

Central Excise Tariff Act, 1985

5 of 1986

[19th January, 1986]

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Central Excise Tariff Act, 1985

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An Act to provide for tariff for Central Duties of Excise. BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows :-

1. Short title, extent and commencement :-

(1) This Act may be called the Central Excise Tariff Act, 1985 .

(2) It extends to the whole of India.¹

(3) It shall come into force on such date² as the Central Government may, by notification in the Official Gazette, appoint.

1. The Act has been extended to the designated areas in the Continental Shelf and Exclusive Economic Zone of India vide Notification No. 166/87-C.E., dated 11-6-1987.

2. The Act came into force on 28th February, 1986, vide Notification No. 10/86-C.E., dated 5-2-1986.

2. Duties specified in the First Schedule and the Second Schedule] to be levied. :-

The rates at which duties of excise shall be levied under the ¹[Central Excise Act, 1944] (1 of 1944) are specified in ² [the First Schedule and the Schedule 2].

1. Central Excises and Salt Act, 1944 renamed by s. 71 of the Finance (No. 2) Act, 1996 (33 of 1996).
2. Substituted by s. 134 of the Finance Act, 1999 (27 of 1999).

3. Emergency power of Central Government to increase duty of excise :-

(1) Where, in respect of any goods, the Central Government is satisfied that the duty leviable thereon under section 3 of the ¹[Central Excise Act, 1944] (1 of 1944) 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, direct an amendment of ²[the First Schedule and the Second Schedule] to be made so as to substitute for the rate of duty specified in ²[the First Schedule and the Second Schedule] in respect of such goods, -

(a) in a case where the rate of duty as specified in ²[the First Schedule and the Second Schedule] as in force immediately before the issue of such notification is nil, a rate of duty not exceeding fifty per cent advalorem expressed in any form or method;

⁵ [(b) in any other case, a rate of duty as it thinks necessary.]
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. - "Form or method", in relation to a rate of duty of excise, means the basis, namely, valuation, weight, number, length, area, volume or other measure with reference to which the duty may be levied.

(2) Every notification under sub-section (1) shall be laid before each House of Parliament, if it is sitting, as soon as may be after the issue of the

(3) For the removal of doubts, it is hereby declared that any notification issued under sub-section (1), including any such notification approved or modified under sub-section (2), may be rescinded by the Central Government at any time by notification in the Official Gazette.

1. Central Excises and Salt Act, 1944 renamed by s. 71 of the Finance (No. 2) Act, 1996 (33 of 1996).

2. Substituted by s. 134 of the Finance Act, 1999 (27 of 1999).

5. Substituted by Clause 2 of the Central Excise Tariff (Amendment) Ordinance, 2002 (1 of 2002).

4. Consequential amendments of, and construction of references to the First Schedule to Act 1 of 1944. :-

In the ¹[Central Excise Act, 1944],-

(a) for the words " First Schedule ", wherever they occur, the words and figures "Schedule to the Central Excise Tariff Act, 1985" shall be substituted;

(b) in section 2 , for clause (f), the following clause shall be substituted; namely :-

'(f) "manufacture" includes any process,-

(i) incidental or ancillary to the completion of a manufactured product; and

(ii) which is specified in relation to any goods in the Section or Chapter Notes of the Schedule to the Central Excise Tariff Act, 1985 as amounting to manufacture,

(c) the First Schedule shall be omitted.

(2) Any reference to the expression "First Schedule to the ² [Central Excise Act, 1944] (1 of 1944)" in any Central Act shall, on and after the commencement of this Act, be construed as a reference to the Schedule to this Act.

1. Substituted by s. 134 of the Finance Act, 1999 (27 of 1999).

2. Central Excises and Salt Act, 1944 renamed by s. 71 of the Finance (No. 2) Act, 1996 (33 of 1996).

5. Power of Central Government to amend First and Second 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 First Schedule and the Second Schedule:

Provided that such amendment shall not alter or affect in any manner the rates specified in the First Schedule and the Second Schedule in respect of goods at which duties of excise shall be leviable on the goods under the Central Excise Act, 1944 (1 of 1944).

(2) Every notification issued under sub-section (1) shall be laid, as soon as may be after it is issued, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions , and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or both Houses agree that the notification should not be issued, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification."

SCHEDULE 1

schedule 1

(Omitted) [For the Schedules, see the gazette of India, Extraordinary, Part II, Section 1, No. 6, dated 23rd February, 2005. Pages 2 to 550 - EDITOR]

SCHEDULE 2

schedule 2

(Omitted) [For the Schedules, see the gazette of India, Extraordinary, Part II, Section 1, No. 6, dated 23rd February, 2005. Pages 2 to 550 - EDITOR]