

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
New Delhi

Notification No. 10/2008-Central Excise

Dated 1st March, 2008

G.S.R. (E).- In exercise of the powers conferred by Sub-Section (1) of Section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the erstwhile Ministry of Finance and Company Affairs (Department of Revenue), No. 23/2003-Central Excise, dated the 31st March, 2003, published in the Gazette of India, Extraordinary, vide number G.S.R. 266(E), of the same date, namely :-

In the said Notification, in the Table, -

- (i) against Sr. No. 2, in column (4), for the entry, the following entry shall be substituted, namely :-

“In excess of the amount equal to the aggregate of duties of customs leviable on like goods, as if,-

(a) the duty of customs specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), read with any other notification in force was reduced by 50%, and

(b) no additional duty of customs was leviable under Sub-Section (5) of Section 3 of the said Customs Tariff Act :

Provided that while calculating the aggregate of customs duties, additional duty of customs leviable under Sub-Section (5) of Section 3 of the said Customs Tariff Act shall be included if the goods cleared into Domestic Tariff Area are exempt from payment of sales tax or value added tax.

Illustration :- Assuming product X has the value Rs. 100/- under Section 14 of the Customs Act, 1962, and for the purposes of this illustration, is chargeable to basic customs duty of 10% ad valorem and additional duty of 20% ad valorem only, then the computation of duty required to be paid would be as follows :

Basic Customs duty but for this exemption	= Rs. 10/-
Basic Customs duty because of this exemption	= Rs. 5/-
Value for the purposes of calculation of additional duty	= Rs. 100/- + Rs. 5/- = Rs. 105/-
Additional duty	= 20% of Rs. 105/- = Rs. 21/-.
Total duty payable after this exemption	= Rs. 5/- + Rs. 21/- = Rs 26/-”.

Sd/-

(S. BAJAJ)

Under Secretary to the Government of India

[F. No. 334/1/2008-TRU]

Note : The principal Notification was published in the Gazette of India, Extraordinary, vide number G.S.R. 266(E), dated the 31st March, 2003, and was last amended by Notification No. 29/2007-Central Excise, dated the 6th July, 2007 and published vide number G.S.R. 474(E), dated the, 6th July, 2007.