

[THE] FINANCE ACT, 1993
(ACT NO. 38 OF 1993)

[13th March, 1991]

An act to give effect to the financial proposals of the Central Government for the financial year 1993-94.

BE it enacted by Parliament in the Forty-fourth Year of the Republic of India as follows :

CHAPTER I

PRELIMINARY

1. Short title and commencement.— (1) This Act may be called the Finance Act, 1993.

(2) Save as otherwise provided in this Act, Sections 2 to 42 (except section 14) shall be deemed to have come into force on the 1st day of April, 1993.

CHAPTER II

RATES OF INCOME-TAX

2. Income-tax.— (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 1993, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax as reduced by the rebate of income-tax calculated under Chapter VIII-A of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) shall be increased,—

(a) in the cases to which Paragraphs A, B, C and D of that Part apply by a surcharge for purposes of the Union; and

(b) in the cases to which Paragraph E of that Part applies, by a surcharge, calculated in each case in the manner provided therein;

(2) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part I of the First Schedule applies; where the assessee has, in the previous year, any net agricultural income exceeding six hundred rupees in addition to total income, and the total income exceeds—

(i) in a case to which the said Sub-Paragraph I applies, twenty-eight thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, eighteen thousand rupees, then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after,—

(i) in a case to which the said Sub-Paragraph I applies, the first twenty-eight thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, the first eighteen thousand rupees, of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows :—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased.—

(A) in a case to which the said Sub-Paragraph I applies, by a sum of twenty-

eight thousand rupees; and

- (B) in a case to which the said Sub-Paragraph II applies, by a sum of eighteen thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if the net agricultural income as so increased were the total income;
- (iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income :

Provided that the amount of income-tax so arrived at, as reduced by the rebate of income-tax calculated under Chapter VIII-A of the Income-tax Act, shall, in the case of every person having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax and the sum so arrived at shall be the income-tax in respect of the total income.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or sub-section (1A) of Section 161 or Section 164 or Section 164A or Section 167B of the Income-tax Act apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be :

Provided that the amount of income-tax computed in accordance with the provisions of section 112 shall be increased by a surcharge for purposes of the Union or surcharge as provided in Paragraphs A, B, C, D or E, as the case may be, of Part I of the First Schedule :—

Provided further that in respect of any income chargeable to tax under section 115B or section 115BB of the income-tax Act,—

- (a) the income-tax computed under Section 115B shall be increased by a surcharge calculated at the rate of fifteen per cent. of such income-tax; and
- (b) the income-tax computed under Section 115BB shall be increased,—
- (i) in the case of a person other than a company, being a resident in India, by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax; and
- (ii) in the case of a domestic company, by a surcharge calculated at the rate of fifteen per cent. of such income-tax.

(4) In cases in which tax has to be deducted under Sections 193, 194, 194-A, 194-B, 194-BB, 194-D and 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Para II of the First Schedule and shall be increased,—

- (a) in the cases to which the provisions of sub-item (a) of item I of that Part apply, by a surcharge for purposes of the Union; and
- (b) in the cases to which the provisions of sub-item (a) of item 2 of that Part apply, by a surcharge, calculated in each case in the manner provided therein.

(5) In cases in which tax has to be deducted under section 194C, 194EE, 194F, 194G of the Income-tax Act, the deduction shall be made at the rates specified in those sections and shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such deduction :

Provided that in the case of an assessee, being a domestic company, the provisions of this

sub-section shall have effect, as if for the words "twelve per cent.", the words "fifteen per cent"., had been substituted.

(6) in cases in which tax has to be collected under section 206C of the Income-tax Act, the collection shall be made at the rate specified in that section and shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such collection :

Provided that in the case of a buyer, being a domestic company, the provisions of this sub-section shall have effect, as if for the words "twelve per cent.", the words "fifteen per cent." had been substituted.

(7) Subject to the provisions of sub-section (8), in cases in which income-tax has to be calculated under the first proviso to the sub-section (5) of Section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of Section 174 or Section 175 or sub-section (2) of Section 176 of the said Act or deducted under Section 192 of the said Act from income chargeable under the head "Salaries" or in which the "advance tax" payable under XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax as reduced by the rebate of income-tax calculated under Chapter VIII-A of the said Act shall be increased,—

- (a) in the cases to which Paragraphs A, B, C, and D of that Part apply, by a surcharge for purposes of the Union; and
- (b) in the cases to which Paragraph E of that Part applies, by a surcharge, calculated in each case in the manner provided therein :

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or sub-section (1A) of section 161 or Section 164 or Section 164-A or Section 167-B of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be :

Provided further that the amount of income-tax computed in accordance with the provisions of section 112 shall be increased by a surcharge for purposes of the Union or surcharge as provided in Paragraph A, B, C, D or E, as the case may be, of Part III of the First Schedule :

Provided also that in respect of any income chargeable to tax under section 115B of the Income-tax Act, the "advance tax" computed under the first proviso shall be increased by a surcharge for purposes of the Union calculated at the rate of fifteen per cent. of such "advance tax".

(8) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding six hundred rupees, in addition to total income and the total income exceeds,—

- (i) in a case to which the said Sub-Paragraph I applies, thirty thousand rupees, and
- (ii) in a case to which the said Sub-Paragraph II applies, eighteen thousand rupees,

then, in calculating income-tax under the first proviso to sub-section (5) of section 132 of the Income-tax Act or in charging income-tax under sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

- (a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after,—

- (i) in a case to which the said Sub-Paragraph I applies, the first thirty thousand rupees, and
 - (ii) in a case to which the said Sub-Paragraph II applies, the first eighteen thousand rupees, of the total income but without being liable to tax], only for the purpose of calculating, charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and
- (b) such income-tax or, as the case may be, "advance tax" shall be so calculated, charged or computed as follows :—
- (i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income;
 - (ii) the net agricultural income shall be increased,—
 - (A) in a case to which the said Sub-Paragraph I applies, by a sum of thirty thousand rupees; and
 - (B) in a case to which the said Sub-Paragraph II applies, by a sum of eighteen thousand rupees; and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Sub-Paragraph I or, as the case may be, the said Sub-Paragraph II as if the net agricultural income as so increased were the total income;
 - (iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income" :

Provided that the amount of income-tax or "advance tax" so arrived at, as reduced by the rebate of income-tax calculated under Chapter VIII-A of the said Act, shall, in the case of every person having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax or, as the case may be, "advance tax" and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income.

- (9) For the purposes of this section and the First Schedule,—
- (a) "company in which the public are substantially interested" means a company within the meaning of clause (18) of section 2 of the Income-tax Act, and includes a subsidiary of such company if the whole of the share capital of such subsidiary company has been held by the parent company or by its nominees throughout the previous year;
 - (b) "domestic company" means an Indian company, or any other company which, in respect of its income liable to income-tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1993, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income in accordance with the provisions of section 194 of the Act;
 - (c) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including

- business relating to the continuance, renewal or revival of policies of insurance);
- (d) "net agricultural income", in relation to a person means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;
- (e) "tax-free security" means any security of the Central Government issued or declared to be income-tax free, or any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;
- (f) all other words and expression used in this section or in the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

3 to 37.— Amended the following sections of the Income-tax Act, which are being incorporated in the principal Act, hence not printed hereat. Sections affected are : 10; 10A; 10-B; 11; 16; 17; 35; 36; 44C; 80DD; 80G; 80HHE; 80-IA; 80L; 80M; 80P; 80V; 88-B; 115AD (Ins.), 115K, 115N; 143; 194; 196B; 196C; 196D (Ins.); 197; 198; 199; 200; 202; 203A; 205 Chap. XIXB - (Ins.); 253, 269UC, 269UD; 269UE; 273A; Eighth Sch. (Ins.).

Wealth-tax

38. Amendment of Section 2.— In Section 2 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act), in clause (3a), in the Explanation, in clause (b), the words "or any land held by the assessee as stock-in-trade for a period of three years from the date of its acquisition by him" shall be inserted at the end with effect from the 1st day of April, 1994.

39. Amendment of section 5.— In section 5 of the Wealth-tax Act, in sub-section (1); after clause (v), the following clause shall be inserted with effect from the 1st day of April, 1994, namely :—

"(vi) one house or part of a house belonging to an individual or a Hindu undivided family".

40. Amendment of section 18-B.— In section 18-B of the Wealth-tax Act, with effect from the 1st day of June, 1993,—

- (a) in sub-section (1), the words "Chief Commissioner or" shall be omitted;
- (b) in sub-section (2), for the words "the Chief-Commissioner or Commissioner, except with the previous approval of the Board", the words "the Commissioner except with the previous approval of the Chief Commissioner or Director-General, as the case may be" shall be substituted;
- (c) in sub-section (4) the words "Chief Commissioner or" shall be omitted.

Gift-tax

41 and 42.— [Amendments incorporated in the Gift-tax Act, 1958.]

CHAPTER IV

INDIRECT TAXES

Customs

43. [Amendment incorporated in the Customs Act, 1962.]

44. [Amendment incorporated in the Customs Tariff Act, 1975.]

Excise

45. Amendment of Act 1 of 1944.— In the Central Excises and Salt Act, 1944,—

(1) in section 35-B,—

(a) in sub-section (1), in the second proviso, for the words “ten thousand rupees”, the words “fifty thousand rupees,” shall be substituted;

(b) for sub-section (6), the following sub-section shall be substituted, namely :—

“(6) An appeal to the Appellate Tribunal shall be in the prescribed form and shall be verified in the prescribed manner and shall, in the case of an appeal made on or after the 1st day of June, 1993, irrespective of the date of demand of duty or of levy of penalty in relation to which the appeal is made, be accompanied by a fee of,—

(a) where the amount of duty demanded and penalty levied by any Central Excise Officer in the case to which the appeal relates is one lakh rupees or less, two hundred rupees;

(b) where the amount of duty demanded and penalty levied by any Central Excise Officer in the case to which the appeal relates is more than one lakh rupees, one thousand rupees:

Provided that no such fee shall be payable in the case of an appeal referred to in sub-section (2) or a memorandum of cross-examinations referred to in sub-section (4)”—

(2) in section 35D, in sub-section (3), for the words “fifty thousand rupees”, the words “one lakh rupees” shall be substituted.

46. Amendment of Act 5 of 1986.— The Central Excise Tariff Act, 1985 (hereinafter referred to as the Central Excise Tariff Act) shall be amended in the manner specified in the Third Schedule.

THE FIRST SCHEDULE

(See section 2)

PART I**INCOME-TAX****Paragraph A****Sub-Paragraph I**

In the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case of which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

Rates of Income-tax

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| (1) where the total income does not exceed Rs. 28,000 | Nil; |
| (2) where the total income exceeds Rs. 28,000 but does not exceed Rs. 50,000 | 20 per cent. of the amount by which the total income exceeds Rs. 28,000; |
| (3) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 4,400 plus 30 per cent. of the amount by which the total income exceeds Rupees 50,000; |
| (4) where the total income exceeds Rs. 1,00,000 | Rs. 19,400 plus 40 per cent. of the amount by which the total income exceeds Rs. 1,00,000; |

Surcharge on Income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph of section 112, shall,—

- (i) in the case of every individual, Hindu undivided family or association of persons or body of individuals referred to in section 88 having a total income exceeding one hundred thousand rupees, be reduced by the amount of rebate of income-tax calculated under that section, and the income-tax as so reduced;

- (ii) in the case of every person, other than those mentioned in item (i), having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax :

Provided that no such surcharge shall be payable by a non-resident.

Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1993 exceeds Rs. 28,000,—

Rates of Income-tax

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| (1) where the total income does not exceed Rs. 18,000 | Nil; |
| (2) where the total income exceeds Rs. 18,000 but does not exceed Rs. 1,00,000 | 30 per cent. of the amount by which the total income exceeds Rs. 18,000; |
| (3) where the total income exceeds Rs. 1,00,000 | Rs. 24,600 plus 40 per cent. of the amount by which the total income exceeds Rupees 1,00,000; |

Surcharge on Income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph or section 112 shall, in the case of every person having a total income exceeding one hundred thousand rupees, be reduced by the amount of rebate of income-tax calculated under Chapter VIII-A and the income-tax as so reduced be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax :

Provided that no such surcharge shall be payable by a non-resident.

Paragraph B

In the case of every co-operative society.—

Rates of Income-tax

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| (1) where the total income does not exceed Rs. 10,000 | 10 per cent. of the total income; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 | Rs. 1,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 3,000 plus 35 per cent. of the amount by which the total income exceeds Rupees 20,000. |

Surcharge on Income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph or section 112 shall, in the case of every person having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax;

Paragraph C

In the case of every firm,—

Rates of income-tax

On the whole of the total income	40 per cent.
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Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified or in section 112 shall, in the case of every firm having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Paragraph D

In the case of every local authority.—

Rate of income-tax

On the whole of the total income	30 per cent.
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Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified in section 112 shall, in the case of every person having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

(1) where the company is a company in which the public are substantially interested,— 45 per cent. of the total income;

(2) where the company is not a company in which the public are substantially interested,— 50 per cent. of the total income;

II. In the case of a company other than a domestic company—

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian concern in pursuance of agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case been approved by the Central Government 50 per cent.;

(ii) in the balance, if any, of the total income, 65 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the provisions of this Paragraph shall, in the case of every person having a total income exceeding seventy-five thousand rupees, be increased by a surcharge calculated at the rate of fifteen per cent. of such income-tax.

PART II**RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES**

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates :—

Rate of Income-tax

1. In the case of a person other than a company—

(a) where the person is resident in India—

(i) on income by way of interest other than "Interest on securities" 10 per cent.;

(ii) on income by way of winnings from lotteries and crossword 40 per cent.;

puzzles	
(iii) on income by way of winnings from horse races	40 per cent.;
(iv) on income by way of insurance commission	10 per cent.;
(v) on income by way of interest payable on—	10 per cent.;
(A) any security, other than a tax-free security, of the Central or a State Government;	
(B) any debentures or other securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	
(C) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and any rules made thereunder.	
(vi) on any other income (excluding interest payable on a tax-free security)	20 per cent.;
(b) where the person is not resident in India—	
(i) in the case of a non-resident Indian—	
(A) on investment income and long-term capital gains	20 per cent.;
(B) on income by way of interest payable on a tax-free security	15 per cent.;
(C) on income by way of winnings from lotteries and crossword puzzles	40 per cent.;
(D) on income by way of winnings from horse races	40 per cent.;
(E) on the whole of the other income	Income-tax at 30 per cent. of the amount of income;
	or
	Income-tax in respect of the income at the rates prescribed in Sub-Paragraph I of Paragraph A of Part III of this Schedule, if such income had been the total income,
	which is higher;
(ii) in the case of any other person,—	
(A) on income by way of interest payable on a tax-free security	15 per cent.;
(B) on income by way of winnings from lotteries and crossword puzzles	40 per cent.;
(C) on income by way of winnings from horse races	40 per cent.;
(D) on income by way of long-term capital gains,—	
(1) in the case of individuals and Hindu undivided families	20 per cent.;
(2) in any other case [except a company referred to in sub-item (b) of item 2]	30 per cent.;
(E) on the whole of the other income	Income-tax at 30 per cent. of the amount of income;
	or
	Income-tax in respect of the income at the rates prescribed in Sub-Paragraph I

of Paragraph A of Part III of this Schedule, if such income had been the total income,

2. In the case of a company—

(a) where the company is a domestic company—

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| (i) on income by way of interest other than "Interest on securities" | 20 per cent.; |
| (ii) on income by way of winnings from lotteries and crossword puzzles | 40 per cent.; |
| (iii) on income by way of winnings from horse races | 40 per cent.; |
| (iv) on any other income (excluding interest payable on a tax-free security) | 21.5 per cent.; |

(b) where the company is not a domestic company—

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| (i) on income by way of dividends payable by any domestic company | 25 per cent.; |
| (ii) on income by way of winnings from lotteries and crossword puzzles | 40 per cent.; |
| (iii) on income by way of winnings from horse races | 40 per cent.; |
| (iv) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency | 25 per cent.; |
| (v) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976, where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the proviso to sub-section (1A) of Section 115A, of the Income-tax Act, to the Indian concerns, or in respect of any computer software referred to in the second proviso to sub-section (1A) of Section 115 A of the Income-tax Act, to a person resident in India. | 30 per cent.; |
| (vi) on income by way of royalty (not being royalty of the nature referred to in sub-item (b) (v)) payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy— | |
| (A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976 | 50 per cent.; |
| (B) where the agreement is made after the 31st day of March, 1976— | 30 per cent.; |
| (vii) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being | |

in force, of the Government of India, the agreement is in accordance with that policy—

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|---|---------------|
| (A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976. | 50 per cent.; |
| (B) where the agreement is made after the 31st day of March, 1976. | 30 per cent.; |
| (viii) on income by way of interest payable on a tax-free security | 44 per cent.; |
| (ix) on income by way of long-term capital gains | 40 per cent. |
| (x) on any other income | 65 per cent.; |

Explanation.— For the purposes of item 1(b)(i) of this Part, “investment income” and “non-resident Indian” shall have the meanings assigned to them in Chapter XII-A of the Income-tax Act.

Surcharge on income-tax

The amount of income-tax deducted in accordance with the provisions of—

- (a) sub-item (a) of item 1 of this Part shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax, and
- (b) sub-item (a) of item 2 of this Part shall be increased by a surcharge, calculated at the rate of fifteen per cent. of such income-tax.

PART III

RATES FOR CALCULATING OR CHARGING INCOME-TAX IN CERTAIN CASES, DEDUCTING INCOME-TAX FROM INCOME CHARGEABLE UNDER THE HEAD “SALARIES” AND COMPUTING “ADVANCE TAX”

In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head “Salaries” or in which the “advance tax” payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, “advance tax” [not being “advance tax” in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or sub-section (1A) of section 161 or section 164 section 164A or section 167B of the Income-tax Act at the rates as specified in that Chapter or section or surcharge on such “advance tax” in respect of any income chargeable to tax under section 115,] shall be calculated, charged, deducted or computed at the following rate or rates :—

Paragraph A

Sub-Paragraph I

In the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

Rates of Income-tax

- | | |
|--|--|
| (1) where the total income does not exceed Rs. 30,000 | Nil; |
| (2) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000 | 20 per cent. of the amount by which the total income exceeds Rs. 30,000; |
| (3) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 4,000 plus 30 per cent. of the amount by which the total income exceeds Rupees 50,000; |
| (4) where the total income exceeds Rs. 1,00,000 | Rs. 19,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 1,00,000; |

Surcharge on Income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph of section 112 shall,—

- (i) in the case of every individual, Hindu undivided family or association of persons or body of in-

dividuals referred to in section 88 having a total income exceeding one hundred thousand rupees, be reduced by the amount of rebate of income-tax calculated under Chapter VIII-A and the income-tax as so reduced;

- (ii) in the case of every person, other than those mentioned in item (i), having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax :

Provided that no such surcharge shall be payable by a non-resident.

Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1994 exceeds Rs. 30,000,—

Rates of Income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 18,000 | Nil; |
| (2) where the total income exceeds Rs. 18,000 but does not exceed Rs. 1,00,000 | 30 per cent. of the amount by which the total income exceeds Rs. 18,000; |
| (3) where the total income exceeds Rs. 1,00,000 | Rs. 24,600 plus 40 per cent. of the amount by which the total income exceeds Rupees 1,00,000; |

Surcharge on Income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph or section 112 shall, in the case of every person having a total income exceeding one hundred thousand rupees, be reduced by the amount of rebate of income-tax calculated under Chapter VIII-A and the income-tax as so reduced be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax :

Provided that no such surcharge shall be payable by a non-resident.

Paragraph B

In the case of every co-operative society,—

Rates of Income-tax

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| (1) where the total income does not exceed Rs. 10,000 | 10 per cent. of the total income; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 | Rs. 1,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 3,000 plus 35 per cent. of the amount by which the total income exceeds Rupees 20,000; |

Surcharge on Income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph or section 112 shall, in the case of every person having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax;

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified or in section 112 shall, in the case of every firm having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified in section 112 shall, in the case of every person having a total income exceeding one hundred thousand rupees, be increased by a surcharge for purposes of the Union calculated at the rate of twelve per cent. of such income-tax.

Paragraph E

In the case of a company,—

Rates of income-tax**I. In the case of a domestic company,—**

(1) where the company is a company in which the public are substantially interested,— 45 per cent. of the total income;

(2) where the company is not a company in which the public are substantially interested,— 50 per cent. of the total income;

II. In the case of a company other than a domestic company—

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976.

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any of the total income 65 per cent.;

Surcharge on income-tax

The amount of income-tax computed in accordance with the provisions of this Paragraph or section 12 shall, in the cases of every domestic company having a total income exceeding seventy-five thousand rupees, be increased by a surcharge calculated at the rate of fifteen per cent. of such income tax.

PART IV

[See section 2 (9) (d)]

RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME

Rule 1.— Agricultural income of the nature referred to in sub-clause (a) of clause (1A) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from other sources" and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly :

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

Rule 2.— Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1A) of Section 2 of the Income-tax Act [other than income derived from any building required as a dwelling house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the

head "Profits and gains of business or profession" and the provisions of sections 30, 31, 32, 36, 37, 38, 40, 40A (other than sub-sections (3) and (4) thereof), 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.— Agricultural income of the nature referred to in sub-clause (c) of clause (1 A) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause, (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4.— Notwithstanding anything contained in any other provisions of these rules, in a case where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with Rule 8 of the Income-tax Rules 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee.

Rule 5.— Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income, then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of these assessee.

Rule 6.— Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income :

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 7.— Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8.— (1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1993, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous year relevant to the assessment years commencing on the 1st day of April, 1985, or the 1st day of April, 1986, or the 1st day of April, 1987, or the 1st day of April, 1988, or the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992 is a loss, then, for the purposes of sub-section (2) of Section 2 of this Act,—

- (i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1985, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1986 or the 1st day of April, 1987, or the 1st day of April, 1988, or the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992.
- (ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1986, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1987, or the 1st day of April, 1988, or the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992.
- (iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1987, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1988, or the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992.
- (iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1988, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992.
- (v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992.

- (vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1991, or the 1st day of April, 1992,
- (vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1991, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1992, and
- (viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1992, shall be set off against the agricultural income of the assessment for the previous year relevant to the assessment year commencing on the 1st day of April, 1993.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1994, or if by virtue of any provision of the Income-tax Act, extent, if any such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992 or the 1st day of April, 1993 income tax is to be charged in respect of the Income of a period other than that previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1986, or the 1st day of April, 1987, or the 1st day of April, 1988, or the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992, or the 1st day of April, 1993, is a loss, then, for the purposes of sub-section (8) of section 2 of this Act,—

- (i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1986, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1987, or the 1st day of April, 1988, or the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992, or the 1st day of April, 1993,
- (ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1987, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1988, or the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992, or the 1st day of April, 1993,
- (iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1988, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, or the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992, or the 1st day of April, 1993,
- (iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1989, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, or the 1st day of April, 1991, or the 1st day of April, 1992, or the 1st day of April, 1993,
- (v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1990, to the extent, if any, such loss has not been set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1991, or the 1st day of April, 1992, or the 1st day of April, 1993,
- (vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1991, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1992, or the 1st day of April, 1993,
- (vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1992, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1993, and
- (viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1993.

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1994

(3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(4) Notwithstanding anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules, or the rules contained in Part IV of the First Schedule to the Finance Act, 1985 (32 of 1985), or of the First Schedule to the Finance Act, 1986 (23 of 1986), or of the First Schedule to the Finance Act, 1987 (11 of 1987), or of the First Schedule to the Finance Act, 1988 (26 of 1988), or of the Schedule to the Finance Act, 1989 (13 of 1989), or of the First Schedule to the Finance Act, 1990 (12 of 1990), or of the First Schedule to the Finance (No. 2) Act, 1991 (49 of 1991), or of the First Schedule to the Finance Act, 1992 (18 of 1992), shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 9.— Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be nil.

Rule 10.— The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288 A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11.— For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE

[See section 43]

[Amendment Incorporated in the Customs Tariff Act]

THE THIRD SCHEDULE

(See section 46)

In the Schedule to the Central Excise Tariff Act,—

- (1) under the heading “Rules for the interpretation of this Schedule”, in rule 5,—
 - (a) for the words “Chapter Notes”, the words “Sub-heading Notes” shall be substituted;—
 - (b) for the words “Section Notes”, the words “Chapter and Section Notes” shall be substituted;
- (2) in Chapter 17, in sub-heading Nos. 1501.00, 1506.11, 1506.12, 1506.20 and 1507.00, for the entry in column (4), the entry “20%” shall be substituted.
- (3) in Chapter 17, in sub-heading No. 1702.21, for the entry in column (4), the entry “20%” shall be substituted.
- (4) in Chapter 19, in sub-headings Nos. 1901.19, and 1901.90, for the entry in column (4), the entry “25%” shall be substituted.
- (5) in Chapter 22.—
 - (a) in sub-heading Nos. 2201.11, for the entry in column (4), the entry “60 paise” shall be substituted;
 - (b) in sub-heading No. 2201.12, for the entry in column (4), the entry “60 paise plus 5 paise for every 100 millilitres or fraction thereof in excess of 200 millilitres” shall be substituted;
 - (c) in sub-heading No. 2202.11, for the entry in column (4), the entry “90 paise” shall be substituted;
 - (d) in sub-heading No. 2202.12, for the entry in column (4), the entry “95 paise” shall be substituted;
 - (e) in sub-heading No. 2202.13, for the entry in column (4), the entry “Rs. 1.05” shall be substituted;
 - (f) in sub-heading No. 2202.14, for the entry in column (4), the entry “Rs. 1.05 plus 20 paise for every 100 millilitres or fraction thereof in excess of 300 millilitres” shall be substituted;
 - (g) in sub-heading No. 2203.00, for the entry in column (4), the entry “20%” shall be substituted;
- (6) in Chapter 24,—

- (a) in sub-heading No. 2404.11, for the entry in column (4), the entry "20%" shall be substituted;
- (b) in sub-heading No. 2404.31, for the entry in column (4), the entry "Rs. 8.60 per thousand" shall be substituted;
- (c) in sub-heading Nos. 2404.41 and 2404.50, for the entry in column (4), the entry "25%" shall be substituted.
- (7) in Chapter 25, in sub-heading No. 2503.00, for the entry in column (4), the entry "20%" shall be substituted;
- (8) in Chapter 27,—
 - (a) in sub-heading Nos. 2707.10, 2707.20, 2707.30, 2707.60 and 2707.90, for the entry in column (4), the entry "15%" shall be substituted;
 - (b) in sub-heading No. 2708.11, for the entry in column (4), the entry "Rs. 110 for tonne" shall be substituted;
 - (c) in sub-heading No. 2710.11, for the entry in column (4), the entry "Rs. 2,230 per kilolitre at 15°C" shall be substituted;
 - (d) in sub-heading No. 2710.12, for the entry in column (4), the entry "Rs. 2,035 per kilolitre at 15°C" shall be substituted;
 - (e) in sub-heading No. 2710.13, for the entry in column (4), the entry "Rs. 2,200 per kilolitre at 15°C" shall be substituted;
 - (f) in sub-heading No. 2710.32, for the entry in column (4), the entry "Rs. 1.100 per kilolitre at 15°C" shall be substituted;
 - (g) in sub-heading No. 2710.39, for the entry in column (4), the entry "Rs. 500 per kilolitre at 15°C" shall be substituted;
 - (h) in sub-heading No. 2710.40, for the entry in column (4), the entry "Rs. 175 per kilolitre at 15°C" shall be substituted;
 - (i) in sub-heading No. 2710.50, for the entry in column (4), the entry "Rs. 160 per kilolitre at 15°C" shall be substituted;
 - (j) in sub-heading Nos. 2710.60, 2710.70 and 2710.80, for the entry in column (4), the entry "Rs. 5,000 per tonne" shall be substituted;
 - (k) in sub-heading Nos. 2710.91 and 2710.92, for the entry in column (4), the entry "25%" shall be substituted;
 - (l) in sub-heading Nos. 2710.93 and 2710.94, for the entry in column (4), the entry "Rs. 700 per tonne" shall be substituted;
 - (m) in sub-heading No. 2710.95, for the entry in column (4), the entry "Rs. 5,000 per tonne" shall be substituted;
 - (n) in sub-heading Nos. 2710.99, 2712.10, 2712.20, 2712.90, 2713.11 and 2713.12, for the entry in column (4), the entry "25%" shall be substituted;
 - (o) in sub-heading Nos. 2713.20, 2713.30, 2714.10 and 2715.10, for the entry in column (4), the entry "Rs. 175 per tonne" shall be substituted;
- (9) in Chapter 28,—
 - (a) in sub-heading No. 2801.10, for the entry in column (4), the entry "Rs. 110 per tonne" shall be substituted;
 - (b) in sub-heading No. 2814.00, for the entry in column (4), the entry "Rs. 1,200 per tonne" shall be substituted;
- (10) in Chapter 29,—
 - (a) in sub-heading No. 2901.10 for the entry in column (4), the entry "Rs 14 per cubic metre of the gas at normal pressure at 15°C" shall be substituted;
 - (b) in sub-heading No. 2903.10, for the entry in column (4), the entry "40%" shall be substituted;
- (11) in Chapter 32, in sub-heading No. 3204.90, for the entry in column (4), the entry "40%" shall be substituted;

(12) in Chapter 33,—

- (a) in sub-heading Nos. 3301.00, 3302.10, 3302.90 and 3303.00, for the entry in column (4), the entry “25%” shall be substituted;
- (b) in sub-heading No. 3304.00, for the entry in column (4), the entry “70%” shall be substituted;
- (c) in sub-heading No. 3305.10, for the entry in column (4), the entry “30%” shall be substituted;
- (d) in sub-heading No. 3305.90, for the entry in column (4), the entry “70%” shall be substituted;
- (e) in sub-heading No. 3306.00, for the entry in column (4), the entry “20%” shall be substituted;
- (f) in sub-heading Nos. 3307.10, 3307.20 and 3307.30, for the entry in column (4), the entry “70%” shall be substituted;
- (g) in sub-heading No. 3307.49, for the entry in column (4), the entry “20%” shall be substituted;
- (h) in sub-heading No. 3307.90, for the entry in column (4), the entry “70%” shall be substituted;

(13) in Chapter 34,—

- (a) in sub-heading No. 3401.20, for the entry in column (4), the entry “30%” shall be substituted;
- (b) in sub-heading No. 3401.30, for the entry in column (4), the entry “20%” shall be substituted;
- (c) in sub-heading No. 3402.90, for the entry in column (4), the entry “35%” shall be substituted;
- (d) in sub-heading No. 3403.00, for the entry in column (4), the entry “20% plus Rs. 4,000 per tonne” shall be substituted;
- (e) in sub-heading Nos. 3404.00, 3406.00 and 3407.00, for the entry in column (4), the entry “20%” shall be substituted;

(14) in Chapter 35,—

- (a) in sub-heading Nos. 3501.00, 3502.00, 3503.00 and 3504.00, for the entry in column (4), the entry “20%” shall be substituted;
- (b) in sub-heading No. 3505.10, for the entry in column (4), the entry “45%” shall be substituted;
- (c) in sub-heading Nos. 3505.20, 3505.90, and 3507.00, for the entry in column (4), the entry “20%” shall be substituted;

(15) in Chapter 36,—

- (a) in sub-heading No. 3601.00, for the entry in column (4), the entry “20%” shall be substituted;
- (b) in sub-heading No. 3602.00, for the entry in column (4), the entry “25%” shall be substituted;
- (c) in sub-heading No. 3603.00, for the entry in column (4), the entry “20%” shall be substituted;

(16) in Chapter 37,—

- (a) in sub-heading No. 3701.90, for the entry in column (4), the entry “25%” shall be substituted;
- (b) in sub-heading No. 3702.90, for the entry in column (4), the entry “25% plus Rs. 28 per square metre” shall be substituted;
- (c) in sub-heading Nos. 3703.10, 3703.20, 3704.10 and 3704.20, for the entry in column (4), the entry “25%” shall be substituted;

(17) in Chapter 39, for the entry in column (4), occurring against all the sub-heading Nos. (Except sub-heading Nos. 3909.60, 3915.90, 3921.11, 3922.10, 3922.20, 3922.90, 3923.11, 3923.19, 3923.90, 3924.11, 3924.19, 3924.90, 3925.10, 3925.20, 3925.30, 3925.91, 3925.99, 3926.10 and 3926.90), the entry “50%” shall be substituted;

(18) in Chapter 40,—

- (a) in sub-heading Nos. 4001.00, 4002.00, 4003.00 and 4004.00, for the entry in column (4), the entry “20%” shall be substituted;
- (b) in sub-heading No. 4005.00, for entry in column (4), the entry “45%” shall be substituted;
- (c) in sub-heading No. 4006.10, for the entry in column (4), the entry “Rs. 15 per kilogram” shall be substituted;
- (d) in sub-heading No. 4007.00, for the entry in column (4), the entry “20%” shall be substituted;
- (e) in sub-heading Nos. 4008.11, and 4008.19, for the entry in column (4), the entry “70%” shall be

substituted;

- (f) in sub-heading No. 4008.21, for the entry in column (4), the entry "Rs. 15 per kilogram" shall be substituted;
- (g) in sub-heading No. 4010.10, for the entry in column (4), the entry "35%" shall be substituted;
- (h) in sub-heading No. 4011.20, for the entry in column (4), the entry "50 per tyre" shall be substituted;
- (i) in sub-heading Nos. 4011.39, and 4011.40, for the entry in column (4), the entry "Rs 2.100 per tyre" shall be substituted;
- (j) in sub-heading No. 4011.39, and 4011.40, for the entry in column (4), the entry "Rs. 2.100 per tyre" shall be substituted;
- (k) in sub-heading No 4011.60, for the entry in column (4), the entry "Rs. 700 per tyre" shall be substituted;
- (l) in sub-heading No. 4011.70, for the entry in column (4), the entry "Rs. 2,100 per tyre" shall be substituted;
- (m) in sub-heading Nos. 4011.80, and 4011.91, for the entry in column (4), the entry "70%" shall be substituted;
- (n) in sub-heading No. 4011.99, for the entry in column (4), the entry "35%" shall be substituted;
- (o) in sub-heading No.4012.19, for the entry in column (4), the entry "Rs. 40 per flap" shall be substituted;
- (p) in sub-heading No. 4012.90, for the entry in column (4), the entry "25%" shall be substituted;
- (q) in sub-heading Nos. 4013.30, 4013.40, and 4013.50, for the entry in column (4), the entry "Rs. 300 per tube" shall be substituted;
- (r) in sub-heading No. 4013.60, for the entry in column (4), the entry "Rs. 150 per tube" shall be substituted;
- (s) in sub-heading No. 4013.70, for the entry in column (4), the entry "Rs. 300 per tube" shall be substituted;
- (t) in sub-heading No. 4013.91, for the entry in column (4), the entry "Rs. 1,150 per tube," shall be substituted;
- (u) in sub-heading No. 4013.99, for the entry in column (4), the entry "Rs. 115 per tube" shall be substituted;
- (v) in sub-heading Nos. 4014.90, and 4015.00, for the entry in column (4), the entry "20%" shall be substituted;
- (w) in sub-heading No. 4016.11, for the entry in column (4), the entry "70%" shall be substituted;
- (19) in Chapter 42, in sub-heading No. 4201.90, for the entry in column (4), the entry "35%" shall be substituted;
- (20) in Chapter 43, in sub-heading No. 4301.00, for the entry in coulumn (4), the entry "20%" shall be substituted;
- (21) in Chapter 44,—
 - (a) in sub-heading No 4404.00, for the entry in column (4), the entry "20%" shall be substituted;
 - (b) in sub-heading No. 4409.00, for the entry in column (4), the entry "25%" shall be substituted;
 - (c) in sub-heading No. 4410.10, for the entry in column (4), the entry "35%" shall be substituted;
- (22) in chapter 45, in sub-heading No. 4501.00, for the entry in column (4), the entry "20%" shall be substituted;
- (23) in Chapter 48,—
 - (a) in sub-heading Nos. 4801.10, and 4801.90, for the entry in column (4), the entry "15%" shall be substituted;
 - (b) in sub-heading Nos. 4802.20, 4802.91, 4802.99, 4803.00, 4804.19, 4804.29, 4804.30, 4805.19, 4805.20, 4805.30, 4805.90, 4806.10, 4806.20, 4806.90, 4807.10, 4807.92, 4807.99, 4808.10, 4808.90, 4810.10, 4810.20, 4810.90, 4811.10 and 4811.20, for the entry in column (4), the entry "30%" shall be substituted;

- (c) in sub-heading No. 4811.30, for the entry in column (4), the entry "40%" shall be substituted;
- (d) in sub-heading No. 4811.40, for the entry in column (4), the entry "30%" shall be substituted;
- (e) in sub-heading No. 4811.90, for the entry in column (4), the entry "40%" shall be substituted;
- (f) in sub-headings Nos. 4812.00, 4813.00, 4814.00, 4817.00, 4818.00, 4819.90, 4820.00, 4821.00, 4822.00, 4823.11, 4823.12, 4823.14 and 4823.19, for the entry in column (4), the entry "30%" shall be substituted;
- (24) in chapter 49, in sub-heading No. 4901.10, for the entry in column (4), the entry "20%" shall be substituted;
- (25) in Chapter 51,—
 - (a) in sub-heading Nos. 5102.90, and 5105.00, for the entry in column (4), the entry "15%" shall be substituted;
 - (b) in sub-heading No. 5107.24, for the entry in column (4), the entry "3%" shall be substituted;
 - (c) in sub-heading No. 5107.39, for the entry in column (4), the entry "6%" shall be substituted;
 - (d) in sub-headings Nos. 5107.41, 5107.42, for the entry in column (4), the entry "3%" shall be substituted;
 - (e) in sub-heading No. 5107.49, for the entry in column (4), the entry "10%" shall be substituted;
 - (f) in sub-headings Nos. 5107.91, 5107.92, for the entry in column (4), the entry "5%" shall be substituted;
 - (g) in sub-heading No. 5107.99, for the entry in column (4), the entry "12%" shall be substituted;
 - (h) in sub-heading No. 5108.00, for the entry in column (4), the entry "15%" shall be substituted;
- (26) in Chapter 52,—
 - (a) in sub-heading No. 5301.31, for the entry in column (4), the entry "Rs. 15 per kilogram" shall be substituted;
 - (b) in sub-heading No. 5302.20, for the entry in column (4), the entry "Rs. 805 per tonne" shall be substituted;
 - (c) in sub-heading No. 5303.31, for the entry in column (4), the entry "Rs. 1.50 per kilogram" shall be substituted;
 - (d) in sub-heading No. 5304.00, for the entry in column (4), the entry "15%" shall be substituted;
 - (e) in sub-heading No. 5306.29, for the entry in column (4), the entry "Rs. 805 per tonne" shall be substituted;
 - (f) in sub-heading No. 5307.12, for the entry in column (4), the entry "10%" shall be substituted;
 - (g) in sub-heading No. 5308.00, for the entry in column (4), the entry "15%" shall be substituted;
- (27) in Chapter 54,—
 - (a) in sub-heading No. 5401.10, for the entry in column (4), the entry "Rs. 11 per kilogram or 60% whichever is less" shall be substituted;
 - (b) in sub-heading No. 5401.20, for the entry in column (4), the entry "Rs. 2 per kilogram" shall be substituted;
 - (c) in sub-heading No. 5401.90, for the entry in column (4), the entry "Rs. 11 per kilogram or 60% whichever is less" shall be substituted;
- (28) in Chapter 55,—
 - (a) in sub-headings Nos. 5503.12, and 5503.19, for the entry in column (4), the entry "Rs. 11 per kilogram or 60% whichever is less" shall be substituted;
 - (b) in sub-heading No. 5503.20, for the entry in column (4), the entry "Rs. 2 per kilogram" shall be substituted;
- (29) in Chapter 56,—
 - (a) in sub-headings Nos. 5601.00, 5602.10, 5602.90, 5603.00, 5604.00, 5505.90 and 5606.00, for the entry in column (4), the entry "15%" shall be substituted;
 - (b) in sub-heading No. 5607.19, for the entry in column (4), the entry "Rs. 805 per tonne" shall be

- substituted;
- (c) in sub-heading Nos. 5607.90, and 5608.00, for the entry in column (4), the entry "15%" shall be substituted;
- (30) in Chapter 57,—
- (a) in sub-heading Nos. 5701.11, 5701.12, for the entry in column (4), the entry "35%" shall be substituted;
- (b) in sub-heading No. 5702.20, for the entry in column (4), the entry "Rs. 805 per tonne" shall be substituted;
- (c) in sub-heading No. 5702.90, for the entry in column (4), the entry "35%" shall be substituted;
- (31) in Chapter 58,—
- (a) in sub-heading No. 5801.20, for the entry in column (4), the entry "10%" shall be substituted;
- (b) in sub-heading No. 5801.90, for the entry in column (4), the entry "15%" shall be substituted;
- (c) in sub-heading Nos. 5802.12, 5802.19, and 5804.11, for the entry in column (4), the entry "10%" shall be substituted;
- (d) in sub-heading Nos. 5804.19, and 5804.90, for the entry in column (4), the entry "15%" shall be substituted;
- (e) in sub-heading No. 5805.19, for the entry in column (4), the entry "25% plus the duty for the time being leviable on base fabrics if not already paid" shall be substituted;
- (f) in sub-heading Nos. 5806.10, and 5806.90, for the entry, in column (4), the entry "15%" shall be substituted;
- (32) in Chapter 59,—
- (a) in sub-heading Nos. 5903.19, 5903.29, and 5903.99, for the entry in column (4), the entry "35% plus Rs. 15 per square metre plus the duty for the time being leviable on base fabrics, if not already paid" shall be substituted;
- (b) in sub-heading No. 5904.10, for the entry in column (4), the entry "35%" shall be substituted;
- (c) in sub-heading No. 5904.20, for the entry in column (4), the entry "30%" shall be substituted;
- (d) in sub-heading No. 5904.90, for the entry in column (4), the entry "35%" shall be substituted;
- (e) in sub-heading No. 5905.90, for the entry in column (4), the entry "15%" shall be substituted;
- (f) in sub-heading No. 5906.11, for the entry in column (4), the entry "35% plus the duty for the time being leviable on base fabrics, under Chapter 52, if not already paid" shall be substituted;
- (g) in sub-heading No. 5906.12, for the entry in column (4), the entry "35% plus the duty for the time being leviable on base fabrics, under Chapter 54 or 55, as the case may be, if not already paid" shall be substituted;
- (h) in sub-heading No. 5906.19, for the entry in column (4), the entry "35% plus the duty for the time being leviable on base fabrics, if not already paid" shall be substituted;
- (i) in sub-heading No. 5904.90, for the entry in column (4), the entry "35%" shall be substituted;
- (j) in sub-heading No. 5907.00, for the entry in column (4), the entry "15%" shall be substituted;
- (k) in sub-heading No. 5908.00, for the entry in column (4), the entry "35%" shall be substituted;
- (l) in sub-heading No. 5909.00, for the entry in column (4), the entry "15%" shall be substituted;
- (33) in Chapter 60,—
- (a) in sub-heading No. 6001.11, for the entry in column (4), the entry "10%" shall be substituted;
- (34) in Chapter 62, in sub-heading No. 6202.00, for the entry in column (4), the entry "15%" shall be substituted;
- (35) in Chapter 63, in sub-heading No. 6301.00, for the entry in column (4), the entry "15%" shall be substituted;
- (36) in Chapter 68,—
- (a) in sub-heading Nos. 6801.10, 6802.00, for the entry in column (4), the entry "25%" shall be substituted;

- (b) in sub-heading Nos. 6804.10, 6804.20, 6804.30 and 6804.90, for the entry in column (4), the entry "35%" shall be substituted;
- (c) in sub-heading No. 6805.90, for the entry in column (4), the entry "20%" shall be substituted;
- (d) in sub-heading No. 6806.90, for the entry in column (4), the entry "25%" shall be substituted;
- (e) in sub-heading No. 6807.00, for the entry in column (4), the entry "35%" shall be substituted;
- (37) in Chapter 69,—
 - (a) in sub-heading Nos. 6901.00, 6902.10, 6902.90, 6903.90 and 6904.10, for the entry in column (4), the entry "20%" shall be substituted;
 - (b) in sub-heading No. 6905.00, for the entry in column (4), the entry "35%" shall be substituted;
 - (c) in sub-heading No. 6906.10, for the entry in column (4), the entry "55%" shall be substituted;
 - (d) in sub-heading No. 6906.90, for the entry in column (4), the entry "35%" shall be substituted;
 - (e) in sub-heading No. 6908.10, for the entry in column (4), the entry "45%" shall be substituted;
 - (f) in sub-heading No. 6909.10, for the entry in column (4), the entry "25%" shall be substituted;
 - (g) in sub-heading No. 6909.20, for the entry in column (4), the entry "45%" shall be substituted;
 - (h) in sub-heading Nos. 6909.90 and 6911.00, for the entry in column (4), the entry "35%" shall be substituted;
- (38) in Chapter 71, in sub-heading Nos. 7101.80 and 7101.90, for the entry in column (4), the entry "20%" shall be substituted;
- (39) in Chapter 72, after Note 3, the following Note shall be inserted, namely,—

"4. In relation to flat-rolled products of this Chapter, the process of hardening or tempering shall amount to manufacture".
- (40) in Chapter 73,—
 - (a) in sub-heading Nos. 7318.10 and 7318.21, for the entry in column (4), the entry "15%" shall be substituted;
 - (b) in sub-heading Nos. 7321.10 and 7321.20, for the entry in column (4), the entry "30%" shall be substituted;
 - (c) in sub-heading No. 7321.90, for the entry in column (4), the entry "15%" shall be substituted;
- (41) in chapter 74, in sub-heading Nos. 7401.10, 7401.20, 7402.00, 7403.11, 7403.12, 7403.13, 7403.19, 7403.21, 7403.22, 7403.23, 7403.29, 7404.00, 7405.00, 7407.11, 7407.12, 7407.29, 7408.11, 7408.19, 7408.21, 7408.29, 7409.10, 7409.20, 7409.30, 7409.40, 7409.90, 7410.11, 7410.12, 7410.21, 7410.22, 7413.00, 7415.31, 7415.32, and 7415.39, for the entry in column (4), the entry "15%" shall be substituted;
- (42) in Chapter 76, for the entry in column (4) occurring against all the sub-heading Nos., the entry "25%" shall be substituted; X
- (43) in Chapter 78, for the entry in column (4) occurring against all the sub-heading Nos., the entry "15%" shall be substituted; V
- (44) in Chapter 79, for the entry in column (4) occurring against all the sub-heading Nos., the entry "15%" shall be substituted;
- (45) in Chapter 82, for the entry in column (4) occurring against all the sub-heading Nos., the entry "15%" shall be substituted;
- (46) in Chapter 83,—
 - (a) in sub-heading No. 8302.00, for the entry in column (4), the entry "30%" shall be substituted;
 - (b) in sub-heading No. 8303.00, for the entry in column (4), the entry "40%" shall be substituted;
 - (c) in sub-heading No. 8304.00, for the entry in column (4), the entry "30%" shall be substituted;
 - (d) in sub-heading No. 8307.00, for the entry in column (4), the entry "20%" shall be substituted;
 - (e) in sub-heading Nos. 8309.10, and 8309.20, for the entry in column (4), the entry "6 paise each" shall be substituted;
 - (f) in sub-heading No. 8310.00, for the entry in column (4), the entry "20%" shall be substituted;

(47) in Chapter 84,—

- (a) in sub-heading Nos. 8401.00, 8402.00, 8403.00, 8404.00, 8405.00 and 8406.00, for the entry in column (4), the entry “10%” shall be substituted;
- (b) in sub-heading No. 8409.00, for the entry in column (4), the entry “25%” shall be substituted;
- (c) in sub-heading Nos. 8410.00, 8411.00, 8412.00, 8413.00, 8414.80, 8416.00, 8417.00, 8420.00 and 8421.00, for the entry in column (4), the entry “10%” shall be substituted;
- (d) in sub-heading No. 8422.90, for the entry in column (4), the entry “25%” shall be substituted;
- (e) in sub-heading No. 8423.00, for the entry in column (4), the entry “20%” shall be substituted;
- (f) in sub-heading Nos. 8424.00, 8425.00, and 8426.00, for the entry in column (4), the entry “10%” shall be substituted;
- (g) in sub-heading No. 8427.00, for the entry in column (4), the entry “25%” shall be substituted;
- (h) in sub-heading No. 8428.00, for the entry in column (4), the entry “20%” shall be substituted;
- (i) in sub-heading Nos. 8429.00, and 8430.00, for the entry in column (4), the entry “10%” shall be substituted;
- (j) in sub-heading No. 8431.00, for the entry in column (4), the entry “25%” shall be substituted;
- (k) in sub-heading Nos. 8432.00, 8433.00, 8434.00, 8435.00, 8436.00, 8437.00, 8438.00, 8439.00, 8440.00, 8441.00, 8442.00, 8443.00, 8444.00, 8445.00, 8446.00, 8447.00, 8448.00, 8449.00, 8451.00, 8453.00, 8454.00, 8455.00, 8456.00, 8457.00, 8458.00, 8459.00, 8460.00, 8461.00, 8462.00, 8463.00, 8464.00, 8465.00, and 8466.00, for the entry in column (4), the entry “10%” shall be substituted;
- (l) in sub-heading No. 8469.00, for the entry in column (4), the entry “25% plus Rs. 5.000 per machine” shall be substituted;
- (m) in sub-heading Nos. 8470.00, 8472.00, and 8473.00, for the entry in column (4), the entry “25%” shall be substituted;
- (n) in sub-heading Nos. 8474.00 and 8475.00, for the entry in column (4), the entry “10%” shall be substituted;
- (o) in sub-heading Nos. 8476.19 and 8476.99, for the entry in column (4), the entry “25%” shall be substituted;
- (p) in sub-heading Nos. 8477.00, 8478.00, 8479.00 and 8480.00, for the entry in column (4), the entry “10%” shall be substituted;
- (q) in sub-heading Nos. 8481.99, 8485.10, and 8485.90, for the entry in column (4), the entry “20%” shall be substituted.

(48) in Chapter 85,—

- (a) in sub-heading No. 8501.00, for the entry in column (4), the entry “10%” shall be substituted;
- (b) in sub-heading No. 8502.00, for the entry in column (4), the entry “20%” shall be substituted;
- (c) in Sub-heading No. 8506.00, for the entry in column (4), the entry “40%” shall be substituted;
- (d) in sub-heading No. 8510.00, for the entry in column (4), the entry “35%” shall be substituted;
- (e) in sub-heading Nos. 8511.00 and 8512.00, for the entry in column (4), the entry “25%” shall be substituted;
- (f) in sub-heading Nos. 8514.00 and 8515.00, for the entry in column (4), the entry “10%” shall be substituted;
- (g) in sub-heading No. 8516.00, for the entry in column (4), the entry “35%” shall be substituted;
- (h) in sub-heading No. 8533.00, for the entry in column (4), the entry “25%” shall be substituted;
- (I) in sub-heading No. 8537.00 and 8538.00, for the entry in column (4), the entry “20%” shall be substituted;
- (j) in sub-heading No. 8539.00, for the entry in column (4), the entry “40% plus Rs. 10 per lamp” shall be substituted;
- (k) in sub-heading Nos. 8540.90, 8541.00 and 8542.00, for the entry in column (4), the entry “20%” shall be substituted;

- (l) in sub-heading No. 8544.00, for the entry in column (4), the entry "35%" shall be substituted;
- (m) in sub-heading No. 8545.00, for the entry in column (4), the entry "25%" shall be substituted;
- (n) in sub-heading No. 8546.00, for the entry in column (4), the entry "40%" shall be substituted;
- (o) in sub-heading Nos. 8547.00 and 8548.00, for the entry in column (4), the entry "20%" shall be substituted;
- (49) in Chapter 87,—
 - (a) in sub-heading Nos. 8702.00, 8704.00, 8706.20 and 8706.40, for the entry in column (4), the entry "60%" shall be substituted;
 - (b) in sub-heading No. 8708.00, for the entry in column (4), the entry "25%" shall be substituted;
- (50) in Chapter 88, for the entry in column (4) occurring against all the sub-heading Nos., the entry "20%" shall be substituted;
- (51) in Chapter 89,—
 - (a) for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading No. 8908.00), the entry "20%" shall be substituted;
 - (b) in sub-heading No. 8908.00, for the entry in column (4), the entry "Rs. 1,000 per Light Displacement Tonnage" shall be substituted;
- (52) in Chapter 90.—
 - (a) in sub-heading Nos. 9001.00, 9002.00, 9003.90 and 9005.00, for the entry in column (4), the entry "20%" shall be substituted;
 - (b) in sub-heading No. 9006.00, for the entry in column (4), the entry "35%" shall be substituted;
 - (c) in sub-heading No. 9009.00, for the entry in column (4), the entry "25%" shall be substituted;
 - (d) in sub-heading No. 9010.00, for the entry in column (4), the entry "20%" shall be substituted;
 - (e) in sub-heading Nos. 9032.11 and 9032.91, for the entry in column (4), the entry "125%" shall be substituted;
- (53) in Chapter 91, in sub-heading No. 9106.00, for the entry in column (4), the entry "25%" shall be substituted;
- (54) in Chapter 93, for the entry in column (4) occurring against all the sub-heading Nos. (except sub-heading No. 9301.00), the entry "20%" shall be substituted;
- (55) in Chapter 94,—
 - (a) in sub-heading No. 9401.00, for the entry in column (4), the entry "30%" shall be substituted;
 - (b) in sub-heading No. 9403.00, for the entry in column (4), the entry "35%" shall be substituted;
 - (c) in sub-heading No. 9405.00, for the entry in column (4), the entry "40%" shall be substituted;
- (56) in Chapter 95, in sub-heading No. 9504.00, for the entry in column (4), the entry "35%" shall be substituted.
- (57) in Chapter 96.—
 - (a) in sub-heading Nos. 9601.00, 9602.00 and 9605.90, for the entry in column (4), the entry "20%" shall be substituted;
 - (b) in sub-heading No. 9612.00, for the entry in column (4), the entry "30%" shall be substituted;
 - (c) in sub-heading No. 9613.10, for the entry in column (4), the entry "Rs. 5 per lighter" shall be substituted;
 - (d) in sub-heading Nos. 9614.00, 9615.00, 9616.00 and 9618.00, for the entry in column (4), the entry "20%" shall be substituted.