

15.57 hrs.

CENTRAL EXCISE TARIFF  
(AMENDMENT) BILL, 1986

[English]

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI  
JANARDHANA POOJARY) : Sir, I beg  
to move :\*

“That the Bill further to amend the  
Central Excise Tariff Act, 1985, be  
taken into consideration”.

Central Excise Duties are levied at the rates specified in the Schedule to the Central Excise Tariff Act, 1985. The Tariff is based broadly on the system of classification derived from the International Convention on the Harmonised Commodity Description and Coding System (Harmonised System) with such contractions or modifications as were considered necessary. The first Scheduled to the Customs Tariff Act, 1975, which is also based on the Harmonised System, is basically a six-digit code system consisting of headings at four-digit level further divided into sub-headings at fifth and sixth-digit levels. It was considered desirable to gradually align excise tariff with the customs tariff not only to reduce classification disputes but also facilitate compilation of statistics. With this object, amendments are proposed in Chapters 28 to 40 of the Schedule to the said Central Excise Tariff Act to bring about closer alignment of the excise tariff and customs tariff at the four-digit level with certain exceptions. The proposed amendments would be brought into effect from a later date administratively convenient to allow sufficient time both for the trade and the departmental officers to get acquainted with the revised nomenclature and also to facilitate the issue of consequential exemption notifications so that the amendments and the notifications could be brought into effect simultaneously.

The Bill also proposes to fix a tariff rate of duty of Rs. 9 $\frac{1}{2}$  per kg. 50% advalorem, whichever is less, in respect of

polypropylene wastes so that such wastes are also made chargeable to excise duty like other fibre wastes like polyester, nylon, etc. Effective rates would be fixed through exemption notifications.

Sir, I move that this Bill may be taken for consideration.

MR. SPEAKER : There are no speakers I think. The question is :

“That the Bill further to amend the  
Central Excise Tariff Act, 1975, be  
taken into consideration”.

*The Motion was adopted*

MR. SPEAKER : The House will now take up clause by clause consideration of the Bill.

The question is :

“That Clause, 2, the First Schedule and the Second Schedule stand part of the Bill.”

*The motion was adopted*

*Clause 2, the first Schedule and the  
Second Schedule were added to the Bill*

MR. SPEAKER : The question is :

“That Clause 1 Enacting Formula and the Title stand part of the Bill”.

*The Motion was adopted*

*Clause 1, Enacting Formula and the  
Title were added to the Bill*

SHRI JANARDHANA POOJARY :  
Sir, I beg to move :

“That the Bill be passed.”

MR. SPEAKER : The question is :

“That the Bill be passed.”

*The motion was adopted.*

\*Moved with the recommendation of the President.