

Postal Regn.No. DL(C)-01/1251/09-11
WORLD TRADE Licence to Post without
Prepayment U(C)-30/09-11
SCANNER RNI No. 42906/84

ISSN: 0971-8095

Single copy Rs. 20 \$2

Vol. XXVI No 49 03-09 March 2010

Promoted by Indian Institute of Foreign Trade, World Trade Centre,
Academy of Business Studies

Annual subscription Rs 750

Budget Notes 2010-2011 – TRU Letter and Chapter wise Explanatory Notes

Text of D.O.F.No.334/ 1/2010-TRU New Delhi, dated the 26th February, 2010 from Commissioner TRU to All Chief Commissioner/Commissioner

The Finance Minister has introduced the Finance Bill, 2010 in Lok Sabha today, i.e., 26th February, 2010. Changes in excise and customs duties have been proposed through the Finance Bill, 2010 (clauses 57 to clause 74, clauses 82 to 86) and through Notification Nos. 15/2010-Customs to 31/2010-Customs, 18/2010-Customs (NT), 3/2010-CE to 18/2010-CE, and 10/2008-CE (NT) to 14/2008-CE (NT), all dated 27th February, 2010. Changes

in rates of duty (unless otherwise stated) take effect from the midnight of 26th February/27th February of 2010. The legislative changes, except through clauses 60, 62, 74, 85 and 86 declared under the Provisional Collection of Taxes Act, 1931, would come into effect only upon the enactment of the Finance Bill, 2010.

2. The important changes in respect of customs and Central excise duty are discussed below.

EXPLANATORY NOTES (CUSTOMS)

Note: All changes come into effect immediately unless otherwise specified.

GENERAL

Peak Rate:- There is no change in the peak rate of Customs Duty. Chapter wise changes in customs duty rates, are given below:

Chapter 1 to 8

No change

Chapter 9

9.1 Customs duty on Long pepper (Piper longum) is being reduced from 70% to 30%. (S. No. 17A of notification No.21/2002-customs as amended *vide* notification no. 21/2010-Customs dated 27.2.2010 refers)

Chapter 10 to 12

No change

Chapter 13

13.1 Customs duty on Asafoetida is being reduced from 30% to 20%. (S. No. 26A of notification No.21/2002-customs as amended *vide* notification no. 21/2010-Customs dated 27.2.2010 refers)

Chapter 14 to 23

No change

Chapter 24

The existing slab of filter cigarettes of length not exceeding 70 mm is being broken up into two slabs: filter cigarettes of length not exceeding 60 mm; and filter cigarettes of length exceeding 60 mm but not exceeding 70 mm. The existing rate of 30% is being prescribed for the new tariff item also. (Clause 62 of Finance Bill, 2010 read with Third Schedule refers)

Chapter 25

No change

Now on Sale

ARUN GOYAL

Budget 2010-2011

BIG's EASY REFERENCE

CUSTOMS TARIFF 2010-2011

As on 27 February 2010

- New CVD of 10% Included
- Presentation in Single Volume covering 1300 pages plus
- 11 Col Format with Each Tariff Code covering - Basic – CVD Excise – CVD VAT– Total duty with Edu Cess – Import Policy, NTBs – Country Preferences – Import Val 08-09
- Covers February 2010 Customs and Ex-cise Changes
- Special Section on 4% CVD – Exemption on Packaged Goods
- 196 Anti-Dumping Duty and 10 Safeguards Duty Notifications in Respective Chapters.
- Country Preferences: Singapore, ASEAN, Thai, SAFTA, SAPTA, Sri Lanka, Nepal, Chile, LDCs, Afghanistan, APTA, Korea, FTAs

Send Order Today on academy.delhi@gmail.com,
Tel: (011) 23281314, Fax: (011) 3018 3438

Chapter 26

26.1. Customs duty on gold ores and concentrates for use in manufacture of gold is being fully exempted. These goods will, however, be levied concessional CVD at the rate of Rs.140 per 10 gms of gold content. Gold ore is also being fully exempted from additional duty of customs (special CVD). All the above concessions are subject to end use condition. (S. No.518A of notification No. 21/2002- Customs, dated 01.03.2002 as inserted vide S. No. (xxv) of notification No. 21/2010-Customs dated 27.2.2010; S. No.8A of notification No. 20/2006-Customs, dated 01.03.2006 as inserted vide S. No. (i) of notification No. 24/2010-Customs, dated 27.02.2010 refers).

Chapter 27

27.1 Outright exemption from 4% Additional Duty of Customs (Special CVD) is being provided to Carbon Black Feed Stock (S. No. 68 of notification No.20/2006-customs as amended vide notification no. 24/2010-Customs dated 27.2.2010 refers).

27.2 Basic customs duty on crude is being increased from Nil to 5% (S. No. 487 of notification No.21/2002-customs as amended vide notification no. 21/2010-Customs dated 27.2.2010 refers)

27.3 Basic customs duty on Motor Spirit (Petrol) and HSD (Diesel) is being increased from 2.5% to 7. 5% (S. No. 488A & 488B of notification No.21/2002-customs as amended vide notification no. 21/2010-Customs refers)

27.4 Basic customs duty on other petroleum products is being increased from 5% to 10% However, Naphtha, LPG, LNG, Petroleum Gases and Pet coke continue to attract 5% basic customs duty (S. No. 592 to 596 of notification No.21/2002-customs as amended vide notification no. 21/2010-Customs dated 27.2.2010 refers)

27.5 Sub-heading 2712 20, tariff items 2712 20 10 and 2712 20 90 are being substituted with tariff item 2712 20 00 covering „Paraffin wax containing by weight less than 0.75% of oil and after the tariff item 2712 90 30, tariff item 2712 90 40 is being inserted for „Paraffin wax containing by weight 0.75% of oil or more (Clause 62 of Finance Bill, 2010 read with Third Schedule refers)

27.6 Electrical energy removed from a Special Economic Zone to the Domestic Tariff Area and non - processing areas of SEZ would now attract

duty of 16% ad valorem + Nil Special CVD. This change is being made retrospectively w.e.f. 26th June, 2009. Exemption on supplies or imports of electrical energy, other than the above, would continue to be exempt. Import of electrical energy is also being fully exempted from 4% Special CVD. While the increase in duty comes into effect immediately under the provisions of Provisional Collection of Taxes Act, the exemptions will come into force only on the date of enactment of the Finance Bill, 2010. Consequently, exemption from basic customs duty and from 4% Special CVD mentioned above are being provided for the intervening period through notifications. (Notification Nos. 25/2010- customs & 26/2010-Customs both dated 27.2.2010 and Clause 60 read with the Second Schedule of the Finance Bill, 2010 refers.)

Chapter 28 to 38

No change

Chapter 39

39.1 Full exemption from basic customs duty is being provided to compostable polymers/bio-plastic used for manufacture of bio-degradable agro mulching films, nursery plantation and flower pots. (S.No. 142B of the notification No. 21/2002-Customs, dated 01.03.2002 as inserted vide Notification No. 21/2010- Customs dated 27.02.2010 refers).

39.2 Full exemption from basic customs duty and additional duty of customs equivalent to excise duty (CVD) is being provided to imports of security fibre, security threads, M-feature for use in the manufacture of Security paper by Security Paper Mill Hoshangabad. (S.No. of the notification No. 21/2002-Customs, dated 01.03.2002 as inserted vide Notification No. 24/2010- Customs dated 27.02.2010 refers).

Chapter 40 to 46

No change

Chapter 47

47.1 Outright exemption from 4% Additional Duty of Customs (Special CVD) is being provided to wastepaper and paper scrap (S.No. 69 of the notification No. 20/2006-Customs, dated 01.03.2006 as inserted vide Notification No. 24/2010- Customs dated 27.02.2010 refers).

Chapter 48 to 70

No change

Chapter 71

71.1. Basic customs duty rate on gold, silver and platinum are being revised as under:-

| S.No. | Item | From | To |
|-------|--|-------------------|-------------------|
| 1. | Gold bars, other than tola bars, bearing Manufacturer s or refiner s engraved serial number and weight expressed in metric units, and gold coins | Rs. 200 per 10 gm | Rs. 300 per 10 gm |
| 2. | Gold in any form (other than those specified, against S. No. 1) | Rs. 500 per 10 gm | Rs. 750 per 10 gm |
| 3. | Silver in any form | Rs. 1000 per Kg | Rs. 1500 per Kg |

The above rates would also apply to import of gold and silver including ornaments (excluding ornaments studded with stones or pearls) are imported as personal baggage by passengers coming to India. (Notifications No.172/1994-

Customs, dated the 30th September, 1994, No.31/2003-Customs, dated the 1st March, 2003 and No.62/2004-Customs, dated the 12th May, 2004 as amended vide Notification No. 17/2010-Customs, dated 27.02.10 refers)

71.2. Customs duty on platinum is being increased from "Rs.200 per 10 grams" to "Rs.300 per 10 grams" (S. No.189 of notification No. 21/2002- Customs, dated 01.03.2002 as substituted vide S. No. (v) of notification No. 21/2010-Customs, dated 27.02.2010 refers).

71.3 Basic customs duty on rhodium is being reduced from 10% to 2% (S. No.189A of notification No. 21/2002- Customs, dated 01.03.2002 as inserted vide S. No. (vi) of notification No. 21/2010-Customs, dated 27.02.2010 refers).

Chapter 72 to 83

No change

Chapter 84 & 85

84.1 Concessional customs duty of 5% on specified plantation machinery, which was available up to 6th July, 2010, is being extended up to 31st March, 2011. (Clause (b) in the proviso to the preamble of notification No. 21/2002-Customs as amended vide notification No. 21/2010-Customs dated 27.2.2010 refers).

84.2 Full exemption from basic customs duty is being provided to Geothermal ground source heat pumps with Nil special CVD. (S. No. 597 of notification No. 21/2002-Customs inserted vide notification No. 21/2010-Customs dated 27.2.2010 and S. No. 70 of notification No. 20/2006-Customs inserted vide notification No. 24/2010-Customs dated 27.2.2010 refers).

84.3 Full exemption from basic customs duty and CVD is being provided to tunnel boring machines used for hydro-electric projects (S. No. 598 of notification No. 21/2002-Customs inserted vide notification No. 21/2010-Customs dated 27.2.2010 refers).

84.4 Basic customs duty on specified agricultural machinery is being reduced from 7.5% to 5%. (S. No. 599 of notification No. 21/2002-Customs inserted vide notification No. 21/2010-Customs dated 27.2.2010 refers).

84.5 Full exemption from basic customs duty is being provided to truck refrigeration unit (S. No. 600 of notification No. 21/2002-Customs inserted vide notification No. 21/2010-Customs dated 27.2.2010 refers).

84.6 Customs duty on all items of machinery, including prime movers, instruments, apparatus and appliances, control gear and transmission equipment and auxiliary equipment (including those required for testing and quality control) and components, required for initial setting up of a solar power generation project or facility is being reduced to 5%. (Notification No. 30/2010-Customs dated 27.2.2010 refers).

84.7 Specified road construction machinery items are presently fully exempt from customs duty subject to specified conditions which restrict sale or disposal of such equipment for 5 years from the date of import. However, use of such equipment for similar road projects for which the

Subscription rate for the Weekly Index with World Trade Scanner

| | | | |
|--------------------------|------------|----------|---------|
| <input type="checkbox"/> | Six months | Rs. 375 | US\$45 |
| <input type="checkbox"/> | 1 Year | Rs. 750 | US\$70 |
| <input type="checkbox"/> | 2 Years | Rs. 1400 | US\$140 |
| <input type="checkbox"/> | 3 Years | Rs. 2100 | US\$200 |

importer would be otherwise eligible for duty free imports under the same notification is currently permissible. Amendments are being made to permit sale or disposal of such machinery items at depreciated value on payment of customs duties on depreciated value at the rates applicable at the time of import subject to specified conditions. (Condition 40 in the Annexure to the notification No. 21/2002-Customs amended *vide* as amended *vide* notification No. 21/2010-Customs dated 27.2.2010 refers).

85.1 Full exemption from basic customs duty and CVD presently available on parts, components and accessories for manufacture of mobile handsets including cellular phones and their parts, is being extended to parts, components for manufacture of battery chargers and hands-free headphones of mobile handsets including cellular phones. (Notification No. 23/2010-Customs dated 27.2.2010 refers).

85.2 Full exemption from basic customs duty and CVD presently available on parts, components and accessories for manufacture of mobile handsets including cellular phones and their parts, valid up to 6th July, 2010 is now being extended to parts and components of battery chargers and hands-free headphones of mobile handsets including cellular phones. This exemption is valid up to 31st March, 2011. (Notification No. 28/2010-Customs dated 27.2.2010 refers).

85.3 Exemption is being provided to motion pictures, music, gaming software for use on gaming consoles, recorded on media falling under heading 8523, from so much of the basic customs duty, additional duty of customs leviable thereon under sub-sections (1) and (5) of section 3 of the Customs Tariff Act, 1975 as is in excess of the duties which would be leviable if the value of the said goods, for the purposes of sub-section (1) of section 14 of the said Customs Act, were equal to the aggregate of cost of the carrier medium and the freight and insurance charges incurred in respect of the carrier medium. (Notification No. 27/2010-Customs dated 27.2.2010 refers). However, the motion pictures, music, gaming software for use on gaming consoles imported in pre-packaged form intended for retail sale will attract customs duty on the value determined in terms of the provisions of the Customs Act, 1962.

85.4 Promotional material (like Trailers, Making of Film etc.) imported in the form of Electronic Promotion Kits (EPK)/ Beta Cams are being exempted from basic customs duty and CVD. (S. No. 603 of notification No. 21/2002-Customs inserted *vide* notification No. 21/2010-Customs dated 27.2.2010 refers).

85.5 Packaged software or canned software, is at present exempted from so much of the CVD, as is equivalent to the duty payable on the portion of the value of the packaged software determined under section 14 of the Customs Act, or the rules made thereunder, read with sub-section (2) of section 3 of the Customs Tariff Act, which represents the consideration paid or payable for transfer of the right to use such goods provided that the said transfer of the right to use shall be for commercial exploitation. The

condition of commercial exploitation is being removed. Consequently, the exemption would be available on imported packaged software in all cases. (Notification 31/2010-Customs dated 27.2.2010 refers).

85.6 Basic customs duty on magnetrons of up to 1000KW used for manufacture of domestic microwave ovens is being reduced from 10% to 5%. (S. No. 601 of notification No. 21/2002-Customs inserted *vide* notification No. 21/2010-Customs dated 27.2.2010 refers).

Chapter 87

87.1. Certain specified goods for use in manufacture of electrically operated vehicles are also being fully exempted from basic customs duty and special additional duty of customs. Such goods will, however, be subject to CVD at the rate of 4% at the time of import. The same is subject to end use condition and is applicable till 31st March, 2013. (S. No.345A of notification No. 21/2002- Customs, dated 01.03.2002 as inserted *vide* S. No. (xii) of notification No. 21/2010-Customs dated 27.2.2010; S. No.9A of notification No. 20/2006- Customs, dated 01.03.2006 as inserted *vide* S. No. (ii) of notification No. 24/2010-Customs, dated 27.02.2010 refers)

Chapter 90

90.1 Customs duty on all medical, surgical, dental and veterinary equipments etc is being reduced from 7.5% to 5%. These goods are also being exempted from special CVD (S. No. 357A of notification No. 21/2002-Customs inserted *vide* notification No. 21/2010-Customs dated 27.02.2010 and S. No. 71 of notification No. 20/2006-Customs inserted *vide* notification No. 24/2010-Customs dated 27.02.2010 refers).

90.2 Customs duty on all parts and accessories of medical, surgical, dental and veterinary equipments etc is being reduced from 7.5% to 5%. These goods are also being exempted from special CVD (S. no. 357B of notification No. 21/2002-Customs inserted *vide* notification No. 21/2010-Customs dated 27.02.2010 and S. No. 72 of notification No. 20/2006-Customs inserted *vide* notification no. 24/2010-Customs dated 27.02.2010 refers).

90.3 Exemption from CVD on imports of hospital equipment for use in specified hospitals and life saving equipment is being withdrawn. These imports will now attract a CVD of 4%. However, (S. No s 362 & 365 of notification No. 21/2002-Customs, amended *vide* notification No. 21/2010-Customs dated 27.2.2010 refers).

90.4 Specified lists of medical equipment and other goods, their parts, spares and accessories attracting concessional customs duty are being omitted. (S. Nos. 363, 367 to 369 of notification No. 21/2002-Customs *omitted vide* notification No. 21/2010-Customs dated 27.2.2010 refers).

Chapter 91 to 97

No change

Chapter 98

98.1 Monorail projects for urban public transport are being notified under project imports. These projects will attract a customs duty of 5%. (S. No

38 of notification No. 42/96-Customs, inserted *vide* notification No. 19/2010-Customs dated 27.2.2010 refers).

98.2 Setting up of digital headend is being notified under project imports. These projects will attract a customs duty of 5% and nil special CVD. (S. No 39 of notification No. 42/96-Customs inserted *vide* notification No. 19/2010-Customs dated 27.2.2010 and S. No 73 of notification No. 20/2006-Customs, inserted *vide* notification No. 24/2010-Customs dated 27.2.2010 refers).

98.3 Installation of mechanized food grain handling systems and pallet racking systems in mandis and warehouses for food grains and sugar is being notified under project imports. These projects will attract a basic customs duty of 5% + Nil CVD + Nil special CVD. (S. No 40 of notification No. 42/96-Customs inserted *vide* notification No. 19/2010-Customs dated 27.2.2010 and S. No 602 of notification No. 21/2002-Customs inserted *vide* notification No. 21/2010-Customs dated 27.2.2010 and S. No 74 of notification No. 20/2006-Customs, inserted *vide* notification No. 24/2010-Customs dated 27.2.2010 refers).

98.4 Cold storage/cold room (including for farm level pre-cooling) or industrial projects for preservation, storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic & marine produce and meat is being notified under project imports. These projects will attract a customs duty of 5%. (S. No 41 of notification No. 42/96-Customs, inserted *vide* notification No. 19/2010-Customs dated 27.2.2010 refers).

Additional Duty of Customs (Special CVD) of 4%

Goods imported in pre-packaged form and intended for retail sale and certain specified goods namely, ready-made garments, mobile phones and watches are being provided an outright exemption from additional duty of customs of 4%. (Notification No. 29/2010-Customs dated 27.2.2010 refers). The existing exemption by way of refund would continue on other items.

Legislative & Miscellaneous Changes

M.1 Section 127 of the Customs Act, 1962, dealing with Settlement Commission, is being amended so as to restore certain provisions as they obtained prior to the enactment of the Finance Bill, 2007. Accordingly, the prohibition on filing of applications for the settlement of cases where an assessee admits short-levy in respect of goods for which no entry is being made under the provisions of the Act (i.e. cases of mis-declaration, suppression etc.) is being removed. Similarly, the restriction that an assessee may seek only one-time settlement is also being relaxed. The Commission is being empowered to extend the time limit of nine months for disposal of applications by another three months, for reasons to be recorded in writing.

M.2 Section 3 of the Customs Tariff Act is being amended to provide that the value of the imported goods for the purpose of charging CVD in respect of goods chargeable to excise duty on the basis of Maximum Retail Sale Price under

Medicinal and Toilet Preparations (Excise Duties) Act, 1955 shall be the retail sale price declared on such imported goods less the amount of abatement, if any. This change will come into effect on enactment of the Finance Bill.

M.3 Rule 2 (b) of the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 is amended to align the same in line with the provisions of article 4.1(i) of the WTO s Anti-Dumping Agreement (Notification No. 18/2010- Customs (N.T.) dated 27.02.2010 refers).

M.4 The import duty exemption provided for specified raw materials for use in electronics/IT industry is being extended to some more items (S.No s 79, 225, 234 & 235 of notification No. 25/99-Customs as amended / inserted vide notification No. 20/2010-Customs dated 27.2.2010 refers). However, the exemption will be subject to the existing specified conditions.

M.5 The import duty exemption provided for specified capital goods for use in electronics/IT industry is being extended to some more items (S.No s 2, 7, 11 & 41 of notification No. 25/2002-Customs as amended vide notification No. 22/2010-Customs dated 27.2.2010 refers). However, the exemption will be subject to the existing specified conditions.

M.6 Customs duty on six more specified items for use in manufacture of sports goods is being reduced to nil. (S. No. 583 of notification No. 21/2002-Customs amended vide notification No. 21/2010-Customs dated 27.2.2010 refers). However, the exemption will be subject to the existing overall value limit of 3% and other specified conditions.

M.7. Basic Customs duty is being fully exempted on Special Grade Stainless Steel, Titanium Alloys, Cobalt-Chrome Alloys and High-Density Polyethylene, used for the manufacture of Orthopedic implants (S.No. 142C of the notification No. 21/2002-Customs, dated 01.03.2002 as inserted vide Notification No. 21/2010- Customs dated 27.02.2010 refers).

M.8. The current limit of Rs. 1 lakh per annum for duty free import of samples under Notification No.154/1994-Customs, is being enhanced to Rs. 3 lakh per annum (Notification No.154/1994-Customs, dated 13.7.1994 as amended vide Notification No. 16/2010-Customs, dated 27.02.2010 refers).

EXPLANATORY NOTES (EXCISE)

Note: All changes come into effect immediately unless otherwise specified.

GENERAL

Enhancement of Standard Rate: - The standard rate of excise duty, which was reduced to 8% in February 2009 as a part of the Stimulus package on non-petroleum products is now being enhanced from 8% to 10% with a few exceptions. Consequent to the increase in the standard rate, rates of excise duty on certain products like Cement, Large Cars etc. are also being suitably enhanced. Chapter wise changes in excise duty rates, other than enhancement of standard rate

from 8% to 10%, are given below:

Chapters 1 to 10

No change.

Chapter 11

11.1 Excise duty exemption on Tapioca Starch & Maize Starch is being withdrawn and these products will now attract excise duty at 4%. (S.No. 3 of Notification 3/2006-CE as amended by the notification 9/2010-CE dated 27.02.2010 refers)

11.2 Excise duty on potato starch is being reduced from 8% to 4 %.(S.No. 3 of Notification 3/2006-CE as amended by the notification 9/2010-CE dated 27.02.2010 refers)

Chapters 12 to 20

No change.

Chapter 21

21.1 Excise duty on Betel nut product known as „Supari is being fully exempted from excise duty. However, Scented Supari will continue to attract duty at applicable rates. (S.No. 27A of Notification 3/2006-CE as amended by the noti-

fication 9/2010-CE dated 27.02.2010 refers)

21.2 Pan Masala Packing Machines (Capacity Determination and Collection of Duty) Amendment Rules, 2010 have been issued to amend Pan Masala Packing Machines (Capacity Determination and Collection of Duty) Rules, 2008 to effect certain technical changes in the said rules (Notification No. 8/2010-Central Excise (N.T.), dated 27.02.2010 refers).

Chapter 22 & 23

No change.

Chapter 24

24.1 The existing slab of filter cigarettes of length not exceeding 70 mm is being broken up into two slabs: *filter cigarettes of length not exceeding 60 mm*; and *filter cigarettes of length exceeding 60 mm but not exceeding 70 mm* (Clause 74 of the Finance Bill refers). Suitable rates are being prescribed for these slabs. The basic excise duty (BED) on other cigarettes is also being revised. The revised rates of excise duty including basic excise, additional excise and NCCD on cigarettes are as under:

| SNo. | Description | Present Rate | Proposed Rate |
|--------------------------------|-----------------------------------|-----------------------|----------------------------------|
| Non-filter length in mm | | | |
| | | (Rs. per 1000) | |
| 1. | Not exceeding 60 | 819 | 669(509 BED+70 AED+90 NCCD) |
| 2. | Exceeding 60 but not exceeding 70 | 1323 | 1473(1218 BED+110 AED +145 NCCD) |
| Filter length in mm | | | |
| 3. | Not exceeding 60 | 819 | 669(509 BED+70 AED +90 NCCD) |
| 4. | Exceeding 60 but not exceeding 70 | 969 | (809 BED+70 AED +90 NCCD) |
| 5. | Exceeding 70 but not exceeding 75 | 1323 | 1473(1218 BED+110 HC+145 NCCD) |
| 6. | Exceeding 75 but not exceeding 85 | 1759 | 1959(1624 BED+145 AED +190 NCCD) |
| 7. | Others | 2163 | 2363(1948 BED+180 HC+235 NCCD) |
| 8. | Cigarettes of tobacco substitutes | 1208 | 1408(1258 BED +150 NCCD) |

Note: BED, AED and NCCD stands for Basic Excise Duty, Additional Excise Duty and National Calamity Contingent Duty respectively.

Effective rate of basic excise duty for cigarettes (both filter and non-filter) of length not exceeding 60 millimeters is being prescribed separately. (Notification No. 18/2010-Central Excise dated 27.02.2010 refers)

24.2 At present, cigars, cheroots and cigarillos of tobacco attract ad valorem rate of basic excise duty (BED) of 8% plus health cess of 1.6%. These rates are now being replaced with a composite rate of "10% or Rs.1227 per thousand, whichever is higher" (BED) and "1.6% or Rs.246 per thousand whichever is higher" (AED). Cigars, cheroots and cigarillos of tobacco substitutes will now attract BED of "10% or Rs.1473/1000" whichever is higher

24.3 Basic excise duty on branded unmanufactured tobacco and tobacco refuse is being increased from 42% to 50%.

24.4 Basic excise duty on chewing tobacco, preparations containing chewing tobacco, zarda, scented tobacco, snuff and its preparations, tobacco extracts and essences etc. is being increased from 50% to 60%. The rates of abatement of the commodities are also being accordingly revised. (Notification No. 9/2010-Central Excise (N.T.) dated 27.02.2010 refers).

24.5 Basic excise duty on branded homogenized or reconstituted tobacco is being increased from

50% to 60%.

24.6 Basic excise duty on items of other smoking tobacco (branded) is being increased from 34% to 40%.

24.7 Basic excise duty on smoking mixtures of pipes and cigarettes is being increased from 300% to 360%.

24.8 Basic excise duty on cut tobacco is being increased from Rs.50 per kg. to Rs.60 per kg.

24.9 Basic excise duty on manufactured tobacco other than chewing tobacco, preparations containing chewing tobacco, zarda scented tobacco, snuff and its preparations, tobacco extracts and essences etc and is being increased from 50% to 60%.

(Clause 74 of the Finance Bill 2010 refers for changes in 24.1 to 24.9 above)

24.10 The duty on other Pan Masala is being increased from 8% to 10%. (Entry no. 29A of Notification no. 3/2006-Central Excise as amended by Notification no. 9/2010- Central Excise dated 27.02.2010 refers).

24.11 Basic excise duty on branded „hookah or „gudaku tobacco is being increased from 8% to 10%. (Entry no. 33 of Notification no. 3/2006-Central Excise as amended by Notification no.

9/2010- Central Excise dated 27.02.2010 refers).

24.12 The duty on other smoking tobacco (un-branded) is being increased from 8% to 10%. (Entry no. 35 of Notification no. 3/2006- Central Excise as amended by Notification no. 9/2010- Central Excise dated 27.02.2010 refers).

24.13 The duty on other manufactured tobacco and manufactured tobacco substitutes (un-branded) is being increased from 8% to 10%. (Entry no. 40 of Notification no. 3/2006- Central Excise as amended by Notification no. 9/2010- Central Excise dated 27.02.2010 refers)

24.14 The AED on cigars, cheroots and cigarillos of tobacco is being revised from 1.6% to "1.6% or Rs.246 per thousand whichever is higher" (Entry no. 4&5 of Notification no. 6/2005- Central Excise as amended by Notification no. 8/ 2010- Central Excise dated 27.02.2010 refers)

24.15 Unmanufactured tobacco, bearing a brand name, falling under tariff heading 2401 of the Excise Tariff and chewing tobacco falling under tariff item 2403 99 10 of the said Tariff, manufactured with the aid of packing machine and packed in pouches have been declared as "notified goods" under Section 3A of the Central Excise Act, and, accordingly, these shall be levied to duty of excise in accordance with the provisions

Mini cement plant:

| Cement | Present rate | Proposed rate |
|---|-------------------|------------------|
| 1. Cleared in packaged form,- | | |
| (i) of retail sale price not exceeding Rs. 190 per 50 kg bag or of per tonne equivalent retail sale price not exceeding Rs. 3800; | Rs.145 per tonne | Rs.185 per tonne |
| (ii) of retail sale price exceeding Rs. 190 per 50 kg bag or of per tonne equivalent retail sale price exceeding Rs. 3800; | Rs. 250 per tonne | Rs.315 per tonne |
| 2. Cleared other than in packaged form per tonne | Rs. 170 per tonne | Rs.215 |

Other than mini cement plant:

| Cement | Present rate | Proposed rate |
|---|--|---|
| 1. Cleared in packaged form,- | | |
| (i) of retail sale price not exceeding Rs. 190 per 50 kg bag or of per tonne equivalent retail sale price not exceeding Rs. 3800; | Rs. 230 per tonne | Rs.290 per tonne |
| (ii) of retail sale price exceeding Rs. 190 per 50 kg bag or per tonne equivalent retail sale price exceeding Rs. 3800 | 8% of retail sale price | 10% of retail sale price |
| 2. Cleared other than in packaged form | 8% or Rs. 230 per tonne, whichever is higher | 10% or Rs.290 per tonne whichever is higher |
| Cement clinker | Rs.300 per tonne | Rs. 375 per tonne |

(S.No. (i) to (v) of notification No. 10/2010- Central Excise dated 27.02.2010 refers).

Chapter 26

No change.

Chapter 27

27.1 A new cess to be called „Clean Energy Cess is being imposed on Coal, Lignite and peat (CETH 2701, 2702, & 2703) produced in India. This will come into force from the date to be notified after the enactment of the Finance Bill, 2010. (Clause 82 & 83 of the Finance Bill, 2010 read with the Tenth schedule refers)

of the section 3A (Notification No. 10/2010-Central Excise (N.T.), dated 27.02.2010 refers). The rate of duty to be levied on these goods under Section 3A per machine per month for different denomination of Retail Sale Price (RSP) of pouches has been specified in notification No. 16/2010-Central Excise, dated 27.02.2010. Further, Chewing Tobacco and Unmanufactured Tobacco Packing Machines (Capacity Determination and Collection of Duty) Rules, 2010 are also being issued for administration of the new levy. This new levy shall be effective from 08.03.2010. (Notification No. 11/2010-Central Excise (N.T.) dated 27.02.2010 refers).

24.16 Pan Masala Packing Machines (Capacity Determination and Collection of Duty) Amendment Rules, 2010 have been issued to amend Pan Masala Packing Machines (Capacity Determination and Collection of Duty) Rules, 2008 to effect certain technical changes in the said rules (Notification No. 8/2010-Central Excise (N.T.), dated 27.02.2010 refers).

Chapter 25

25.1 Consequent to enhancement in the standard rate of duty from 8% to 10%, the specific rates of duty on cement and cement clinker is also being revised upwards as follows:

27.2 Excise exemption on Avgas is being withdrawn and 4% excise duty is being imposed on it. (S.No.16 of the Notification No. 4/2006-CE dated the 1st March 2006 as amended vide notification no. 10/2010- Central Excise dated 27.02.2010 refers).

27.3 The rates of excise duty on Motor Spirit (commonly known as petrol) and HSD (diesel) are being increased by Re.1 per litre. The revised rates of duty on these items are as under:

| Description | Intended for sale without Brand Name | Intended for sale with Brand Name |
|--------------|--------------------------------------|-----------------------------------|
| Motor Spirit | *Rs.14.35 per litre | *Rs.15.50 per litre |
| HSD | **Rs.4.60 per litre | **Rs.5.75 per litre |

Note: *Includes Rs.2 additional excise duty and Rs.6 special additional excise duty. ** Includes Rs.2 additional excise duty.

(S.No.17 & 19 of the Notification No. 4/2006-CE dated the 1st March 2006 as amended vide notification No. 10/2010- Central Excise dated 27.02.2010 refers).

27.4 Sub-heading 2712 20, tariff items 2712 20 10 and 2712 20 90 have been substituted by tariff item „2712 20 00 covering the item „Paraffin wax containing by weight less than 0.75% of oil . Tariff item „2712 90 40 is being inserted to cover „Paraffin wax containing by weight 0.75% of oil or more. There is no change in the duty structure.

Chapter 28 to 32

No change.

Chapter 33

33.1 Excise duty is being exempted on security ink manufactured by Bank Note Press, Dewas (Madhya Pradesh) and supplied to Bank Note Press, Dewas, Currency Note Press, Nashik, India Security Press, Nashik, Security Printing Press, Hyderabad, Bhartiya Reserve Bank Note Mudran Limited, Mysore and Bhartiya Reserve Bank Note Mudran Limited, Salbony. (S.No. (xvii) of notification No. 10/2010- Central Excise dated 27.02.2010 refers).

33.2 Excise duty is being exempted on Fractionated/ De-terpenated Mentha oil (DTMO), Dementholised Oil (DMO), Spearmint oil, Mentha Piperita oil and any other by products/ intermediate arising in the course of manufacture of Menthol (S.No. (xviii) Of notification No. 10/ 2010- Central Excise dated 27.02.2010 refers).

Chapter 34 to 39

No change.

Chapter 40

40.1 Excise duty on latex rubber thread of tariff item 4007 00 10 is being reduced from 8% to 4% (S.No. 82 of the notification No. 4/2006-Central Excise as amended vide notification No. 10/ 2010-Central Excise dated 27.02.2010 refers).

40.2 Excise duty on Toy Rubber Balloons of Natural Rubber Latex falling under heading 40 is being reduced from 8% to Nil (S.No. 85A of the notification No. 4/2006-Central Excise as inserted vide Notification No. 10/2010- Central Excise dated 27.02.2010 refers).

Chapter 41-47

No change.

Chapter 48

48.1 Excise duty at 10% is being imposed on Baby and clinical diapers, which were fully exempt so far. (Relevant bill entries read with S.No. 96B of the notification No. 4/2006-Central

Excise as inserted vide Notification No. 10/2010- Central Excise dated 27.02.2010 refers).
48.2 Excise duty exemption on Sanitary napkins is also being withdrawn and these goods will now attract standard rate of duty at 10% (Relevant bill entries read with S.No. 96C of the notification No. 4/2006-Central Excise as inserted vide Notification No. 10/2010- Central Excise dated 27.02.2010 refers).

48.3 Excise duty on Cartons, boxes and cases, of corrugated paper or paperboard manufactured by Standalone manufacturers is being reduced from 8% to 4% (S.No. 96E of the notification No. 4/2006-Central Excise as inserted vide Notification No. vide notification No. 10/2010-Central Excise dated 27.02.2010 refers).

Chapter 50 to 62

No change.

Chapter 63

63.1 Excise duty exemption on Mosquito nets impregnated with insecticide is being withdrawn and duty @ 4% is being imposed (S. No.3 of notification No. 5/2006- Central Excise, dated 01.03.2006 as amended vide S. No. (iv) of notification No. 11/2010-Central Excise, dated 27.02.2010 refers).

63.2 Excise duty exemption on umbrella panels is being withdrawn and duty @ 4% is being imposed. (S. No.79 of notification No. 3/2005-Central Excise, dated 24.02.2005 omitted vide notification No. 7/2010-Central Excise, dated 27.02.2010 refers).

Chapters 64 & 65

No change.

Chapter 66

66.1. Excise duty on all parts of umbrellas and sun umbrellas including umbrella panels, irrespective of their classification in the Excise Tariff, is being unified at 4% (S. No.5C of notification No. 5/2006- Central Excise, dated 01.03.2006 as inserted vide S. No. (v) of notification No. 11/2010-Central Excise, dated 27.02.2010 refers; S. No.79 of notification No. 3/2005- Central Excise, dated 24.02.2005 is being omitted notification No. 7/2010-Central Excise, dated 27.02.2010).

Chapter 67

No change.

Chapter 68

68.1. A Chapter Note is being inserted in Chapter 68 to the effect that in relation to products of headings 6802 and 6810, the process of cutting or sawing or sizing or polishing of stone blocks or any other process, for converting of blocks into slabs or tiles, shall amount to "manufacture" (clause 73 of Finance Bill, 2010 refers). Accordingly, the slabs or tiles classifiable under CETH 6802 or 6810 manufactured out of blocks of natural stone or agglomerated artificial are now excisable. However, marble slabs and tiles classifiable under chapter 25 and marble tiles falling under chapter 68 attract the same specific rate of Rs. 30 per square metre (S. No. 2 of Notification 4/2006-C.E., dated 1st March 2006 refers) and as such finishing processes like cutting,

sawing, polishing etc. on duty paid slabs or tiles of marble will (if not resulting in change of classification) not attract any further excise duty.

Chapter 69

69.1. S. No. 13 of notification No. 5/2006- Central Excise, dated 01.03.2006 prescribing concessional excise duty rate of 8% on ceramic tiles, manufactured in a factory not using electricity for firing the kiln, is being omitted. Consequently, all ceramic tiles, whether manufactured by using electricity for firing the kiln or not, will attract a single excise duty rate of 10% with cenvat credit. (S. No.13 of notification No. 5/2006- Central Excise, dated 01.03.2006 as omitted vide S. No. (vii) of notification No. 11/2010-Central Excise, dated 27.02.2010 refers)

Chapter 70

70.1. S. No. 20 of notification No. 5/2006- Central Excise, dated 01.03.2006 prescribing concessional excise duty rate of 4% on rough ophthalmic blanks, for manufacture of optical lenses is being omitted as such blanks already attract a „nil excise duty vide S. No.10 of notification No. 10/2006-Central Excise, dated 01.03.2006 (S. No.20 of notification No. 5/2006-Central Excise, dated 01.03.2006 as omitted vide S. No. (xi) of notification No. 11/2010-Central Excise, dated 27.02.2010 refers)

Chapter 71

71.1. Gold bars, other than tola bars, manufactured in a factory starting from the stage of gold ore or concentrate and bearing manufacturer s engraved serial number & weight expressed in metric units, will be levied excise duty at the rate of Rs.280 per 10gm, with full Cenvat credit facility. Primary gold including in bar form manufactured or refined with the aid of power from any form of gold shall continue to be exempt. (S. No.21A of notification No. 5/2006- Central Excise, dated 01.03.2006 as inserted vide S. No. (xii) of notification No. 11/2010-Central Excise, dated 27.02.2010 refers).

71.2. Excise duty rates applicable to the DTA (Domestic Tariff Area) clearances of plain gold and silver jewellery manufactured by an EOU (Export Oriented Unit) have been increased, in case of gold jewellery, from Rs.500 per 10gm to Rs.750 per 10gm, and in case of silver jewellery, from Rs.1000 per Kg to Rs.1500 per Kg (S. No.8 and 10 of notification No. 23/2003- Central Excise, dated 31.03.2003 as substituted vide S. No. (iv) & (v) of notification No. 5/2010-Central Excise, dated 27.02.2010, respectively, refers).

71.3 Excise duty is being exempted on Circulation Coins, Blanks, Weights & Measures Standards and scrap generated in manufacture of Blanks by IGM Mumbai, IGM Kolkata, IGM Hyderabad and IGM Noida (Notification No. 3 / 2010- Central Excise dated 27.02.2010 refers).

Chapter 72

No change.

Chapter 73

73.1 Excise duty on Open Top Sanitary (OTS) Cans is being increased from 4% to 10% (S.No. 31A of the notification No. 5/2006-Central Excise as amended vide notification No.11 /2010-Central Excise dated 27.02.2010 refers).

Chapters 74 & 75

No change.

Chapter 76

76.1 Chapter Note 2 is being inserted in Chapter 76 to declare the process of drawing or redrawing of aluminium tubes and pipes as amounting to " manufacture" (clause 73 of Finance Bill, 2010 refers).

Chapter 77 to 83

No change.

Chapter 84

84.1 Nil duty of excise on specified plantation machinery, which was valid up to 1.5.09, is being reintroduced from 27.2.10 up to 31.3.11. (Proviso in the preamble of the notification No. 06/2006-CE as substituted by notification No. 12/2010-CE dated 27.02.2010 refers.)

84.2 Excise duty exemption on specified items intended to be used for the installation of a cold storage, cold room or refrigerated vehicle, for the preservation, storage, transport of agricultural produce is being extended to other sectors like apiary, horticulture, dairy, poultry, aquatic and marine produce and meat and their processing. (S. No. 5 of notification No. 6/2006-CE amended vide notification No. 5/2010-CE dated 27.02.2010 refers).

84.3 Excise duty on replaceable kits of all domestic water filters except those operating on reverse osmosis technology is being reduced from 8% to 4% (S. No. 8C of notification No. 6/2006-CE substituted vide notification No. 12/2010-CE dated 27.02.2010 refers).

Chapter 85

85.1 An excise duty @ 4% is being imposed on specified IT products like microprocessor other than motherboards, floppy disc drives, CD-Rom drive etc when these items are meant for external use with a computer or laptop as a plug-in device. However, these items meant primarily for use inside the CPU housing/laptop body would continue to be exempt from excise duty. (S. No. 17 of notification No. 6/2006-CE substituted vide notification No. 12/2010-CE dated 27.02.2010 refers).

85.2 Excise duty exemption on parts, components and accessories of mobile handsets including cellular phones is being extended to parts of two accessories namely, battery chargers and hands-free headphones of these devices. (S. No. 31 of notification No. 6/2006-CE amended vide notification No. 12/2010-CE dated 27.02.2010 refers).

85.3 Packaged software or canned software, is at present exempted from so much of the excise duty, as is equivalent to the duty payable on the portion of the value of Packaged software determined under section 4 of the Central Excise Act, or the rules made thereunder, which represents the consideration paid or payable for transfer of the right to use such goods provided that the transfer of the right to use shall be for commercial exploitation. The condition of commercial exploitation is being removed. Consequently, the exemption would be available on packaged software in all cases. (Notification 17/2010-Central Excise dated 27.02.2010 refers).

Exchange Rates for Customs Valuation

IMPORTS and EXPORTS

The current notification No. 09-Customs(NT) dated 27th January 2010 supersedes notification 186-Customs(NT) dated 29th December 2009.

17-Cus(NT) In exercise of the powers conferred by section 14 of the 24.02.2010 Customs Act, 1962 (52 of 1962), and in supersession of (DoR) the notification of the Government of India in the Ministry of Finance (Department of Revenue) **No.09/**

2010-CUSTOMS (N.T.), dated the 27th January, 2010 vide number S.O. 195(E), dated the 27th January, 2010, except as respects things done or omitted to be done before such supersession, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currency specified in column (2) of each of Schedule I and Schedule II annexed hereto into Indian currency or *vice versa* shall, **with effect from 1st March, 2010** be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

| SNo | Currency | Imprted Goods | | Exported Goods | |
|--|-------------------|---------------|----------|----------------|----------|
| | | Current | Previous | Current | Previous |
| Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees | | | | | |
| 1 | Australian Dollar | 42.20 | 42.40 | 40.90 | 41.25 |
| 2 | Canadian Dollar | 44.95 | 44.25 | 43.65 | 43.10 |
| 3 | Danish Kroner | 8.60 | 8.95 | 8.30 | 8.60 |
| 4 | EURO | 63.75 | 66.15 | 62.05 | 64.40 |
| 5 | Hong Kong Dollar | 6.00 | 6.00 | 5.90 | 5.85 |
| 6 | Norwegian Kroner | 7.95 | 8.10 | 7.70 | 7.80 |
| 7 | Pound Sterling | 72.65 | 75.25 | 70.75 | 73.30 |
| 8 | Swedish Kroner | 6.55 | 6.50 | 6.35 | 6.25 |
| 9 | Swiss Franc | 43.60 | 45.00 | 42.35 | 43.70 |
| 10 | Singapore Dollar | 33.25 | 33.35 | 32.35 | 32.50 |
| 11 | US Dollar | 46.65 | 46.60 | 45.70 | 45.70 |

Schedule II – Rate of exchange of 100 units of foreign currency equivalent to Indian rupees

| | | | | | |
|---|--------------|-------|-------|-------|-------|
| 1 | Japanese Yen | 51.45 | 51.90 | 50.00 | 50.45 |
|---|--------------|-------|-------|-------|-------|

[F.No.468/4/2010-Cus.V]

85.4 Excise duty exemption is being provided on goods supplied to mega power projects from which supply of power has been tied up through tariff based competitive bidding or a mega power project awarded to a developer on the basis of such bidding subject to specified conditions. (S. No. 91B of notification No. 6/2006-CE inserted vide notification No. 12/2010-CE dated 27.02.2010 refers).

85.5 Excise duty exemption on specified list of goods used for the manufacture of rotor blades for wind operated electricity generators is being extended to some items. (List 6 of notification No. 6/2006-CE amended vide notification No. 12/2010-CE dated 27.02.2010 refers).

85.6 Excise duty exemption is being provided on specified goods required for initial setting up of solar power generation project or facility. (Notification No. 15/2010-CE dated 27.02.2010 refers).

Chapter 86

No change.

Chapter 87

87.1. Excise duty at the rate of 4% is being imposed on all electrically operated vehicles, including two and three wheeled electric motor vehicles and battery operated cars. The concessional rate of 4% would apply to all electric vehicles including electric motor-assisted cycle rickshaw even if the batteries for such vehicles are recharged using solar power (S. No.35 of notification No. 6/2006- Central Excise, dated 01.03.2006 as substituted vide S. No. (xiv) of notification No. 12/2010-Central Excise, dated 27.02.2010 dated 27.02.2010 refers).

87.2. The following parts, irrespective of their classification in the Excise Tariff, for use in manufacture of an electrically operated vehicle shall attract a excise duty of 4% on end-use basis, namely:- (i) Battery Pack (ii)

Battery Charger (iii) AC or DC Motor (iv) AC or DC Motor Controller. The concessional duty rate of 4% shall remain in force till 31st March, 2013. Consequent to this, the full excise duty exemption available to specified parts of battery operated cars is being withdrawn (S. No.35A of notification No. 6/2006- Central Excise, dated 01.03.2006 as inserted vide S. No. (xv) of notification No. 12/2010-Central Excise, dated 27.02.2010 refers; S. No.35B of notification No. 6/2006- Central Excise, dated 01.03.2006 omitted vide S. No.(xvi) of notification No. 12/2010-Central Excise, dated 27.02.2010 refers).

87.3. Ad-valorem component of excise duty on large cars, SUVs, etc. and their chassis is being increased from 20% to 22%. There is no change in the specific component of Rs. 15000 and the same will continue to be levied as applicable. (S. No.41 & 41A of notification No. 6/2006- Central Excise, dated 01.03.2006 as substituted vide S. No. (xix) & (xx) of notification No. 12/2010-Central Excise, dated 27.02.2010 refers).

87.4. Excise duty on self-loading or self-unloading trailers and semi-trailers for agricultural purposes (Tariff Item 8716 20 00) is being fully exempted (S. No.53A of notification No. 6/2006- Central Excise, dated 01.03.2006 as inserted vide S. No. (xxxiii) of notification No. 12/2010-Central Excise, dated 27.02.2010 refers).

87.5. "Parts, components and assemblies of automobiles", falling under any chapter, are notified for assessment of duty with reference to their retail sale price under Section 4A of the Central Excise Act, 1944, vide S. No.108 of notification No.49/2008-CE (N.T.), dated 24.12.08. The current entry against S. No. 108 is now being substituted with "Parts, components and assemblies of vehicles (including chassis fitted with engines) falling under Chapter 87 excluding vehicles falling under headings 8712, 8713, 8715 and 8716". (S. No.108 of notification No. 49/2008-CE (N.T.), dated 24.12.08 as substituted vide S. No. (iii) of notification No. 9/2010-Central Excise (N.T.), dated 27.02.2010 refers).

Chapters 88 & 89

No change.

Chapter 90

90.1 Excise duty of 10% is being imposed on goggles other than those used for correcting vision. (S. No. 27 of notification No. 10/2006-CE amended vide notification No. 13/2010-CE dated 27.02.2010 and S. No. 57 of 9

notification No. 6/2006-CE amended vide notification No. 12/2010-CE dated 27.02.2010 refers). Sunglasses or Goggles meant for correcting vision will continue to attract 4% concessional duty while spectacles continue to be exempt.

90.2 Specified list of medical equipment and other goods, and their parts and accessories attracting concessional 4% / nil excise duty respectively is being omitted. (S. No. 26 of notification No. 10/2006-CE omitted vide notification No. 13/2010-CE dated 27.02.2010 and S. No. 60 of notification No. 6/2006-CE omitted vide notification No. 12/2010-CE dated 27.02.2010 refers).

90.3 Specified list of medical equipment and other goods, and their parts and accessories attracting nil excise duty is being omitted. (S. No. 61, S. No. 62 to S. No. 64 of notification No. 6/2006-CE omitted vide notification No. 12/2010-CE dated 27.02.2010 refers).

90.4 An excise duty @ 4% is being imposed on blood glucose monitoring system (Glucometer) and test strips. (S. No. 65 of notification No. 6/2006-CE amended vide notification No. 12/2010-CE dated 27.02.2010 refers).

90.5 An excise duty @ 4% is being imposed on patent ductus arteriosus/ atrial septal defect occlusion devices. (S. No. 68A of notification No. 6/2006-CE amended vide notification No. 12/2010-CE dated 27.02.2010 refers).

Chapters 91 to 93

No change.

Chapter 94

94.1 Excise duty on products wholly made of quilted textile materials falling under heading 9404 of the first schedule of the Central Excise Tariff Act, 1985 is being exempted. (S. No. 71A of notification No. 6/2006-CE inserted vide notification No. 12/2010-CE dated 27.02.2010 refers).

94.2 Excise duty on LED lights/ lighting fixtures falling under heading 9406 of the first schedule of the Central Excise Tariff Act, 1985 is being reduced from 8% to 4%. (S. No. 71B of notification No. 6/2006-CE inserted vide notification No. 12/2010-CE dated 27.02.2010 refers).

Britain Pushes other EU Members for Early FTA with India

British International Development Minister Gareth Thomas exhorted the European Union and India to finish negotiations on a long-delayed free trade agreement (FTA) by the end of 2010 at a meeting in Brussels on Monday.

Britain is pushing for a swift conclusion to the negotiations begun in 2007 because it claims the delay is slowing trade and employment in both countries. Several weeks ago, British Business Secretary Peter Mandelson likewise advised the Indian Commerce Minister Anand Sharma that India must focus on rapid completion of the agreement.

The negotiations have gone through eight rounds of negotiations so far, the most recent taking place in Mumbai at the beginning of February.

The free movement of workers is a particularly contentious issue. The Indian government has protested how difficult it is for its workers, including those with professional experience, to emigrate to the EU. India has demanded that EU borders be opened to skilled IT workers, offering in return a similar arrangement for EU legal professionals to work in India.

With the WTO's Doha trade talks stuck in neutral, the United Kingdom sees an EU-India free trade agreement as an alternative way to encourage trade liberalisation. "In lieu of a final agreement on the Doha trade round, it is important to have an agreement in place that protects jobs by creating more opportunities for increased trade," Thomas said.

The EU is India's largest trading partner, accounting for 18.7 percent of India's exports. Trade between India and the EU is worth more than €55 billion each year to the 27-nation EU.

British interest in the agreement is especially keen as 17.7 percent of Indian exports are destined for the UK.

However, criticisms of the potential effect of the trade deal on India have been raised. In a column the Guardian in November, journalist David Cronin condemned the EU for trying to force India to cede control of its banking sector and to accept overly stringent intellectual property standards.

Some have also criticised the EU for allegedly having secret discussions with BusinessEurope, a group representing some of the world's largest corporations, in preparation for pressuring India into dropping all domestic industry protection measures. However, European Commission spokesman John Clancy rejected these claims, saying that BusinessEurope had been given no "privileged treatment."

BIG's WEEKLY INDEX OF CHANGES

| | |
|--|------------|
| Budget Notes 2010-2011 – TRU Letter and Chapter wise Explanatory Notes | 569 |
| Exchange Rates for Customs Valuation (17-Cus(NT)/24.02.2010) | 575 |
| Britain Pushes other EU Members for Early FTA with India | 576 |

Order Form

Yes ! Send me the following

- BIG's Easy Reference Customs Tariff 2010-2011** (29th Budget Edition 2010); Edited by Arun Goyal; ISBN: 81-86234-43-8; Rs. 1230
- Customs Tariff Database (CUSTADA) and Non Tariff Database (NONTADA)** CD consists of 600 files in the database covering CUSTADA (Customs Tariff Database) and NONTADA (Non Tariff Database). Rs. 20,000 - 1 set CD includes Free Daily/Weekly/Monthly updates for one year, choice is yours. 50% discount on renewal.
- World Trade Scanner with BIG's Weekly Index of Changes** (Print) Every Wednesday since 1984; ISSN: 0971-8095; Annual subscription Rs. 750
- Trade Payments under Documentary Credits and Collections – New UCP 600 w.e.f 1 July 2007** (3rd Edition October, 2007) by GD Awasthi; Rs. 595

Forthcoming

Foreign Exchange International Finance and Risk Management

Fifth Edition April 2010 (A Successor to AV Rajwade) by Dr. Arun Kumar Trivedi and KR Maheshwari

ABS Help Desk Service Membership Fee per year

| Gold | Platinum | Diamond | Double Diamond |
|---------------------------------------|---|---|---|
| 2 Titles Free + Free Updates on Phone | 2 Titles Free + 24 hrs Response Time to Queries | 2 Titles Free + Information and Follow up Services on Actuals | 2 Titles Free + Complete Outsourcing of Services to ABS on Actual |
| Rs 1500 | Rs 2000 | Rs 4000 | Rs 5000 |

? Call ARUN GOYAL Director, ABS Help Desk Service at 011-3018 3435 (Office Hours) or 9810079983

Special Offer

Take 10% off on any 1 title

Take 15% off on any 2 titles

Take 20% off on any 3+ titles

Despatch: Free Courier Delivery to Anywhere in India

E-Banking (RTGS Transfer):

Bank IFSC Code: ALLAQ210411; A/c No.: 20018281357

Bank Name: Allahabad Bank, Darya Ganj Branch, New Delhi

Bank draft/cheque in the name of "Academy of Business Studies" for Rs enclosed/ follows: (Add Rs 45 for outstation cheques)

Name _____ Designation _____

Company Name _____

Address _____

City _____ Pin _____

Tel _____ Fax _____ Email _____

Email, fax or post your order to



Academy of Business Studies

24/4866 Sheeltara House, Ansari Road, New Delhi 110002

Tel: 91-11-23281314, 3018 3435-37; Fax: 3018 3438

Email: academy.delhi@gmail.com

Web: www.worldtradesScanner.com