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NOTIFICATION

No. H. 12017/4/96-LJD, the 6th February, 1997. The following Act is hereby published for general information.

Lucy Lalrinthari,
Dy. Secretary to the Govt. of Mizoram,
Law & Judicial Department.

THE FINANCE (No. 2) ACT, 1996

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title and commencement.

CHAPTER II

RATES OF INCOME-TAX

2. Income-tax

CHAPTER III

DIRECT TAXES

Income-tax

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 54EA and 54EB.
21. Amendment of section 56.
22. Omission of section 80CC.
23. Insertion of new section 80CCC.
24. Amendment of section 80D.
25. Insertion of new section 80DDB.
26. Amendment of section 80G.
27. Amendment of section 80GG.
28. Amendment of section 80-IA.
29. Omission of section 80J.
30. Amendment of section 80L.
31. Amendment of section 80R.
32. Amendment of section 80RR.
33. Amendment of section 80RRA.
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 158B.
- 49. Amendment of section 194A.
- 50. Amendment of section 199.
- 51. Omission of sections 206A and 206B.
- 52. Amendment of section 206C.
- 53. Amendment of section 208.
- 54. Amendment of section 234C.
- 55. Amendment of section 272A.

Wealth-tax

- 56. Amendment of section 2.
- 57. ~~Amendment of section 4.~~
- 58. Amendment of section 21A.

CHAPTER IV

INDIRECT TAXES

Customs

- 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.

Excise

- 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 11AB and 11AC.
- 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 V

SERVICE TAX

- 85. Amendment of Act 32 of 1994.
- 86. Validation.

CHAPTER VI

MISCELLANEOUS

- 87. Amendment of Act 74 of 1956.
- 88. North-Eastern Development Finance Corporation Limited to be exempted for a certain period from liability to pay income-tax.
- 89. Amendment of Act 5 of 1898.
- 90. Repeal.

THE FIRST SCHEDULE.

THE SECOND SCHEDULE.

THE THIRD SCHEDULE.

THE FOURTH SCHEDULE.

THE FIFTH SCHEDULE.

THE FINANCE (No.2) ACT, 1996

AN
ACT*to give effect to the financial proposals of the Central financial year 1996-97.*

Be it enacted by Parliament in the Forty-seventh Year of the Republic of India as follows :—

CHAPTER—I

PRELIMINARY

1. (1) This Act may be called the Finance (No.2) Act, 1996.
- (2) Save as otherwise provided in this Act, sections 2 to 58 and section 88 shall be deemed to have come into force on the 1st day of April, 1996.

**Short title
and com-
mence-
ment.**

CHAPTER—II

RATES OF INCOME-TAX

Income-
tax

2. (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 III 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 a 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 said 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 (1A) of section 161 or section 164 or section 164A or section 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;

43 of 1961

Provided that the amount of income-tax computed in accordance with the provisions of sections 112 and 113 of the Income-tax Act 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 section 115BB, of the Income-tax Act, 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, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act 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, 194G, 194-I, 194J and 194K of the Income-tax Act, 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, 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 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 the 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 (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act 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 113 of the income-tax Act 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, 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 the First Schedule applies, where the assessee in the previous year or, if by virtue of a come-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other 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 or in charging income-tax under sub-section (2) of section 174 or section 175 or sub-section (2) of section 175 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 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

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 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—III

DIRECT TAXES

Income-tax

**Amend-
ment of
section 2.**

3. In section 2 of the Income-tax Act, with effect from the 1st day of October, 1996,—

(a) in clause (7A), 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 (10D) of section 10;.

4. In section 10 of the Income-tax Act,—

**Amendment
of section 10.**

(a) in clause (10A), after sub-clause (ii), the following sub-clause shall be inserted with effect the 1st day of April, 1997, namely:—

“(iii) any payment in commutation of pension received from a fund under clause (23AAB);”;

(b) in clause (10D), 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 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 or ships or aircrafts of construction or operation of rail systems;”;

(d) after clause (23AAA), the following clause shall be inserted with effect from the 1st day of April, 1997, namely:—

'(23AAB) 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 (5B) of section 2 of the Insurance Act, 1938;";

4 of 1938.

(e) after clause (23BBB), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1992, namely:—

"(23BBC) 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 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 (23F), the following clause shall be inserted with effect
namely:—

'(23G) 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 (4A) of section 80-IA.

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 the 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;

16 of 1908.

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

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

(e) 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;

16 of 1926.

(b) an association of registered unions referred to in sub-clause (a);

Amendment of section 12A.

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

Insertion of new section 12AA.

6. After section 12A of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 1997, namely:—

Procedure for registration.

"12AA. (1) The Chief Commissioner or Commissioner, on receipt of an application for registration of a trust or institution made under clause (v) 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 objects of the trust or institution and the genuineness of its activities, he —

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

(ii) shall, if he is not so satisfied, pass an order in writing refusing to register the trust or institution, and a copy of such order shall be sent to the applicant:

Provided that no order under sub-clause (ii) shall be passed unless the applicant has been given a reasonable opportunity of being heard.

(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;

**Amend-
ment of
section 16.**

7. In section 16 of the Income-tax Act, 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 seven 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 (ia), as the case may be.

8. In section 17 of the Income-tax Act, 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 :—

Amendment of section 17.

‘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 (10D) of section 10.’

9. In section 24 of the Income-tax Act, in sub-section (2), in the proviso,—

Amendment of section 24.

(a) for the words “ten thousand rupees”, the words “fifteen thousand rupees” shall be substituted with effect

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

Amendment of section 28.

‘(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 (10D) of section 10;’.

11. In section 32 of the Income-tax Act, with effect from the 1st day of April, 1997,—

**Amend-
ment of
section 32.**

(a) in sub-section (I), after the words “plan or furniture owned,” the words “wholly or partly”, shall be inserted;

(b) in sub-section (I), 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 (I) 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, 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:

Provided that the business or profession for which the allowance was originally computed continued to be carried on by him in the previous year relevant for that assessment year.

Provided further that the time limit of eight assessment years specified in sub-clause (b) shall not apply in the case of a company for the assessment year beginning with the assessment year relevant to the previous year in which the said company has become a sick industrial company under sub-section (i) of section 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.

1 of 1986.

Explanation.—For the purposes of this clause, “networth” shall have the meaning assigned to it in clause (ga) of sub-section (I) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

1 of 1986.

Amendment of section 35.

12. In section 35 of the Income-tax Act, in sub-section (2AA), for the provisos, the following proviso shall be substituted with effect from the 1st day of October, 1996 namely :—

“Provided that the 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.”.

Amendment of section 35AC.

13. In section 35AC of the Income-tax Act, 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 concerned association or institution, 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 concerned association, institution, public sector company or the local authority, as the case may be.”

14. In section 36 of the Income-tax Act, in sub-section (1), in clause (viii),—

Amendment of section 36,

(a) for the words before making any deduction under this section “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 five years.'

15. In section 40A of the Income-tax Act, 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.

**Amendment
of section
40 A.**

16. In section 41 of the Income-tax Act, the *Explanation* occurring below sub-section (i) 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:—

**Amendment
of section
41.**

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. In section 43 of the Income-tax Act, in clause (1), after *Explanation 4*, the following *Explanation* shall be inserted with effect namely:—

**Amendment
of section
43.**

"*Explanation 4A.*— 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. In section 43B of the Income-tax Act, with effect from the 1st day of April, 1997,—

Amendment
of section
43B.

(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 3A.*—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 (viii) of sub-section (I) of the section 36;.”

Amendment of section 45. 19. In section 45 of the Income-tax Act, in sub-section (I), after the figures and letter “54E”, the figures and letters “54EA, 54EB,” shall be inserted with effect from the 1st day of October, 1996.

**Insertion
of new
sections
54EA and
54EB.
Capital gain
on transfer
of long-
term capi-
tal assets
not to be
charged in
the case of
investment
in specified
bonds or
debentures.**

20. After section 54E of the Income-tax Act, the following sections shall be inserted with effect from the 1st day of October, 1996, namely :—

‘54EA. (I) Where the capital gain arises from the transfer of a long-term capital asset (the capital asset 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 (23D) 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 gains 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 asset, 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 gains 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 (I) 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.

54EB. (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 capital gains, in any of the assets specified by the Board in this behalf by notification in the Official Gazette (such assets hereafter in this section referred to as the long-term specified assets), the capital gains shall be dealt with in accordance with the following provisions of this section, that is to say,—

Capital gain on transfer of long-term capital assets not to be charged in certain case.

(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 ;

X-13/97

(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 gains bears to the whole of the capital gain the same proportion as the cost of acquisition of the long-term specified asset 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. In section 56, in sub-section (2), after clause (iii), the following clause shall be inserted with effect from the 1st day of October, 1996, namely :—

**Amend-
ment of
section 56.**

'(iv) income referred to in sub-clause (vi) 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".'

Omission of section 80CC.

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

Insertion of new section 80CCC.

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

Deduction in respect of contribution to certain pension funds

"80CCC. (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 (23AAB) 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..

Amendment of section 80D.

24. In section 80D of the Income-tax Act, 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.

Insertion of new section 80DDB.

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

Deduction in respect of medical treatment, etc.

80DDB. 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:

Provided that no such deduction shall be allowed unless the assessee furnishes a certificate in such form and from such authority as may be prescribed.

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.

Amendment of section 80G.

26. In section 80G of the Income-tax Act, 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 (iih) or", the words, brackets, figures and letters "sub-clause (iiia) or sub-clause (iiib) or sub-clause (iiic) or" shall be inserted;

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

(*iiha*) 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,—

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

21 of 1860. (b) “State Blood Transfusion Council” means a society registered, in consultation with the National Blood Transfusion Council, under the Societies Registration Act, 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

(*iihb*) any fund set up by a State Government to provide medical relief to the poor; or

(*iihc*) 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. In section 80GG of the Income-tax Act, for the words “one thousand rupees”, the words “two thousand rupees” shall be substituted with effect from the 1st day of April, 1997. **Amendment of section 80GG.**

28. In section 80-IA of the Income-tax Act, with effect from the 1st day of April, 1997, — **Amendment of section 80-IA.**

(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 (4A), the following sub-section shall be inserted, namely:—

“(4B) This section applies to any company registered in India carrying on scientific and industrial research and development which fulfills 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 (ia), the following clause shall be inserted, namely:—

“(ib) in the case of a company referred to in sub-section (4B), 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 to in sub-section (4B), 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 (4B);”;

(ii) for clause (ca), the following clause shall be substituted, namely:—

“(ca) “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 the Official Gazette;

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

Omission of section 80J.

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

Amendment of section 80L.

30. In section 80L of the Income-tax Act, in subsection (I) with effect from the 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 (va) 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.”.

Amendment of section 80R.

31. In section 80R of the Income-tax Act, 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 in to 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. In section 80RR of the Income-tax Act, 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:—

**Amendment
of section
80RR.**

"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 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."

33. In section 80RRA of the Income-tax Act, 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:—

**Amendment
of section
80RRA.**

"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 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. In section 88 of the Income-tax Act, with effect from the 1st day of April, 1997,—

**Amendment
of section
88.**

(a) in sub-section (2), after clause (xv), the following clauses 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 54EB.

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 (aa) 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 (23D) of section 10 and approved by the Board on an application made by such mutual fund in the prescribed form:

Provided that where a deduction is claimed and allowed under this clause with reference to the cost of units, the cost of such units shall not be taken into account for the purposes of sections 54EA and 54EB:

Provided further that this clause shall apply if the amount of subscription to such units is subscribed only in the eligible issue of capital of any company.

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:—

“(5A) 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 provisions 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:—

“(7A) 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, of the public company.”.

**Omission
of section
88A.**

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

Amendment of section 88B. 36. In section 88B of the Income-tax Act, 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. In section 112 of the Income-tax Act, in sub-section (1) with effect from the 1st day of April, 1997,—

Amendment of section 112.

(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. In section 115AC of the Income-tax Act, 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

Amendment of section 115 AC.

39. After section 115J of the Income-tax Act, the following section shall be inserted with effect from the 1st day April, 1997, namely:—

Insertion of new section 115JA.

‘115JA (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 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.

Deemed income relating to certain companies.

1 of 1956.

(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:

1 of 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:

1 of 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

(f) the amount or amounts of expenditure relating to any income to which any of the provisions of Chapter III applies;

if any amount referred to in clauses (a) to (f) is debited to the profit and loss account, and as reduced by,—

(i) the amount withdrawn from any reserves or provisions if any such amount is credited to the profit and loss account;

Provided that, where this section is applicable to an assessee in any previous year (including the relevant previous year), the amount withdrawn from reserves created or provisions made in a previous year relevant to the assessment year commencing on or after the 1st day of April, 1997 shall not be reduced from the book profit unless the book profit of such year has

been increased by those reserves or provisions (out of which the said amount was withdrawn) under this Explanation; or

(ii) the amount of income to which any of the provision 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, or 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 (4A) 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 section 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,

1 of 1986.

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.

(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 32A or clause (ii) of sub-section (1) of section 72 or section 73 or section 74 or sub-section (3) of 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. In section 115K of the Income-tax Act, 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. In section 120 of the Income-tax Act, 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” shall respectively be substituted with effect from the 1st day of October, 1996.

**Amendment
of section
120.**

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

**Amendment
of section
139.**

(a) the *Explanation* shall be renumbered as *Explanation I* and in the *Explanation I* 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

**Amendment
of section
115K.**

to be furnished under section 80HHC or section 80-~~HHD~~ or where the prescribed certificate is required to be furnished under section 80R or section 80RR or sub-section (I) of section 80RRA, 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 I* as so renumbered, the following *Explanation* shall be inserted, namely:—

Explanation 2.—For the purposes of sub-clause (i) of clause (b) of *Explanation I*, the expression "working partner" shall have the meaning assigned to it in *Explanation 4* of clause (b) of section 40.

43. In section 148 of the Income-tax Act, in sub-section (I), 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 of April, 1989.

**Amendment
of section
148.**

44. In section 153 of the Income-tax Act, in *Explanation I*, in clause (II), 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.

**Amendment
of section
153.**

45. In section 158B of the Income-tax Act, 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.

**Amendment
of section
158B.**

46. In section 158BB of the Income-tax Act, in sub-section (I), 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:—

**Amendment
of section
158BB.**

"(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. In section 158BE of the Income-tax Act, 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:—

**Amendment
of section
158BE.**

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 (2A) 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.”.

**Amend-
of section
158BG.**

48. In section 158BG of the Income-tax Act, 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 the previous approval of the Commissioner or Director, as the case may be.”.

**Amend-
ment of
section
194A.**

49. In section 194A of the Income-tax Act, in sub-section (3), in clause (i), for the proviso, that 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

10 of 1949.

(b) time deposits with a co-operative 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 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 co-operative society or the public company, as the case may be;"

Amendment of section 199.

50. In section 199 of the Income-tax Act, 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;

(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 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."

Omission of sections 206A and 206B.

51. Sections 206A and 206B of the Income-tax Act, shall be omitted with effect from the 1st day of October, 1996.

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

Amendment of section 206C.

"TABLE

S.No.	Nature of Goods	Percentage
(1)	(2)	(3)
(4)	Alcoholic liquor for human consumption (other than India-made foreign liquor) and tendu leaves	Ten per cent.

- | | | |
|-------|---|-------------------|
| (ii) | Timber obtained under a forest lease | Fifteen per cent. |
| (iii) | Timber obtained by any mode other than under a forest lease | Five per cent. |
| (iv) | Any other forest produce not being timber or tendu leaves | Fifteen per cent. |

53. In section 208 of the Income-tax Act, 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. **Amendment of section 208.**

54. In section 234C of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 1997,— **Amendment of section 234C.**

(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. In section 272A of the Income-tax Act, 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. **Amendment of section 272A.**

Wealth-tax

27 of 1957. 56. In section 2 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth tax Act), in clause (ea), for sub-clause (i), the following sub-clause shall be substituted with effect from the 1st day of April, 1997, namely:— **Amendment of section 2.**

(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 kilometers from local limits of any municipality (whether known as municipality, municipal corporation or by any other name) or a contonment 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 of profession carried on by him;

57. In section 4 of the Wealth-tax Act, with effect from the 1st day of April, 1997, for sub-section (7), the following sub-section shall be substituted, namely

Amendment
of section 4.

“(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,

4 of 1997
LARC

for 2000

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."

Amendment of section 21A.

58. In section 21A of the Wealth-tax Act, for the words "Where any property is held", the words, brackets and figures "Notwithstanding anything contained in clause (2) 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 IV

INDIRECT TAXES

Customs

Amendment of section 15.

59. 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:—

52 of 1962.

"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."

Amendment of section 27.

60. In section 27 of the Customs Act, 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 exempted 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".

Amendment of section 28AA.

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

Insertion of new section 28AB.

62. After section 28AA of the Customs Act, the following section shall be inserted, namely:—

Interest on delayed payment of duty in special cases.

“28AB. (I) 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 (I) 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. In section 46 of the Customs Act, in sub-section (3) for the second proviso, the following proviso shall be substituted, namely :— **Amendment of section 46.**

“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. After section 114 of the Custom Act, the following section shall be inserted, namely :— **Insertion of new section 114A.**

“114A. Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has not been part paid or the duty or interest has **Penalty for short-levy or non-levy**

been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person so is liable to pay the duty or interest, as the case may be, as determined under sub-section (2) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined :

duty in certain cases.

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. In section 129 of the Customs Act, for sub-section (3), the following sub-section shall be substituted, namely :—

Amendment of section 129.

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

Amendment of section 129C.

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

Amendment of Act 51 of 1975.

68. (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 two per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act.

Special duties of customs.

(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 shall apply as if the said sub-section had been repealed by the 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 Custom 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.

Excise

Amendment of long title. 69. In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in the long title, the words "and to salt" shall be omitted. 1 of 1944.

Amendment of preamble. 70. In the preamble to the Central Excises Act, the words "and to salt" shall be omitted.

Amendment of section 1. 71. In section 1 of the Central Excises Act, for sub-section (1), the following sub-section shall be substituted, namely :—

“(1) This Act may be called the Central Excise Act, 1944.”.

Amendment of section 2. 72. In section 2 of the Central Excises Act, clauses (1) (i) and (j) shall be omitted.

Amendment of section 3. 73. In section 3 of the Central Excises Act, 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.

Amendment of section 4. 74. In section 4 of the Central Excises Act.—

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

“(a) 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.”

Amendment of section 11AA.

75. In section 11AA of the Central Excises Act, in the opening paragraph, for the words “Where a person”, the words, figures and letters “Subject to the provisions contained in section 11AB, where a person” shall be substituted.

Insertion of new sections 11AB and 11AC.

76. After section 11AA of the Central Excises Act, the following section shall be inserted, namely :—

Interest on delayed payment of duty.

“11AB. (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 11A 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 11A, 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.

11AC. 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 11A, shall also be liable to pay a penalty equal to the duty so determined:

Penalty for short-levy or non-levy of duty in certain cases.

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

Amendment of section 11B.

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

**8 of 1878.
52 of 1962.**

78. In section 12 of the Central Excises Act, for the words and figures “Sea Customs Act, 1878” the words and figures “Customs Act, 1962” shall be substituted.

Amendment of section 12.

79. Chapter V of the Central Excises Act shall be omitted.

Omission of Chapter V.

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

Amendment of section 35D.

81. In the Finance Act, 1985,—

Amendment of Act 32 of 1985.

(a) sections 44 and 49 shall be omitted;

(b) Fifth Schedule shall be omitted.

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

Amendment of Act 5 of 1986.

83. 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.

Amendment of Act 58 of 1957.

84. In the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978,—

Amendment of Act 40 of 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 V
SERVICE TAX

**Amend-
ment of
Act 32
of 1994.**

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

(I) in section 65,—

(a) clause (I) shall be renumbered as clause (IB) and before the clause as so renumbered, the following clauses shall be inserted, namely:—

‘(I) “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;

(IA) “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:—

‘(4A) “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:—

‘(6A) “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 the 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:—

Charge of service tax.

“66. (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 section 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 connection”, 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.

32 of 1994. 86. 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.

Validation.

CHAPTER VI

MISCELLANEOUS

87. In section 15 of the Central Sales Tax Act, 1956, after clause (c), the following clause shall be inserted, namely:—

Amendment of Act 74 of 1956.

“(ca) where a tax on sale or purchase of paddy referred to in sub-clause (r) of clause (1) 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.”.

1 of 1956. 88. 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.

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

89. In the Indian 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:—

Amendment of Act 6 of 1898.

“THE FIRST SCHEDULE
(See section 7)
INLAND POSTAGE RATES

Letters

For a 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 card containing printed communication or competition post card

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

Repeal.

THE FIRST SCHEDULE

(See section 2)

PART I

INCOME-TAX

*Paragraph A**Sub-Paragraph 1*

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, 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 Rs. 40,000 | <i>Nil</i> ; |
| (2) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000 | 20 per cent. of the amount by which the total income exceeds Rs. 40,000; |
| (3) where the total income exceeds Rs. 60,000 but does not exceed Rs. 1,20,000 | Rs. 4,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 60,000; |
| (4) where the total income exceeds Rs. 1,20,000 | Rs. 22,000 <i>plus</i> 40 per cent. of the amount by 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 Rs. 18,000 | <i>Nil</i> ; |
| (2) Where the total income exceeds Rs. 18,000 but does not exceed Rs. 1,00,000 | 30 per cent. of the amount by which the total income exceeds Rs. 18,000 |
| (3) where the total income exceeds Rs. 1,00,000 | Rs. 24,600 <i>plus</i> 40 per cent. of the amount by which the total income exceeds Rs. 1,00,000. |

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- | | |
|--|--|
| (1) where the total income does not exceed Rs. 10,000 | 10 per cent. of the total income; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 | Rs. 1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |

- (3) where the total income exceeds Rs. 20,000 Rs.3,000 *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 in-come;
 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, been approved by the Central Government; 50 per cent.;

(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 113 of the Income-tax Act, 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, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the 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 “Interest on securities”	10 per cent.;
(ii) on income by way of winnings from lotteries and Crossword puzzles	40 per cent.;
(iii) on income by way of winnings from horse races	40 per cent.;
(iv) on income by way of insurance commission	10 per cent.;

Rate of income-tax

- | | |
|--|--|
| (v) on income by way of interest payable on— | 01 per cent.; |
| (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-term capital gains | 20 per cent.; |
| (B) on income by way of dividends and interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency | 20 per cent.; |
| (C) on income by way of winnings from lotteries and crossword puzzles | 40 per cent.; |
| (D) on income by way of winnings from horse races | 40 per cent.; |
| (E) on the whole of 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 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, interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency | 20 per cent.; |
| (B) on income by way of winnings from lotteries and crossword puzzles | 40 per cent.; |

- (C) on income by way of winnings from horse races 40 per cent. ;
- (D) on income by way of long-term capital gains 20 per cent. ;
- (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 III 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 "Interest on securities" 20 per cent.;
- (ii) on income by way of winnings from lotteries and crossword puzzles 40 per cent.;
- (iii) on income by way of winnings from horse races 40 per cent.;
- (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 by any domestic company 20 per cent.;
- (ii) on income by way of winnings from lotteries and crossword puzzles 40 per cent.;
- (iii) on income by way of winnings from horse races 40 per cent.;
- (iv) on come by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency 20 per cent.;
- (v) on income by way of royalty payable by 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 (IA) of section 115A of the Income-tax Act, to the 30 per cent.;

Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (IA) of section 115A of the Income-tax Act, 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 after the 31st day of March, 1961 but before the 1st day of April, 1976. 50 per cent;
- (B) where the agreement is made after the 31st day of March, 1976. 30 per cent.;
- (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 the policy—
- (A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976. 50 per cent.
- (B) where the agreement is made after the 31st day of March, 1976. 30 per cent.;
- (viii) 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 1(b)(i) of this Part, “investment income and “non-resident Indian” shall have the meanings assigned to them in Chapter XII 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

RATE 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 or charged under sub-section 4 of section 172 or sub-section (2) of section 714 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 (IA) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act 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 115B], 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, 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
Rs. 40,000 | <i>Nil</i> ; |
| (2) where the total income exceeds Rs. 40,000
but does not exceed Rs. 60,000 | 15 per cent. of the amount by
which the total income ex-
ceeds Rs.40,000; |
| (3) where the total income exceeds Rs.60,000
but does not exceed Rs.1,20,000 | Rs. 3,000 <i>plus</i> 30 per cent. of
the amount by which the total
income exceeds Rs. 60,000; |
| (4) where the total income exceeds Rs.1,20,000 | Rs. 21,000 <i>plus</i> 40 per cent. of
the amount by which the tota
income exceeds Rs. 1,20,000. |

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- | | |
|--|--------------------------------------|
| (1) where the total income does not exceed
Rs. 10,000 | 10 per cent. of the total
income; |
|--|--------------------------------------|

- | | |
|--|---|
| (2) where the total income exceeds Rs.10,000 but does not exceed Rs.20,000 | Rs.1,000 plus 20 per cent. of the amount by which the total income exceeds Rs.10,000; |
| (3) where the total income exceeds Rs.20,000 | Rs.3,000 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.
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Paragraph D

In the case of every local authority,—

Rates of income-tax

On the whole of the total income	30 per cent.
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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;
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II. In the case of a company other than a domestic company,—	
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(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, been approved by the Central Government.	50 per cent.
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(ii) on the balance, if any, of the total income	55 per cent.
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Surcharge on income-tax

The amount of income-tax computed in accordance with the provisions of this Paragraph or sections 112 and 113 of the Income tax Act 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 (IA) of section 2 of the Income-tax Act 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 59 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 40A therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (IA) of section 2 of the Income-tax Act [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, 31, 32, 36, 37, 38, 40, 40A [other than sub-sections (3) and (4) thereof], 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (IA) of section 2 of the Income-tax Act, 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 sections 23 to 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 rule 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 (3) 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 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,

(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 provision of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A 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.

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, the entries "30%" and "30% an less 26 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 Nos. 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 (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 “50%” 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. 2208.10, 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 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, 2516.12, 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, 2521.10, 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, 2815.11, 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;

(vi) 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. 2901.21, 2901.22, 2901.23, 2901.24, 2901.29, 2902.11, 2901.10, 2902.20, 2902.30, 2902.41, 2902.42, 2902.43, 2902.44, 2902.19, 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, the 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 N. 2907.11, 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 No. 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;

(20) in Chapter 30,—

(i) for the entries in column (4) and column (5) occurring against all the sub-heading Nos. (except sub-heading Nos. 3005.10, 3005.90, 3006.10, 3006.20, 3006.30, 3006.40, 3006.50 and 3006.60), the entries “40%” and “30%” 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), 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;

(iii) 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, 4201.30, 4101.40, 4102.10, 4101.21, 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 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 “58%” 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, 405.222, 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, 4911.40, and 4811.90, 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, 5403.33, 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, 8112.11, 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, 8415.9, 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, 8452.4, 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, 8479.6, 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;

(iii) in sub-heading Nos. 8471.10, 8471.30, 8471.49, 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 per 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, 8517.23, 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, and 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 Nos. 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, 8543.39, 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 sub-heading No. 9801.00, for the entry in column (4), the entry "25%" shall be substituted;

THE THIRD SCHEDULE

(See section 82)

PART 1

In the Schedule to the Central Excise Tariff Act,—

(1) in Chapter 11, 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, 2713.2, 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 NOTES 3 as so renumbered, the following NOTE shall be inserted, namely:—

“2. In relation to products of heading No. 38.80, 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, 3803.30, 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, 3807.99, 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 substituted; 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 4011.99, 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 XI,—

(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 (f), 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 (iii), 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, 5303.20, 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 “55.03, 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 “12%” 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 hooking 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,—

“TULLES AND OTHER NET FABRICS, NOT INCLUDING WOVEN, KNITED OR CROCHETED FABRICS; LACE IN THE 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, 8501.32, 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) Fabric 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 fabric, 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 fabric 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 fabric 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 fabric of a kind used for other technical purposes, including narrow fabric 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. 8247.00, 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 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 thereto, 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 or cocoa powder in any proportion	20%
1901.00	—Other	Nil";

(2) in Chapter 21, in heading No. 21.08, for sub-heading No. 2108.90 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely :—

	—Other :	
2108.91	—Not bearing a brand name	Nil
2108.99	—Other	20%";

(3) in Chapter 22, for the heading Nos. 22.01 and 22.02 and the entries relating thereto, the following shall be substituted, namely :—

"22.01

WATERS, INCLUDING NATURAL OR ARTIFICIAL MINERAL WATERS AND AERATED WATERS, NOT CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER NOR FLAVOURED; ICE

	—Waters, including natural or artificial mineral waters:	
2201.11	—Not bearing a brand name	Nil
2201.19	—Other	15%
2201.20	—Aerated waters	40%
2201.90	—Other	Nil

(1)	(2)	(3)	(4)
22.02		WATERS, INCLUDING MINERAL WATERS AND AERATED WATERS, CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER OR FLAVOURED; OTHER NON-ALCOHOLIC BEVERAGES, NOT INCLUDING FRUIT OR VEGETABLE JUICES OF HEADING NO. 20.01	
		—Waters, including mineral waters:	
	2201.11	—Not bearing a brand name	<i>Nil</i>
	2202.19	—Other	15%
	2202.20	—Aerated waters	40%
	2202.30	—Soya milk, whether or not sweetened or flavoured, and fruit pulp based drinks	<i>Nil</i>
		—Other	
	2202.91	—Not bearing a brand name	<i>Nil</i>
	2202.99	—Other	10%";

(4) in Chapter 24,—

(i) 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	<i>Nil</i>
	2401.90	—Other	40%";

(ii) for heading No. 24.03 and the entries relating thereto, the following shall be substituted, namely ;—

"24.03		CIGARETTES AND CIGARILLOS OF TOBACCO OR OF TOBACCO SUBSTITUTES	
		—Cigarettes of tobacco :	
	2403.11	—Other than filter cigarettes, of length not exceeding 60 millimetres	Rs. 51 per thousand
	2403.12	—Other than filter cigarettes, of length exceeding 60 millimetres but not exceeding 70 millimetres	Rs. 214 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. 292 per thousand

(1)	(2)	(3)	(4)
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 85 millimetres		Rs. 544 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 75 millimetres		Rs. 728 per thousand
2403.19	—Other		Rs. 1000 per thousand
2403.20	—Cigarettes of tobacco substitutes		Rs. 1000 per thousand
	—Cigarillos:		
2403.31	—Of tobacco		<i>Nil</i>
2403.32	—Of tobacco substitutes		<i>Nil</i> ”;

(iii) for heading No. 24.04 and the entries relating thereto, the following shall be substituted, namely :—

*24.04

OTHER MANUFACTURED TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES; HOMOGENISED OR ‘RECONSTITUTED’ TOBACCO EXTRACTS AND ESSENCES

2402.10	—Smoking mixtures for pipes and cigarettes		225%
2404.20	—Cut tobacco		Rs. 50 per kilogram
	—Biris		
2404.31	—Other than paper rolled biris, manufactured without the aid of machines		Rs. 3.85 per thousand
2404.39	—Other		Rs. 8.60 per thousand
2404.40	—Chewing tobacco and preparations containing chewing tobacco		40%
2404.50	—Snuff of tobacco and preparations containing snuff of tobacco in any proportion		40%
	—Other :		
2404.91	—Not bearing a brand name		<i>Nil</i>
2404.99	—Other		40%”;

(5) in Chapter 27, after sub-heading No. 2710.14 and the entries relating thereto, the following sub-heading and the entries relating thereto shall be inserted, namely :—

“2710.15 —Natural Gasoline Liquid 15%”;

(1)	(2)	(3)	(4)
(6) in Chapter 28,—			

(i) for heading No. 28.04 and the entries relating thereto, the following shall be substituted, namely:—

“28.04	HYDROGEN, RARE GASES AND OTHER NON-METALS		
	—Oxygen (including liquified or solidified gas);		
2804.11	—Medicinal grade		5%
2804.19	—Other		20%
2804.90	—Other		20%”;

(ii) for heading No. 28.33 and the entries relating thereto, the following shall be substituted, namely:—

“28.33	SULPHATES; ALUMS; PEROXOSULPHATES (PURSULPHATES)		
2833.10	—Copper Sulphate		10%
2833.20	—Agricultural grade zinc sulphate intended for use as micronutrient		Nil
2933.90	—Other		20%”;

(iii) for heading No. 28.47 and the entries relating thereto, the following shall be substituted, namely:—

“28.47	HYDROGEN PEROXIDE, WHETHER OR NOT SOLIDIFIED WITH UREA		
	—Hydrogen peroxide:		
2847.11	—Medicinal grade		5%
2847.19	—Other		20%
2847.90	—Other		20%”;

(iv) for heading No. 28.51 and the entries relating thereto, the following shall be substituted, namely:—

“28.51	OTHER INORGANIC COMPOUNDS (INCLUDING DISTILLED OR CONDUCTIVITY WATER AND WATER OF SIMILAR PURITY); LIQUID AIR (WHETHER OR NOT RARE GASES HAVE BEEN REMOVED); COMPRESSED AIR; AMALGAMS, OTHER THAN AMALGAMS OF PRECIOUS METALS		
2851.10	—Compressed air		Nil
2851.90	—Other		20%”;

(7) in Chapter 29, for heading No. 29.25 and the entries relating thereto, the following shall be substituted, namely:—

“29.25	CARBOXYAMIDE-FUNCTION COMPOUNDS (INCLUDING SACCHARIN AND ITS SALTS) AND IMINE-FUNCTION COMPOUNDS		
2925.10	—Saccharin 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-heading and the entries shall be substituted, namely :—

	“—Medicaments, including those used in Ayurvedic, Unani, Siddha, Homoeopathic or Bio-chemic system:	
3003.31	—Manufactured exclusively in accordance with the formulae described in the authoritative books specified in the First Schedule to the Drugs and Cosmetics Act, 1940 (23 of 1940) or 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	<i>Nil</i>
3003.32	—Medicaments (including veterinary medicaments) used in Bio-chemic system and not bearing a brand name	<i>Nil</i>
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, TOOTH PASTE AND TOOTH POWDER) AND DENTURE FIXATIVE PASTE AND POWDERS	
3306.10	—Tooth powder and tooth paste	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 containing medicament or disinfectant	10%
3401.12	—Soap, in or in relation to the manufacture of which, no process has been carried on with the aid of power or of steam for heating	Nil
3401.19	—Other	20%”;

(ii) for heading No. 34.03 and the entries relating thereto, the following shall be substituted, namely :—

“34.03 LUBRICATING PREPARATION 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

(1)	(2)	(3)	(4)
3403.10	—Lubricating preparations (including cutting-oil preparations, bolt or nut release preparations anti-rust or anti-corrosion preparations and mould release preparations based on lubricants)		15%
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 PACKING 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 pesticides	10%
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	<i>Nil</i>
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		
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(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 MM.		
4404.10	—Veneer sheets, for match boxes and match splints	<i>Nil</i>
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 the packing of match sticks	<i>Nil</i>
4819.12	—Cartons, boxes, containers and cases, of corrugated paper or paperboard	<i>Nil</i>
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	—Yarn of waste wool including shoddy and garnetted stock of wool	5%
5106.12	—Other yarn containing 85% or more by weight of wool	10%
5106.13	—Other yarn containing less than 85% by weight of wool	10%
5106.90	—Other	<i>Nil</i> ";

(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 ANY MACHINES HAVE BEEN USED TO ACHIEVE BETTER FINISH DURING PRE-WEAVING OR POST-WEAVING OPERATIONS	<i>Nil</i>
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)	<i>Nil</i>
	5702.12	—Of jute	5%
	5702.19	—Other	30%
	5702.90	—Other	<i>Nil</i>

(1)	(2)	(3)	(4)
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 no process is ordinarily carried on with the aid of power	Nil
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 spectacle and flint buttons	Nil";
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(22) in Chapter 73—

(a) for heading No. 73.19 and the entries relating thereto, the following substituted, namely:—

"73.19		SEWING NEEDLES, KNITTING NEEDLES, BODKINS, CROCHET HOOKS, EMBROIDERY S ILETOS, AND SIMILAR ARTICLES,	
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(1)	(2)	(3)	(4)
		FOR USE IN THE HAND, OF IRON STEEL; SAFETY PINS AND OTHER PINS OF IRON OR STEEL, NOT ELSEWHERE SPECIFIED OR INCLUDED	
7319.10	—Sewing Needles		<i>Nil</i>
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		15%
	articles and parts thereof; pot scourers and scouring or polishing pads, gloves and the like		
7615.20	—Pressure Cookers		10%
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-heading and the entries shall be substituted, namely:—

	“—Power driven pumps primarily designed for handling water :		
8413.11	—Centrifugal pumps (horizontal or fertical)		<i>Nil</i>
8413.12	—Deep tube-well turbine pumps		<i>Nil</i>
8413.13	—Submersible pumsp		<i>Nil</i>
8413.14	—Axial flow and mixed flow vertical pumps		<i>Nil</i>
8413.19	—Other		10%
8413.20	—Hand pumps		<i>Nil</i>
8413.80	—Other		10%
	Parts :		
8413.91	—Of hand pumps for handling water		<i>Nil</i>
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 air-conditioning appliances and machinery	40%
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 OF A KIND USED FOR DOMESTIC PURPOSES; INSTANTANEOUS OR 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%

(1)	(2)	(3)	(4)
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(v) in heading No. 84.22, for sub-heading No. 8422.90 and the entries relating thereto, the following sub-headings and the entries shall be substituted, namely:—

“8422.80	—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 or horticulture	Nil
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 the entries relating thereto, the following sub-headings and the entries shall be substituted, namely:—

“8481.10	—Expansion valves and Solenoid valves for refrigerating and air-conditioning appliances and machinery 40%	
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%”;

(1)	(2)	(3)	(4)
	(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 OR 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%”;

(1)	(2)	(3)	(4)
(26) in Chapter 87,—			
(i) for heading Nos. 87.01, 87.02 and 87.03 and the entries relating thereto, the following shall be sub-stituted, namely :—			
“87.01	TRACTORS (OTHER THAN TRACTORS OF HEADING No. 87.09)		
8701.10	—Tractors of engine capacity not exceeding 1800cc		<i>Nil</i>
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 transport of more than six persons, but not more than twelve persons, excluding the driver		20%
8702.90	—Other		15%
87.03	8703.00	MOTOR CARS AND OTHER MOTOR VEHICLES PRINCIPALLY DESIGNED FOR THE TRANSPORT OF NOT MORE THAN SIX PERSONS, EXCLUDING THE DRIVER, INCLUDING RACING CARS	40%”;

(ii) in heading No. 87.06, for sub-heading Nos. 8706.10 and 8706.20 and the entries relating thereto, the following sub-heading 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	<i>Nil</i>
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 exceeding 75 cubic centimetres		15%
8711.20	—Two-wheeled motor vehicles of engine capacity exceeding 75 cubic centimetres		25%
8711.30	—Side-cars		15%

(1)	(2)	(3)	(4)
	(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 lenses		<i>Nil</i>
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, PANTOGRAPHES, PROTRACTORS, DRAWING SETS, SLIDE RULES, DISC CALCULATORS); INSTRUMENTS FOR MEASURING LENGTH, FOR USE IN THE HAND (FOR EXAMPLE, MEASURING RODS AND TAPES, MICRO-METERS, CALLIPERS), NOT SPECIFIED OR INCLUDED ELSEWHERE IN THIS CHAPTER		
9017.10	—Drawing and mathematical instruments		<i>Nil</i>
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		<i>Nil</i>
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		<i>Nil</i>
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	<i>Nil</i>
9606.90	—Other	20%”;

THE FOURTH SCHEDULE
 (See section 83)
PART I

In the First Schedule to the Additional Duties of Excise Act,—

(1) in sub-heading No. 1701.31, 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 substituted;

(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 5406.29, for the entries in column (4), occurring against each of them, the entry “10%” shall be substituted;

(7) in sub-heading Nos. 5407.21, 5407.22, 5497.23 and 5407.29, for the entry in column (4), occurring against each of 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 5801.22, for the entry in column (4), occurring against each of them, the entry “10%” shall be substituted;

(13) in sub-heading No. 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 No. 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		Rs. 256 per thousand

2403.15	70 millimetres but not exceeding 75 millimetres —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
2403.32	—Cigarillos: —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 preparation 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%”

THE FIFTH SCHEDULE (See section 84)

In the Schedule to the Additional Duties of Excise (Textiles and Textiles Articles) Act, against S. No. 7, for the entries 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”.