

EXECUTIVE SUMMARY OF FINANCE BILL, 2016 – CENTRAL EXCISE

I. Tariff - Amendment in Central Excise Act, 1944 - All the below changes shall be effective from 01/03/2016.

SI NO.	TYPE OF GOODS/DESCRIPTION	OLD RATE	NEW RATE	REMARK
1.	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored	18%	21%	
2.	Cigar, Cigarillos, Specified Cigarattes	12.5% or Rs. 3375 per thousand whichever is higher	12.5% or Rs. 3755 per thousand whichever is higher	
3.	Gutkha, Chewing Tabacco	70%	81%	
4.	Unmanufactured Tobacco	55%	64%	
5.	Paper rolled biris [whether handmade or machine made] and other biris [other than handmade biris] However, the effective rate of basic excise duty of Rs.21 per thousand shall remain unchanged.	Rs. 30 Per Thousand	Rs. 80 per thousand	
6.	Refrigerated Containers	12.5%	6%	
7.	Micronutrients which are covered under Sr. No. 1(f) of Schedule 1 Part (A) of the Fertilizer Control Order, 1985 and are manufactured by the manufacturers which are registered under FCO, 1985	12.5%	6%	
8.	Physical mixture of fertilizers manufactured by Co-operative Societies, holding certificate of manufacture for mixture of fertilizers under the Fertilizer Control Order 1985, made out of chemical fertilizers on which duty of excise has been paid and no credit of duty paid on such chemical fertilizers has been taken under rule 3 of the CENVAT Credit Rules, 2004 and which are intended for supply to the members of such Co-operative Societies.	1% (without CENVAT credit) or 6% (with CENVAT Credit)	Nil	

EXECUTIVE SUMMARY OF FINANCE BILL, 2016 – CENTRAL EXCISE

9.	To increase Tariff Value of readymade garments and made up articles of textiles	30% of retail sale price	60% of retail sale price	
10.	Branded readymade garments and made up articles of textiles of retail sale price of Rs.1000 or more	Nil (without CENVAT credit) or 6%/12.5% (with CENVAT Credit)	2% (without CENVAT credit) or 12.5% (with CENVAT Credit)	
11.	Rubber sheets & resin rubber sheets for soles and heels	12.5%	6%	
12.	Increase the abatement from retail sale price (RSP) for the purposes of excise duty assessment for all categories of footwear	25%	30%	
13.	To change excise duty structure on disposable containers made of aluminium foils.	2% (without CENVAT credit) or 6%(with CENVAT Credit)	2% (without CENVAT credit) or 12.5% (with CENVAT Credit)	
14.	Refined gold bars manufactured from gold dore bar, silver dore bar, gold ore or concentrate, silver ore or concentrate, copper ore or concentrate. Prospectively, the excise duty exemption under the existing area based exemptions on refined gold is being withdrawn.	9%	9.5%	
15.	Refined silver manufactured from silver ore or concentrate, silver dore bar, or gold dore bar. Prospectively, the excise duty exemption under the existing area based exemptions on refined silver is being withdrawn.	8%	8.5%	
16.	Articles of Jewellery [excluding silver jewellery, other than studded with diamonds or other precious stones namely, ruby, emerald and sapphire] with a higher threshold exemption upto Rs. 6 crore in a year and eligibility limit of Rs.12 crore, along with simplified compliance procedure	Nil	1% (without CENVAT credit) or 12.5% (with CENVAT Credit)	
17.	Solar Lamp	12.5%	Nil	
18.	Aviation Turbine Fuel [ATF] other than for supply to Scheduled Commuter Airlines (SCA) from the Regional Connectivity	8%	14%	

EXECUTIVE SUMMARY OF FINANCE BILL, 2016 – CENTRAL EXCISE

	Scheme airports			
19.	Charger / adapter, battery and wired headsets / speakers for supply to mobile phone manufacturers as original equipment manufacturer.	Nil	2% (without CENVAT credit) or 12.5% (with CENVAT Credit)	
20.	Routers, broadband Modems, Set-top boxes for gaining access to internet, set top boxes for TV, digital video recorder (DVR) / network video recorder (NVR), CCTV camera / IP camera, lithium ion battery [other than those for mobile handsets]	12.5%	4% (without CENVAT credit) or 12.5% (with CENVAT Credit)	
21.	Parts and components, subparts for manufacture of Routers, broadband Modems, Set-top boxes for gaining access to internet, set top boxes for TV, digital video recorder (DVR) / network video recorder (NVR), CCTV camera / IP camera, lithium ion battery [other than those for mobile handsets]	12.5%	Nil	
22.	Specified parts of Electric Vehicles and Hybrid Vehicles	6% upto 31/03/2016	6% without limit	
23.	Engine for xEV (hybrid electric vehicle)	12.5%	6%	
24.	Ready Mix Concrete manufactured at the site of construction for use in construction work at such site	2% (without CENVAT credit) or 6% (with CENVAT Credit)	Nil	