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Key Highlights of Budget 2017

Personal Income-Tax

- ✓ **No Change in Slab rates** i.e it has been retained at 2.5 Lakh
- ✓ **Tax Rates has been reduced** from 10% to 5% for slab 2.5 Lakh to 5 Lakh
- ✓ **Rebate under section 87A** has been reduced from 5000 to 2500 and will now be available for assessee's earning income below 350000
- ✓ **Surcharge of 10%** of tax payable on categories of individuals whose annual taxable income is between `50 lakhs and `1 cr has been proposed and the existing surcharge of 15% of Tax on people earning more than `1 crore will continue
- ✓ **One-page return form** to be filed as Income Tax Return for the category of individuals having taxable income upto `5 lakhs other than business income

Goods and Services Tax

- ✓ Central Board of Excise and Customs have been working tirelessly to give finishing touch to the Model GST law and rules and other details.
- ✓ GST Council has finalised its recommendations on almost all the issues based on consensus and after spirited debate and discussions.
- ✓ The preparation of IT system for GST is also on schedule.
- ✓ The extensive reach-out efforts to trade and industry for GST will start from 1st April, 2017 to make them aware of the new taxation system.
- ✓ GST is likely to bring more taxes both to Central and State Governments because of widening of tax net.
- ✓ **No changes in current regime of Excise & Service Tax** has been proposed because the same are to be replaced by GST soon

Measures for Promoting Affordable Housing and Real Estate Sector

- ✓ **Conditions of Profit-linked Income Tax Exemption for promoters of affordable housing scheme** as introduced last year has been relaxed in favour of builders
- ✓ **No Deemed Income from House property for builders** who hold property as stock in trade upto 1 year of receiving completion certificate from the competent authority
- ✓ **No of changes has been introduced in capital gain Tax on land and buildings**, including reduction in holding period of land and building to qualify as long term asset, from 3 years to 2 years and taking 2001 as base year for indexation instead of 1981 i.e you can take FMV as on 31/3/2001 as COA now.

Measures for Stimulating Growth

- ✓ Concessional with-holding rate of 5% is being charged on interest earned by foreign entities in external commercial borrowings or in bonds and Government securities; this concession has been extended upto 30.6.2020.
- ✓ **Income tax exemptions to start-ups** with certain conditions was introduced by Budget 2016, to allow carry forward of losses in respect of such start-ups, the condition of continuous holding of 51% of voting rights has been relaxed and further the profit linked deduction available to the start-ups for 3 years out of 5 years is being changed to 3 years out of 7 years.
- ✓ **MAT Credit** has been Extended for 15 years instead of 10 years
- ✓ **Income tax for smaller companies** with annual turnover upto ` 50 crore has been reduced to 25% from existing rate of 30% : ***It has been done to encourage firms, AOP's etc to get registered as companies under Companies Act, 2016, which has been effectively monitored by MCA***
- ✓ **Banking Sector** now allowed to make provision on NPA's at 8.5% instead of 7.5% as allowed earlier, further Interest income of all non-scheduled cooperative banks from NPA's will now be taxed on receipt basis instead of accrual basis

Promoting Digital Economy

- ✓ **Benefit for assessee's in Presumptive Taxation Scheme** as announced by CBDT affirmed through the budget proposal i.e presuming 6% of digital receipts as Income (Refer details at <https://taxfileindia.wordpress.com/2016/12/19/cbd-takes-measures-for-promoting-digital-payments-creation-of-less-cash-economy/>)
- ✓ **Cash expenditure** allowable as deduction has now been reduced from 20K to 10K
- ✓ **Charitable trusts** can receive cash donations upto 10K instead of 20K as allowed earlier
- ✓ **No Transaction above 3 Lakh is allowed in cash** (The proposal of SIT excepted by Government)....**Big amendment** 😊

Transparency in Electoral Funding

- ✓ **Maximum amount of cash donation** that a political party can receive will be `2000/- from one person instead of INR 20000 as prescribed earlier
- ✓ **Donating in the form of Bonds to be issued by RBI:** Donor can also purchase bonds from authorised banks against cheque and digital payments only, they shall be redeemable only in the designated account of a registered political party. These bonds will be redeemable within the prescribed time limit from issuance of bond.

Ease of Doing Business

- ✓ **Domestic transfer Pricing** will only apply for entities involved in related party transaction enjoys specified profit-linked deduction.
- ✓ **Threshold limit for audit of business entities** who opt for presumptive income scheme has been increased from `1 crore to `2 crores.
- ✓ **Threshold for maintenance of books** for individuals and HUF is being increased from turnover of `10 lakhs to `25 lakhs or income from `1.2 lakhs to `2.5 lakhs

- ✓ In order to allow the people to claim the refund expeditiously, the time period for **revising a tax return** is being reduced to 12 months from completion of financial year, at par with the time period for filing of return.
- ✓ The **time for completion of scrutiny assessments** is being compressed further from 21 months to 18 months for Assessment Year 2018-19 and further to 12 months for Assessment Year 2019-20 and thereafter.
- ✓ **Professionals under Presumptive taxation scheme** as introduced last year i.e receipts below 50 Lakh can pay advance tax in 1 installment i.e 15 March
- ✓ **No TDS on commission payable to individual insurance agents**, if they declare that their income is below taxable limit, currently 5% TDS is applicable
- ✓ Foreign Portfolio Investor (FPI) Category I & II has been provided exemption from indirect transfer provision
- ✓ **Indirect transfer provision** shall not apply in case of redemption of shares or interests outside India as a result of or arising out of redemption or sale of investment in India which is chargeable to tax in India.

Some Other Key amendments as proposed by Finance Bill, 2017

(Do refer amendments as marked with: Big Amendment 😊)

Direct Taxes Laws

Additional Revenue Mobilisation (ARM) and Anti-abuse Measures

- ✓ **Taxing Dividend Income exceeding ` 10 lakh, of all residents @10% except domestic companies or trust or institution or fund registered under section 12AA or referred to in**

section 10(23C) by amending section 115BBDA of the Income-tax Act, presently, these provisions are applicable only to the individuals, Hindu undivided family (HUF) and firms.

- ✓ **Section 56 of the Income-tax Act has been extended to all persons now**, to provide that any money, immovable property or specified movable property received without consideration or with inadequate consideration, **by any person**, subject to certain exemption and exceptions, shall be taxable if its value exceeds rupees fifty thousand.
- ✓ **In case of transfer of unquoted equity shares**, where the fair market value, determined in the prescribed manner is less than the consideration received, such fair market value shall be the deemed value of consideration for the purpose of computation of capital gains.
- ✓ **The exemption from long term capital gains** in case of transfer of listed shares by providing that the exemption, subject to notification of certain exceptions, shall be available if security transaction tax has been paid at the time of acquisition of such shares where they have been acquired after 1st October, 2004.
- ✓ **TDS @5%** by an individual or HUF, other than those whose books of account are required to be audited, while making payment of **rent of an amount exceeding 50,000 per month**. It has also been provided that such tax shall be deducted and deposited only once in a financial year through a challan-cum-statement. Further, the deductor shall not be required to obtain TAN or file any separate TDS return for this purpose. : **Big Amendment** 😊
- ✓ **Transfer Pricing Alignment with OECD Guidelines under BEPS**: a new section has been inserted to provide that the assessee shall make secondary adjustment where the primary adjustment to the transfer price has been made in certain cases. The provision shall apply if the primary adjustment exceeds one crore rupees and the excess money attributable to the adjustment is not brought to India within the prescribed time.
- ✓ In order to address the issue of thin capitalisation, it is proposed to provide that the interest paid by an Indian company or permanent establishment of a foreign company, in excess of thirty

percent of earnings before interest, taxes, depreciation and amortisation (EBITDA), or interest paid to its associated enterprise, whichever is less, shall not be allowed as deduction in computing its taxable profit. It is also proposed to allow carry forward and set off of the interest so disallowed for eight assessment years.

- ✓ ***It has been provided to restrict set off of loss from house property against income under any other head during the current year up to Rs two lakhs.*** The loss not so set off would be allowed to be carried forward for set off against house property income for eight assessment years.

Rationalisation Measures

- ✓ It is provided that ***in case of foreign company, sale of leftover stock of crude oil in case of strategic petroleum reserve after the expiry of agreement or the arrangement***, subject to fulfilment of certain conditions, shall not be liable to tax in India.
- ✓ ***Concessional tax rate of @10% has been introduced***, in case of income arising from sale of carbon credit.
- ✓ ***Government, foreign missions and state PSUs engaged in business of transportation of passengers are exempted from Tax Collection at Source (TCS)*** provisions relating to purchase of vehicles.
- ✓ Income of the Chief Minister's Relief Fund or the Lieutenant Governor's Relief Fund shall be exempt from tax.
- ✓ ***Now refund will not be blocked even if case is selected for scrutiny*** : It is proposed to do away with the provisions enabling the Assessing Officer not to process the return and thus withhold the refund in cases where the return is selected for scrutiny till the completion of assessment. It is however proposed that in cases where grant of refund is likely to adversely affect the interest of revenue, it can be withheld with the approval of the higher authority after recording the reasons in writing.

- ✓ **Return of Income Mandate:** It is proposed to provide that certain entities, like, Investor Protection Funds, Core Settlement Guarantee Fund, Tea/Coffee/Rubber Boards, MPEDA, or APDEA; enjoying exemption from levy of income-tax under section 10 of the Income-tax Act shall be required to furnish return of their income.
- ✓ **In order to ensure timely filing of returns of income, a fee would be levied in case of delay in filing the return : Big Amendment 😊**
- ✓ **Cash receipts above INR 3 Lakh to attract Penalty:** It has been provided that no person shall receive payment or aggregate of payments of an amount of three lakh rupees or more from a person in a day, **or in respect of a single transaction**, or in respect of transactions relating to one event or occasion, otherwise than by an account payee cheque or account payee bank draft or use of electronic clearing system through a bank account. Such restriction shall not apply to Government, banks or such other persons or class of persons or receipts notified by the Central Government. It is also proposed to provide for a penalty in case of contravention of this provision: **Big Amendment 😊**
- ✓ **Tax neutrality** in case of conversion of preference shares of a company into equity shares of that company has been introduced.
- ✓ **Cost of acquisition of share of an Indian company in the hands of demerged foreign company in a tax neutral demerger**, shall be taken as the cost of acquisition in the hands of resulting foreign company.
- ✓ **Interest** will be granted in case of refund of excess payment of TDS.
- ✓ **Orders passed by the authority under section 10(23C)** of the Income-tax Act, appealable before the Tribunal.

- ✓ **Central Board of Direct Taxes (CBDT)** can issue **directions or instructions** in order to remove hardships faced by the taxpayer's *in connection with imposition of penalty relating to tax deduction or collection at source.*
- ✓ **Computation of book profit** for the purpose of levy of minimum alternate tax (MAT) has been amended, so as to align it with the Indian Accounting Standards (Ind-AS).
- ✓ Amendment made by the Finance Act, 2016 in Section 112 of the Income-tax Act providing for **concessional rate of tax in respect of transfer of share of a private limited company shall be applicable retrospectively** from assessment year 2013-14.
- ✓ It is proposed to provide that where the capital asset referred to in section 35AD of the Income-tax Act is used for an ineligible business and the benefit of said section is withdrawn, the actual cost to the assessee in respect of such asset shall be the actual cost to the assessee, as reduced by an amount equal to the amount of depreciation calculated at the rate in force that would have been allowable had the asset been used for the purposes of business since the date of its acquisition.
- ✓ It has been provided that a **trust or an institution**, which has been granted registration, and, *has adopted or undertaken modification of the objects subsequently* which do not conform to the conditions of registration, shall be **required to obtain fresh registration.**
- ✓ **TCS:** It has been provided that the collectee shall furnish his PAN to the collector, failing which, tax shall be collected at a higher rate.
- ✓ **Self-employed individual** shall be eligible for deduction upto twenty per cent of his gross total income in respect of contribution made to National Pension System Trust.
- ✓ It has been provided that the authorised officer can, subject to conditions as specified, **provisionally attach a property** for a period of six months in order to protect the interest of revenue. It is also proposed to provide that he can make a reference to the valuation officer for the purpose of estimation of FMV of a property.

- ✓ **CBDT authorised to frame a scheme for centralised issuance of notice calling for information and documents** for the purpose of verification of information in its possession, processing of such documents and making the outcome thereof available to the Assessing Officer.
- ✓ **TDS Mandate:** It has been provided that a disallowance shall be made in respect of an expenditure incurred against income from other sources unless tax has been deducted thereon at applicable rates.
- ✓ It has been clarified that the **reasons to believe as recorded by the income-tax authority authorising a search operation or a requisition of books of account or asset, shall not be disclosed to any person**, authority or appellate tribunal in order to maintain the confidentiality of the source of the information and the identity of the informer : **Big Amendment** 😊
- ✓ **For units in the consolidated plan of a mutual fund scheme** received in lieu of unit in the consolidating plan, the actual cost and the period of holding shall be the cost and the period of holding of the unit in the consolidating plan.
- ✓ **A sun set clause** has been introduced in respect of deduction allowed to certain persons in respect of investment in listed equity shares and listed units of an equity oriented fund.
- ✓ **Capital gains** arising out of transfer of a rupee denominated bond by a non-resident to a non-resident has been exempted

Indirect Taxes

Amendment in Service Tax Law

	S.No.	Changes	Existing	Proposed
A.	Relief to the armed forces of the Union from service tax			
	1.	Services provided or agreed to be provided by the Army, Naval and Air Force Group Insurance Funds by way of life insurance to members of the Army, Navy and Air Force under the Group Insurance Schemes of the Central Government is being exempted from service tax from 10 th September, 2004 (the date	14%	Nil

		when the services of life insurance became taxable).		
B.	Dispute resolution, certainty of taxation and avoidance of litigation			
	1.	Notification No. 41/2016-ST dated 22.09.2016, which has exempted from service tax, one time upfront amount (called as premium, salami, cost, price, development charges or by whatever name) payable for grant of long-term lease of industrial plots (30 years or more) by State Government industrial development corporations/undertakings to industrial units, is proposed to be made effective from 1.6.2007 (the date when the services of renting of immovable property became taxable).	14%	Nil
	2.	Rule 2A of the Service Tax (Determination of Value) Rules, 2006 is proposed to be amended from 01.07.2010 so as to make it clear that value of service portion in execution of works contract involving transfer of goods and land or undivided share of land, as the case may be, shall not include value of property in such land or undivided share of land.	4.2%	4.2%
C.	Promotion of Regional Connectivity Scheme of Ministry of Civil Aviation			
	1.	Under the Regional Connectivity Scheme (RCS), exemption from service tax is being provided in respect of the amount of viability gap funding (VGF) payable to the airline operator for providing the services of transport of passengers by air, embarking from or terminating in a Regional Connectivity Scheme (RCS) airport, for a period of one year from the date of commencement of operations of the Regional Connectivity Scheme (RCS) airport as notified by Ministry of Civil Aviation.	14%	Nil
D.	Rationalization Measures			
	1.	The exemption in respect of services provided by Indian Institutes of Management (IIMs) by way of two year full time residential Post Graduate Programmes (PGP) in Management for the Post Graduate Diploma in Management (PGDM), to which admissions are made on the basis of the Common Admission Test (CAT), conducted by IIMs, is being extended to include non-residential programmes.	14%	Nil
	2.	Explanation-I (e) to Rule 6 of CENVAT Credit Rules, 2004 is being amended so as to exclude banks and financial institutions including non-banking financial companies engaged in providing services by way of extending deposits, loans or advances from its ambit.		
	3.	The Negative List entry in respect of “services by way of carrying out any process amounting to manufacture or production of goods excluding alcoholic liquor for human consumption”, in the Finance Act, 1994, is proposed to be omitted and instead placed in the exemption notification. Consequently, clause (40) of section 65B of the Finance Act, which defines ‘process amounting to manufacture’ is also	Nil	Nil

		proposed to be omitted and instead placed in the exemption notification.		
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Amendment in Custom Law

Changes in Custom Duty Rates:

- ✓ Basic Customs Duty (BCD) on Liquefied Natural Gas has been reduced from 5% to 2.5%
- ✓ BCD on Medium Quality Terephthalic Acid (MTA) & Qualified Terephthalic Acid (QTA) reduced from 7.5% to 5%
- ✓ BCD on Nickel has been exempted from the earlier level of 2.5%
- ✓ BCD on Vegetable tanning extracts, namely, Wattle extract and Myrobalan fruit extract reduced from 7.5% to 2.5%
- ✓ BCD & CVD on all items of machinery for fuel cell based power generating systems to be set up in country reduced to 5% & 6% respectively
- ✓ BCD on Items of machinery for balance of systems operating on biogas/ bio-methane/ by-product hydrogen, subject to conditions reduced to 5%
- ✓ CVD on Items of machinery for balance of systems operating on biogas / bio-methane/ by-product hydrogen, subject to conditions reduced to 6%
- ✓ BCD on Parts for use in the mfr. of LED lights or fixtures, including LED lamps, subject to actual user condition fixed at 5%
- ✓ CVD on Parts for use in the mfr. of LED lights or fixtures, including LED lamps, subject to actual user condition fixed at 6%.
- ✓ BCD on Inputs for use in the mfr of LED Driver & MCPCB for LED lights/fixtures, including LED lamps, subject to conditions fixed at 5%.
- ✓ BCD on o-Xylene fully exempted from the earlier level of 2.5%.

- ✓ BCD on 2-Ethyl Anthraquinone [2914 69 90] for use in manufacture of hydrogen peroxide, subject to actual user condition reduced to 2.5%.
- ✓ BCD on Vinyl Polyethylene Glycol (VPEG) for use in manufacture of Poly Carboxylate Ether, subject to actual user condition reduced to 7.5%
- ✓ BCD on Nylon mono filament yarn for use in monofilament long line system for Tuna fishing, subject to conditions reduced to 5%.
- ✓ BCD on Copolymer coated MS tapes/stainless steel tapes for mfr. of certain telecommunication grade optical fibres with conditions to be 10%.
- ✓ BCD on MgO coated cold rolled steel coils [7225 19 90] for use in the mfr. of CRGO steel, subject to actual user condition reduced to 5%.
- ✓ BCD on Hot Rolled Coils for use in the mfr of welded tubes and pipes falling under heading 7305 /7306, subject to conditions reduced to 10%.
- ✓ BCD on Clay 2 Powder (Alumax) for use in ceramic substrate for catalytic convertors, subject to actual user condition reduced to 5%
- ✓ BCD on Solar tempered glass for use in the manufacture of solar cells/panels/modules exempted from earlier level of 5%.
- ✓ CVD & SAD on Resin and catalyst for use in the manufacture of cast components for Wind Operated Energy Generators with conditions exempted.
- ✓ CVD on Membrane Sheet & Tricot/ Spacer for use in mfr. of RO membrane element for household type filters with conditions reduced to 6%.
- ✓ BCD on Resin and catalyst for use in the manufacture of cast components for Wind Operated Energy Generators with condition reduced to 5%.

Changes have also been made in Customs Duty structure for protection to domestic industry

- ✓ BCD on Cashew nut, roasted, salted or roasted and salted increased to 45%

- ✓ SAD on Populated Printed Circuit Boards (PCBs) for use in the manufacture of mobile phones, subject to actual user condition increased to 2%
- ✓ BCD on RO membrane element for household type filters increased to 10%

For promoting cashless transactions & promoting domestic manufacturing

- ✓ BCD, CVD & SAD on Miniaturized POS card reader for m-POS (not including mobile phones or tablet computer exempted.
- ✓ BCD, CVD & SAD on Micro ATM as per standards version 1.5.1, exempted.
- ✓ BCD, CVD & SAD on Finger Print Reader / Scanner, and Iris Scanner exempted.

Changes to Custom Duty Rates at Glance

		Commodity	Rate of Duty	
			From	To
I.	Incentivizing domestic value addition, ‘Make in India’			
A.	Reduction in Customs duty on inputs and raw materials to reduce costs			
		Mineral fuels and Mineral oils		
	1.	Liquefied Natural Gas	BCD – 5%	BCD – 2.5%
		Chemicals & Petrochemicals		
	2.	Medium Quality Terephthalic Acid (MTA) & Qualified Terephthalic Acid (QTA)	BCD – 7.5%	BCD – 5%
		Metals		
	3.	Nickel	BCD – 2.5%	BCD – Nil
		Finished Leather		
	4.	Vegetable tanning extracts, namely, Wattle extract and Myrobalan fruit extract	BCD – 7.5%	BCD – 2.5%
		Capital Goods		
	5.	Ball screws, linear motion guides and CNC systems for use in the manufacture of CNC machine tools, subject to actual user condition	Ball screws and liner motion guides BCD – 7.5% CNC systems	BCD – 2.5%

		Commodity	Rate of Duty	
			From	To
			BCD – 10%	
		Renewable Energy		
	6.	All items of machinery required for fuel cell based power generating systems to be set up in the country or for demonstration purposes, subject to certain specified conditions	BCD – 10% /7.5% CVD – 12.5%	BCD – 5% CVD – 6%
	7.	All items of machinery required for balance of systems operating on biogas/ bio-methane/ by-product hydrogen, subject to certain specified conditions	BCD – 10% /7.5% CVD – 12.5%	BCD – 5% CVD – 6%
		Miscellaneous		
	8.	All parts for use in the manufacture of LED lights or fixtures, including LED lamps, subject to actual user condition	Applicable BCD, CVD	BCD – 5% CVD – 6%
	9.	All inputs for use in the manufacture of LED Driver and MCPCB for LED lights or fixtures, including LED lamps, subject to actual user condition	Applicable BCD	5%
B.		Changes in Customs and Excise / CV duty to address the problem of duty inversions in certain sectors		
		Chemicals & Petrochemicals		
	10.	o-Xylene	BCD – 2.5%	BCD – Nil
	11.	2-Ethyl Anthraquinone [2914 69 90] for use in manufacture of hydrogen peroxide, subject to actual user condition	BCD – 7.5%	BCD – 2.5%
	12.	Vinyl Polyethylene Glycol (VPEG) for use in manufacture of Poly Carboxylate Ether, subject to actual user condition	BCD – 10%	BCD – 7.5%
		Textiles		
	13.	Nylon mono filament yarn for use in monofilament long line system for Tuna fishing, subject to certain specified conditions	BCD – 7.5%	BCD – 5%
		Metals		
	14.	Co-polymer coated MS tapes / stainless steel tapes for manufacture of specified telecommunication grade optical fibres or optical fibre cables, subject to actual user condition	BCD – Nil	BCD – 10%
	15.	MgO coated cold rolled steel coils [7225 19 90] for use in the manufacture of CRGO steel, subject to actual user condition	BCD – 10%	BCD – 5%
	16.	Hot Rolled Coils [7208] for use in the manufacture of welded tubes and pipes falling under heading 7305 or 7306, subject to actual user condition	BCD – 12.5%	BCD – 10%

		Commodity	Rate of Duty	
			From	To
		Automobiles		
	17.	Clay 2 Powder (Alumax) for use in ceramic substrate for catalytic convertors, subject to actual user condition	BCD – 7.5%	BCD – 5%
		Renewable Energy		
	18.	Solar tempered glass for use in the manufacture of solar cells/panels/modules	BCD – 5%	BCD – Nil
	19.	Parts/raw materials for use in the manufacture of solar tempered glass for use in solar photovoltaic cells/modules, solar power generating equipment or systems, flat plate solar collector, solar photovoltaic module and panel for water pumping and other applications, subject to actual user condition	CVD – 12.5%	CVD – 6%
	20.	Resin and catalyst for use in the manufacture of cast components for Wind Operated Energy Generators [WOEG], subject to actual user condition	BCD – 7.5% CVD – 12.5% SAD – 4%	BCD – 5% CVD – Nil SAD – Nil
		Miscellaneous		
	21.	Membrane Sheet and Tricot / Spacer for use in the manufacture of RO membrane element for household type filters, subject to actual user condition	CVD – 12.5%	CVD – 6%
C.	Changes in Customs duty to provide adequate protection to domestic industry			
		Food Processing		
	22.	Cashew nut, roasted, salted or roasted and salted	BCD – 30%	BCD – 45%
		Electronics / Hardware		
	23.	Populated Printed Circuit Boards (PCBs) for use in the manufacture of mobile phones, subject to actual user condition	SAD – Nil	SAD – 2%
		Miscellaneous		
	24.	RO membrane element for household type filters	BCD – 7.5%	BCD – 10%
D.	Promotion of cashless transactions and promote domestic manufacturing of devices used therefor			
	25.	a) Miniaturized POS card reader for m-POS (not including mobile phones or tablet computer), b) Micro ATM as per standards version 1.5.1, c) Finger Print Reader / Scanner, and d) Iris Scanner	Applicable BCD, CVD SAD	BCD – Nil CVD – Nil SAD – Nil
	26.	Parts and components for manufacture of: a) miniaturized POS card reader for m-POS (not including mobile phones or tablet computer), b) micro ATM as per standards version 1.5.1, c) Finger Print Reader / Scanner, and d) Iris Scanner	Applicable BCD, CVD SAD	BCD – Nil CVD – Nil SAD – Nil
II.	Imposition of export duty to conserve domestic resources			
	27.	Other aluminium ores, including laterite	Nil	15%

		Commodity	Rate of Duty	
			From	To
III .	Improving ease of doing business and Export Promotion			
	28.	De-minimis customs duties exemption limit for goods imported through parcels, packets and letters	Duty payable not exceeding Rs.100 per consignment	CIF value not exceeding Rs.1000 per consignment
	29.	Limit of duty free import of eligible items for manufacture of leather footwear or synthetic footwear or other leather products for use in the manufacture of said goods for export	3% of FOB value of said goods exported during the preceding financial year	5% of FOB value of said goods exported during the preceding financial year
IV .	Anti-avoidance measure			
	30.	Silver medallion, silver coins, having silver content not below 99.9%, semi-manufactured form of silver and articles of silver	CVD – Nil	CVD – 12.5%

Changes to Excise Duty Rates at Glance

		Commodity	Rate of Duty	
			From	To
I.	Public Health			
A.	Tobacco and Tobacco Products			
	1.	Cigar and cheroots	12.5% or Rs.3755 per thousand, whichever is higher	12.5% or Rs.4006 per thousand, whichever is higher
	2.	Cigarillos	12.5% or Rs.3755 per thousand, whichever is higher	12.5% or Rs.4006 per thousand, whichever is higher
	3.	Cigarettes of tobacco substitutes	Rs.3755 per thousand	Rs.4006 per thousand
	4.	Cigarillos of tobacco substitutes	12.5% or Rs.3755 per thousand, whichever is higher	12.5% or Rs.4006 per thousand, whichever is higher
	5.	Others of tobacco substitutes	12.5% or Rs.3755 per thousand, whichever is higher	12.5% or Rs.4006 per thousand, whichever is higher
	6.	Paper rolled biris – handmade	Rs.21 per thousand	Rs.28 per thousand

		Commodity	Rate of Duty	
			From	To
	7.	Paper rolled biris – machine made	Rs.21 per thousand	Rs.78 per thousand
II.	Incentivizing domestic value addition, ‘Make in India’			
A.	Renewable Energy			
	8.	All items of machinery required for balance of systems operating on biogas/ bio-methane/ by-product hydrogen	12.5%	6%
B.	Miscellaneous			
	9.	Membrane Sheet and Tricot/Spacer for use in the manufacture of RO membrane element for household type filters, subject to actual user condition	12.5%	6%
	10	All parts for use in the manufacture of LED lights or fixtures, including LED lamps, subject to actual user condition	Applicable duty	6%
	11	a. Waste and scrap of precious metals or metals clad with precious metals arising in course of manufacture of goods failing in Chapter 71 b. Strips, wires, sheets, plates and foils of silver c. Articles of silver jewellery, other than those studded with diamond, ruby, emerald or sapphire d. Silver coin of purity 99.9% and above, bearing a brand name when manufactured from silver on which appropriate duty of customs or excise has been paid	Nil	Nil, subject to the condition that no credit of duty paid on inputs or input services or capital goods has been availed by manufacturer of such goods
III.	Promotion of cashless transactions and promote domestic manufacturing of devices used therefor			
	12	a) Miniaturized POS card reader for m-POS (not including mobile phones or tablet computers), b) micro ATM as per standards version 1.5.1, c) Finger Print Reader /	Applicable duty	Nil

		Commodity	Rate of Duty	
			From	To
		Scanner, and d) Iris Scanner		
	13	Parts and components for manufacture of: a) Miniaturized POS card reader for m-POS (not including mobile phones or tablet computers), b) Micro ATM as per standards version 1.5.1, c) Finger Print Reader / Scanner, and d) Iris Scanner	Applicable duty	Nil