

जी. डी. लोहानी  
संयुक्त सचिव ( टीआरयू-1 )

**G. D. LOHANI**  
Joint Secretary (TRU-I)



भारत सरकार  
GOVERNMENT OF INDIA  
वित्त मंत्रालय / राजस्व विभाग  
MINISTRY OF FINANCE / DEPARTMENT OF REVENUE  
केन्द्रीय अप्रत्यक्ष कर एवं सीमा शुल्क बोर्ड  
CENTRAL BOARD OF INDIRECT TAXES & CUSTOMS  
नॉर्थ ब्लॉक, नई दिल्ली-110 001  
NORTH BLOCK, NEW DELHI-110001

D.O. F. No. 334/2/2020-TRU

New Delhi, the 1<sup>st</sup> February, 2020

Dear Principal Chief Commissioner/ Chief Commissioner/ Principal Commissioner/  
Commissioner,

The Finance Minister has introduced the Finance Bill, 2020 in Lok Sabha today, that is 1<sup>st</sup> February, 2020. Changes in Customs, Central Excise, GST law and rates have been proposed through the Finance Bill, 2020. To prescribe effectives rates of duty, following notifications are being issued:

	Notification Nos.	Date
Customs (Tariff)	No. 01/2020 – Customs to No. 12/2020 – Customs	2 <sup>nd</sup> February, 2020
Customs (Non-Tariff)	No. 09/2020 – Customs (N.T.) to No. 10/2020 – Customs (N.T.)	2 <sup>nd</sup> February, 2020
Customs (ADD)	No. 03/2020 – Customs (ADD)	2 <sup>nd</sup> February, 2020
Customs (SG)	No. 01/2020 – Customs (SG)	2 <sup>nd</sup> February, 2020

2. Unless otherwise stated, all changes in rates of duty take effect from the midnight of 1<sup>st</sup> February/2<sup>nd</sup> February, 2020. A declaration has been made under the Provisional Collection of Taxes Act, 1931 in respect of clauses 115 (a), 115(b), 139 and 145 of the Finance Bill, 2020 so that changes proposed therein take effect from the midnight of 1<sup>st</sup> February/2<sup>nd</sup> February, 2020. The remaining legislative changes would come into effect only upon the enactment of the Finance Bill, 2020.

3. Important changes in respect of Customs duty, NCCD and GST rates are contained in the Annexures appended to this letter:

- Annexure A contains details of Chapter wise changes in Basic Customs Duty;
- Annexure B contains details of changes in respect of Social Welfare Surcharge.
- Annexure C contains details of changes in NCCD in respect of tobacco products;
- Annexure D contains details of retrospective amendments made in CGST, IGST, UTGST or Compensation Cess rates, in specified cases, through Finance Bill.

4. Besides the rates changes, other significant changes made through the Finance Bill are as follows:

**I. Amendments in Customs Act, 1962:**

- a) A new Chapter VAA (a new section 28DA) is being incorporated in the Customs Act to provide enabling provision for administering the preferential tariff treatment regime under Trade Agreements. The proposed new section seeks to specifically provide for certain obligations on importer and prescribe for time bound verification from exporting country in case of doubt. Pending verification preferential tariff treatment shall be suspended and goods shall be cleared only on furnishing security equal to differential duty. In certain cases, the preferential tax treatment may be denied without further verification.
- b) Clause (f) of the section 11(2) empowers the Central Government to prevent injury to the economy of the country by the uncontrolled import or export of gold or silver, to prohibit their import or export. This clause is being amended to include "any other goods" (in addition to gold and silver) in its ambit.
- c) An explanation is being inserted in section 28 to explicitly clarify that any notice issued under the said section, prior to the enactment of the Finance Act, 2018, shall continue to be governed by the section 28 as it existed before the said enactment, notwithstanding order of any Appellate Tribunal, Court or any other law to the contrary.
- d) A new section 51B is being inserted so as to provide for creation of an Electronic Duty Credit Ledger in the customs system. This will enable duty credit in lieu of duty remission to be given in respect of exports or other such benefit in electronic form for its usage, transfer etc. The provision for recovery of duties provided under Section 28AAA of Customs Act, 1962 are also being expanded to include such electronic credit of duties.

**II. Amendments in Customs Tariff Act, 1975:**

- a) First Schedule to the Customs Tariff Act, 1975 is being amended to create specific tariff lines for certain items.
- b) Section 8B is being substituted with a new section to empower the Central Government to apply safeguard measures, in case any article is imported into India in such increased quantities and under such conditions so as to cause or threatening to cause serious injury to domestic industry. Safeguard measure shall include imposition of a Safeguard Duty or application of a Tariff Rate Quota or any other measure that the Central Government may consider appropriate as safeguard measure.

### **III. Amendments in CGST, IGST and UTGST Acts, 2017:**

- a) Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 and the Union Territory Goods and Services Tax Act, 2017 are being amended for facilitating trade, and improving compliance as per the decisions of the GST Council.

### **IV. Other legislative changes in Finance Bill, 2020:**

- a) *Vide* clause of the Finance Bill, 2020, Health Cess is being imposed on the import of medical devices falling under headings 9018 to 9022, at the rate of 5% ad valorem on the import value of such goods as determined under Section 14 of the Customs Act, 1962. This Health Cess shall be a duty of Customs. Health Cess shall not be imposed on medical devices which are exempt from BCD. Further, inputs/parts used in the manufacture of medical devices will also be exempt from Health Cess. Export Promotion scrips shall not be used for payment of said Cess
- b) Changes are being made in the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 to strengthen the anti-circumvention measures by making them more comprehensive and wider in scope to deal with the case of circumvention. Certain other changes are being made in these Rules for bringing clarity in the scope of these rules.

*[Notification No. 09/2020-Customs (N.T.) dated 2<sup>nd</sup> February, 2020, refers]*

- c) At present, there is no provision for investigation in case of circumvention of countervailing duties. A provision is being incorporated in the Customs Tariff (Identification, Assessment and Collection of Countervailing Duty on Subsidized Articles and for Determination of Injury) Rules, 1995 to enable investigation into case of circumvention of countervailing duty for enabling imposition of such duty. Certain other changes are being made for bringing clarity in the Rules.

*[Notification No. 10/2020-Customs (N.T.) dated 2<sup>nd</sup> February, 2020, refers]*

5. This letter only summarizes the key highlights of the budgetary changes. It should not be used in any quasi-judicial or judicial proceedings. The relevant legal texts contained in the Finance Bill and notifications alone have legal force. While every possible effort has been made to avoid the occurrence of errors or mistakes in the Budget documents, however, given the scale of changes, inadvertent errors cannot be ruled out. I shall be grateful if the provisions of the Finance Bill and notifications are studied carefully and feedback on issues that may need clarification is provided urgently.

6. It is requested that all possible efforts may be made to guide the taxpayers by holding interactive sessions/seminars for their benefit. In case of any doubt or difficulty, I would request you to kindly bring it to my notice immediately or to the notice of Sh. Gaurav Singh, Deputy Secretary (TRU) (Tel: 011-23092753, email: [gaurav.singh80@nic.in](mailto:gaurav.singh80@nic.in)), Sh. J. S. Kandhari OSD (TRU) (Tel: 011-23095526, email: [js.kandhari@nic.in](mailto:js.kandhari@nic.in)) or Sh. Modassar Shafi, Budget Officer (TRU) (Tel: 011-23095547, email: [modassar.shafi@gov.in](mailto:modassar.shafi@gov.in)). We can also be reached at [budget-cbec@nic.in](mailto:budget-cbec@nic.in).

7. Copies of Finance Bill, 2020, Finance Minister's Budget Speech, Explanatory Memorandum to the Bill and relevant notifications can be downloaded directly from [www.indiabudget.gov.in](http://www.indiabudget.gov.in) as well as [www.cbic.gov.in](http://www.cbic.gov.in).

8. To conclude, my team and I would like to express my gratitude to you for the valuable suggestions, feedback and support and would look forward to your comments/suggestions.

With warm regards,

Yours sincerely,



(G. D. Lohani)

Joint Secretary (TRU-I)

To,

All Principal Chief Commissioners/ Principal Directors General  
All Chief Commissioners/ Directors General  
All Principal Commissioners,  
All Commissioners,  
Director DPPR/Logistics/Legal Affairs/Data Management

**CUSTOMS**

**Note:**

- (a) “Basic Customs Duty” (BCD) means Customs duty levied under the Customs Act, 1962
- (b) Clause 115 of the Finance Bill, 2020 seeks to amend the First Schedule to the Customs Tariff Act, 1975 so as to increase the tariff rate of Basic Customs duty on certain goods.
- (c) Social Welfare Surcharge means duty of customs levied *vide* section 110 for Finance Act, 2018.
- (d) “Health Cess” means duty of customs levied under clause 139 of the Finance Bill, 2020 on goods specified in Fourth Schedule to the said Bill.

**I. Changes in BCD rate**

**Chapter 1**

- (1) BCD on Pure-bred breeding Horses falling under tariff item 0101 21 00 is being exempted by amending the notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017 *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020 [New S. No. 3A refers]

**Chapter 2: No Change**

**Chapter 3**

- (1) Vide S. No. 5 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, Tuna bait falling under tariff heading 0303 is exempted. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Tuna bait falling under tariff heading 0303 will now attract 30% BCD.

**Chapter 4**

- (1) Vide S. No. 7 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, a concessional BCD of 15% has been prescribed on milk and cream (in powder or granules or other sold forms) falling under sub-heading 040210 or tariff item 04022100, upto an aggregate of ten thousand metric tonnes of total imports of such goods in a financial year. On review, this entry

is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Condition No. 1 in the Annexure to notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is also being omitted.

(2) Vide S. Nos. 7A and 7B of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 30% is prescribed on Whey falling under tariff item 0404 10 10 and 0404 90 00. On review, these entries are being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Whey falling under tariff item 0404 10 10 and 0404 90 90 will now attract 40% BCD.

Further, Whey falling under tariff item 0404 10 10 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020.

(3) Vide S. No 8 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 30% is prescribed on butter, ghee and butter oil falling under tariff heading 0405. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, butter, ghee and butter oil falling under tariff heading 0405 will now attract 40% BCD.

(4) Vide S. No. 9 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 30% is prescribed on 'Other Cheese' falling under tariff item 0406 90 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Cheese falling under tariff item 0406 90 00 will now attract 40% BCD.

Further, Other Cheese falling under tariff item 0406 90 00 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020.

## **Chapter 5**

(1) Vide S. No. 10 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 5% is prescribed on Pancreas falling under Chapter 5 [Products of animal origin, not elsewhere specified or included]. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Pancreas falling under Chapter 5 will now attract 30% BCD.

(2) Vide S. No. 11 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 5% is prescribed on Conch Shell falling under sub-heading 0508 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Conch Shell falling under sub-heading 0508 00 will now attract 30% BCD.

#### **Chapter 6**

(1) Vide S. No. 18 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 5% is prescribed on 'Bulbs, Tubers, etc. or other live plants' falling under tariff heading 0601 and 0602. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Bulbs, Tubers, etc. or other live plants falling under tariff heading 0601 and 0602 will now attract 10% BCD.

Further, Bulbs, Tubers, etc. or other live plants falling under tariff heading 0601 and 0602 are being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020.

#### **Chapter 7: No change**

#### **Chapter 8**

(1) BCD on Walnuts, shelled falling under tariff item 0802 32 00 is being increased from 30% to 100% by increasing the tariff rate of all goods falling under this tariff item [Clause 115 of the Finance Bill, 2020 refers. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect].

Further, Walnuts, in-shell falling under tariff item 0802 31 00 and Walnuts, shelled falling under tariff item 0802 32 00 are being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020.

(2) Almonds, shelled falling under tariff item 0802 12 00 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020.

(3) Entry at S. No. 28 of notification No. 50/2017-Customs dated 30.6.2017 is being amended *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020, to retain only tariff item 0802 90 00 in it. The other tariff items hitherto covered in this entry have the tariff rate same as the rate prescribed in this entry.

#### **Chapter 9: No Change**

#### **Chapter 10**

(1) Vide S. No. 38 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, meslin falling under tariff item 1001 99 20 is exempted from BCD. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, meslin falling under tariff item 1001 99 20 will now attract 100% BCD.

Further, Meslin falling under tariff item 1001 99 20 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020.

(2) Vide S. No. 36 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, 'durum wheat seeds and seeds of wheat (other than durum wheat)' falling under tariff item 1001 11 00 and 1001 91 00 are exempted from BCD. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, durum wheat seeds and seeds of wheat other than durum wheat, falling under tariff item 1001 11 00 and 1001 91 00 will now attract 100% BCD.

Further, Wheat falling under tariff item 1001 11 00 and 1001 91 00 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020.

(3) Vide S. No. 40 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, Maize falling under sub-heading 1005 90, upto an aggregate of five lakh metric tonnes of total imports of such goods in a financial year, is exempted from BCD. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Condition No. 1 in the Annexure to notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is also being omitted.



Further, Maize falling under sub-heading 1001 90 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No 09/2020-Customs dated 2<sup>nd</sup> February, 2020

#### **Chapter 11: No Change**

#### **Chapter 12**

(1) Vide S. No. 47 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 5% is prescribed on Sugar Beet Seeds falling under tariff item 1209 10 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Sugar Beet Seeds falling under tariff item 1209 10 00 will now attract 30% BCD.

#### **Chapter 13: No Change**

#### **Chapter 14**

(1) Import of Bamboo for use in the manufacture of Agarbatti attracts concessional rate of 10% *vide* Entry at S. No. 55 of notification No. 50/2017-Customs dated 30.6.2017. This concession shall henceforth be subject to actual user condition. This entry is accordingly being amended *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020.

#### **Chapter 15**

(1) Entries at S. Nos. 56, 57, 58, 59 and 69 of notification No. 50/2017-Customs dated 30.6.2017 prescribe BCD rates on different type of vegetables oil. On review, the entries at S. Nos. 56, 58, 59 and 69 are being omitted and entry at S. No. 57 is being amended, *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. As regards edible vegetable oils, these entries were redundant as edible vegetable oils covered in these entries get lower rate in other entries (entries Nos. 57, 61, 62, 63, 64, 64A, 65, 70, 71, 73 and 74). Non-edible vegetable oils shall attract the BCD rate applicable otherwise.

(2) Vide S. No. 68 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, a concessional BCD of 50% has been prescribed on crude sunflower seed or safflower oil falling under sub-heading 1512 11, upto an aggregate of one lakh fifty thousand metric tonnes of total imports of such goods in a financial year. On review, this entry is being omitted *vide*

notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Condition No. 1 in the Annexure to notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is also being omitted.

(3) Vide S. No. 72 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, a concessional BCD of 45% has been prescribed on refined rape, colza or mustard oil falling under sub-heading 1514 19 and 1514 99, upto an aggregate of one lakh fifty thousand metric tonnes of total imports of such goods in a financial year. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Condition No. 1 in the Annexure to notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is also being omitted.

(4) Vide S. No. 78 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 80% is prescribed on Margarine, animal or vegetable fats and oils falling under tariff heading 1517 and 1518. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Margarine, animal or vegetable fats and oils falling under tariff heading 1517 and 1518 will now attract 100% BCD.

(5) Vide S. No. 83 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 20% is prescribed on crude glycerol, glycerol waters and glycerol lyes (other than crude glycerin) falling under tariff item 1520 00 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, crude glycerol, glycerol waters and glycerol lyes (other than crude glycerin) falling under tariff item 1520 00 00 will now attract 30% BCD.

#### **Chapter 16: No Change**

#### **Chapter 17**

(1) Vide S. No. 88A of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, a concessional BCD of 25% has been prescribed on raw sugar falling under tariff heading 1701, upto an aggregate of three lakh metric tonnes of total imports of such goods in a financial year. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020.

(2) Vide S. No. 89 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 20% is prescribed on Dextrose Monohydrate falling under tariff heading 1702. On

review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Dextrose Monohydrate falling under tariff heading 1702 will now attract 30% BCD.

(3) Vide S. No. 92 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 10% is prescribed on Molasses resulting from refining of sugar, falling under tariff heading 1703. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Molasses resulting from refining of sugar, falling under tariff heading 1703 will now attract 30% BCD.

(4) Vide S. No. 93 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 30% is prescribed on chewing gum falling under tariff item 1704 10 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, chewing gum falling under tariff item 1704 10 00 will now attract 45% BCD.

Further, chewing gum falling under tariff item 1704 10 00 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No 09/2020-Customs dated 2<sup>nd</sup> February, 2020

## **Chapter 18**

(1) Vide S. No. 94 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 17.5% is prescribed on food preparations for infant use and put up in retail sale, falling under sub-heading 1806 90. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, food preparations for infant use and put up in retail sale, falling under sub-heading 1806 90 will now attract 30% BCD.

## **Chapter 19**

(1) Vide S. No. 95 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 30% is prescribed on preparations for infant use, put up for retail sale, falling under sub-heading 1901 10. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, 'preparations for infant use, put up for retail sale', falling under sub-heading 1901 10 will now attract 50% BCD.

Further, goods falling under sub-heading 1901 10 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No.09/2020-Customs dated 2<sup>nd</sup> February, 2020

## **Chapter 20**

(1) Vide S. No. 98 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 30% is prescribed on preserved potatoes falling under tariff item 2004 10 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, preserved potatoes falling under tariff item 2004 10 00 will now attract 35% BCD.

(2) Vide S. No. 99 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 7.5% is prescribed on peanut butter falling under tariff item 2008 11 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, peanut butter falling under tariff item 2008 11 00 will now attract 30% BCD.

## **Chapter 21**

(1) Orange Juice, falling under tariff items 2009 11 00, 2009 12 00, 2009 19 00 is being exempted from levy of Social Welfare Surcharge by amending notification No. 11/2018-Customs dated 2<sup>nd</sup> February, 2018 *vide* notification No 09/2020-Customs dated 2<sup>nd</sup> February, 2020.

## **Chapter 22**

(1) Vide S. No. 105 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 30% is prescribed on Wine, for use as a sacramental wine falling under chapter 22. On review, this entry and Condition No 11 in the Annexure to notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Wine, for use as a sacramental wine falling under chapter 22 will now attract 150% BCD.

(2) Vide S. No. 108 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional 5% BCD is prescribed on Angostura bitters falling under tariff heading 2208. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February,

2020. Consequently, Angostura bitters falling under tariff heading 2208 will now attract 150% BCD.

### **Chapter 23**

(1) Vide S. No. 113 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, Fin fish feed falling under tariff item 2301 20, 2309 90 32 and 2309 90 39 is exempted from BCD. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, Fin fish feed falling under tariff item 2301 20, 2309 90 32 and 2309 90 39 will now attract 30% BCD.

(2) Vide S. No. 115 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 15% is prescribed on dietary soya fibre falling under tariff heading 2304. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, dietary soya fibre falling under tariff heading 2304 will now attract 30% BCD.

### **Chapter 24-26: No change**

### **Chapter 27**

(1) Basic Customs Duty on a new category of bunker fuel, 'Very Low Sulphur Fuel Oil' meeting ISO 8217:2017 RMG380 Viscosity in 220-400 CST standards/ Marine Fuel 0.5% (FO) falling under chapter 27 is being reduced from 10% to Nil under the same conditions as available to other bunker fuels namely IFO 180 CST and IFO 380 CST. [S. No. 139 of notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 as amended by notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers.]

(2) Vide S. No. 148 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, exemption from BCD is prescribed to Naphtha, when imported by Ratnagiri Gas and Power Private Limited (RGPPL), for use in generation of electricity in the power plants of Ratnagiri Gas and Power Private Limited (RGPPL) at Dabhol. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequential changes are being made in S. No. 147 of notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 [Notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers].

(3) Vide S. No. 149 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, exemption from BCD is prescribed to Naphtha, when imported for generation of electrical energy by a generating company as defined in section 2(28) of the Electricity Act, 2003 (36 of 2003) to supply electrical energy or to engage in the business of supplying electrical energy. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequential changes are being made in S. No. 147 of notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 [Notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers].

(4) Vide S. No. 156 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, Propane falling under tariff item 2711 12 00 attracts BCD at the rate of 2.5%. Vide S. No. 157 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, Butanes falling under tariff item 2711 13 00 attracts BCD at the rate of 2.5%. Presently, these two tariff items are also covered under S. No. 152 of notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, which prescribes BCD rate of 5%. On review, entry at S. No 152 is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020.

(5) Basic Customs Duty on Calcined Petroleum Coke falling under tariff items 2713 12 10 and 2713 12 90 is being reduced from 10% to 7.5%. [S. No. 147 and new S. No. 157A of notification No. 50/2017- Customs, dated 30<sup>th</sup> June, 2017 as amended by notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers].

(6) S. No. 160 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017 concerning Electrical Energy falling under tariff item 2716 00 00 is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020.

## **Chapter 28**

(1) Vide S. No. 169 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, concessional BCD of 7.5% is prescribed on goods falling under chapter 28 with certain exceptions. However, all goods falling under headings 2801, 2802, 2803, 2804, 2805 and 2814 presently attract BCD rate at the tariff rate of 5%. On review, entry at S.No. 169 is being suitably amended to remove the inconsistency it has with the tariff rate in respect of said headings [Notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers].

(2) Vide S. No 170 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017, Phosphoric acid falling under tariff item 2809 20 10 attracts 5% BCD (a conditional exemption). Also

S. No. 177 of notification No. 50/2017-Customs dated 30.06.2017 prescribes 5% concessional BCD on all goods falling under tariff item 2809 20 10. On review, S. No. 170 of notification No. 50/2017-Customs dated 30<sup>th</sup> June 2017 is being omitted, being redundant. Simultaneously, description under entry at S. No. 177 of notification No. 50/2017-Customs dated 30.06.2017 is being amended to 'Phosphoric acid' [notification No. 1/2020-Customs, dated 2nd February, 2020 refers].

(3) BCD on all goods including Noble Metal Compounds and Noble Metal Solutions falling under heading 2843 is being increased from 7.5% to 10% by amending S. No. 169 of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No.1/2020-Customs, dated 2nd February, 2020.

Further, concessional rate of 7.5% is being prescribed on Platinum and Palladium for use in manufacture of these goods subject to actual used condition [details at entry No. 10 under Chapter 71].

#### **Chapter 29**

(1) BCD on Butyl acrylate falling under tariff item 2916 12 10 is being increased from 5% to 7.5% by omitting S. No. 205 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. It will attract BCD rate of 7.5% *vide* entry at S. No. 185 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017.

#### **Chapter 30**

(1) *Vide* S. No. 212 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, exemption from BCD is provided to 'Japanese Encephalitis (JE) vaccine imported by the Andhra Pradesh Government through UNICEF' falling under Chapter 30. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract applicable BCD rate of 5% *vide* entry at S. No. 166 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017.

#### **Chapter 31**

(1) *Vide* S. No. 220 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, concessional BCD rate of 5% is prescribed for Kyanite salts, in a form indicative of their use for manurial purpose, falling under Chapter 31. On review, this entry is being omitted *vide*

notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract rate applicable otherwise to these goods.

#### **Chapter 32-34: No Change**

#### **Chapter 35**

(1) Vide S. No. 243 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, concessional BCD rate of 10% is prescribed for isolated soya protein, falling under tariff heading 3504. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract tariff rate of 30%.

#### **Chapter 36: No Change**

#### **Chapter 37**

(1) Vide S. No. 244 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, concessional BCD rate of 5% is prescribed for colour positive unexposed cinematographic film in jumbo rolls and colour negative unexposed cinematographic film in rolls of 400 feet and 1000 feet, falling under Chapter 37. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract tariff rate of 10%.

(2) Vide S. No. 245 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, concessional BCD rate of 5% is prescribed for instant print film, falling under tariff item 3701 20 00 or tariff heading 3702. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract tariff rate of 10%.

(3) Vide S. No. 246 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, exemption from BCD is provided to Cinematographic films, exposed but not developed, falling under tariff heading 3704. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract tariff rate of 10%.

#### **Chapter 38**

(1) Catalysts with precious metals or containing precious metal as active substance falls under sub-heading 3815 12 and there is no change in BCD on them. However, BCD on



Platinum and Palladium used in manufacture of all goods falling under sub-heading 3815 12, is being reduced from 12.5% to 7.5% subject to actual user condition, by amending Notification No. 50/2017- Customs, dated 30th June, 2017 *vide* notification No.1/2020-Customs, dated 2nd February, 2020 [new S. No. 415A refers].

(2) BCD on all goods, falling under tariff item 3824 99 00 is being increased from 10% to 17.50% by increasing the tariff rate of all goods falling under this tariff item [Clause 115 (a) of the Finance Bill, 2020 refers. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect]. The items of this heading covered by S. No. 250A of notification No. 50/2017-Customs, dated 30th June, 2017 will continue to attract BCD at 7.5%. Otherwise tariff rate shall apply on import of goods falling under tariff item 3824 99 00.

### **Chapter 39**

(1) S. No. 262 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is being amended *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020 to omit heading 3903 from the exclusion clause. Accordingly, goods falling under tariff heading 3903 will attract a rate of 7.5% under this entry. Consequently, S. No. 266 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is being omitted, as it is subsumed in S. No. 262.

(2) S. Nos. 263 and 264 of notification No. 50/2017-Customs dated 30th June, 2017 prescribe 7.5% BCD on goods falling under heading 3901 and 3902 respectively. Further, S. No 262 of the said notification provides 7.5% BCD for all goods under heading 3901 and 3902. Therefore, S. Nos. 263 and 264 of the said notification are being omitted *vide* notification No. 1/2020-Customs dated 2nd February, 2020, as these entries are redundant.

(4) Vide S. No. 274 of notification No. 50/2017-Customs dated 30th June, 2017, exemption from BCD is provided to compostable polymer or bio-plastic used in the manufacture of bio degradable agro mulching films, nursery plantation pots and flower pots, falling under tariff item 3913 90 90. On review, this entry is being omitted *vide* notification No. 1/2020-Customs dated 2nd February, 2020. Consequently, these goods will attract 7.5% BCD.

(5) Vide S. No. 275 of notification No. 50/2017-Customs dated 30th June, 2017, concessional BCD rate of 7.5% is prescribed for water blocking tape for use in the manufacture of insulated wires and cables falling under heading 8544 (except sub-heading 8544 11), falling

under tariff item 3919 90 90. On review, entry at S. No 275 is being omitted *vide* notification No. 1/2020-Customs dated 2nd February, 2020.

(6) Vide S. No. 278 of notification No. 50/2017-Customs dated 30th June, 2017, exemption from BCD is provided to subbed polyester base, imported by M/s Hindustan Photo Films Manufacturing Company Limited, Udthagamandalam for the manufacture of medical or industrial X-ray films and graphic art films, falling under tariff heading 3920. On review, the said entry is being omitted *vide* notification No. 1/2020-Customs dated 2nd February, 2020.

(7) Poly Ester Liquid Crystal Polymers [ LCP] falling under tariff item 3907 99 90 for use in manufacture of Connectors, is being exempted from BCD subject to actual user condition. Notification No. 25/1999-Customs, dated 28<sup>th</sup> February, 1999, as amended *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020. [S.No.225 refers]

(8) BCD on Calendared Plastics Sheet falling under tariff item 3920 10 99 for use in the manufacture of Smart Cards, is being decreased from 10% to 5% subject to actual user condition. Notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020. [New S.No.277A refers]

#### **Chapter 40: No change**

#### **Chapter 41**

(1) Entry at S. No. 286 of notification No.50/2017-Customs, dated 30<sup>th</sup> June, 2017 provides BCD exemption on Patent leather falling under tariff item 4114 20 10. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2nd February, 2020. Consequently, these goods will attract BCD applicable otherwise.

#### **Chapter 42: No Change**

#### **Chapter 43**

(1) Entry at S. No. 287 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 provides BCD exemption on raw or tanned furskins etc. falling under headings 4301 and 4302 [except tariff item 4301 30 00]. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract BCD at the rate of 15% (heading 4301 other tariff item 4301 30 00) and 10% (heading 4302).

## **Chapter 44-47: No Change**

### **Chapter 48**

(1) BCD on Newsprint falling under heading 4801 is being reduced from 10% to 5% subject to condition that importers at the time of import is an establishment registered with the Registrar of Newspapers, India (RNI), by amending Notification No. 50/2017- Customs, dated 30th June, 2017 *vide* notification No. 1/2020-Customs, dated 2nd February, 2020 [new S. No. 293A refers].

(2) BCD on uncoated paper used in printing of newspaper is being reduced from 10% to 5% subject to condition that importers at the time of import is an establishment registered with the Registrar of Newspapers, India (RNI), by amending Notification No. 50/2017- Customs, dated 30th June, 2017 *vide* notification No. 1/2020-Customs, dated 2nd February, 2020 [new S. No.293B refers].

(3) BCD on Lightweight coated paper [falling under heading 4810] weighing up to 70 g/m<sup>2</sup> imported for printing of magazines, is being reduced from 10% to 5% subject to actual user condition by amending Notification No. 50/2017- Customs, dated 30th June, 2017 *vide* notification No.1/2020-Customs, dated 2nd February, 2020 [new S. No. 296A refers].

### **Chapter 49**

(1) Notification No. 22/2003-Customs dated 4<sup>th</sup> February, 2003 provides BCD exemption on Paper Money falling under tariff item 4907 00 20. On review, BCD exemption on Paper money is being included in notification No 50/2017-Customs dated 30<sup>th</sup> June, 2017 by amending notification No 50/2017-Customs *vide* notification No.1/2020-Customs, dated 2nd February, 2020 [new S. No. 304A refers]. Consequently, notification No. 22/2003-Customs dated 4<sup>th</sup> February, 2003 is being rescinded *vide* notification No. 12/2020-Customs dated 2<sup>nd</sup> February, 2020.

## **Chapter 50-53: No Change**

### **Chapter 54**

(1) BCD on Dyed woven fabrics of yarn containing more than or equal to 85% by weight of textured polyester filaments under tariff sub-heading "5407 52", has been prescribed by S. Nos. 47 and 48 of notification No.14/2006-Customs dated 1<sup>st</sup> March, 2006. However, another

entry prescribing the effective rate of BCD on the same tariff sub-heading “5407 52” also occurs at S. No. 31A of notification No. 82/2017-Customs dated 27<sup>th</sup> October, 2017. Therefore, the entry at S. No. 31A of notification No. 82/2017-Customs is being omitted *vide* notification No. 11/2020-Customs dated the 2<sup>nd</sup> February, 2020.

#### **Chapter 55-63: No Change**

#### **Chapter 64**

(1) BCD on all goods falling under headings 6401 to 6405 [footwear] is being increased from 25% to 35% by increasing the tariff rate of all goods falling under these headings. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(2) Tariff rate on all goods falling under heading 6406 [ parts of footwear] is being increased from 15% to 20%. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect. Simultaneously entry at S. No. 331 and the Condition No. 37 along with Lists 8 and 9 of notification No.50/2017-Customs, dated 30<sup>th</sup> June, 2017 *vide* which concessional rate of 10% was prescribed on footwear parts and other consumables, are being omitted *vide* notification No. 1/2020-Customs, dated 2nd February, 2020. Thus, due these changes parts of footwear falling under headings 6406 will now attract 20% BCD the other parts and consumables will now attract BCD applicable otherwise.

#### **Chapter 65-66: No Change**

#### **Chapter 67**

(1) BCD on all goods falling under heading 6702 [artificial flowers etc.] is being increased from 10% to 20% by increasing the tariff rate of all goods falling under this heading [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.]

#### **Chapter 68: No Change**

## **Chapter 69**

(1) BCD on all goods [tableware, kitchenware and other household articles, except toilet articles] falling under headings 6911 [ except 6911 90 10] and 6912 [ except 6912 00 30] is being increased from 10% to 20% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

## **Chapter 70**

(1) BCD on all goods falling under heading 7013 is being increased from 10% to 20% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(2) BCD on all goods (Glass Beads) falling under tariff item 7018 10 20 is being increased from 10% to 20% by increasing the tariff rate of all goods falling under these headings [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

## **Chapter 71**

(1) BCD on Rubies, emeralds and sapphires, unset and imported uncut, falling under heading 7103 is being increased from Nil to 0.5% by amending S. No. 344 (ii) of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No.1/2020-Customs, dated 2nd February, 2020.

(2) BCD on Rough colored gemstones, falling under heading 7103 is being increased from Nil to 0.5% by amending S. No. 346 of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No. 01/2020-Customs, dated 2nd February, 2020.

(3) BCD on Rough semi-precious stones, falling under heading 7103 is being increased from Nil to 0.5% by amending S. No. 347 of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No.01/2020-Customs, dated 2nd February, 2020.

- (4) BCD on Pre-forms of precious and semi-precious stones, falling under heading 7103 is being increased from Nil to 0.5% by amending S. No. 348 of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No.01/2020-Customs, dated 2nd February, 2020.
- (5) BCD on Rough synthetic gemstones, falling under heading 7104 is being increased from Nil to 0.5% by amending S. No. 360 of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No.01/2020-Customs, dated 2nd February, 2020.
- (6) BCD on Rough cubic zirconia, falling under heading 7104 is being increased from Nil to 0.5% by amending S. No. 361 of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No.01/2020-Customs, dated 2nd February, 2020.
- (7) BCD on Polished cubic zirconia, falling under heading 7104 is being increased from 5% to 7.5% by amending S. No. 362 of notification No.50/2017-Customs, dated 30th June, 2017, *vide* notification No.01/2020-Customs, dated 2nd February, 2020.
- (8) The end use-based exemption available on Gold in the form of wire, ribbon, preform of purity 99.99 % and above used in manufacture of specified goods listed in notification No. 25/1999-Customs dated 28<sup>th</sup> February 1999 is being withdrawn by omitting entry at S. No. 80 notification No. 25/1999-Customs dated 28<sup>th</sup> February 1999, *vide* notification No.5/2020-Customs, dated 2nd February, 2020.
- (9) The end use-based exemption available on gold wire with phosphorous or antimony doping used in manufacture of specified goods listed in notification No. 25/1999-Customs dated 28<sup>th</sup> February 1999 is being withdrawn by amending entry at S. No. 82 of notification No. 25/1999-Customs dated 28<sup>th</sup> February 1999, *vide* notification No. 5/2020-Customs, dated 2nd February, 2020.
- (10) BCD on Platinum and Palladium falling under heading 7110 is being reduced from 12.5% to 7.5%, for use in manufacture of (i) all goods (including Noble Metal Compounds and Noble Metal Solutions) falling under heading 2843 and (ii) catalysts with precious metals or containing precious metal as active substance, falling under sub-heading 3815 12, subject to actual user condition, by amending notification No 50/2017-Customs dated 30<sup>th</sup> June, 2017 *vide* notification No.1/2020-Customs, dated 2nd February, 2020 [new S. No. 415A refers].

(11) BCD spent catalyst or ash containing precious metals imported for recovery of precious metals falling under heading 7112, is being reduced from 12.5% to 11.85% subject to certificate from Ministry of Environment, Forest and Climate Change and other specified conditions, by amending notification No. 50/2017- Customs, dated 30th June, 2017 *vide* notification No.01/2020-Customs, dated 2nd February, 2020 [new S. No. 364A refers].

(12) BCD on all goods falling under heading 7118 is being increased from 10% to 12.5% by increasing the tariff rate of all goods falling under this heading [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

#### **Chapter 72: No Change**

#### **Chapter 73**

(1) BCD on all goods falling under heading 7323 is being increased from 10% to 20% increasing the tariff rate and by amending S. No. 377 of notification No.50/2017-Customs, dated 30<sup>th</sup> June, 2017, *vide* notification No. 1/2020-Customs, dated 1<sup>st</sup> February, 2020. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

#### **Chapter 74**

(1) BCD exemption hitherto available on Copper and articles thereof falling under Chapter 74, when used in the manufacture of specified electronic goods [entry at S. No. 39 of the notification No. 24/2005-Customs dated 1<sup>st</sup> March, 2005 and entry at S. No. 33 of notification No. 25/2005-Customs dated 1<sup>st</sup> March, 2005], is being withdrawn by amending said entries. [Notification No.6/2020 and notification No.7/2020, both dated the 2<sup>nd</sup> February, 2020, respectively, refers]. Consequently, Copper and articles thereof falling under Chapter 74, when used in the manufacture of such goods will attract the BCD rates applicable otherwise.

(2) BCD on all goods [table, kitchen, other household articles etc.] falling under sub heading 7418 10 is being increased from 10% to 20% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

#### **Chapter 75: No Change**

## **Chapter 76**

(1) BCD on all goods falling under sub heading 7615 10 [table, kitchen, other household articles etc.] is being increased from 10% to 20% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers.] By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

## **Chapter 78**

(1) Entry at S. No. 386 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, provides concessional 5% BCD on lead bars, rods, profiles and wire falling under heading 7806. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020. Consequently, these goods will now attract 10% BCD.

## **Chapter 79**

(1) Entry at S. No. 388 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, provides concessional 7.5% BCD zinc tubes, pipes and tube or pipe fittings falling under heading 7907. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020. Consequently, these goods will now attract 10% BCD.

## **Chapter 80**

(1) Entry at S. No. 389 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, provides 5% BCD on tin plates, sheets and strip, of thickness exceeding 0.2mm; tin foil (whether or not printed or backed with paper, paper board, plastics or similar backing material), of thickness (excluding any backing) not exceeding 0.2mm; tin powders and flakes falling under heading 8007. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020. Consequently, these goods will now attract 10% BCD.

## **Chapter 81-82: No Change**

## **Chapter 83**

(1) BCD on all goods falling under headings 8301 (except under tariff item 8301 20 00), 8305, 8306, 8310 and under tariff item 8304 00 00 is being increased from 10% to 20% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of



declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

#### **Chapter 84**

(1) BCD on compressors of Refrigerators falling under tariff item 8414 30 00 and compressors of Air Conditioner falling under tariff item 8414 80 11, is being increased from 10% to 12.5% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(2) BCD on all goods (refrigerating equipment like Freezers etc.) falling under tariff items 8418 10 10, 8418 30 10, 8418 30 90, 8418 40 10, 8418 40 90, 8418 50 00, 8418 61 00, 8418 69 10, 8418 69 20, 8418 69 30, 8418 69 40, 8418 69 50, 8418 69 90, is being increased from 7.5%/10% to 15% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(3) Vide entry at Sr. No. 447 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, BCD exemption is provided on the specified goods required for manufacture of Optical disk drives (ODD). On review, the said entry is being omitted *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020. Consequently, the said items will attract the applicable BCD rate.

(4) Vide entry at Sr. No. 459 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, BCD exemption is provided on the parts falling under heading 8443 (except 8443 99 51, 8443 99 52 and 8443 99 53) for manufacture of printers falling under sub-heading 8443 32. On review, the said entry is being omitted *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020. BCD exemption on parts of said printers will continue in view of similar exemption available in the notification No. 24/2005-Customs, dated the 1<sup>st</sup> March, 2005 (entries at S.No. 2A to 2F of notification No. 24/2005-Customs, dated the 1<sup>st</sup> March, 2005).

(5) Vide entry at Sr. No. 465 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, BCD exemption is provided on CD-Writers falling under heading 8471. On review, the said entry, is being omitted *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020. BCD exemption on said items will continue in view of similar exemption available in the notification

No. 24/2005-Customs dated 1<sup>st</sup> March, 2005 (S.No.8 of notification No. 24/2005-Customs refers).

(6) The entry at S. No. 415 of Notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is being amended *vide* notification No 1/2020-Customs dated 2.02.20202 so as to:

- a) withdraw concessional 5% BCD on Platinum, Palladium, Noble Metal Compounds and Noble Metal Solution and these goods will now attract applicable BCD when imported for manufacture of Catalytic convertors and its parts subject to actual user condition;
- b) increase BCD from 5% to 7.5% on (i) parts of catalytic convertors, and (ii) Raw Substrate (ceramic), Washcoated Substrate (ceramic), Raw Substrate (metal), Washcoated Substrate (metal), Stainless Steel wire cloth stripe, Wash Coat used in manufacture of catalytic convertors and its parts subject to actual user condition;
- c) Rhodium attracts 2.5% BCD under S. No. 364 notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, accordingly, entry relating to Rhodium is being omitted as it is redundant entry.

(9) BCD on catalytic converter falling under tariff items 8421 39 20 and 8421 39 90 is being increased from 10% to 15%, by increasing the tariff rate [Clause 115 (a) of the Finance Bill 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect. 7.5% BCD on all goods other than catalytic converter, falling under tariff items 8421 39 20 and 8421 39 90 will continue [S. No. 452A of notification No 50/2017-dated 30<sup>th</sup> June, 2017 refers]

(10) Following changes are being made for goods falling under sub-heading 8414 51:

- a) BCD on different kinds of fans falling under sub heading 8414 51 (except "Railway carriage fans" under tariff item 8414 51 40) is being increased from 10% to 20% by increasing the tariff rate.
- b) BCD on Railway carriage fans under tariff item 8414 51 40 is being increased from 7.5% to 10%.
- c) A new tariff line 8414 51 50 has been carved out from tariff item 8414 51 90 for "Wall fans" and BCD is being increased on Wall fans from 7.5% to 20%.
- d) BCD on all other remaining goods under tariff item 8414 51 90 is being increased from 7.5% to 20%.

[ Clause 115 (a) and (b) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(11) Following changes are being made for goods falling under sub-heading 8414 59:

- a) BCD on all goods falling under sub heading 8414 59 (except “Blowers, portable” under tariff item 8414 59 20), is being increased from 7.5% to 10% by increasing the tariff rate;
- b) BCD on Blowers, portable under tariff item 8414 59 20 is being increased from 10% to 20%.

[Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(12) BCD on specified goods as per List 10 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, required for use in high voltage power transmission project, is being increased from 5% to 7.5% by amending S. No. 397 of notification No. 50/2017- Customs, dated 30<sup>th</sup> June, 2017, *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020.

(13) Entry at S. No. 398 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, provides concessional 5% BCD on parts and components of the specified goods (as mentioned in List 10) required for use in high voltage power transmission project. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020. Consequently, these items will now attract BCD applicable otherwise.

(14) Exemption from BCD available on goods specified for construction of roads as per List 14 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 is being withdrawn by omitting the entry at S. No. 411 and the List 14 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 (*vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers). Consequently, these items will now attract BCD applicable otherwise.

(15) Exemption from BCD on goods specified for construction of roads as per List 15 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 is being withdrawn by omitting the entry at S. No. 412 and the List 15 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June,

2017 (*vide* notification No. 1/2020-Customs, dated 2nd February, 2020 refers). Consequently, these items will now attract BCD applicable otherwise.

(16) Exemption from BCD available on rotary tiller/ weeder falling under tariff item 8432 80 20 is being withdrawn by omitting entry at S. No. 448 (A) (x) of notification No. 50/2017-Customs, dated 30th June, 2017, *vide* notification No. 1/2020-Customs, dated 2nd February, 2020. Consequently, rotary tiller/ weeder will now attract 7.5% BCD.

(17) BCD on pressure vessel falling under tariff item 8419 89 10, is being increased from 7.5% to 10% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect. The existing 7.5% BCD on all goods other than the pressure vessels of tariff item 8419 89 10 shall continue. Notification No. 50/2017-Customs, dated 30th June, 2017, as amended *vide* notification No. 1/2020-Customs, dated 2nd February, 2020. [New S. No. 451A refers].

(18) Entry at S. No. 456 of notification No. 50/2017-Customs dated 30th June, 2017, provides concessional 5% BCD on (a) Sprinklers and drip irrigation systems for agricultural and horticultural purposes and (b) Micro Irrigation equipment. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2nd February, 2020. Consequently, these items will now attract 7.5% BCD.

(19) Entry at S. No. 457 of notification No. 50/2017-Customs dated 30th June, 2017, provides concessional 5% BCD on poultry incubators and brooders falling under tariff item 8436 21 00. On review, this entry is being omitted *vide* notification No. 1/2020-Customs, dated 2nd February, 2020. Consequently, this item will now attract 7.5% BCD.

(20) Notification No. 11/2018-Custom, dated the 2nd February, 2018 provided exemption from Social Welfare surcharge (SWS) on specified items of Chapter 84 under entries at S. No. 1, 9, 10, 12, 15, 16, 18, 19, 20. The exemption from SWS, on the said items, is being withdrawn by omitting said entries. [Notification No. 11/2018-Customs, dated 2nd February, 2018, as amended *vide* notification No.9/2020, dated 2nd February, 2020 refers]. Consequently, all items of Chapter 84 will attract SWS at the rate of 10% of BCD payable. [For details Annexure-B refers]

## Chapter 85

- (1) Entry at S. No. 474 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, provides concessional 5% BCD on MP3 or MP4 or MPEG 4 player with or without radio or video reception. On review, this entry is being omitted *vide* notification No.1/2020, dated 2<sup>nd</sup> February, 2020. Consequently, the said items will attract the 10% BCD rate.
- (2) Vide entry at S. No. 483 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, BCD exemption is provided on one set of pre-recorded cassettes accompanying books for learning languages and essential complement to such books. On review, this entry is being omitted *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020. Consequently, the said items will attract BCD rate applicable otherwise.
- (3) Vide entry at S. No. 484 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, BCD exemption is provided on Audio cassettes, if recorded with material from books, newspaper or magazines, for the blind. On review, this entry is being omitted *vide* notification No.1/2020, dated 2<sup>nd</sup> February, 2020. Consequently, the said items will attract BCD rate applicable otherwise.
- (4) BCD on all goods falling under heading 8501 (except tariff items 8501 64 70 and 8501 64 80), is being increased from 7.5% to 10%. Accordingly, entry at S. No. 486 of notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 is being omitted *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020.
- (5) BCD on charger or power adapter [except those covered in Information Technology Agreement-I] falling under sub-heading 8504 40 is being increased from Nil/10%/15% to 20%. For this purpose, tariff rate on all tariff items falling under sub-heading 8504 40 is being increased from 10%/15% to 20%. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect. All goods other than charger or power adapter, falling under sub-heading 8504 40 will continue to attracts 10% BCD and consequently S. No. 13 of notification No. 57/2017-Customs, dated the 30<sup>th</sup> June, 2017 is being amended *vide* notification No. 2/2020-Customs, dated 2nd February, 2020.
- (6) BCD on all goods falling under heading 8509 (except tariff item 8509 90 00) is being increased from 10% to 20% by increasing the tariff rate [Clause 115 (a) of the Finance Bill,

2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(7) BCD on all goods falling under heading 8510 (except tariff item 8510 90 00) is being increased from 10% to 20% by increasing the tariff rate [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(8) BCD on all goods falling under heading 8515 (except tariff item 8515 90 00) is being increased from 7.5% to 10% by increasing the tariff rate [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(9) BCD on all goods falling under heading 8516 (except tariff items 8516 50 00 and 8516 90 00) is being increased from 10% to 20% by increasing the tariff rate [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(10) Exemption from BCD on Fingerprint readers/ scanner for use in manufacture of cellular mobile phones falling under tariff item 8517 70 90 is being withdrawn. Accordingly, the entry at S. No. 468 of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 is being amended *vide* notification No 1/2020-Customs dated 2nd February, 2020. Consequently, the said goods will attract applicable BCD rate. However, BCD exemption on parts for manufacture of such Fingerprint readers/ scanners shall continue [S. No. 7 of the notification No. 57/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No. 2/2020-Customs, dated 2nd February, 2020 refers].

(11) BCD on Printed Circuit Board Assembly (PCBA) of cellular mobile phones, falling under tariff item 8517 70 10, is being increased from 10 % to 20 % with effect from 1<sup>st</sup> April, 2020 by increasing the tariff rate [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, increase in Tariff rate of tariff item 8517 70 10 will come into force with immediate effect. The existing BCD rate of 10% on these goods shall continue upto 31<sup>st</sup> March, 2020. Notification No. 57/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No.2 /2020-Customs, dated 2<sup>nd</sup> February, 2020. [New S.No.21 refers].

(12) BCD on specified parts of the cellular mobile phones, is being increased from Nil to 10% as per PMP from the date mentioned against them in the table below: -

Tariff item	Description	Effective date
8517 70 90	Vibrator Motor/Ringer	1.4.2020
8517 70 90	Display Assembly	1.10.2020
8517 70 90	Touch Panel/Cover Glass Assembly	1.10.2020

[ Notification No. 57/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No. 2/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers].

(13) BCD on specified Parts of Microphones falling under tariff line 8518 10 00 is being exempted subject to actual user condition. [New S.No.489B of the notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No. 1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers].

(14) BCD on all headphones and earphones falling under tariff item 8518 30 00 is being increased from applicable rate to 15%. Till now, only headsets of cellular mobile phone falling under tariff item 8518 30 00 were attracting 15% BCD. Now, all items of tariff item 8518 30 00 shall attract 15% BCD. [S. No. 18 of notification No. 57/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No. 2 /2020-Customs, dated 2nd February, 2020 refers].

(15) A new tariff item (8529 90 30) is being created for "Open cell of television sets". Tariff item 8529 90 90 has accordingly been split. [Clause 115(b) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this tariff changes will come into force with immediate effect. The existing BCD exemption on these items shall continue under S. No 515A of Notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017. Consequential amendments in other notifications are also being done to maintain existing BCD exemptions on Open cell of television set *vide* notification No.10/2020, dated the 2<sup>nd</sup> February, 2020.

(16) Micro Fuse Base, Sub-Miniature Fuse Base, Micro Fuse Cover and Sub-Miniature Fuse Cover, falling under heading 8538 for use in manufacturing of Micro Fuse and Sub-Miniature Fuse, is being exempted from BCD subject to end use. [S.No. 190 of the Notification No. 25/1999-Customs, dated 28<sup>th</sup> February, 1999, as amended *vide* notification No.5/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers].

(17) Entry at S. No 515 of notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, provides BCD exemption on Color television picture tube for use in the manufacture of cathode ray television, falling under sub-heading 8540 11. On review, this entry is being omitted *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020. Consequently, these items will attract 10% BCD.

(18) Solar Cells, whether or not assembled in modules is classified under tariff item 8541 40 11 and attracts Nil BCD by tariff and *vide* entry at Sr. No. 23 of the notification No. 24/2005-Customs, dated 1st March, 2005. Now, the tariff item 8541 40 11 is being split into by following tariff items, namely: -

- (i) tariff item 8541 40 11: - Solar Cells, not assembled
- (ii) tariff item 8541 40 12: - Solar Cells assembled in modules or made up into panels.

Tariff rate on the said new tariff items is also being increased from Nil to 20%. [Clause 115 (b) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this tariff changes will come into force with immediate effect. However, the existing BCD rates on Solar Cells whether or not assembled into modules, including Safeguard duty shall continue. In view of the creation of new tariff items, consequential amendments in notification No. 1/2018-Customs (SG), dated 30th July, 2018, is being done *vide* notification No. 1/2020-Customs (SG), dated 2nd February, 2020.

(19) Notification No. 11/2018-Custom, dated the 2<sup>nd</sup> February, 2018 provided exemption from Social Welfare surcharge (SWS) on specified items of Chapter 85 under entries at S. No. 1, 11, 13, 14, 17, 21 to 45 and 51 of the said notification. The exemption from SWS on the said items is being withdrawn by omitting said entries. [Notification No. 11/2018-Customs, dated 2<sup>nd</sup> February, 2018, as amended *vide* notification No.9 /2020, dated 2<sup>nd</sup> February, 2020 refers]. Consequently, all items of Chapter 85 will attract SWS at the rate of 10% of BCD payable. [For details refer Annexure- B]

#### **Chapter 86: No Change**



## Chapter 87

(1) Concessional BCD has been provided on **electric motor vehicles** under PMP plan. BCD is being increased [**with effect from 1.04.2020**] on electric motor vehicles as under:

Heading	Description	From	To
8702, 8704	Completely Built Units (CBUs) of commercial electric vehicles	25%	40%
8703	Semi Knocked Down (SKD) forms of electric passenger vehicles, Three-wheeler	15%	30%
8702, 8704, 8711	Semi Knocked Down (SKD) forms of electric vehicles- Bus, Trucks and Two wheelers	15%	25%
8702, 8703, 8704, 8711	Completely Knocked Down (CKD) forms of electric vehicles - Passenger vehicles, Bus and Trucks, Three wheelers, Two wheelers.	10%	15%

The above changes are being carried out by amending S. Nos 525, 526A, 531A of notification No 50/2017-Customs dated 30<sup>th</sup> June, 2017 *vide* notification No 1/2020-Customs dated 2<sup>nd</sup> February, 2020.

(2) BCD on Completely Built Units (CBUs) of commercial vehicles [ other than electric vehicles] falling under headings 8702 and 8704, is being increased from 30 to 40% [ **with effect from 1.04.2020**] by amending S.No. 524 of notification No 50/2017-Customs dated 30<sup>th</sup> June, 2017 *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020 refers. Consequently, Completely Built Units (CBUs) of commercial vehicles including electric vehicles will attract 40 % BCD **with effect from 1.04.2020**

(3) CBU of all commercial vehicles (including electric commercial vehicles) falling under headings 8702 and 8704 is being exempted from levy of Social Welfare Surcharge **with effect from 01.04.2020** by amending notification 11/2018-Customs dated 2.02.2018 *vide* notification No.9/2020-Customs dated 2<sup>nd</sup> February, 2020.

## Chapter 88-89: No Change

## Chapter 90

(1) Health Cess is being levied on all medical devices falling under headings 9018 to 9022 with effect from 2<sup>nd</sup> February, 2020. [Clause139 and *Fourth Schedule* of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this levy

will come into force with immediate effect. However, this Cess is being exempted on medical devices which are exempt from BCD including under FTA notifications. Further, inputs/parts used in the manufacture of medical devices is also being exempted from Health Cess. [ New notification No.8/2020, dated the 2<sup>nd</sup> February, 2020 refers].

(2) S.No. 578 of the notification No. 50/2017-Customs, dated the 30<sup>th</sup> June, 2017 provides BCD exemption on assistive devices, rehabilitation aids and other goods for disabled as mentioned in List 30 to the said notification. The item at S. No. E (9) in this list is being amended to remove ambiguity about its scope. The intention has been to cover only such items which are for use of the disabled. This is a clarificatory in nature [Notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No. 1/2020, dated 2<sup>nd</sup> February, 2020 refers].

(3) Notification No. 11/2018-Custom, dated the 2<sup>nd</sup> February, 2018 provided exemption from Social Welfare surcharge (SWS) on specified items of Chapter 90 under entries at S. No. 1, 9 and 46 to 49 of the said notification. The exemption from SWS on the said items is being withdrawn by omitting said entries. [Notification No. 11/2018-Customs, dated 2<sup>nd</sup> February, 2018, as amended *vide* notification No.9/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers]. Consequently, all items of Chapter 90 will attract SWS at the rate of 10% of BCD payable. [For details refer Annexure-B]

### **Chapter 91-93: No Change**

### **Chapter 94**

(1) BCD on seats whether or not convertible into beds, and parts thereof (except aircraft seats and parts thereof), falling under headings 9401, is being increased from 20% to 25%, by increasing the tariff rate. [Clause 115(a) of the Finance Bill 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect. The existing concessional rate/ exemptions on aircraft seats and parts thereof shall continue.

(2) BCD on all goods falling under heading 9403, is being increased from 20% to 25%, by increasing the tariff rate. [Clause 115(a) of the Finance Bill 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(3) BCD on all goods falling under heading 9404, is being increased from 20% to 25%, by increasing the tariff rate. [Clause 115(a) of the Finance Bill 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

(4) BCD on all goods falling under heading 9405, is being increased from 20% to 25%, by increasing the tariff rate. [Clause 115(a) of the Finance Bill 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

#### **Chapter 95**

(1) BCD on all goods (toys and dolls etc.) falling under headings 9503, is being increased from 20% to 60%, by increasing the tariff rate. [Clause 115(a) of the Finance Bill 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

#### **Chapter 96**

(1) BCD on all goods falling under headings 9603, 9615, 9617 and under tariff item 9604 00 00 is being increased from 10% to 20% by increasing the tariff rate. [Clause 115 (a) of the Finance Bill, 2020 refers]. By virtue of declaration under the Provisional Collection of Taxes Act, 1931, this increase will come into force with immediate effect.

#### **Chapter 98**

(1) Entry at S. No. 603 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, provides exemption from BCD to Drinking Water Supply Projects for supply of water for human or animal consumption under project import. Notification No. 14/2004-Customs dated 8<sup>th</sup> January 2004, provides exemption from BCD to Water Supply Projects for agricultural or industrial use under project import.

S.No. 603 of notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017 is being amended so as to also include Water Supply Projects for agricultural or industrial use under project import in its ambit. Consequently, notification No. 14/2004-Customs dated 8<sup>th</sup> January 2004 is being rescinded *vide* notification No.12/2020-Customs dated 2<sup>nd</sup> February, 2020.

## **Any Chapter**

(1) Vide S. No. 247 of notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017, exemption from BCD is provided to promotional material (like Trailers, making of film, etc) imported in the form of electronic promotion kits (EPK)/beta cams, falling under any Chapter. On review, this entry along with Condition No. 23 in the Annexure to notification No. 50/2017-Customs dated 30<sup>th</sup> June, 2017 is being omitted *vide* notification No. 1/2020-Customs dated 2<sup>nd</sup> February, 2020. Consequently, these goods will attract applicable tariff rate.

## **II. Amendment in Anti-dumping duty imposed under Customs Tariff Act, 1975**

(1) The Anti-dumping duty on Purified Terephthalic Acid (PTA), including its variants, "Medium Quality Terephthalic Acid" (MTA) and "Qualified Terephthalic Acid" (QTA), falling under tariff item 2917 36 00, imposed *vide* (i) notification No. 28/2016-Customs(ADD) dated 05.07.2016 on imports originating in or exported from People's Republic of China, Indonesia, Taiwan, Iran, Malaysia; and (ii) notification No. 28/2019-Customs(ADD) dated 24.07.2019 on imports originating in or exported from Korea RP and Thailand, is being revoked, by rescinding the aforesaid two notifications (Notification no. 3/2020-Customs (ADD) dated 2<sup>nd</sup> February, 2020 refers.)

## **III. Miscellaneous Changes**

(1) The exemption from BCD and IGST in respect of specified military equipment under notification No. 19/2019-Customs dated 6th July, 2019, is being extended on imports by Defence PSUs and other PSUs for defence forces by amending notification No. 19/2019-Customs dated 6th July, 2019 *vide* notification No. 3/2020-Customs dated 2nd February, 2020.

(2) S. No. 408 (and Condition 51) of the notification No. 50/2017-Customs, dated the 30<sup>th</sup> June, 2017 provides concessional BCD rate of 5% on item for renovation and modernization of Fertilizer plants. It requires a techno-economic clearance from Department of Fertilizer. The Condition No. 51 is being amended so as to remove this requirement. Notification No. 50/2017-Customs, dated 30<sup>th</sup> June, 2017, as amended *vide* notification No.1/2020-Customs, dated 2<sup>nd</sup> February, 2020 refers.

(3) Technical changes of clarificatory nature are being made in Condition No. 78 so as to make it consistent with the entry at S. No. 539 of notification No. 50/2017-Customs dated 30<sup>th</sup>

June, 2017. The said S. No. 539 deals with re-export of ground equipment imported for testing the satellite or payload, within a period of six months.

(4) A separate new Condition (No. 107) is being prescribed for S. No. 539A, which deals with scientific and technical instruments, apparatus, equipments for launch of vehicles and satellites and payloads. Hitherto, condition No. 78 applied to this entry. This is a clarificatory change.

(5) Willow is being included in the list of items which are allowed duty free import upto 3% of FOB value of sports goods exported in the preceding financial year, subject to the condition that the manufacturer of sports goods is registered with the "Sports goods Exports Promotion Council". [Existing entry at S. No. 612 of notification No. 50/2017-Customs dated 30th June, 2017, as amended *vide* notification No. 1/2020- Customs dated 2nd February, 2020 refers]

(6) Vide S. No. 401 of notification No.50/2017-Customs dated 30.06.2017, items of equipment including machinery and rolling stock imported by Delhi Metro Rail Corporation for use in Phase – I and specified corridors of Phase – II of Delhi MRTS projects are exempted from BCD. This S. No is being omitted *vide* notification No 1/2020-Customs dated 02.02.2020. Consequently, these items will now attract BCD rates applicable otherwise.

#### IV. Review of Exemption Notifications

Certain miscellaneous exemption notifications have been reviewed and these notifications have either been merged with other exemption notifications or rescinded as these no longer serve any purpose or have become redundant. The list of notifications that are being rescinded are as under:

S. No.	Notification No.	Notification Subject
1.	13/2010-Customs dated 19.2.2010	Common Wealth Games, 2010
2.	73/1999-Customs dated 8.6.1999	Exemption to import by Power Grid Corporation of India for the setting up of Rihand-Sasaram-Bihar shariff HV DC Link Back to Back Station Project

S. No.	Notification No.	Notification Subject
3.	205/1992- Customs dated 19.5.1992	Advance Customs Clearance Permit issued under para 58 of the Export and Import Policy 1 April 1992 - 31 March 1997.
4.	105/1999- Customs dated 10.8.1999	Exemption under SAARC PTA
5.	56/2006-Customs dated 7.6.2006	Exemption from Special additional duty to specified goods produced in Nepal
6.	22/2003-Customs dated 4.2.2003	<p>Wool or woolen fabrics or woolen apparels received as gifts by Red Cross and Paper Money.</p> <p>[The exemption to wool, woolen fabrics and apparels received as gifts by the Indian Red Cross has been provided by inserting new S. No. 2A in notification No. 148/1994-Customs dated 13th July, 1994 as amended vide notification No. 04/2020-Customs dated 2nd February, 2020.</p> <p>Further, Paper Money is being exempted by inserting new S. No. 304A in notification No. 50/2017-Customs as amended by notification No. 1/2020-Customs dated 2nd February, 2020.]</p>
	22/2007-Customs dated 1.3.2007	Preferential rates on certain CTH
	14/2004-Customs dated 8.1.2004	Water supply projects for industrial and agricultural use exempted under Project Imports

**SOCIAL WELFARE SURCHARGE****Note:**

Social Welfare Surcharge (SWS) means duty of customs levied vide section 110 for Finance Act, 2018.

**I. Exemption from levy of SWS**

Levy of Social Welfare Surcharge (SWS) on specified items as under is being exempted. Notification No. 11/2018-Customs, dated 2<sup>nd</sup> February, 2018, as amended vide notification No. /2020 dated 2<sup>nd</sup> February, 2020 refers.

<b>S.No.</b>	<b>HS Code</b>	<b>Description</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
1	0404 10 10	Whey, concentrated, evaporated or condensed, liquid or semi solid
2	0406 90 00	Cheese, Other
3	0601,0602	Bulbs or tubers, other live plants
4	0802 12 00	Almonds, Shelled
5	0802 31 00	Walnuts, in shell
6	0802 32 00	Walnuts, shelled
7	1001 11 00, 1001 91 00, 1001 99 20	Wheat and Meslin
8	1001 90	Maize
9	1704 10 00	Chewing Gum
10	1901 10	Preparations for infant use put up for retail sale.
11	2009 11 00	Orange Juice, Frozen
12	2009 12 00	Orange Juice, not frozen, or a Brix value not exceeding 20
13	2009 19 00	Orange Juice, Other
14	2515 12 20	Marble and travertine slabs
15	6802 10 00	Tiles, cubes and similar articles, whether or not rectangular (including square), the largest surface area of which is capable of being enclosed in a square the side of which is less than 7 cm; artificially coloured granules, chippings and powder, other monumental or building stone and articles thereof, simply cut sawn with a flat even surface
16	6802 21 10	Marble blocks/tiles

17	6802 21 20	Marble monumental stone
18	6802 21 90	Other tiles, cubes and similar articles
19	6802 91 00	Marble, travertine and alabaster
20	6802 92 00	Other calcareous stone
21*	8702 or 8704	All commercial vehicles (including electric vehicles), if imported or completely built unit (CBU).

\* S. No. 21 will be exempt from levy of SWS with effect from 01.04.2020.

**II. Withdrawal of Exemption from Social Welfare Surcharge-** Following entries are being amended/omitted to withdraw the Social Welfare Exemption, hitherto available on them: -

Sl. No. of the Notification	Description of goods
(1)	(2)
1.	All goods falling under the following headings or sub-headings or tariff items – 8472 90 91, 8470, 8471, 8473 21 00, 8473 29 00, 8473 50 00 (except parts of heading 8472 90 91 to 8472 90 95)], [line telephone sets and line videophones of heading 8517, 8519 50 00, all prepared unrecorded media for sound recording or similar recording of other phenomena, other than products of Chapter 37 (excluding cards incorporating a magnetic stripe) of heading 8523], [recorded media for reproducing phenomena other than sound or image, of heading 8523], 8531 20, 8532, 8533, 8534 00 00, 8541, [parts of electronic integrated circuits and micro-assemblies, of tariff item 8523 52 or 8542 90 00], 8543 59 10 8543 70 11, 9013 80 10, 9013 90 10, 9026, 9027 20 00, 9027 30, 9027 50, [9027 80 (except exposure metres)], 9030 40 00, 9030 82 00.
9.	All the goods covered under notification No. 25/1998-Customs, dated 2 <sup>nd</sup> June 1998 published in Gazette of India <i>vide</i> number G.S.R 290 (E), dated the 2 <sup>nd</sup> June 1998.
10.	Facsimile machines and teleprinters, falling under heading 8443.
11.	All goods falling under tariff items 8517 69 50, 8517 69 60, 8517 69 70, 8517 69 90 and 8517 70 10.
12.	Parts and accessories (falling under sub-heading 8443 99) of all goods falling under tariff item 8443 31 00 and sub-heading 8443 32.
13.	Units of automatic data processing machines falling under sub-heading 8517 62.
14.	All goods falling under tariff items 8528 42 00, 8528 52 00 or 8528 62 00.
15.	All goods falling under tariff item 8443 31 00 or sub-heading 8443 32.
16.	All goods falling sub-heading 8473 30.
17.	Parts and accessories (heading 8529) of goods falling under tariff items 8528 42 00, 8528 52 00 or 8528 62 00.
18.	Automatic Teller Machines falling under tariff item 8472 90 30.
19.	Printed circuit assemblies of word processing machines and units thereof, falling under sub-heading 8473 40.



20.	Printed circuit assemblies for automatic teller machines, falling under sub-heading 8473 40.
21.	Static converters for automatic data processing machines, and units thereof, and telecommunication apparatus, falling under sub-heading 8504 40.
22.	Other inductors for power supplies for automatic data processing machines and units thereof, and telecommunication apparatus, falling under sub-heading 8504 50.
23.	Printed circuit assemblies falling under sub-heading 8504 90 for- (i) static convertors for automatic data processing machines and units thereof, and telecommunication apparatus; (ii) other inductors for power supplies for automatic data processing machines and units thereof, and telecommunication apparatus.
24.	Microphones having a frequency range of 300 Hz to 3,4 KHz with a diameter of not exceeding 10 mm and a height not exceeding 3 mm, for telecommunication use, falling under sub-heading 8518 10.
25.	Loudspeakers, without housing having frequency range of 300 Hz to 3,4 KHz with a diameter not exceeding 50 mm, for telecommunication use cone type and other than cone type, falling under sub-heading 8518 29.
26.	Line telephone handsets, falling under sub-heading 8518 30.
27.	Printed circuit assemblies falling under sub-heading 8518 90 for - (i) microphones having a frequency range of 300 hz to 3,4 khz with a diameter not exceeding 10 mm, and a height not exceeding 3 mm for telecommunication use; (ii) loud speakers, without housing, having a frequency range of 300 Hz to 3,4 KHz with a diameter not exceeding 50 mm for telecommunication use; (iii) line telephone handsets.
28.	Printed circuit assemblies for telephone answering machines, falling under sub-heading 8522 90.
29.	Information Technology software, falling under heading 8523.
30.	Digital still image video cameras, falling under tariff item 8525 80 20.
31.	Aerials or antennae of a kind used with apparatus for radiotelephony and radiotelegraphy, falling under tariff item 8517 70 90.
32.	Populated PCBs falling under sub-heading 8529 90 for (i) transmission apparatus other than apparatus for radio broadcasting or television; (ii) transmission apparatus incorporating reception apparatus; (iii) digital still image video cameras.
33.	Parts (other than populated PCBs) for digital still image video cameras, falling under sub-heading 8529 90.
34.	Flat panel displays of a kind used in automatic data processing machines and telecommunication apparatus, falling under sub-heading 8531 80.
35.	Parts of indicator panels incorporating Liquid Crystal Devices (LCD) or Light Emitting Diode (LED), falling under sub-heading 8531 90.
36.	Electronic AC switches consisting of optically coupled input and output circuits (insulated thyristor AC switches), falling under sub-heading 8536 50.
37.	Electronic switches, including temperature protected electronic switches, consisting of a transistor and a logic chip (chip on-chip technology) for a voltage not exceeding 1000 volts, falling under sub-heading 8536 50.

38.	Electromechanical snap-action switches for a current not exceeding 11 amps, switches of contact rating less than 5 Amp at voltage not exceeding 250 volts, falling under sub- heading 8536 50.
39.	Plugs and sockets for coaxial cables and printed circuits, falling under sub-heading 8536 69.
40.	Connection and contact elements for wires and cables, falling under sub-heading 8536 69.
41.	Wafer probers, falling under sub-heading 8536 90;
42.	Printed circuit assemblies all falling under sub-heading 8538 90 for the following goods of heading 8536 - (i) electronic ac switches consisting of optically coupled input and output circuits (insulated thyristor ac switches); (ii) electronic switches, including temperature protected electronic switches, consisting of a transistor and a logic chip (chip-on-chip technology) for a voltage not exceeding 1000 volts; (iii) electro-mechanical snap-action switches for a current not exceeding 11 amperes, switches of contact rating less than 5 amperes at voltage not exceeding 250 volts; (iv) plugs and sockets for co-axial cables and printed circuits; (v) connection and contact elements for wires and cables; and (vi) wafer probers.
43.	Electrical machines with translation or dictionary functions, falling under tariff item 8543 70 99.
44.	Printed circuit assemblies falling under tariff item 8543 90 00 for: - (i) Proximity cards and tags; (ii) Electrical machines with translation or dictionary functions.
45.	Electric Conductors of a voltage not exceeding 1000 V, fitted with connectors, of a kind used for telecommunications, falling under sub-heading 8544 42.
46.	Drafting machines of tariff item 9017 10 00.
47.	Drawing machines of sub-heading 9017 20.
48.	Printed circuit assemblies falling under tariff item 9017 90 00 for drafting machines or drawing machines of heading 9017.
49.	Parts and accessories of products of heading 9027, other than for gas or smoke analysis apparatus and microtomes, falling under sub-heading 9027 90.
51.	All goods falling under tariff items 8517 12 11, 8517 12 19 and 8517 12 90.

**EXCISE****Note:**

- (a) "Basic Excise Duty" means the excise duty set forth in the Fourth Schedule to the Central Excise Act, 1944.
- (b) NCCD means "National Calamity Contingent Duty" levied under Finance Act, 2001, as a duty of Excise on specified goods at rates specified in the seventh schedule to Finance Act, 2001.

**These changes will come into effect immediately [from 00 hours on 02.02.2019] owing to the declaration under the Provisional Collection of Taxes Act, 1931.**

**Chapter 24**

- (1) Levy of National Calamity Contingent Duty is being reviewed on the following items.  
[Clause 145 of the Finance Bill, 2020 refers]:

<b>Tariff Item</b>	<b>Description of goods</b>	<b>From</b>	<b>To</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
2402 20 10	Other than filter cigarettes, of length not exceeding 65 millimetres	Rs. 90 per thousand	Rs. 200 per thousand
2402 20 20	Other than filter cigarettes, of length exceeding 65 millimetres but not exceeding 70 millimetres	Rs. 145 per thousand	Rs. 250 per thousand
2402 20 30	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 65 millimetres	Rs. 90 per thousand	Rs. 440 per thousand
2402 20 40	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 65 millimetres but not exceeding 70 millimetres	Rs. 90 per thousand	Rs. 440 per thousand
2402 20 50	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its	Rs. 145 per thousand	Rs. 545 per thousand

	actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres		
2402 20 90	Other	Rs. 235 per thousand	Rs. 735 per thousand
2402 90 10	Cigarettes of tobacco substitutes	Rs. 150 per thousand	Rs. 600 per thousand
2403 11 10	Hookah or gudaku tobacco	10%	25%
2403 19 10	Smoking mixtures for pipes and cigarettes	45%	60%
2403 19 90	Other	10%	25%
2403 91 00	"Homogenised" or "reconstituted" tobacco	10%	25%
2403 99 10	Chewing tobacco	10%	25%
2403 99 20	Preparations containing chewing tobacco	10%	25%
2403 99 30	Jarda scented tobacco	10%	25%
2403 99 40	Snuff	10%	25%
2403 99 50	Preparations containing snuff	10%	25%
2403 99 60	Tobacco extracts and essence	10%	25%
2403 99 90	Other	10%	25%

## ANNEX D

### RETROSPECTIVE CHANGES RELATING TO GST

- (1) Central Tax, Union Territory Tax and Integrated tax is being exempt on fishmeal falling under tariff heading 2301 for the period 01.07.2018 to 30.09.2019. [Clause 130,133 and 137 of the Finance Bill, 2020 refers].
- (2) Levy of 6% rate of Central Tax, 6% rate of Union Territory Tax and 12% rate of Integrated Tax for the period 01.07.2017 to 31.12.2018, is being prescribed, on pulley, wheels and other parts (falling under heading 8483) and used as parts of agricultural machinery of headings 8432, 8433, and 8436[Clause 130,133 and 137 of the Finance Bill, 2020 refers].
- (3) The refund of accumulated credit of compensation cess on tobacco products arising out of inverted duty structure in Compensation Cess is disallowed w.e.f 1.10.2019 vide notification No. 3/2019- Compensation Cess (Rate) dated 30.9.2019. This notification is being given retrospective effect from 1.7.2017 onwards. Accordingly, no refund on account of inverted duty structure would be admissible on any tobacco products.