

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
85	Packaged Software or Canned Software	Information Technology Software	12%	Nil	01/03/16	12/2016 Dt. 01/03/16	CVD on imported media with recorded Information Technology Software is exempted on so much value as is equivalent to the value of the Information Technology Software recorded on the said media which is leviable to Service tax under Finance Act, 1994. (Right to use the goods). Earlier CVD was exempted only on the value of Packaged & Canned Software on which Service Tax was charged. Declaration in Annexure-I to be provided.
08013100	Cashew nuts in shell	Cashew nuts in shell	Nil	5%	01/03/16	12/2016 Dt. 01/03/16	BCD exemption on Cashew Nuts in Shell withdrawn.
22072000	Ethyl Alcohol & other spirits denatured, of any strength.	Denatured Ethyl Alcohol (Ethanol) for use in manufacture of excisable goods.	5%	2.5%	01/03/16	12/2016 Dt. 01/03/16	New Serial No. 96A added for reduction of BCD from 5% to 2.5% on Ethanol for use in manufacture of excisable goods and procedures for actual user condition under Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed (Condition No. 5).
25051011, 25051012, 25051019	Crude or unrefined Sulphur	Silica Sands	5%	2.5%	01/03/16	12/2016 Dt. 01/03/16	BCD is reduced from 5% to 2.5%
2701 11 00 2701 12 00 2701 19	All goods (Anthracite, Bituminous & Other Coals)	All goods (Anthracite, Bituminous & Other Coals)	2.5%	2%	01/03/16	12/2016 Dt. 01/03/16	Only on Anthracite, Bituminous & Other Coals, BCD is reduced from 2.5% to 2%. BCD on Coking Coal & Steam Coal will remain @ 2.5% (New Serial No. 121B to Notn No 12/2012 Cus inserted).
2701, 2702, 2703	Coal, Briquettes, ovoids & similar solid fuels, Lignites, Peat	Coal, Briquettes, ovoids & similar solid fuels, Lignites, Peat	2.5% 10% 10%	2.5%	01/03/16	12/2016 Dt. 01/03/16	BCD from 10% to 2.5% is rationalized to 2.5% (New Serial No. 121C to Notn No 12/2012 Cus inserted).
2704, 2705 and 2706	Coke & Semi-Coke of Coal, of Lignite/Peat,	Coke & Semi-Coke of Coal, of Lignite/Peat,	10%	5%	01/03/16	12/2016 Dt. 01/03/16	BCD is rationalized from 10% to 5% (New Serial No. 121D to Notn No 12/2012 Cus inserted).

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	Coal/Water/Producer Gas other than Petro Gas, Tar distilled from Coal / lignite / peat.	Coal/Water/Producer Gas other than Petro Gas, Tar distilled from Coal / lignite / peat.					
2707	Oils & Other Products of the distillation of high temperature of coal tar.	Oils & Other Products of the distillation of high temperature of coal tar.	10%	2.5%	01/03/16	12/2016 Dt. 01/03/16	BCD from 10% to 2.5% is rationalized to 2.5% (New Serial No. 121E to Notn No 12/2012 Cus inserted).
2708	Pitch & pitch coke obtained from coal tar.	Pitch & pitch coke obtained from coal tar.	5%	5%	01/03/16	12/2016 Dt. 01/03/16	BCD from 2.5% to 5% is rationalized to 5% (New Serial No. 121F to Notn No 12/2012 Cus inserted). Old Serial No. 122 (2.5%), 122A (2%), 123 (2.5%), 124 (2.5%), 124A (2.5%), 125 (5%), 126 (2.5%), 126A (5%), 126B (2.5%) and 126C (5%) are being omitted & hence for some of the products BCD is increased from 2.5% to 5% in view of rationalization of BCD.
28	Phosphoric acid, for the manufacture of fertilizers	Phosphoric acid, for the manufacture of fertilizers	5%	5%	01/03/16	12/2016 Dt. 01/03/16	Procedures for actual user condition under Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed (Condition No. 5) for Serial No. 151 of Notf No. 12/2012 Cus.
28	Anhydrous ammonia, for the manufacture of goods falling under Chapter 31, for use as fertilizers	Anhydrous ammonia, for the manufacture of goods falling under Chapter 31, for use as fertilizers	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Procedures for actual user condition under Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed (Condition No. 5) for Serial No. 152 of Notf No. 12/2012 Cus.
28	Aluminum oxide for use in manufacture of washcoat	Aluminum oxide for use in manufacture of washcoat	7.5%	5%	01/03/16	12/2016 Dt. 01/03/16	Procedures for actual user condition under Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed (Condition No. 5) for Serial No. 152 of Notf No. 12/2012 Cus.
2844	Medical use fission Molybdenum-99 (Mo-	Medical use fission Molybdenum-99 (Mo-99), if	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Serial No. 163A to Notfn. No. 12/2012 Cus inserted for exemption BCD from 7.5%.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	99), if imported by Board of Radiation and Isotope Technology (BRIT) for use in the manufacture of radio pharmaceuticals	imported by Board of Radiation and Isotope Technology (BRIT) for use in the manufacture of radio pharmaceuticals					Procedures for actual user condition under Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed (Condition No. 5).
2901, 2902 (except 2902 43 00, 2902 50 00)	All goods i.e. Acyclic Hydrocarbons & Cyclic Hydrocarbons except p-Xylene & Styrene.	All goods i.e. Acyclic Hydrocarbons & Cyclic Hydrocarbons except p-Xylene & Styrene.	5% / Nil / 2%	2.5%	01/03/16	12/2016 Dt. 01/03/16	BCD rationalized from 5% to 2.5% by inserting Sr. No. 172A. Sr. No. serial numbers 173A, 173B, 173C, 173D, 173E and 176 and the entries relating thereto shall be omitted. BCD under Sr. No. 174 (Para-Xylene Nil and Sr. No. 175 Styrene 2% will remain unchanged. In view of this, under Sr. No. 173, Chapter Heading No. 2903 (except 2903 11 10, 2903 12 00, 2903 13 00, 2903 22 00) or 2904 is substituted since Chapter Heading 2901 & 2902 is now included under new Sr. No. 172A.
38249032, 85051190	Ferrite Powder and Electro & Permanent Magnets.	The following goods for use in the manufacture of Brushless Direct Current (BLDC) motors, namely:- (i) Magnet Resin (Strontium Ferrite compound/before formed, before magnetization); (ii) Neodymium Magnet (before Magnetization)	7.5%	2.5%	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 230B to Notfn. No. 12/2012 Cus added reducing BCD from 7.5% to 2.5% with Actual User Condition & Procedure under Customs (IGCR of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed.
3902	Capacitor grades polypropylene granules or resins for the manufacture of capacitor grade plastic film	Capacitor grades polypropylene granules or resins for the manufacture of capacitor grade plastic film	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 238A to Notfn. No. 12/2012 Cus added exemption BCD from 7.5% with Actual User Condition & Procedure under Customs (IGCR of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
39069090	Super absorbent polymer (SAP) imported for use in the manufacture of adult diapers	Super absorbent polymer (SAP) imported for use in the manufacture of the following, namely :- (i) adult diapers; (ii) all goods falling under chapter heading 9619 (Sanitary Towels & tampons, napkins & napkin liners for babies), other than adult diapers	7.5%	5%	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 242 of Notfn. No. 12/2012 Cus revised to include all goods under chapter heading 9619 (Sanitary Towels & tampons, napkins & napkin liners for babies) with Actual User Condition & Procedure under Customs (IGCR of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed.
40169590, 40169990, 95030090, 95051000, 95059090	All goods, other than natural rubber latex made balloons	All goods, other than natural rubber latex made balloons	10%	20%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 20% & reduced to 10% by inserting Sr. No. 254A to Notfn. No. 12/2012 Cus for all goods except for Natural Rubber Latex made Balloons.
44012100, 44012200	Wood in chips or particles, imported for use in manufacture of the following, namely:- i. paper and paperboard; ii. newsprint.	Wood in chips or particles, imported for use in manufacture of the following, namely:- i. paper and paperboard; ii. newsprint.	5%	Nil	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 259A of Notfn. No. 12/2012 Cus inserted for granting exemption from BCD with Actual User Condition & Procedure under Customs (IGCR of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed.
47	Pulp of wood or of other fibrous cellulosic material (excluding rayon grade wood pulp) when used for the manufacture of the following, namely:- (i) newsprint; (ii) paper and paperboard; (iii) adult diapers;	Pulp of wood or of other fibrous cellulosic material (excluding rayon grade wood pulp) when used for the manufacture of the following, namely :- (i) newsprint; (ii) paper and paperboard; (iii) adult diapers;	Nil Nil	Nil Nil	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 260 of Notfn. No. 12/2012 Cus is revised to reduced BCD from 10% to 2.5% on Pulp of wood or of other fibrous cellulosic material for manufacture of goods under Chapter Heading 9619 (Sanitary Towels & tampons, napkins & napkin liners for babies) with Actual User Condition & Procedure under Customs (IGCR of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
		(iv) all goods falling under chapter heading 9619, other than adult diapers.	Nil 2%	Nil 2.5%			
48239011	Braille Paper	Braille Paper	10%	Nil	01/03/16	12/2016 Dt. 01/03/16	Added in list 32.
4911	Plans, drawings and designs	Plans, drawings and designs	Nil	10%	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 275 of Notfn. No. 12/2012 Cus is withdrawn thereby withdrawing exemption of BCD.
50,52, 54, 55 or any other chapter	Cotton and Elastane blended printed fabrics, Cotton and metallic yarn dyed blended fabrics, Cotton and spandex and metallic blended fabrics, Cotton and Elastane printed fabric Cotton and silk lining fabric, 100% linen chambray woven/dyed fabric, 100% ramie dyed /blended printed yarn dyed fabric, Nylon and spandex lining fabrics, 100% polyester velvet dyed fabric, Cotton / Nylon / Embroidery crochet lace lining fabric	Cotton and Elastane blended printed fabrics, Cotton and metallic yarn dyed blended fabrics, Cotton and spandex and metallic blended fabrics, Cotton and Elastane printed fabric Cotton and silk lining fabric, 100% linen chambray woven/dyed fabric, 100% ramie dyed /blended printed yarn dyed fabric, Nylon and spandex lining fabrics, 100% polyester velvet dyed fabric, Cotton / Nylon / Embroidery crochet lace lining fabric	10%	Nil	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 284A of Notification No. 12/2012- Customs inserted exempting Basic Customs Duty on import of specified fabrics, of value equivalent to 1% of FOB value of exports in the preceding financial year, for manufacture of textile garments for exports, subject to the specified new conditions under 28A. The entitlement for the month of March 2016 shall be one twelfth of one per cent. of the FOB value of exports in the financial year 2014-15.
54021990, 54025200, 55031100, 55031900, 55033000,	Nylon 66 filament, Polyester yarn-Anti Static Filament, Aramid Flame Retardant Fibre, Para-aramid Fibre, Nylon	Nylon 66 filament, Polyester yarn-Anti Static Filament, Aramid Flame Retardant Fibre, Para- aramid Fibre, Nylon Staple Fibre, Nylon	5%	2.5%	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 290A is inserted to Notification No. 12/2012 Cus for reduction in BCD from 5% to 2.5%.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
55041000	Staple Fibre, Nylon Anti Static Staple fibre, Modacrylic fibre, Flame Retardant Viscose Rayon Fibre	Anti Static Staple fibre, Modacrylic fibre, Flame Retardant Viscose Rayon Fibre					
70	Solar tempered glass or solar tempered (anti-reflective coated) glass for use in manufacture of solar cells/panels/modules	Solar tempered glass or solar tempered (anti-reflective coated) glass for use in manufacture of solar cells/panels/modules	Nil	5%	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 305A is inserted to Notification No. 12/2012 Cus for increase in BCD from Nil to 5%.
70 or 90	Preform of Silica for the manufacture of telecommunication grade optical fibres or optical fibre cables.	Preform of Silica for the manufacture of telecommunication grade optical fibres or optical fibre cables.	Nil	10%	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 306 of Not. No. 12/2012 Cus omitted thereby withdrawing the exemption of BCD.
71	Gold dore bar, having gold content not exceeding 95%	Gold dore bar, having gold content not exceeding 95%	8%	8.75 %	01/03/16	12/2016 Dt. 01/03/16	CVD is increased from 8% to 8.75% (Sr. No. 318 of Not. No. 12/2012 Cus).
71	Silver dore bar having silver content not exceeding 95%	Silver dore bar having silver content not exceeding 95%	7%	7.75 %	01/03/16	12/2016 Dt. 01/03/16	CVD is increased from 7% to 7.75% (Sr. No. 320 of Not. No. 12/2012 Cus).
7113	Imitation Jewellery		10%	15%	01/03/16	12/2016 Dt. 01/03/16	
74040022	Brass scrap	Brass scrap	5%	2.5%	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 335C is inserted to Not. No. 12/2012 Cus for reducing the BCD from 5% to 2.5%
7608 or 76090000	All Goods (Aluminum Products)	All Goods	7.5%	10%	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 339 of Notification No. 12/2012 Cus omitted and hence BCD is increased from 7.5% to 10%.
790120	Zinc Alloys	Zinc Alloys	5%	7.5%	01/03/16	12/2016 Dt. 01/03/16	

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
84 or any other Chapter.	Goods specified in List 13 required in connection with petroleum operations undertaken under petroleum exploration licenses or mining leases, as the case may be, issued or renewed after the 1st of April, 1999 and granted by the Government of India or any State Government to the Oil and Natural Gas Corporation or Oil India Limited on nomination basis	Goods specified in List 13 required in connection with petroleum operations undertaken under petroleum exploration licenses or mining leases, as the case may be, issued or renewed after the 1st of April, 1999 and granted by the Government of India or any State Government to the Oil and Natural Gas Corporation or Oil India Limited on nomination basis	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 339 of Notification No. 12/2012 Cus omitted to merge it with new Serial No. 357A and in view of this, the exemption of BCD & CVD will still continue. New Condition No. 40A is inserted to Notification No. 12/2012 Cus.
84 or any other Chapter	Goods specified in List 34 required in connection with: (a) petroleum operations undertaken under petroleum exploration licenses or mining leases, granted by the Government of India or any State Government to the Oil and Natural Gas Corporation or Oil India Limited on nomination basis,	Goods specified in List 34 required in connection with: (a) petroleum operations undertaken under petroleum exploration licenses or mining leases, granted by the Government of India or any State Government to the Oil and Natural Gas Corporation or Oil India Limited on nomination basis, (b) petroleum operations undertaken under specified contracts	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	New Serial No. 357A is inserted to Notn. No. 12/2012 Cus for exemption of BCD & CVD cover all exemptions on Petroleum Operations undertaken under Specified Contracts, under New Exploration Licensing Policy, Marginal Field Policy, Coal Bed Methane Operations undertaken under Specified Contracts under Coal Bed Methane Policy under one Serial Entry and in view of this Serial numbers 358, 359, 359A and 360 and the entries relating thereto are omitted.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	(b) petroleum operations undertaken under specified contracts (c) petroleum operations undertaken under specified contracts under the New Exploration Licensing Policy (d) petroleum operations undertaken under specified contracts under the Marginal Field Policy (MFP) (e) coal bed methane operations undertaken under specified contracts under the Coal Bed Methane Policy	(c) petroleum operations undertaken under specified contracts under the New Exploration Licensing Policy (d) petroleum operations undertaken under specified contracts under the Marginal Field Policy (MFP) (e) coal bed methane operations undertaken under specified contracts under the Coal Bed Methane Policy					
84 or any other Chapter	Goods specified in List 16 required for construction of roads	Goods specified in List 16 required for construction of roads	Nil	12.5	01/03/16	12/2016 Dt. 01/03/16	CVD exemption is withdrawn.
28182090	Aluminium Oxide for use in the manufacture of washcoat for catalytic converters	Aluminium Oxide for use in the manufacture of washcoat for catalytic converters	7.5%	5%	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 371D is inserted in Not. No. 12/2012 Cus reducing BCD from 7.5% to 5%.
84, 85 or 90	(i) Goods specified in List 17 required for basic telephone service, cellular mobile telephone service, internet service or closed users's group 64 KBPS domestic data	(i) Goods specified in List 17 required for basic telephone service, cellular mobile telephone service, internet service or closed users's group 64 KBPS domestic data network via INSAT satellite system service	Nil	7.5% to 10%	01/03/16	12/2016 Dt. 01/03/16	Exemption from BCD on the following goods withdrawn:- (a) Soft switches and Voice over Internet Protocol (VoIP) equipment namely VoIP phones, media gateways, gateway controllers and session border controllers; (b) Optical Transport equipment; combination of one or more of Packet Optical Transport

**BUDGET ANALYSIS 2016-17**



**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	network via INSAT satellite system service (ii) Parts, for manufacture of the goods at (i)	(ii) Parts, for manufacture of the goods at (i) “Notwithstanding anything contained in List17, the exemption shall not apply to the following goods falling under 8517, namely:- (a) Soft switches and Voice over Internet Protocol (VoIP) equipment namely VoIP phones, media gateways, gateway controllers and session border controllers; (b) Optical Transport equipment; combination of one or more of Packet Optical Transport Product/Switch(POTP/POTS ) , Optical Transport Network(OTN) products, and IP Radios; (c) Carrier Ethernet Switch, Packet Transport Node (PTN) products, Multiprotocol Label Switching-Transport Profile (MPLS-TP) products; (d) Multiple Input / Multiple Output (MIMO) and Long Term Evolution (LTE) Products.;					Product/Switch(POTP/POTS), Optical Transport Network(OTN) products, and IP Radios; (c) Carrier Ethernet Switch, Packet Transport Node (PTN) products, Multiprotocol Label Switching-Transport Profile (MPLS-TP) products; (d) Multiple Input / Multiple Output (MIMO) and Long Term Evolution (LTE) Products. ;

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
84, 85 or 90	Machinery, electrical equipment, other instruments and their parts [except populated Printed Circuit Boards] for use in fabrication of semiconductor wafer and Liquid Crystal Display (LCD)	Machinery, electrical equipment, other instruments and their parts [except populated Printed Circuit Boards] for use in fabrication of semiconductor wafer and Liquid Crystal Display (LCD)	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 272A to Notfn. No. 12/2012 Cus added exempting BCD from 7.5% with Actual User Condition & Procedure under Customs (IGCR of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed.
84, 85 or 90	Machinery, electrical equipment, other instruments and their parts [except populated Printed Circuit Boards] for use in assembly, testing, marking and packaging of semiconductor chips	Machinery, electrical equipment, other instruments and their parts [except populated Printed Circuit Boards] for use in assembly, testing, marking and packaging of semiconductor chips	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	BCD is exempted from 7.5% by inserting New Sr. No. 372B to Notification No. 12/2012 Cus. with Actual User Condition under Customs (IGCR of Duty for Manufacture of Excisable Goods) Rules, 1996 to be followed.
8536 20 90	Over Load Protector (OLP) and positive thermal coefficient for use in the manufacture of refrigerator compressor falling under tariff item 8414 30 00	Over Load Protector (OLP) and positive thermal coefficient for use in the manufacture of refrigerator compressor falling under tariff item 8414 30 00 and 8536 49 00	7.5%	5%	01/03/16	12/2016 Dt. 01/03/16	BCD is reduced to 5% from 7.5%
8419 19 20	Water heaters, other than industrial solar water heaters	Water heaters, other than industrial solar water heaters	7.5%	10%	01/03/16	12/2016 Dt. 01/03/16	BCD increased from 7.5% to 10% for Industrial Solar Water Heaters.
85 or any other Chapter	The following goods, namely:- (1) Mono or Bi polar Membrane electrolysers and parts thereof	The following goods, namely:- (1) Mono or Bi polar Membrane electrolysers and parts thereof including	2.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	BCD is exempted from 2.5%.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	<p>including secondary brine purification components, jumper switches, filtering elements for hydrogen filters and any other machinery, required for, -</p> <p>(i) modernization by using membrane cell technology, of an existing caustic soda unit or caustic potash unit, or</p> <p>(ii) capacity expansion of an existing caustic soda unit or caustic potash unit using membrane cell technology or</p> <p>(iii) setting up of a new caustic unit soda or caustic potash unit using membrane cell technology;</p> <p>(2) Membrane and parts thereof for replacement of worn out membranes in an industrial plant based on membrane cell technology.</p> <p>(3) Parts, other than those mentioned at (2) above, required for caustic soda unit or caustic potash unit using</p>	<p>secondary brine purification components, jumper switches, filtering elements for hydrogen filters and any other machinery, required for, -</p> <p>(i) modernization by using membrane cell technology, of an existing caustic soda unit or caustic potash unit, or</p> <p>(ii) capacity expansion of an existing caustic soda unit or caustic potash unit using membrane cell technology or</p> <p>(iii) setting up of a new caustic unit soda or caustic potash unit using membrane cell technology;</p> <p>(2) Membrane and parts thereof for replacement of worn out membranes in an industrial plant based on membrane cell technology.</p> <p>(3) Parts, other than those mentioned at (2) above, required for caustic soda unit or caustic potash unit using membrane cell technology</p>					

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	membrane cell technology						
84 or 90	Disposable sterilized dialyzer and micro barrier of artificial kidney	Disposable sterilized dialyzer and micro barrier of artificial kidney	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 418A is inserted to Notification No. 12/2012 Cus granting exemption of BCD, CVD is exempted from Excise Notification.
8501 (except 8501 64 70, 8501 64 80),	All goods – Electric Motors & Generators except of an output exceeding 137500 kVA but Not exceeding 312500 and of an output exceeding 312500 kVA.	All goods – Electric Motors & Generators except of an output exceeding 137500 kVA but Not exceeding 312500 and of an output exceeding 312500 kVA.	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
8502 (except 8502 11 00, 8502 20 10, 8502 40 00)	All goods – Electric Generating Sets and Rotary Converters except of an output exceeding 75 kVA, of an output exceeding 75kVA but Not exceeding 375 kVA and electric rotary converters	All goods – Electric Generating Sets and Rotary Converters except of an output exceeding 75 kVA, of an output exceeding 75kVA but Not exceeding 375 kVA and electric rotary converters	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
85030010, 85030021 or 85030029	Parts of generators (AC/DC), Parts of DC Motors and Other Parts suitable for use solely or principally with the machines of Heading 85.01 or 85.02.	Parts of generators (AC/DC), Parts of DC Motors and Other Parts suitable for use solely or principally with the machines of Heading 85.01 or 85.02.	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
85041010, 85041020 or 85041090	Electric Transformers & Static Converters of conventional Type, for compact florescent lamps and for Liquid Dielectric Transformers.	Electric Transformers & Static Converters of conventional Type, for compact florescent lamps and for Liquid Dielectric Transformers.	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
8537	All Goods - Boards, Panels, Consoles, desks, cabinets and other bases equipped with two or more apparatus of heading 85.35 or 85.36 for electric control or the distribution of electricity	All Goods - Boards, Panels, Consoles, desks, cabinets and other bases equipped with two or more apparatus of heading 85.35 or 85.36 for electric control or the distribution of electricity	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
8544 (except 8544 42 91, 8544 42 92, 8544 42 93, 8544 42 99, 85 44 70 10 or 8544 70 90)	Insulated wires, cable and other insulated electric conductors except paper insulated, plastic insulated, rubber insulated of a kind used in a telecommunication and lead alloy sheathed cables for lighting purposes.	Insulated wires, cable and other insulated electric conductors except paper insulated, plastic insulated, rubber insulated of a kind used in a telecommunication and lead alloy sheathed cables for lighting purposes.	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
8546	All goods - Electrical insulators of any material.	All goods - Electrical insulators of any material.	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
8547	All goods including Insulating fittings for electrical machines, appliances or equipment being fittings wholly of insulating material apart from any minor components of metal...	All goods including Insulating fittings for electrical machines, appliances or equipment being fittings wholly of insulating material apart from any minor components of metal...	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
9028 90 10, 9030 31 00,	Parts of Electricity Meters, Multimeters	Parts of Electricity Meters, Multimeters without a	10%	7.5%	01/03/16	12/2016 Dt. 01/03/16	As per Clause 138 (i) of the Finance Bill 2016 the BCD is increased to 10% & reduced to 7.5% by

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
9030 90 10, 9032 89 10, 9032 89 90	without a recording device, Parts of meters & counters, Electronic Automatic Regulators & Parts thereof.	recording device, Parts of meters & counters, Electronic Automatic Regulators & Parts thereof.					inserting Sr. No. 422A to 422I to Notfn. No. 12/2012 Cus, which is the earlier effective BCD rate.
8523	Foreign Satellite data on storage media imported by National Remote Sensing Centre (NRSC), Hyderabad	Foreign Satellite data on storage media imported by National Remote Sensing Centre (NRSC), Hyderabad	10%	Nil	01/03/16	12/2016 Dt. 01/03/16	BCD, CVD & SAD are exempted vide new Sr. No. 428B in Notification No. 12/2012 Cus.
Any Chapter	The following goods, namely:- (i) parts, components and accessories for the manufacture of mobile handsets; (ii) sub-parts for the manufacture of items mentioned at (i) above; (iii) parts or components for the manufacture of battery chargers, PC connectivity cables, Memory cards and hands-free headphones of mobile handsets; and (iv) Sub-parts for the manufacture of items mentioned at (iii) above. Explanation. - For the purposes of this entry,	The following goods, namely:- (i) parts, components and accessories excluding charger or adapter, battery, wired Headsets and speakers for the manufacture of mobile handsets; (ii) sub-parts for the manufacture of items mentioned at (i) above; (iii) parts or components for the manufacture of PC connectivity cables, Memory cards and hands-free headphones of mobile handsets; and (iv) Sub-parts for the manufacture of items mentioned at (iii) above. Explanation. - For the purposes of this entry,	Nil	10%	01/03/16	12/2016 Dt. 01/03/16	Exemption of BCD & CVD is withdrawn on charger or adapter, battery, wired Headsets and speakers for the manufacture of mobile handsets as well as parts required for manufacture of battery chargers.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	mobile handsets include cellular phones.	mobile handsets include cellular phones.					
85 or any other Chapter	(a) Inputs or parts for use in manufacture of charger or adapter of mobile handsets including cellular phones; (b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.	(a) Inputs or parts for use in manufacture of charger or adapter of mobile handsets including cellular phones; (b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431A inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition. Boot for Make-in-India Initiative.
85 or any other Chapter	(a) Inputs or parts for use in manufacture of battery of mobile handsets including cellular phones; (b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.	(a) Inputs or parts for use in manufacture of battery of mobile handsets including cellular phones; (b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431B inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.
85 or any other Chapter	(a) Inputs or parts for use in manufacture of wired headsets of mobile handsets including cellular phones; (b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.	(a) Inputs or parts for use in manufacture of wired headsets of mobile handsets including cellular phones; (b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431C inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.
85 or any other Chapter	(a) Inputs or parts for use in manufacture of speakers of mobile handsets including cellular phones;	(a) Inputs or parts for use in manufacture of speakers of mobile handsets including cellular phones;	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431D inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	(b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.	(b) Inputs or sub-parts for use in manufacture of parts mentioned at (a) above.					
85 or any other Chapter	(a) Parts, components and accessories for use in manufacture of broadband modem falling under tariff item 8517 62 30; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	(a) Parts, components and accessories for use in manufacture of broadband modem falling under tariff item 8517 62 30; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431E inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.
85 or any other Chapter	(a) Parts, components and accessories for use in manufacture of routers falling under tariff item 8517 69 30; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	(a) Parts, components and accessories for use in manufacture of routers falling under tariff item 8517 69 30; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431F inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.
85 or any other Chapter	(a) Parts, components and accessories for use in manufacture of set top boxes for gaining access to internet falling under tariff item 8517 69 60; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	(a) Parts, components and accessories for use in manufacture of set top boxes for gaining access to internet falling under tariff item 8517 69 60; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431G inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.
85 or any other Chapter	(a) Parts, components and accessories for manufacture of Digital	(a) Parts, components and accessories for manufacture of Digital Video Recorder	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431H inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are

**BUDGET ANALYSIS 2016-17**



**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	Video Recorder (DVR)/ Network Video Recorder (NVR) falling under 85 21 90 90; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	(DVR)/ Network Video Recorder (NVR) falling under 85 21 90 90; (b) Sub-parts for use in manufacture of items mentioned at (a) above.					amended accordingly with Actual User condition.
85 or any other Chapter	(a) Parts, components and accessories for use in manufacture of reception apparatus for television but not designed to incorporate a video display falling under tariff item 8528 71 00; (b) sub-parts for use in manufacture of items mentioned at (a) above.	(a) Parts, components and accessories for use in manufacture of reception apparatus for television but not designed to incorporate a video display falling under tariff item 8528 71 00; (b) sub-parts for use in manufacture of items mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431I inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.
85 or any other Chapter	(a) Parts, components and accessories for use in manufacture of CCTV Camera /IP camera falling under 8525 80 20; (b) sub-parts for use in manufacture of items mentioned at (a) above.	(a) Parts, components and accessories for use in manufacture of CCTV Camera /IP camera falling under 8525 80 20; (b) sub-parts for use in manufacture of items mentioned at (a) above.	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431J inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.
85 or any other Chapter	(a) Parts, components and accessories for use in manufacture of lithium-ion batteries [other than batteries of mobile handsets including cellular phones] falling	(a) Parts, components and accessories for use in manufacture of lithium-ion batteries [other than batteries of mobile handsets including cellular	7.5%	Nil	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 431K inserted in Not. No. 12/2012 Cus for granting exemption from BCD, CVD & SAD and suitable Excise & SAD notification are amended accordingly with Actual User condition.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	under tariff item 8507 60 00; (b) Sub-parts for use in manufacture of items mentioned at (a) above.	phones] falling under tariff item 8507 60 00; (b) Sub-parts for use in manufacture of items mentioned at (a) above.					
8529	LCD (Liquid crystal display), LED (Light Emitting Diode) or OLED (Organic LED) TV panels,	LCD (Liquid Crystal Display), LED (Light Emitting Diode) or OLED (Organic LED) panels for manufacture of Television	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Basic Customs Duty exemption on LCD (Liquid Crystal Display), LED (Light Emitting Diode) or OLED (Organic LED) panels is being restricted to imports for manufacture of TVs, subjected to actual user condition.
8540 71 00	Magnetron of up to 1KW used for the manufacture of domestic microwave ovens	Magnetron of up to 1.5KW used for the manufacture of domestic microwave ovens	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Nil Basic Custom Duty is being extended to magnetron of capacity above 1KW but not exceeding 1.5 KW used for the manufacture of domestic microwave ovens.
8543	E-Readers	E-Readers	Nil	7.5%	01/03/16	12/2016 Dt. 01/03/16	Exemption of BCD is withdrawn and it will attract now 7.5% BCD.
Any Chapter	Raw materials or parts for use in manufacture of e-Readers	Raw materials or parts for use in manufacture of e-Readers	7.5%	5%	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 433C inserted in Notification No. 12/2012 Cus reducing the BCD to 5% from 7.5% to boost the Make-in-India initiative for manufacture of E-Readers (Hence BCD exemption of E-reader is withdrawn).
8609 00 00	Refrigerated containers	Refrigerated containers	10%	5%	01/03/16	12/2016 Dt. 01/03/16	New Sr. No. 435A inserted in Notification No. 12/2012 Cus wherein BCD is reduced to 5% from 10%.
Any Chapter	The following goods for use in the manufacture of goods specified against S. No. 274 in the Table to the notification of the Government of India in the Ministry of Finance ( Department of Revenue),	The following goods for use in the manufacture of goods specified against S. No. 274 in the Table to the notification of the Government of India in the Ministry of Finance ( Department of Revenue),	6%	6%	01/03/16	12/2016 Dt. 01/03/16	CVD is withdrawn from Notification No. 12/2012 Cus, however, Central Excise Duty under S. No. 296 and 297 of the Notification No. 12/2012-Central Excise dated 17.03.2012 remains at 6% and in effective the CVD continues to be 6%.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	No. 12/2012- Central Excise, dated 17th march, 2012, namely:- (i) Battery pack; (ii) Battery Charger; (iii) AC or DC Motor; (iv) AC or DC Motor Controller	No. 12/2012- Central Excise, dated 17th march, 2012, namely:- (i) Battery pack; (ii) Battery Charger; (iii) AC or DC Motor; (iv) AC or DC Motor Controller					
Any Chapter	The following goods for use in the manufacture of goods specified against S. No. 278 in the Table to the notification of the Government of India in the Ministry of Finance ( Department of Revenue), No. 12/2012- Central Excise, dated 17th march, 2012, namely:- (i) Battery pack; (ii) Battery Charger; (iii) AC or DC Motor; (iv) AC or DC Motor Controller; (v) Engine for HV ( Atkinson cycle); (vi) Transaxle for HV ( split power device); (vii) Power Control unit ( inverter, AC/DC converter, condenser); (viii) Control ECU for HV, Generator;	The following goods for use in the manufacture of goods specified against S. No. 278 in the Table to the notification of the Government of India in the Ministry of Finance ( Department of Revenue), No. 12/2012- Central Excise, dated 17th march, 2012, namely:- (i) Battery pack; (ii) Battery Charger; (iii) AC or DC Motor; (iv) AC or DC Motor Controller; (v) Engine for xEV (hybrid electric vehicle); (vi) Transaxle for HV ( split power device); (vii) Power Control unit ( inverter, AC/DC converter, condenser); (viii) Control ECU for HV, Generator;	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Description of Sr. No. 440 (v) is changed from Engine for HV (Atkinson Cycle) to "Engine for xEV (Hybrid Electric Vehicle), which will now cover all the Engine for xEV.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	(ix) Brake system for recovering; (x) Energy Monitor; (xi) Electric Compressor	(ix) Brake system for recovering; (x) Energy Monitor; (xi) Electric Compressor					
8703	Golf cars	Golf cars	10%	60%	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 441 of Not. No. 12/2012 Cus is omitted and BCD is increased from 10% to 60%.
88 or any other Chapter	Parts and testing equipment, for maintenance repair, and overhauling of aircraft and parts thereof	Parts, testing equipment, tools and tool-kits for maintenance, repair, and overhauling of aircraft and parts thereof falling under heading 8802 by the units engaged in such activities.	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 448 of Not. No. 12/2012 Cus revised to include Tool Kits for maintenance & repairs also for exemption from Basic Customs duty Further, the procedure for availment of the customs duties exemption under S.No.448 of notification No.12/2012-Customs, dated 17.03.2012 is being simplified. Moreover, the restriction of one year for utilization of duty free parts [as also the testing equipment, tools and tool kits] for maintenance, repair and overhaul of aircraft is being done away with.
8802 (except 8802 60 00)	Other Aircrafts, except Spacecrafts and Sub-Orbital & Spacecraft Launch Vehicles	Other Aircrafts, except Spacecrafts and Sub-Orbital & Spacecraft Launch Vehicles	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Exemption granted from BCD to Spacecrafts and Sub-Orbital & Spacecraft Launch Vehicles withdrawn. The existing condition of stay of foreign aircraft, for maintenance repair and overhaul, upto 60 days is being relaxed, so as to provide for stay up to 6 months of the foreign aircraft for maintenance, repair or overhaul, which can be further extended by DGCA's as deemed fit. Such aircrafts are also being allowed to carry passengers in the flights at the beginning and end of the stay period in India, but not during the stay period for maintenance, repair or overhaul, servicing.
89 or any other Chapter	Capital goods and spares thereof, raw materials, parts, material handling	Capital goods and spares thereof, raw materials, parts, material handling	Nil	Nil	01/03/16	12/2016 Dt. 01/03/16	Sr. No. 459 is revised to put explanation defining the ocean-going vessels.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	equipment and consumables, for repairs of ocean-going vessels by a ship repair unit	equipment and consumables, for repairs of ocean-going vessels by a ship repair unit. Explanation. – For the purpose of this entry, –Ocean going vessels includes- (a) liners; cargo-vessel of various kinds including refrigerator vessels for the transport of meat, fruit or the like, vessels specified for the transport of particular goods (grain, coal, ores or the like); tankers (petrol, wine or the like); yachts and other sailing vessels; cable ships; ice-breakers; floating factories of all kinds (for processing whales, preserving fish or the like) whale catchers; trawlers and other fishing vessels; life boats, scientific research vessels; weather ships; vessels for the transportation or mooring of buoys; pilot-boats; hopper barges for the disposal of dredged material or the like;					

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
		(b) war ships of all kinds including submarines; (c) tugs, dredgers, fire-floats and salvage ships; and (d) oil rigs, drilling ships and jack-up rigs.					
All Chapter	The value of such bona fide gifts imported by post or as air-freight does not exceed rupees ten thousand (Noti. No 28/2008 Cus dated 01/03/2008)	in the proviso, for the words "rupees ten thousand", the words "rupees twenty thousand" shall be substituted	Nil	Nil	1 <sup>st</sup> March 2016	13/2016 Cus 01/03/2016	Increase in the limit of the bona fide gifts imported by post or as air freight.
All Chapter	Exemption on goods required for construction of or fitment to ships of Indian Navy Coast Guard and construction of aircrafts or fitment therein for defense use.	Withdrawal of exemption of specified duties on the goods in the Sr. No 9, 9A, 10, 10A and in paragraph 2, in item (ix).	Nil	10%	1 <sup>st</sup> April 2016	14/2016 Cus 01/03/2016	Exemption from BCD is withdrawn.
2601 11 21 2601 11 22	Iron ore lumps (below 58% Fe content)	Iron ore lumps (below 58% Fe content)	30%	Nil	01/03/16	15/2016 Dt. 01/03/16	Export Duty on Iron Ore Lumps <58% Fe is exempted to increase the exports.
2601 11 41 2601 11 42	Iron ore fines (below 58% Fe content)	Iron ore fines (below 58% Fe content)	10%	Nil	01/03/16	15/2016 Dt. 01/03/16	Export Duty on Iron Ore Fines <10% Fe is exempted to increase the exports.
2610	Chromium ores and concentrates, all sorts	Chromium ores and concentrates, all sorts	30%	Nil	01/03/16	15/2016 Dt. 01/03/16	Export Duty on all sorts of Chromium Ores & Concentrates is exempted to increase the exports.
2606 00 10 2606 00 20	Bauxite (natural), not calcined & calcined	Bauxite (natural), not calcined & calcined	20%	15%	01/03/16	15/2016 Dt. 01/03/16	Export Duty on both calcined & non-calcined Bauxite (Natural) is reduced from 20% to 15% to increase the exports.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
Any Chapter	All goods which are exempt from the whole of the duty of customs leviable thereon or in case of which "Free" or "Nil" rates of duty of customs are specified in column (4) under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and which are also exempt from the whole of additional duty of customs leviable thereon under sub-section (1) of section 3 of the said Act, or on which no amount of the said additional duties of customs is payable for any reason	All goods, <b>brackets and letters "except populated Printed Circuit Boards (PCBs) of mobile phones and tablet computer"</b> which are exempt from the whole of the duty of customs leviable thereon or in case of which "Free" or "Nil" rates of duty of customs are specified in column (4) under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and which are also exempt from the whole of additional duty of customs leviable thereon under sub-section (1) of section 3 of the said Act, or on which no amount of the said additional duties of customs is payable for any reason	Nil	4% (on populated Printed Circuit Boards)	01 <sup>st</sup> March 2016	16/2016 Customs dated 1 <sup>st</sup> April 2016	Exemption on SAD has been withdrawn on populated Printed Circuit Boards (PCBs) for manufacture mobile phones and tablet computer.
Any Chapter	Inputs or components for use in the manufacture of personal computers (laptop or desktop) including tablet computers falling under heading 8471;  Provided that the	Entry No. 14A has been omitted.	Nil	4%	01 <sup>st</sup> March 2016	16/2016 Customs dated 1 <sup>st</sup> April 2016	SAD Exemption withdrawn on Inputs or components for use in the manufacture of personal computers (laptop or desktop) including tablet computers falling under heading 8471;

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	exemption under this notification shall be subject to condition No. 5 annexed to the notification No. 12/2012-Customs, dated the 17th March, 2012						
Any Chapter	All goods [except populated Printed Circuit Boards (PCBs)] required for use in the manufacture of the following, namely,- (i). All goods specified against S.Nos.1 to 68 of the TABLE to the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 25/1998-Customs, dated the 2nd June, 1998 vide number G.S.R.290(E), dated the 2nd June, 1998; (ii). All goods specified against S.Nos. 1 to 38 of the Table to the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 24/2005-	Entry 14D is omitted.	Nil	4%	1 <sup>st</sup> March 2016	16/2016 Customs dated 1 <sup>st</sup> March 2016	SAD exemption is withdrawn.

**BUDGET ANALYSIS 2016-17**



**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	<p>Customs dated the 1st March, 2005 vide number G.S.R.122(E), dated the 1st March, 2005;</p> <p>(iii). All goods specified against S.Nos. 1 to 32 of the Table to the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 25/2005- Customs dated the 1st March, 2005 vide number G.S.R.123(E) dated 1st March, 2005:</p> <p>Nil</p> <p>Provided that the exemptions under this S.No. shall be subject to Condition No. 5 annexed to the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012- Customs, dated the 17th March, 2012 vide number G.S.R.185(E) dated the 17th March, 2012.</p>						
29024100	New Entry	o-xylene for use in manufacture of phthalic anhydride: Provided	4%	2%	1 <sup>st</sup> March 2016	16/2016 Customs	SAD on o-xylene when used in manufacture of phthalic anhydride is reduced to 2% provided procedure set out in the Customs (Import of

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
		that the importer shall follow the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996				dated 1 <sup>st</sup> March 2016	Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996.
84, 85 or 90	New Entry	Machinery, electrical equipments, other instruments and their parts [except populated Printed Circuit Boards] for use in fabrication of semiconductor wafer and Liquid Crystal Display (LCD) Provided that the importer shall follow the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996	4%	Nil	1 <sup>st</sup> April 2016	16/2016 Customs 1 <sup>st</sup> April 2016	SAD is being exempted on machinery electrical equipments, other instruments and their parts [except populated Printed Circuit Boards] for use in fabrication of semiconductor wafer and Liquid Crystal Display (LCD) inserted by Sr. No. 82A vide Notification No. 16/2016 Customs 1 <sup>st</sup> April 2016.
84, 85 or 90	New Entry	Machinery, electrical equipments, other instruments and their parts [except populated Printed Circuit Boards] for use in assembly, testing, marking and packaging of semiconductor chips Provided that the importer shall follow the procedure	4%	Nil	1 <sup>st</sup> April 2016	16/2016 Customs 1 <sup>st</sup> April 2016	SAD is being exempted on Machinery, electrical equipments, other instruments and their parts [except populated Printed Circuit Boards] for use in assembly, testing, marking and packaging of semiconductor chips inserted by Sr. No. 82B vide Notification No. 16/2016 Customs 1 <sup>st</sup> April 2016.

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
		set out in the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996					
847330 or 851770	New Entry	Populated Printed Circuit Boards (PCBs) for use in manufacture of tablet computers and mobile handsets including cellular phones, Provided that the importer shall follow the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996	4%	2%	01 <sup>st</sup> March 2016	16/2016 Customs 1 <sup>st</sup> March 2016	SAD is reduced to 2% on Populated Printed Circuit Boards (PCBs) for use in manufacture of tablet computers and mobile handsets including cellular phones provided that the importer shall follow the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 1996
74	Resistors. Capacitors, Deflection Components, Thermistors, Varistors	Resistors. Capacitors, Deflection Components, Thermistors, Varistors, "sub-miniature fuses, micro fuses, resettable fuses and thermal fuses"	Nil	Nil	1 <sup>st</sup> March 2016	17/2016 Customs 1 <sup>st</sup> March 2016	Basic Customs Duty exempted on import of Tin coated/solder plated copper wire when used also in manufacture of "sub-miniature fuses, micro fuses, resettable fuses and thermal fuses". Earlier Basic Customs Duty was exempted when Tin coated/solder plated copper wire when used in manufacture of Resistors. Capacitors, Deflection Components, Thermistors, Varistors.
69,70,71,74, 85	Glass cartridges fuses/ ceramic tube fuses/ [OLD PPTC resettable fuses	Glass cartridges fuses/ ceramic tube fuses/ [OLD PPTC resettable fuses, blade fuses 1 to 40 Amps, the words "sub-miniature	Nil	Nil	1 <sup>st</sup> March 2016	17/2016 Customs dated 1 <sup>st</sup> March 2016	Basic Customs Duty exempted on import of Silver Copper Alloy wires; Glass tubes of sizes between 2 mm to 6mm outside diameter, in cut lengths upto40mm; Brass Fuse Caps; Polymeric Positive Temperature Coefficient Chips;

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
		fuses, micro fuses, resettable fuses and thermal fuses".					Ceramic Tubes; Blade Fuse Body when used also in manufacture of <b>"blade fuses 1 to 40 Amps, the words "sub-miniature fuses, micro fuses, resettable fuses and thermal fuses". Earlier Basic Customs Duty was exempted when of Silver Copper Alloy wires; Glass tubes of sizes between 2 mm to 6mm outside diameter, in cut lengths upto40mm; Brass Fuse Caps; Polymeric Positive Temperature Coefficient Chips; Ceramic Tubes; Blade Fuse Body when used in manufacture of Glass cartridges fuses/ ceramic tube fuses/ [OLD PPTC resettable fuses.</b>
69, 82, 84, 85 or 90	Glass and ceramic cartridge fuses, blade fuses, automotive fuses and surface mount	Glass and ceramic cartridge fuses, blade fuses, automotive fuses, surface mount fuses, subminiature fuses, micro fuses, resettable fuses and thermal fuses	Nil	Nil	1 <sup>st</sup> March 2016	18/2016 Customs dated 1 <sup>st</sup> March 2016	Basic Customs Duty exempted on import of Capital Goods i.e Fuse cap soldering / Tinning machine with or without marking facility, fuse assembly machine, sorting machine, electronic load-testing equipment, fuse element punching machine with or without skiving facility, fuse element winding machine, auto testing/inspection equipment with or without packing facility, ultrasonic welding machine, marking machine for fuses, ultrasonic cleaning equipment fuses when used in <b>manufacture of Glass and ceramic cartridge fuses, blade fuses, automotive fuses, surface mount fuses, subminiature fuses, micro fuses, resettable fuses and thermal fuses.</b> <b>Earlier Basic Customs Duty was exempted on import of capital goods i.e Fuse cap soldering / Tinning machine with or without marking facility, fuse assembly machine, sorting machine, electronic load-testing equipment, fuse element punching machine with or without</b>

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
							skiving facility, fuse element winding machine, auto testing/inspection equipment with or without packing facility, ultrasonic welding machine, marking machine for fuses, ultrasonic cleaning equipment fuses when used in <b>manufacture of</b> Glass and ceramic cartridge fuses, blade fuses, automotive fuses and surface mount.
All Chapter	All goods for the manufacture of goods covered by S. Nos. 1 to 38 above in Notification No 24/2005 dated 01/03/2005.	All Goods, except charger or adapter, battery, wired headsets and speakers of mobile handsets including cellular phones and solar tempered glass or solar tempered (anti-reflective coated) glass	Nil	10%	1 <sup>st</sup> March 2016	19/2016 Cus dated 01/03/2016	BCD Exemption is withdrawn on charger or adapter, battery, wired headsets and speakers of mobile handsets including cellular phones and solar tempered glass or solar tempered (anti-reflective coated) glass.
98.01	Cold storage, cold room (including farm level pre-cooling) or industrial projects for preservation, storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat	Cold storage, cold room (including for farm level pre-cooling), cold chain including pre-cooling unit, packhouses, sorting and grading lines and ripening chambers or industrial projects for preservation, storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat	7.5%	5%	01/03/2016	20/2016 Cus.	Sr. No. 3H of the Notification No. 230/1986 Cus dated 03/04/1986 is being amended to the extent the Concessional Rate of BCD @ 5% under Project Imports to pre-cooling unit, packhouses, sorting and grading lines and ripening chambers of Cold Storage & Cold Room as per the Project Imports (Amendment) Regulations, 2016.
98.01	Cold storage, cold room (including farm level pre-cooling) or industrial projects for preservation,	Cold storage, cold room (including for farm level pre-cooling), cold chain including pre-cooling unit,	7.5%	5%	01/03/2016	21/2016 Cus.	Sr. No. 41 of the Notification No. 42/96 Cus. dated 23/07/1996 as amended is being further amended to the extent the Concessional Rate of BCD @ 5% under Project Imports to pre-cooling

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat	packhouses, sorting and grading lines and ripening chambers or industrial projects for preservation, storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat.					unit, packhouses, sorting and grading lines and ripening chambers of Cold Storage & Cold Room as per the Project Imports (Amendment) Regulations, 2016..
	N. A.	Second proviso to Condition No. (ii) of the Notification No. 81/2005 Cus is inserted as follows:- “Provided further that this condition shall not apply to the power generation projects based on municipal and urban waste, if the importer proves to the satisfaction of the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, that there is a valid agreement between the importer and urban local body for processing of municipal solid waste for not less than ten years from the date of commissioning of project;”	7.5%	Nil	01/03/2016	22/2016 Cus.	Henceforth, BCD exemption is available on any power generation projects based on municipal and urban waste set-up either by Municipal Corporation or any private entity.
	Notification No. 72/94- Customs dated	Notification No. 23/16- Customs dated 01/03/2016	Nil	Nil	01/03/2016	23/2016 – Cus.	Rescinding the Old Notification No. 72/94 Cus with the following changes therein:

**BUDGET ANALYSIS 2016-17**

**CUSTOMS TARIFF CHANGES**

Chapter / Tariff Heading	Existing Description of goods / Existing Provision	New Description of goods (if applicable) / Existing Provision	Existing Duty Rate	New Duty Rate	Effective Date	Notification No. and Date	Remark
	01.03.1994 granting exemption of BCD on parts of aircrafts when imported into India under the Standard Exchange Scheme has been rescinded.	granting exemption of BCD on parts of aircrafts when imported into India under the Standard Exchange Scheme has been rescinded.					<ol style="list-style-type: none"> <li>1) Standard Exchange Agreement now need not be registered with DGCA.</li> <li>2) Instead of Exporter, now Importer needs to registered with DGCA.</li> <li>3) Standard Exchange Cost charged by the exporter or importer is final.</li> <li>4) Earlier, there was restriction in claiming duty drawback only on exports, however, now duty drawback on goods imported (which are subsequently being exported) cannot be claimed.</li> <li>5) New Condition No. (vi) (b) inserted to restrict import of only used parts which are to be repaired and overhauled under the Standard Exchange Agreement, which means new parts are not allowed to be imported without BCD.</li> </ol>
Any Chapter	Imports made Government of India / State Government	Imports made Government of India / State Government	Nil	Applicable Rate of duties	01/04/2016	14/2016 – Cus	Exemption provided to Government of India and State Government under Sr No 9, 9A, 10 & 10A of Notification 39/1996 omitted and hence duty will be required to be paid.

----- x -----

**BUDGET ANALYSIS 2016-17**