

Taxation Laws (Amendment) Act, 2017

No. 18 Of 2017

CONTENT

1. Short title and commencement.

CHAPTER I

CUSTOMS

2. Amendment of section 2.

3. Insertion of new sections 108A and 108B. Obligation to furnish information.

CHAPTER II

CUSTOMS TARIFF

4. Amendment of section 3.

CHAPTER III

CENTRAL EXCISE

5. Amendment of section 2.

6. Substitution of new section for section 3.

7. Amendment of section 3A.

8. Insertion of new sections 3B and 3C. Emergency power of Central Government to increase duty of excise.

3C. Power of Central Government to amend Fourth Schedule.

9. Amendment of section 38.

10. Insertion of a new section 38B.

11. Substitution of new Schedule for Third Schedule.

12. Insertion of Fourth Schedule.

CHAPTER IV

CENTRAL SALES TAX

13. Amendment of section 2.

14. Omission of section 14.

15. Omission of section 15.

16. Amendment of Seventh Schedule to Act 14 of 2001.

THE FIRSTS CHEDULE

THE SECOND SCHEDULE

An Act further to amend the Customs Act, 1962, the Customs Tariff Act, 1975, the Central Excise Act, 1944, the Central Sales Tax Act, 1956, the Finance Act, 2001 and the Finance Act, 2005 and to repeal certain enactments.

Taxation Laws (Amendment) Act, 2017

No. 18 Of 2017

[4th May, 2017.]

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

1. Short title and commencement.

(1) This Act may be called the Taxation Laws (Amendment) Act, 2017.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:

Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the commencement of that provision.

CHAPTER I

CUSTOMS

2. Amendment of section 2.

In the Customs Act, 1962 [52 of 1962] (hereinafter referred to as the Customs Act), in section 2, in clause (11), after the words "the area of a Customs station", the words "or a warehouse" shall be inserted.

3. Insertion of new sections 108A and 108B. Obligation to furnish information.

Insertion of new sections 108A and 108B. Obligation to furnish information.

In the Customs Act, after section 108, the following sections shall be inserted, namely:—

"108A. (1) Any person, being—

(a) a local authority or other public body or association; or

(b) any authority of the State Government responsible for the collection of value added tax or sales tax or any other tax relating to the goods or services; or

(c) an income-tax authority appointed under the provisions of the Income- tax Act, 1961 [43 of 1961];

(d) a Banking company within the meaning of clause (a) of section 45A of the Reserve Bank of India Act, 1934 [2 of 1934]; or

(e) a co-operative bank within the meaning of clause (dd) of section 2 of the Deposit Insurance and Credit Guarantee Corporation Act, 1961 [47 of 1961]; or

(f) a financial institution within the meaning of clause (c), or a non-banking financial company within the meaning of clause (f), of section 45-I of the Reserve Bank of India Act, 1934 [2 of 1934]; or

(g) a State Electricity Board; or an electricity distribution or transmission licensee under the Electricity Act, 2003 [36 of 2003], or any other entity entrusted, as the case may be, with such functions by the Central Government or the State Government; or

(h) the Registrar or Sub-Registrar appointed under section 6 of the Registration Act, 1908 [16 of 1908]; or

(i) a Registrar within the meaning of the Companies Act, 2013 [18 of 2013]; or

(j) the registering authority empowered to register motor vehicles under Chapter IV of the Motor Vehicles Act, 1988 [59 of 1988]; or

(k) the Collector referred to in clause (c) of section 3 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 [30 of 2013]; or

(l) the recognised stock exchange referred to in clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956 [42 of 1956]; or

(m) a depository referred to in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996 [22 of 1996]; or

(n) the Post Master General within the meaning of clause (j) of section 2 of the Indian Post Office Act, 1898 [6 of 1898]; or

(o) the Director General of Foreign Trade within the meaning of clause (d) of section 2 of the Foreign Trade (Development and Regulation) Act, 1992 [22 of 1992]; or

(p) the General Manager of a Zonal Railway within the meaning of clause (18) of section 2 of the Railways Act, 1989 [24 of 1989]; or

(q) an officer of the Reserve Bank of India constituted under section 3 of the Reserve Bank of India Act, 1934 [2 of 1934],

who is responsible for maintaining record of registration or statement of accounts or holding any other information under any of the Acts specified above or under any other law for the time being in force, which is considered relevant for the purposes of this Act, shall furnish such information to the proper officer in such manner as may be prescribed by rules made under this Act.

(2) Where the proper officer considers that the information furnished under sub-section (1) is defective, he may intimate the defect to the person who has furnished such information and give him an opportunity of rectifying the defect within a period of seven days from the date of such intimation or within such further period which, on an application made in this behalf, the proper officer may

allow and if the defect is not rectified within the said period of seven days or, further period, as the case may be, so allowed, then, notwithstanding anything contained in any other provision of this Act, such information shall be deemed as not furnished and the provisions of this Act shall apply.

(3) Where a person who is required to furnish information has not furnished the same within the time specified in sub-section (1) or sub-section (2), the proper officer may serve upon him a notice requiring him to furnish such information within a period not exceeding thirty days from the date of service of the notice and such person shall furnish such information.

108B. Penalty for failure to furnish information return.

Where the person who is required to furnish information under section 108A fails to do so within the period specified in the notice issued under sub-section (3) thereof, the proper officer may direct such person to pay, by way of penalty, a sum of one hundred rupees for each day of the period during which the failure to furnish such information continues."

## CHAPTER II

### CUSTOMS TARIFF

#### 4. Amendment of section 3.

In the Customs Tariff Act, 1975 [51 of 1975], in section 3,— (a) in sub-section (2), —

(i) in clause (ii), for item (a), the following item shall be substituted, namely:—

"(a) the duty referred to in sub-sections (1), (3), (5), (7) and (9);";

(ii) in the proviso, in sub-clause (b), item (ii) shall be omitted;

(b) in sub-section (6), in clause (ii), for item (a), the following item shall be substituted, namely:—

"(a) the duty referred to in sub-sections (5), (7) and (9);";

(c) for sub-sections (7) and (8), the following sub-sections shall be substituted, namely:—

"(7) Any article which is imported into India shall, in addition, be liable to integrated tax at such rate, not exceeding forty per cent. as is leviable under section 5 of the Integrated Goods and Services Tax Act, 2017 on a like article on its supply in India, on the value of the imported article as determined under sub-section (8).

(8) For the purposes of calculating the integrated tax under sub-section (7) on any imported article where such tax is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962, be the aggregate of —

(a) the value of the imported article determined under sub-section (1) of section 14 of the Customs Act, 1962 or the tariff value of such article fixed under sub-section (2) of that section, as the case may be; and

(b) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962 [52 of 1962], and any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs, but does not include the tax referred to in sub-section (7) or the cess referred to in sub-section (9).

(9) Any article which is imported into India shall, in addition, be liable to the goods and services tax compensation cess at such rate, as is leviable under section 8 of the Goods and Services Tax (Compensation to States) Cess Act, 2017 on a like article on its supply in India, on the value of the imported article as determined under sub-section (10).

(10) For the purposes of calculating the goods and services tax compensation cess under sub-section (9) on any imported article where such cess is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962 [52 of 1962], be the aggregate of—

(a) the value of the imported article determined under sub-section (1) of section 14 of the Customs Act, 1962 [52 of 1962] or the tariff value of such article fixed under sub-section (2) of that section, as the case may be; and

(b) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962 [52 of 1962], and any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs, but does not include the tax referred to in sub-section (7) or the cess referred to in sub-section (9).

(11) The duty or tax or cess, as the case may be, chargeable under this section shall be in addition to any other duty or tax or cess, as the case may be, imposed under this Act or under any other law for the time being in force.

(12) The provisions of the Customs Act, 1962 [52 of 1962] and the rules and regulations made thereunder, including those relating to drawbacks, refunds and exemption from duties shall, so far as may be, apply to the duty or tax or cess, as the case may be, chargeable under this section as they apply in relation to the duties leviable under that Act."

### CHAPTER III

#### CENTRAL EXCISE

##### 5. Amendment of section 2.

In the Central Excise Act, 1944 (hereinafter referred to as the Central Excise Act), in section 2,—

(a) in clause (d), for the words and figures "the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 [5 of 1986]", the words "the Fourth Schedule" shall be substituted;

(b) in clause (e) the words "other than salt" shall be omitted;

(c) in clause (f), in sub-clause (ii), for the words and figures "the First Schedule to the Central Excise Tariff Act, 1985 [5 of 1986]", the words "the Fourth Schedule" shall be substituted.

6. Substitution of new section for section 3.

In the Central Excise Act, for section 3, the following section shall be substituted, namely:—

"3. Duty specified in the Fourth Schedule to be levied.

(1) There shall be levied and collected in such manner as may be prescribed a duty of excise to be called the Central Value Added Tax (CENVAT) on all excisable goods (excluding goods produced or manufactured in special economic zones) which are produced or manufactured in India as, and at the rates, set forth in the Fourth Schedule:

Provided that the duty of excise which shall be levied and collected on any excisable goods which are produced or manufactured by a hundred per cent. export-oriented undertaking and brought to any other place in India, shall be an amount equal to the aggregate of the duties of customs which would be leviable under the Customs Act, 1962 or any other law for the time being in force, on like goods produced or manufactured outside India if imported into India, and where the said duties of customs are chargeable by reference to their value, the value of such excisable goods shall, notwithstanding anything contained in any other provision of this Act, be determined in accordance with the provisions of the Customs Act, 1962 [52 of 1962] and the Customs Tariff Act, 1975 [51 of 1975].

Explanation 1.—Where in respect of any such like goods, any duty of customs leviable for the time being in force is leviable at different rates, then, such duty shall, for the purposes of this proviso, be deemed to be leviable at the highest of those rates.

Explanation 2.—For the purposes of this sub-section,—

(i) "hundred per cent. export-oriented undertaking" means an undertaking which has been approved as a hundred per cent. export-oriented undertaking by the Board appointed in this behalf by the Central Government in exercise of the powers conferred by section 14 of the Industries (Development and Regulation) Act, 1951 [65 of 1951], and the rules made under that Act;

(ii) "Special Economic Zone" shall have the meaning assigned to it in clause (za) of section 2 of the Special Economic Zones Act, 2005 [28 of 2005].

(2) The provisions of sub-section (1) shall apply in respect of all excisable goods which are produced or manufactured in India by or on behalf of the Government, as they apply in respect of goods which are not produced or manufactured by the Government.

(3) The Central Government may, by notification in the Official Gazette, fix, for the purposes of levying the said duty, tariff values of any articles enumerated, either specifically or under general headings, in the Fourth Schedule as chargeable with duty ad valorem and may alter any tariff values for the time being in force.

(4) The Central Government may fix different tariff values—

(a) for different classes or descriptions of the same excisable goods; or

(b) for excisable goods of the same class or description—

(i) produced or manufactured by different classes of producers or manufacturers;  
or

(ii) sold to different classes of buyers:

Provided that in fixing different tariff values in respect of excisable goods falling under sub-clause (i) or sub-clause (ii), regard shall be had to the sale prices charged by the different classes of producers or manufacturers or, as the case may be, the normal practice of the wholesale trade in such goods."

#### 7. Amendment of section 3A.

In the Central Excise Act, in section 3A, in Explanation 1, for the words and figures, "First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 [5 of 1986]", the words "Fourth Schedule" shall be substituted.

#### 8. Insertion of new sections 3B and 3C. Emergency power of Central Government to increase duty of excise.

In the Central Excise Act, after section 3A, the following sections shall be inserted, namely:—

"3B. (1) Where, in respect of any goods, the Central Government is satisfied that the duty leviable thereon under section 3 should be increased and that circumstances exist which render it necessary to take immediate action, the Central Government may, by notification in the Official Gazette, amend the Fourth Schedule to substitute the rate of duty specified therein in respect of such goods in the following manner, namely:—

(a) in a case where the rate of duty as specified in the Fourth Schedule as in force immediately before the issue of such notification is nil, a rate of duty not exceeding fifty per cent. ad valorem expressed in any form or method;

(b) in any other case, a rate of duty which shall not be more than twice the rate of duty specified in respect of such goods in the Fourth Schedule as in force immediately before the issue of the said notification:

Provided that the Central Government shall not issue any notification under this sub-section for substituting the rate of duty in respect of any goods as specified by an earlier notification issued under this sub-section by that Government before such earlier notification has been approved with or without modifications under sub-section (2).

Explanation.—For the purposes of this sub-section, the term "form or method", in relation to a rate of duty of excise, means the basis, including valuation, weight, number, length, area, volume or any other measure, on which the duty may be levied.

(2) Every notification under sub-section (1) shall be laid before each House of Parliament, if it is in session, as soon as may be after the issue of the notification, and, if it is not in session, within seven days of its re-assembly, and the Central Government shall seek the approval of Parliament to the notification by a resolution moved within a period of fifteen days beginning with the day on which the notification is so laid before the House of the People and if Parliament makes any modification in the notification or directs that the notification should cease to

have effect, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be, but without prejudice to the validity of anything previously done thereunder.

(3) Any notification issued under sub-section (1), including a notification approved or modified under sub-section (2), may be rescinded by the Central Government at any time by issuing notification in the Official Gazette.

### 3C. Power of Central Government to amend Fourth Schedule.

(1) Where the Central Government is satisfied that it is necessary so to do in the public interest, it may, by notification in the Official Gazette, amend the Fourth Schedule:

Provided that such amendment shall not alter or affect in any manner the rates specified in the Fourth Schedule at which the duties of excise shall be leviable on the goods specified therein."

### 9. Amendment of section 38.

In the Central Excise Act, in section 38, after the word, figure and letter "section 3A", the word, figure and letter "section 3C" shall be inserted.

### 10. Insertion of a new section 38B.

In the Central Excise Act, after section 38A, the following section shall be inserted, namely:—

"38B. Savings of references to Chapter, heading, subheading and tariff item in Central Excise Tariff Act, 1985.

Notwithstanding the repeal of the Central Excise Tariff Act, 1985 [5 of 1986] by sub-section (1) of section 174 of the Central Goods and Services Tax Act, 2017, any reference to the Chapter, heading, sub-heading or tariff item, as the case may be, in the First Schedule to the said Act or in any rules or regulations made thereunder, or in any notification, circular, order or instruction issued thereunder, shall mean a reference to the Chapter, heading, sub-heading or tariff item, as the case may be, in the Fourth Schedule."

### 11. Substitution of new Schedule for Third Schedule.

In the Central Excise Act, for the Third Schedule, the Schedule specified in the First Schedule shall be substituted.

### 12. Insertion of Fourth Schedule.

In the Central Excise Act, after the Third Schedule, the Schedule specified in the Second Schedule shall be inserted.

## CHAPTER IV

### CENTRAL SALES TAX

### 13. Amendment of section 2.

In the Central Sales Tax Act, 1956 [74 of 1956] (hereinafter referred to as the

Central Sales Tax Act), in section 2,—

(a) clause (c) shall be omitted;

(b) for clause (d), the following clause shall be substituted, namely:—

'(d) "goods" means—

(i) petroleum crude;

(ii) high speed diesel;

(iii) motor spirit (commonly known as petrol);

(iv) natural gas;

(v) aviation turbine fuel; and

(vi) alcoholic liquor for human consumption;'

14. Omission of section 14.

In the Central Sales Tax Act, section 14 shall be omitted.

15. Omission of section 15.

In the Central Sales Tax Act, section 15 shall be omitted.

## CHAPTER V

### MISCELLANEOUS

16. Amendment of Seventh Schedule to Act 14 of 2001.

In the Finance Act, 2001, in the Seventh Schedule,—

(a) except tariff items 2402 2010, 2402 2020, 2402 20 30, 2402 20 40, 2402 20 50, 24022090,24029010,24031110,24031910, 24031921,24031929,24031990,240391 00, 2403 99 10, 2403 99 20, 2403 99 30, 2403 99 40, 2403 99 50, 2403 99 60, 2403 99 90 and 2709 00 00 and the entries relating thereto, all other heading, sub-heading, tariff items and entries relating thereto shall be omitted;

(b) for tariff item 2709 00 00 and the entries relating thereto, the following tariff item and entries shall be substituted, namely:—

(1)	(2)	(3)	(4)
"2709 20 00	Petroleum Crude	Kg.	Rs. 50 per tonne".

17. In the Finance Act, 2005, in the Seventh Schedule, tariff item 2106 90 20 and the entries relating thereto shall be omitted.

18. (1) The enactments specified in the third column of the Third Schedule are hereby repealed to the extent specified in the fourth column thereof.

(2) Notwithstanding the repeal under sub-section (1), such repeal shall not—

(a) affect any other law in which the repealed enactment has been applied,

incorporated or referred to;

(b) affect the validity, invalidity, effect or consequences of anything already done or suffered or any right, title, obligation or liability already acquired, accrued or incurred or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing under the repealed enactment;

(c) affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed;

(d) revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

(2) The mention of particular matters in sub-section (1) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897, with regard to the effect of repeals.

19. Notwithstanding the repeal of the enactments specified in the Third Schedule, the proceeds of duties levied under the said enactments immediately preceding the date appointed under sub-section (2) of section 1,—

(i) if collected by the collecting agencies but not paid into the Reserve Bank of India; or

(ii) if not collected by the collecting agencies,

shall be paid or as the case may be, collected and paid into the Reserve Bank of India for being credited to the Consolidated Fund of India.

#### THE FIRSTS CHEDULE

(See section 11)

#### "THE THIRD SCHEDULE

[See section 2 (f) (iii)]

#### NOTES

1. In this Schedule, "heading", "sub-heading" and "tariff item" mean respectively, a heading, sub-heading and tariff item in the Fourth Schedule.

2. The rules for the interpretation, the Section, Chapter Notes and the General Explanatory Notes of the Fourth Schedule shall apply to the interpretation of this Schedule.

Sl.No.	Heading, Sub-heading or Tariff item	Description of goods
1.	2402 20 10 to 2402 20 90	All Goods
2.	2403 99 10, 2403 99 20, 2403 99 30	Chewing tobacco and preparations containing chewing tobacco

## THE SECOND SCHEDULE

(See section 12)

## "THEFOURTHSCHEDULE

[See section 2 (d) and 2 (f) (ii)]

### General Rules for the interpretation of this Schedule

Classification of goods in this Schedule shall be governed by the following principles:

1. The titles of Sections, Chapters and Sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Sections or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions.

2. Any reference in a heading—

(a) to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this rule), presented unassembled or disassembled;

(b) to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles of rule 3.

3. When by application of clause (b) of rule 2 or for any other reason, goods are, prima facie, classifiable under two or more headings, classification shall be effected as follows:—

(a) the heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods;

(b) mixtures, composite goods (consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to clause (a), shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable;

(c) when goods cannot be classified by reference to clause (a) or clause (b), they

shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.

4. Goods which cannot be classified in accordance with the above rules shall be classified under the heading appropriate to the goods to which they are most akin.

5. For legal purposes, the classification of goods in the sub-headings of a heading shall be determined according to the terms of those sub-headings and any related sub-heading Notes and, mutatis mutandis, to the above rules, on the understanding that only sub-headings at the same level are comparable. For the purposes of this rule, the relative Chapter Notes also apply, unless the context otherwise requires.

#### General Explanatory Notes

1. Where in column (2) of this Schedule, the description of an article or group of articles under a heading is preceded by "-", the said article or group of articles shall be taken to be a sub-classification of the article or group of articles covered by the said heading. Where, however, the description of an article or group of articles is preceded by "--", the said article or group of articles shall be taken to be a sub-classification of the immediately preceding description of the article or group of articles which has "-". Where the description of an article or group of articles is preceded by "---" or "----", the said article or group of articles shall be taken to be a sub-classification of the immediately preceding description of the article or group of articles which has "-" or "--".

2. The abbreviation "%" in column (4) of this Schedule, in relation to the rate of duty, indicates that the duty on the goods to which the entry relates shall be charged on the basis of the value of the goods fixed, defined or deemed to be, as the case may be, under or in sub-section (2), read with sub-section (3) of section 3 or section 4 or section 4A of the Central Excise Act, 1944, the duty being equal to such percentage of the value as is indicated in that column.

#### Additional Notes

In this Schedule,—

(1) The expression,—

(a) "heading", in respect of goods, means a description in list of tariff provisions accompanied by a four-digit number and includes all sub-headings of tariff items the first four-digits of which correspond to that number;

(b) "sub-heading", in respect of goods, means a description in the list of tariff provisions accompanied by a six-digit number and includes all tariff items the first six-digits of which correspond to that number;

(c) "tariff item" means a description of goods in the list of tariff provisions accompanying either eight-digit number and the rate of the duty of excise, or eight-digit number with blank in the column of the rate of duty;

(2) The list of tariff provisions is divided into Sections, Chapters and Sub-Chapters;

(3) In column (3), the standard unit of quantity is specified for each tariff item to facilitate the collection, comparison and analysis of trade statistics;

(4) "...." against any goods denotes that Central Excise duty under this Schedule is not leviable on such goods.

#### List of Abbreviations used

Abbreviations	For
1. kg.	Kilogram
2. Tu	Thousand in number

#### SECTION IV

#### TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES

#### NOTE

In this Section, the expression "unit container" means a container, whether large or small (for example, tin, can, box, jar, bottle, bag or carton, drum, barrel or canister) designed to hold a predetermined quantity or number

#### Chapter 24

#### TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES

#### NOTES

1. In this Chapter, "brand name" means a brand name, whether registered or not, that is to say, a name or a mark, such as a symbol, monogram, label, signature invented words or any writing which is used in relation to a product, for the purpose of indicating, or so as to indicate, a connection in the course of trade between the product and some person using such name or mark with or without any indication of the identity of that person.

2. In relation to products of heading 2401 or 2402 or 2403, labelling or relabelling of containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer, shall amount to "manufacture".

3. In this Chapter, "Pan masala containing tobacco", commonly known as "gutkha" or by any other name, included in tariff item 2403 99 90, means any preparation containing betel-nuts and tobacco and any one or more of the following ingredients, namely:—

(i) lime; and

(ii) katha (catechu),

whether or not containing any other ingredients, such as cardamom, copra and menthol.

#### SUB-HEADING NOTE

For the purposes of sub-heading 2403 11, the expression "water pipe tobacco" means tobacco intended for smoking in a water pipe and which consists of a mixture of tobacco and glycerol, whether or not containing aromatic oils and extracts, molasses or sugar, and whether or not flavoured with fruit. However, tobacco-free products intended for smoking in a water pipe are excluded from this

sub-heading.

SUPPLEMENTRYNOTES

For the purposes of this Chapter:

(1) "tobacco" means any form of tobacco, whether cured or uncured and whether manufactured or not, and includes the leaf, stalks and stems of the tobacco plant, but does not include any part of a tobacco plant while still attached to the earth.

(2) "cut-tobacco" means the prepared or processed cut-to-size tobacco which is generally blended or moisturised to a desired extent for use in the manufacture of machine-rolled cigarettes.

(3) "smoking mixtures for pipes and cigarettes" of sub-heading 2403 10 does not cover " Gudaku".

Tariff item	Description of goods	Unit	Rate of Duty
(1)	(2)	(3)	(4)
2401	Unmanufactured Tobacco; Tobacco Refuse		
2401 10	- Tobacco, not stemmed or stripped :		
2401 10 10	--- Flue cured virginia tobacco	kg.	64%
2401 10 20	--- Sun cured country (natu) tobacco	kg.	64%
2401 10 30	--- Sun cured virginia tobacco	kg.	64%
2401 10 40	--- Burley tobacco	kg.	64%
2401 10 50	--- Tobacco for manufacture of biris, not stemmed	kg.	64%
2401 10 60	--- Tobacco for manufacture of chewing tobacco	kg.	64%
2401 10 70	--- Tobacco for manufacture of cigar and cheroot	kg.	64%
2401 10 80	--- Tobacco for manufacture of hookah tobacco	kg.	64%
2401 10 90	--- Other	kg.	64%
2401 20	- Tobacco, partly or wholly stemmed or stripped :	kg.	64%
2401 20 10	--- Flue cured virginia tobacco	kg.	64%
2401 20 20	--- Sun cured country (natu) tobacco	kg.	64%
2401 20 30	--- Sun cured virginia tobacco	kg.	64%
2401 20 40	--- Burley tobacco	kg.	64%
2401 20 50	--- Tobacco for manufacture of biris	kg.	64%
2401 20 60	--- Tobacco for manufacture of chewing tobacco	kg.	64%

2401 20 70	--- Tobacco for manufacture of cigar and cheroot	kg.	64%
2401 20 80	--- Tobacco for manufacture of hookah tobacco	kg.	64%
2401 20 90	--- Other	kg.	64%
2401 30 00	- Tobacco refuse	kg.	50%
2402	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes		
2402 10	- Cigars, cheroots and cigarillos, containing tobacco:		
2402 10 10	--- Cigar and cheroots	Tu	12.5% or Rs. 4006 per thousand, whichever is higher
2402 10 20	--- Cigarillos	Tu	12.5% or Rs. 4006 per thousand, whichever is higher
2402 20	- Cigarettes, containing tobacco:		
2402 20 10	--- Other than filter cigarettes, of length not exceeding 65 millimetres	Tu	Rs. 1280 per thousand
2402 20 20	--- Other than filter cigarettes, of length exceeding 65 millimetres but not exceeding 70 millimetres	Tu	Rs. 2335 per thousand
2402 20 30	--- 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 65 millimetres	Tu	Rs. 1280 per thousand
2402 20 40	--- 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 65 millimetres but not exceeding 70 millimetres	Tu	Rs. 1740 per thousand
2402 20 50	--- 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	Tu	Rs. 2335 per thousand
2402 20 90	--- Other	Tu	Rs. 3375 per thousand
2402 90	- Other:		
2402 90 10	--- Cigarettes of tobacco substitutes	Tu	Rs. 3375 per thousand
2402 90 20	--- Cigarillos of tobacco substitutes	Tu	12.5 % or Rs. 4006 per

			thousand whichever is higher
2402 90 90	--- Other	Tu	12.5% or Rs. 4006 per thousand whichever is higher
2403	Other manufactured tobacco and manufactured tobacco substitutes;"Homogenised" or "Reconstituted" tobacco; Tobacco extracts and essences  - Smoking tobacco, whether or not containing tobacco substitute in any proportion;		
2403 11	-- Water pipe tobacco specified in Sub-heading Note to this Chapter:		
2403 11 10	--- Hukkah or gudaku tobacco	kg.	60%
2403 11 90	--- Other	kg.	60%
2403 19	-- Other		
2403 19 10	--- Smoking mixtures for pipes and cigarettes  --- Biris:	kg.	360%
2403 19 21	---- Other than paper rolled biris, manufactured without the aid of machine	Tu	Rs. 12 per thousand
2403 19 29	---- Other	Tu	Rs. 80 per thousand
2403 19 90	--- Other  - Other:	kg.	40%
2403 91 00	-- "Homogenised" or "reconstituted" tobacco	kg.	60%
2403 99	-- Other:		
2403 99 10	--- Chewing tobacco	kg.	81%
2403 99 20	--- Preparations containing chewing tobacco	kg.	60%
2403 99 30	--- Jarda scented tobacco	Kg.	81%
2403 99 40	--- Snuff	kg.	60%
2403 99 50	--- Preparations containing snuff	kg.	60%
2403 99 60	--- Tobacco extracts and essence	kg.	60%
2403 99 70	--- Cut-tobacco	kg.	Rs. 70 per kg
2403 99	--- Other	kg.	81%

2405 99	--- Other		
90 -		kg.	81%

## SECTION V

### MINERAL PRODUCTS

#### CHAPTER 27

#### MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION; BITUMINOUS SUBSTANCES; MINERAL WAXES

##### NOTES

1. References in heading 2710 to "petroleum oils and oils obtained from bituminous minerals" include not only petroleum oils and oils obtained from bituminous minerals, but also similar oils, as well as those consisting mainly of mixed unsaturated hydrocarbons, obtained by any process, provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents.

However, the references do not include liquid synthetic polyolefins of which less than 60% by volume distils at 300°C, after conversion to 1,013 millibars when a reduced-pressure distillation method is used.

2. In relation to lubricating oils and lubricating preparations of heading 2710, labelling or relabelling of containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer, shall amount to "manufacture".

3. In relation to natural gas falling under heading 2711, the process of compression of natural gas (even if it does not involve liquefaction), for the purpose of marketing it as Compressed Natural Gas (CNG), for use as a fuel or for any other purpose, shall amount to "manufacture".

##### SUB-HEADING NOTE

For the purposes of sub-heading 2710 12, "light oils and preparations" are those of which 90% or more by volume (including losses) distil at 210°C (ASTM D 86 method).

##### SUPPLEMENTARY NOTES

In this Chapter, the following expressions have the meanings hereby assigned to them:—

(1) "motor spirit" means any hydrocarbon oil (excluding crude mineral oil) which has its flash point below 25°C and which either by itself or in admixture with any other substance, is suitable for use as fuel in spark ignition engines. "Special boiling point spirits (tariff items 2710 12 11, 2710 12 12 and 2710 12 13 )" means light oils, as defined in sub-heading Note 4, not containing any anti-knock preparations, and with a difference of not more than 60°C between the temperatures at which 5% and 90% by volume (including losses) distil;

(2) "natural gasoline liquid (NGL)" is a low-boiling liquid petroleum product extracted from Natural Gas;

(3) "aviation turbine fuel (ATF)" means any hydrocarbon oil conforming to the Indian Standards Specification of Bureau of Indian Standards IS : 1571:1992:2000;

(4) "high speed diesel (HSD)" means any hydrocarbon oil conforming to the Indian Standards Specification of Bureau of Indian Standards IS: 1460:2000;

(5) for the purposes of these additional notes, the tests prescribed have the meaning hereby assigned to them:—

(a) "Flash Point" shall be determined in accordance with the test prescribed in this behalf in the rules made under the Petroleum Act, 1934; 30 of 1934.

(b) "Smoke Point" shall be determined in the apparatus known as the Smoke Point Lamp in the manner indicated in the Indian Standards Institution Specification IS: 1448 (p. 31)-1967 for the time being in force;

(c) "Final Boiling Point" shall be determined in the manner indicated in the Indian Standards Institution Specification IS: 1448 (p.18)-1967 for the time being in force;

(d) "Carbon Residue" shall be determined in the apparatus known as Ramsbottom Carbon Residue Apparatus in the manner indicated in the Indian Standards Institution Specification IS: 1448 (p. 8)-1967 for the time being in force;

(e) "Colour Comparison Test" shall be done in the following manner, namely:—

(i) first prepare a five per cent. weight by volume solution of Potassium Iodine (analytical reagent quality) in distilled water;

(ii) to this, add Iodine (analytical reagent quality) in requisite amount to prepare an exactly 0.04 normal Iodine solution;

(iii) thereafter, compare the colour of the mineral oil under test with the Iodine solution so prepared.

Tariff item	Description of goods	Unit	Rate of Duty
(1)	(2)	(3)	(4)
2709	Petroleum oils and oils obtained from bituminous minerals, crude.	Kg.	.....
2709 10 00	- Petroleum oils and oils obtained from bituminous minerals	Kg.	.....
2709 20 00	- Petroleum crude		Nil
2710	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70% or		

	more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations; waste oils		
	- Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than those containing biodiesel and other than waste oil		
2710 12	-- Light oils and preparations:  --- Motor spirit (Commonly known as petrol):		
2710 12 11	---- Special boiling point spirits (other than benzene, toluol) with nominal boiling point range 55-115 °C	Kg.	14%+Rs 15.00 per litre
2710 12 12	---- Special boiling point spirits (other than benzene, toluene and toluol) with nominal boiling point range 63-70 °C	Kg.	14%+Rs. 15.00 per litre
2710 12 13	---- Other Special boiling points spirits (other than	Kg.	14%+Rs. 15.00 per litre

	benzene, benzol, toluene and toluol)		
2710 12 19	---- Other	Kg.	14%+Rs. 15.00 per litre
2710 12 20	--- Natural gasoline Liquid	Kg.	14%+Rs. 15.00 per litre
2710 12 90	--- Other	Kg.	14%+Rs. 15.00 per litre
2710 19	-- Other:		
2710 19 10	--- Superior Kerosene oil (SKO)	Kg.	....
2710 19 20	--- Aviation turbine Fuel (ATF)	Kg.	14%
2710 19 30	--- High speed diesel (HSD)	Kg.	14%+Rs. 15.00 per litre
2710 19 40	-- Light Diesel oil (LDO)	Kg.	....
2710 19 50	--- Fuel oil	Kg.	....
2710 19 60	--- Base oil	Kg.	....
2710 19 70	--- Jute batching oil and textile oil	Kg.	....
2710 19 80	--- Lubricating oil	Kg.	....
2710 19 90	--- Other  - Waste oil:	Kg.	....
2710 20 00	Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oil obtained from bituminous minerals, these oils being the basic constituents of the preparations, containing biodiesel, other than waste oils	Kg.	....
2710 91 00	-- Containing Polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs	Kg.	....
2710 99 00	-- Other	Kg.	

2710 99 00	-- Other	Kg.	.....
2711	Petroleum gases and other gaseous hydrocarbons - Liquefied:		.....
2711 11 00	-- Natural gas	Kg.	14%
2711 12 00	-- Propane	Kg.	.....
2711 13 00	-- Butane	Kg.	.....
2711 14 00	-- Ethylene, propylene, butylene and butadiene	Kg.	.....
2711 19 00	-- Other - In gaseous state:	Kg.	.....
2711 21 00	-- Natural gas	Kg.	14%
2711 29 00	-- Other	Kg.	.....

### THE THIRD SCHEDULE

(See section 15)

Year	No.	Short title of enactments	Extent of repeal
(1)	(2)	(3)	(4)
1947	24	The Rubber Act, 1947	Clause (b) of sub-section (1) of section 9 and section 12
1951	65	The Industries (Development and Regulation) Act, 1951	Section 9
1953	29	The Tea Act, 1953	Clause (c) of section 3, sections 25 and 26 and clause (a) of sub-section (1) of section 27
1974	28	The Coal Mines (Conservation and Development) Act, 1974	Sections 6, 7 and 8
1976	56	The Beedi Workers Welfare Cess Act, 1976	The Whole
1977	36	The Water (Prevention and Control of Pollution) Cess Act, 1977	The Whole
1982	3	The Sugar Cess Act	The Whole

1982	4	The Sugar Cess Act, 1982	The Whole
1982	4	The Sugar Development Fund Act, 1982	Sub-section (2) of section 3
1983	28	The Jute Manufacturers Cess Act, 1983	The Whole
2004	23	The Finance (No. 2) Act, 2004	Section 93
2007	22	The Finance Act, 2007	Section 138
2010	14	The Finance Act, 2010	Chapter VII
2015	20	The Finance Act, 2015	Chapter VI
2016	28	The Finance Act, 2016	Chapters VI and VII