column (4), the entry "Rs. 37 per quintal" shall be substituted; (3) In sub-heading Nos. 5207.21, 5207.22, 5207.23 and 5207.29, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (4) In sub-heading Nos. 5208.21, 5208.22, 5208.23 and 5208.29. for the entry in column (4), occurring against each of them, the entry "10%" shall be substitute; (5) In sub-heading Nos. 5209.21, 5209.22, 5209.23 and 5209.29, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (6) In sub-heading Nos. 5406.21, 5406.22, 5406.23 and S406.29, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted,d (7) In sub-heading Nos. 5407.21, 5407.22, 5407.23 and 5407.29, for the entry in column (4), occurring against each them, the entry "10%" shall be substituted; (8) In sub-heading Nos. 5511.21, 5511.22, 5511.23 and 5511.29, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (9) In sub-heading Nos. 5512.21, 5512.22, 5512.23 and 5512.29, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (10) In sub-heading Nos. 5513.21.

5513.22, 5513.23 and 5513.29, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (11) In sub-heading Nos. 5514.21, 5514.22, 5514.23 and 5514.29, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (12) In sub-heading Nos. 5801.22 and 5801.32, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (13) In sub-heading Nos. 5802.22, 5802.32 and 5802.52, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (14) In heading No. 58.04- (i) for the entry in column (3), the following entry shall be substituted, namely :- "LACE IN THE PIECE, IN STRIPS OR IN MOTIFS, OTHER THAN FABRICS OF HEADING NO. 60.02"; (ii) in sub-heading Nos. 5804.11 and 5804.12, for the entry in column (4), occurring against each of them, the entry "5%" shall be substituted; (15) In sub-heading Nos. 5901.10 and 5901.90, for the entry in column (4), occurring against each of them, the entry "5%" shall be substituted; (16) In sub-heading Nos. 6001.11, 6001.12, 6001.21, 6001.22, 6001.91 and 6001.92, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; (17) In sub-heading Nos. 6002.10 and 6002.20, for the entry in column (4), occurring against each of them, the entry "Nil" shall be substituted; (18) In sub-heading Nos. 6002.30, 6002.42, 6002.43, 6002.92 and 6002.93, for the entry in column (4), occurring against each of them, the entry "10%" shall be substituted; PART II

Heading No. \Sub-heading No. \Description of goods \Rate of additional duty (1) \ (2) \ (3) \ (4)

In the First Schedule to the Additional Duties of Excise Act,- (1) for heading No. 24.01 and the entries relating thereto, the following shall be substituted, namely:- "24.01 \ \UNMANUFACTURED TOBACCO; TOBACCO \ \ \ \REFUSE \ \2401.10 \Not bearing a brand name \ \ \ \ \Nil \2401.90 \Other \ \ \ \ \ \ \ \ \10%"; (2) for heading No. 24.03 and the entries relating thereto, the following shall be substituted, namely:- "24.03 \ \CIGARETTES AND CIGARILLOS OF TOBACCO \ \ \ \Cigarettes of tobacco: \ \2403.11 \Other than filter cigarettes, of length not \ \ \exceeding 60 millimetres \ \ \ \ \Rs. 24 per thousand \2403.12 \Other than filter cigarettes, of length exceeding 60 \ \ \millimetres but not exceeding 70 millimetres \ \ \Rs. 101 per thousand \2403.13 \Filter cigarettes of length (including the length of the \ \ \filter, the length of filter being 11 millimetres or its \ \ \actual length, whichever is more) not exceeding \ \ \70 millimetres \ \ \ \ \ \ \ \ \Rs. 138 per thousand \2403.14 \Filter cigarettes of length (including the length of the \ \ \filter, the length of filter being 11 millimetres or its \ \ \actual length, whichever is more) exceeding 70 millimetres \ \ \but not exceeding 75 millimetres \ \ \ \ \Rs. 256 per thousand \2403.15 \Filter cigarettes of length (including the length of the \ \ \filter, the length of filter being 11 millimetres or its \ \ \actual length, whichever is more) exceeding \ \ \75 millimetres but not exceeding 85 millimetres \ \ \Rs. 342 per thousand \2403.19 \Other \ \ \ \ \ \ \ \ \ \ \Rs. 350 per thousand \ \ \Cigarillos: \ \2403.31 \Of tobacco \ \ \ \ \ \ \ \ \ \Nil"; (3) for heading No. 24.04 and the entries relating thereto, the following shall be substituted, namely:- "24.04 \ \OTHER MANUFACTURED TOBACCO \ \2404.10 \Smoking mixtures for pipes and cigarettes \ \ \ \75% \2404.20 \Cut tobacco \ \ \ \ \ \ \ \ \Nil \ \ \Biris: \ \2404.31 \Other than paper rolled biris, manufactured \ \ \without the aid of machines \ \ \ \ \ \ \ \ \Rs. 1.15 per thousand \2404.39 \Other \Rs. \ \ \ \ \ \ \ \ \2.50 per thousand \2404.40 \Chewing tobacco and preparations containing \ \ \chewing tobacco \ \ \ \ \ \ \ \ \10% \2404.50 \Snuff of tobacco and preparations containing snuff \ \ \of tobacco in any proportion \ \ \ \ \ \ \ \ \10% \ \ \Other \ \2404.91 \Not bearing a brand name \ \ \ \ \ \ \ \ \Nil \2404.99 \Other \ \ \ \ \ \ \ \ \ \ \10%".

SCHEDULE 5
THE FIFTH SCHEDULE

(See Section 84) In the Schedule to the Additional Duties of Excise (Textiles and Textile Articles) Act, against SI. No. 7, for the entry in column (2), the following shall be substituted, namely:-- "TULLES AND OTHER NET FABRICS, NOT INCLUDING WOVEN, KNITTED OR CROCHETED FABRICS; LACE IN THE PIECE, IN STRIPS OR IN MOTIFS, OTHER THAN FABRICS OF HEADING No. 60.02".