

**SALIENT FEATURES**

- Rate of Sales Tax increased from 16% to 17%.
- Withholding tax on commercial imports increased from 4 to 5%.
- Customs duty on crude palm oil reduced from Rs.9,000 / MT to Rs.8,000 / MT.
- Whole of Customs duty exempted on import of photographic plates and film for X-ray.
- Duty exempted on other than pure bred breeding animals to bring their duty at par with pure bred breeding animals.
- Duty on glucose and glucose syrup rationalized.
- Duty on prepared industrial colours rationalized.
- Duty exempted on silk yarn spun from other than silk waste to rationalize tariff.
- Duty on two PCT's of adhesive rationalized.
- PCT code for auto parts scrap in pressed bundles created to streamline its clearance process.
- PCT code for asphalt pavers corrected.
- Description of PCT codes 6813.2010 & 6813.8100 corrected.

- PCT code 3920.6300 with Pak-China FTA rationalized.
- Following pharmaceutical raw materials, chemicals and drugs exempted from duty in excess of 5% through an amendment in SRO 567 (1) / 2006 dated. 05.06.06.
  - ( i ). Protacine (Proglumet Dimaleate) 2933.5990
  - ( ii ). Celecoxib – 2935.0090
  - ( iii ). Sodium Cosinate -3501-9000
  - ( iv ). Activated Glucuronate – 3824.9099
  - ( v ). Tasigna ( Nilotinib ) - 3004.9090
- Duty on Electro Galvanized Steel sheets in Coils imported by manufacturers of washing machines increased to 5% from 0% under SRO 565 (1) /2006 dated 05.06.06
- Exemption of duty on Copper Tubes, Aluminum Tubes and Electro Galvanized steel sheets imported by manufacturers of Evaporators and Condensers for Air Conditioners, Refrigerators etc increased from 0% to 5% through an amendment in SRO 565 (1) /06 dated 05.06.06.
- Duty in excess of 10% exempted on Coconut Acid Oil imported by manufacturers of Laundry soap through an amendment in SRO 565 (1) /06 dated. 05.06.06
- Through an amendment in SRO 565 (1) / 06 dated. 05.06.06 benefit of exemption of duty on components imported by Plasma and LCD manufacturers has also been extended to LED T.V manufacturers.

- Resistors, Torridal , Ferrite Core, Transistors and Diodes added to the list of raw materials and components imported by Energy Saver Lamp manufacturers exempted under SRO 565 (1) / 06 dated. 05.06.06.
- Tin Mill Black Plate ( of secondary quality ) imported by Electrolytic Tin Plate manufacturers exempted from Custom duty in excess of 15% under SRO 565 (1) / 06 dated. 05.06.06
- Sodium Sulphate falling u/h 2833.1100 imported by Glass manufacturers and Detergent Industry exempted from custom duty in excess of 10% under SRO 565 (1) / 06 dated. 05.06.06
- Shavings / Fleshing / Splitting blades falling u/h 8208.9090 and stamping foil falling u/h 3212.1000 imported by Leather Tanning Industry exempted from custom duty in excess of 15% under SRO 565 (1) / 06 dated. 05.06.06
- Duty on import of Crude Palm Oil from Malaysia under FTA reduced from Rs. 7,650/M.T to 6,800/ M.T w.e.f June 06, 2010
- Rice Whitener, Rice Polisher, Rice flow meter , Magnetic Separators and Milk Filters exempted from whole of Custom duty and Sales Tax under SRO 575 (1) / 06 dated. 05.06.06
- LPG dispensers falling u/h 8413.1100 imported by a company having LPG Licence exempted from custom duty in excess of 5% and whole of Sales Tax under SRO 575 (1) / 06 dated. 05.06.06

- Road Sweeping Lorries imported by Municipal Corporations exempted from Custom duty in taxes of 5% and whole of Sales Tax under SRO 575 (1) / 06 dated. 05.06.06
- Pyranometers and accessories for the Solar data collection( 9030.8900), Solar Chargers for charging electronic devices ( 8504.4020), Remote Control charge controllers (8543.7010) and wind water pump ( 8413.8190) exempted from Custom duty in excess of 5% and whole of Sales Tax under SRO 575 (1) / 06 dated. 05.06.06
- Sales Tax on import and supply of items specified under Table -I and Table – II of SRO 644 (1) / 07 dated. 27.06.07 increased from one percent to two percent and eighteen percent to nineteen percent respectively.
- Sales Tax on import of Soyabean Seeds by solvent extraction industries increased from six to seven percent under SRO 313(1) / /2006 dated. 31.03.06
- Sales Tax on import of Rapeseed, Sunflower Seed and Canola Seed by solvent extraction industries under SRO 69 (1) /06 dated. 28.06.06 increased from fourteen to fifteen percent.

**PROPOSED AMENDMENTS IN THE CUSTOMS ACT.****SEC. 2**

The limit for taking cognizance under the smuggling related provisions is proposed to be enhanced from Rs.50,000 to Rs.1,50,000.

**SEC. 25**

Under Clause (b) of sub-sec. (15) the word export duty is proposed to be substituted by ' regulatory duty chargeable under sub sec. (3) of sec.18 ' in order to simplify the valuation formula of goods being exported.

**SEC. 25 - A**

A new sub.sec. (4) is proposed to be added under this section. Now the Custom value determined under this section shall be applicable until and unless revised or superseded or rescinded by the competent authority.

**SEC. 25 - D**

This section is proposed to be substituted / elaborated by inserting ' Value determined under sec. 25 – A ' in order to clarify that review application within 30 days from the date of determination of Customs value under sec. 25 – A lies before Director General Valuation.

**SEC. 27 – A**

Under this section the mutilation or scrapping of imported goods is now proposed to be restricted to only such items which are notified by the Board.

**SEC. 31**

Under this section a new sub section. 5(e) is proposed to be added determining date of detection on Post Clearance audit as the 'relevant date 'under the section in case of clearance of goods through computerized system, or self assessment or electronic assessment.

**SEC. 32 – A**

This section is proposed to be amended by inserting words and comma “ payment of revenue through assessment “ to curb the tendency of deliberate wrong self-assessment on the part of the importers.

**SEC. 79.**

This section is proposed to be amended to restrict filing of goods declaration after examining the goods by the importer to only used goods.

**SEC. 81**

Sub sec. (2) is proposed to be amended in order to allow finalization of cases of provisional assessment within three months instead of existing six months period.

A new clause is also proposed to added authorizing appropriate officer to issue an order for adjustment, refund or recovery of amount secured.

**SEC. 156**

Sub sec. (I) of sec. 156 is proposed to be amended to enhance the general penalty from Rs. 25,000 to Rs.50,000.

Clause (64) of sub-sec. (I) is proposed to be amended to enhance the penalty to minimum twice the value of goods instead of maximum Rs.25,000.

**SEC. 194 - A**

Under sub sec.(I) of this section a new clause (e) is proposed to be added to enable any person or on officer of the customs to file an appeal before the Appellate Tribunal in cases of review order passed by the Director General Customs Valuation under Sec. 250 provided the appeal is heard by the double bench of the Appellate Tribunal.

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**THE SCHEDULE**  
[See clause 3 ( 13 )]

**AMENDMENT IN THE CUSTOMS ACT, 1969 (IV OF 1969)**

In the Customs Act, 1969 (IV of 1969), in the First Schedule, for the "PCT Code", "Description" and "CD%" specified in columns (1), (2) and (3) appearing in chapter 1 to 99, following "PCT Code", "Description" and "CD%" specified in columns (1), (2) and (3) of the Table below and the corresponding entries relating thereto shall be substituted, namely :-

**"TABLE**

PCT CODE	DESCRIPTION	CD% 2010 - 11	CD% 2009 - 10
(1)	(2)	(3)	(3)
0102.9010	--- Buffaloes	0	5
0102.9020	--- Bulls	0	5
0102.9030	--- Cows	0	5
0102.9040	--- Oxen	0	5
0102.9090	--- Other	0	5
1511.1000	-Crude oil	Rs.8000/ MT	Rs. 9000/MT
1702.3000	-Glucose and glucose syrup, not containing fructose or containing in the dry state less than 20 % by weight of fructose	20	25
1702.4000	-Glucose and glucose syrup, containing in the dry state at least 20 % but less than 50 % by weight of fructose, excluding invert sugar.	20	15
1702.6000	-Other fructose and fructose syrup, containing in the dry state more than 50 % by weight of fructose, excluding invert sugar.	20	15
3207.1020	--- Ceramic Colours	5	0
3207.1090	--- Other	5	10
3506.9110	--- Shoe adhesives	15	10
3506.9190	--- Other	15	20
3701.1000	-For X-ray	0	5
<b>39.20</b>	<b>Other plates, sheets, film, foil and strip, of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials.</b>		
3920.1000	-Of polymers of ethylene	20	20
	-Of polymers of propylene:		

3920.2010	--- Biaxially Oriented Polypropylene (BOPP) film, plain	20	20
3920.2020	--- Biaxially Oriented Polypropylene (BOPP) film, printed	20	20
3920.2030	--- Biaxially Oriented Polypropylene (BOPP) film, metallized	20	20
3920.2040	--- Biaxially Oriented Polypropylene (BOPP) film, laminated	20	20
3920.2090	--- Other	20	20
3920.3000	-Of polymers of styrene	20	20
	-Of polymers of vinyl chloride:		
3920.4300	-- Containing by weight not less than 6 % of plasticisers	20	20
	-- Other:		
3920.4910	--- Polyvinyl Chloride (PVC) Rigid film	20	20
3920.4990	--- Other	20	20
	-Of acrylic polymers:		
3920.5100	-- Of poly(methyl methacrylate)	20	20
3920.5900	-- Other	20	20
	-Of polycarbonates, alkyd resins, polyallyl esters or other		
	polyesters:		
3920.6100	-- Of polycarbonates	20	20
3920.6200	-- Of poly(ethylene terephthalate)	20	20
	-- Of unsaturated polyesters:		
3920.6310	--- Polyester film	20	ADDED
3920.6390	--- Other	20	ADDED
3920.6900	-- Of other polyesters	20	20
	-Of cellulose or its chemical derivatives:		
3920.7100	-- Of regenerated cellulose	20	20
3920.7300	-- Of cellulose acetate	20	20
3920.7900	-- Of other cellulose derivatives	20	20
	-Of other plastics:		
3920.9100	-- Of poly(vinyl butyral)	20	20
3920.9200	-- Of polyamides	20	20
3920.9300	-- Of amino resins	20	20
3920.9400	-- Of phenolic resins	20	20
3920.9900	-- Of other plastics	20	20
<b>5004.00</b>	<b>Silk yarn (other than yarn spun from silk waste) not put up for retail sale.</b>	0	5
6813.2010	--- For vehicles of heading 87.11	35	35

6813.8110	--- For vehicles of heading 87.11	35	35
<b>72.04</b>	<b>Ferrous waste and scrap; remelting scrap ingots of iron or steel.</b>		
	-Waste and scrap of cast iron:		
7204.1010	--- Re-rollable	0	0
7204.1020	--- Waste and scrap of auto parts	35	35
7204.1090	--- Other	0	0
	-Waste and scrap of alloy steel:		
7204.2100	-- Of stainless steel	0	0
7204.2900	-- Other	0	0
7204.3000	-Waste and scrap of tinned iron or steel	0	0
	-Other waste and scrap:		
7204.4100	-- Turnings, shavings, chips, milling waste, sawdust, filings, trimmings and stampings, whether or not in bundles	0	0
	-- Other:		
7204.4910	--- Re-rollable	0	0
7204.4920	--- Waste and scrap of auto parts	35	35
7204.4930	--- Waste and scrap of auto parts in pressed bundle condition	0	ADDED
7204.4990	--- Other	0	0
7204.5000	-Remelting scrap ingots	0	0
<b>84.74</b>	<b>Machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, in solid (including powder or paste) form; machinery for agglomerating, shaping or moulding solid mineral fuels, ceramic paste, unhardened unhardened cements, plastering materials or other mineral products in powder or paste form; machines for forming foundry moulds of sand.</b>		
	-Sorting, screening, separating or washing machines:		
8474.1010	--- For cement industry	15	15
8474.1020	--- screening plant	5	5
8474.1090	--- Other	10	10
	-Crushing or grinding machines:		
8474.2010	--- For cement industry	5	5
8474.2090	--- Other	5	5
	-Mixing or kneading machines:		
	-- Concrete or mortar mixers:		

8474.3110	--- For cement industry	5	5
8474.3120	--- Concrete batching plant	5	5
8474.3130	--- Concrete transit mixer drum	5	5
8474.3190	--- Other	5	5
	-- Machines for mixing mineral substances with bitumen:		
8474.3210	--- Not exceeding 150 t/h	5	5
8474.3290	--- Other	5	5
8474.3900	-- Other	5	ADDED
	-Other machinery:		
8474.8010	--- Hydraulic press for ceramic industry of capacity exceeding 80 tons	5	5
8474.8090	--- Other	5	5
	-Parts:		
8474.9010	--- Of machine of heading 8474.1020, 8474.3120, 8474.3210, 8474.3290, 8474.3910 & 8474.8010	5	5
8474.9020	--- Of machine of heading 8474.2010, 8474.2090, 8474.3110, 8474.3130, 8474.3190 & 8474.8090	5	5
8474.9090	--- Other	10	10
<b>84.79</b>	<b>Machines and mechanical appliances having individual functions, not specified or included elsewhere in this Chapter.</b>		
	-Machinery for public works, building or the like:		
8479.1010	--- Asphalt pavers	5	ADDED
8479.1090	--- Other	5	ADDED
8479.2000	-Machinery for the extraction or preparation of animal or fixed vegetable fats or oils	5	5
8479.3000	-Presses for the manufacture of particle board or fibre building board of wood or other ligneous materials and other machinery for treating wood or cork	5	5
8479.4000	-Rope or cable making machines	5	5
8479.5000	-Industrial robots, not elsewhere specified or included	5	5
8479.6000	-Evaporative air coolers	5	5
	-Other machines and mechanical appliances:		
8479.8100	-- For treating metal, including electric wire coil-winders:	5	5
	-- Mixing, kneading, crushing, grinding, screening, sifting, homogenising, emulsifying or stirring machines		
8479.8210	--- Match making machines	5	5
8479.8220	--- Soap making machines	5	5
8479.8230	--- Oil refining machines	5	5
8479.8290	--- Other	5	5
	-- Other:		
8479.8910	--- Eyeletting, fastening and thread sucking machines	5	5
8479.8920	--- Automatic machines for attaching rivets, metal buttons,	5	5

	eyelets etc on garments.		
8479.8930	- - - Tableting machines	5	5
8479.8940	- - - Capsule polishers	5	5
8479.8950	- - - Tyre changers	5	5
8479.8990	- - - Other	5	5
	-- Parts:		
8479.9010	- - - Of machines of heading 8479.2000, 8479.6000, 8479.8210, 8479.8230 & 8479. 8290	5	5
8479.9090	- - - Other	5	5
<b>87.02</b>	<b>Motor vehicles for the transport of ten or more persons, including the driver.</b>		
	-With compression-ignition internal combustion piston engine (diesel or semi-diesel)		
8702.1010	- - - Components for assembly / manufacture of vehicles, in any kit form	20	20
8702.1090	- - - Other	20	20
	- Other:		
8702.9010	- - - Components for assembly / manufacture of vehicles, in any kit form	20	20
8702.9020	- - - Fully dedicated CNG buses (CBU)	0	0
8702.9030	- - - Fully dedicated LPG buses (CBU)	0	ADDED
8702.9090	- - - Other	20	20