

Customs Tariff (Amendment) Act, 2003

25 of 2003

[27 March 2003]

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Customs Tariff (Amendment) Act, 2003

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An Act further to amend the Customs Tariff Act, 1975. BE it enacted by Parliament in the Fifty-fourth Year of the Republic of India as follows:--

1. Short Title And Commencement :-

(1) This Act may be called the Customs Tariff (Amendment) Act, 2003.

(2) It shall be deemed to have come into force on the 1st day of February, 2003.

2. Insertion Of New Section 11A :-

In the Customs Tariff Act, 1975 (hereinafter referred to as the principal Act), after section 11, the following section shall be inserted, namely:--

"11A. Power of Central Government to amend First Schedule.-- (1) Where the Central Government is satisfied that it is necessary so to do in the public interest, it may, by notification in the Official Gazette, amend the First Schedule:

Provided that such amendment\all not alter or affect in any manner the rates specified in that Schedule in respect of goods at which duties of customs shall be leviable on the goods under the Customs

Act, 1962.

(2) Every notification issued under sub-section (1) shall be laid, as soon as may be after it is issued, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or both Houses agree that the notification should not be issued, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification."

3. Substitution Of New Schedule Of First Schedule :-

For the First Schedule to the principal Act, the following Schedule shall be substituted, namely:--

"THE FIRST SCHEDULE-IMPORT TARIFF

(See section 2)

General rules for the interpretation of this Schedule

Classification of goods in this Schedule shall be governed by the following principles:

1. The titles of Sections, Chapters and Sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions.

2. (a) Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this rule), presented unassembled or disassembled.

(b) Any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles

of rule 3.

3. When by application of rule 2(b) or for any other reason, goods are, prima facie, classifiable under two or more headings, classification shall be effected as follows:

(a) the heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods.

(b) mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to (a), shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable.

(c) when goods cannot be classified by reference to (a) or (b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.

4. Goods which cannot be classified in accordance with the above rules shall be classified under the heading appropriate to the goods to which they are most akin.

5. In addition to the foregoing provisions, the following rules shall apply in respect of the goods referred to therein:

(a) camera cases, musical instrument cases, gun cases, drawing instrument cases, necklace cases and similar containers, specially shaped or fitted to contain a specific article or set of articles, suitable for long-term use and presented with the articles for which they are intended, shall be classified with such articles when of a kind normally sold therewith. This rule does not, however, apply to containers which give the whole its essential character;

(b) subject to the provisions of (a) above, packing materials and packing containers presented with the goods therein shall be classified with the goods if they are of a kind normally used for packing such goods. However, this provision does not apply when such packing materials or packing containers are clearly suitable for repetitive use.

6. For legal purposes, the classification of goods in the sub-headings of a heading shall be determined according to the terms of those sub-headings and any related subheading Notes and,

mutatis mutandis, to the above rules, on the understanding that only sub-headings at the same level are comparable. For the purposes of this rule the relative Section and Chapter Notes also apply, unless the context otherwise requires.

General Explanatory Notes

1. Where in column (2) of this Schedule, the description of an article or group of articles under a heading is preceded by "-", the said article or group of articles shall be taken to be a sub-classification of the article or group of articles covered by the said heading. Where, however, the description of an article or group of articles is preceded by "--", the said article or group of articles shall be taken to be a sub-classification of the immediately preceding description of the article or group of articles which has "-". Where the description of an article or group of articles is preceded by "--" or "--", the said article or group of articles shall be taken to be a sub-classification of the immediately preceding description of the article or group of articles which has "-" or "--".

2. The abbreviation "%" in any column of this Schedule in relation to the rate of duty indicates that duty on the goods to which the entry relates shall be charged on the basis of the value of the goods as defined in section 14 of the Customs Act, 1962 (52 of 1962), the duty being equal to such percentage of the value as is indicated in that column.

3. In any entry, if no rate of duty is shown in column (5), the rate shown under column (4) shall be applicable.

Additional Notes

In this Schedule,--

(1) (a) "heading", in respect of goods, means a description in list of tariff provisions accompanied by a four-digit number and includes all sub-headings of tariff items the first four-digits of which correspond to that number;

(b) "sub-heading", in respect of goods, means a description in the list of tariff provisions accompanied by a six-digit number and includes all tariff items the first six-digits of which correspond to that number;

(c) "tariff item" means a description of goods in the list of tariff provisions accompanying eight-digit number and the rate of customs duty;

(2) the list of tariff provisions is divided into Sections, Chapters and Sub-Chapters;

(3) in column (3), the standard unit of quantity is specified for each tariff item to facilitate the collection, comparison and analysis of

trade statistics.

LIST OF ABBREVIATIONS USED

Abbreviations For

Amps	Ampere(s)
Bq/g	Beequeral per gram
cc	Cubic centimetre
cg	Centigram(s)
Ci/g	Curie per gram
C.I.F.	Cost, Insurance and Freight
c/k	Carats (1 metric carat = 2×10^{-4} kg) cm
.....	Centimetre(s)
cm ³	
Cubic centimetre(s)	
dyne/Cm	Dyne per centimetre
g	Gram(s)
g/cm ³	
Gram per cubic centimetre	
giF/S	Gram of fissile isotopes
g/m ²	
Gram per square metre	
g.v.w.	Gross vehicle weight
HP	Horse Power
K cal/Kg	Kilocalorie per Kilogram
kg	Kilogram (s)
kPa	Kilo Pascal
kPa m ² /g	
Kilo Pascal square metre per gram	
kN/m	Kilo Newton/Metre
kVA	Kilovolt Ampere(s)
kvar	Kilovolt ampere reactive(s)
kW	Kilo Watt
l	Litre(s)
m	Metre(s)
m ²	Square metre(s)
m ³	Cubic metre(s)
mm	Millimetres)
mN	Milli Newton
MPa	Milli pascal
mt	Metric tonne
MW	Mega Watt
N/m	Newton per metre
pa	Number of pairs

Rs. Rupees
sq. Square
SWG Standard Wire Gauge
t Tonne(s)
Tu Thousand in number
u Number
US\$ US Dollar
v Volt(s)
Vol Volume
w Watt
1000kWh 1000 kilowatt hours

4. Repeal And Saving :-

- (1) The Customs Tariff (Amendment) Ordinance, 2003(Ord. 1 of 2003) is hereby repealed.
- (2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.