

Government of India
Ministry of Finance
Department of Revenue
Tax Research Unit

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D.O.F.No.334/8/2016-TRU
New Delhi, the 5th May, 2016.

Dear Principal Chief Commissioner / Chief Commissioner / Director General / Principal Commissioner

While replying to the discussions on the Finance Bill, 2016 in Lok Sabha today, Finance Minister has announced certain changes in Central Excise and Customs duty rates. In order to prescribe effective rates of duty, the following notifications have been issued:

CUSTOMS	Notification Nos.	Date
Tariff	No.30/2016-Customs to No.32/2016-Customs	5th May, 2016
CENTRAL EXCISE		
Tariff	No.20/2016-CE to No.22/2016-CE	5th May, 2016
Non-Tariff	No.25/2016-CE (NT) and No.26/2016-CE (NT)	5th May, 2016

For details, the said notifications may be referred to. All changes in rates of duty take effect from the midnight of 4th May / 5th May, 2016.

2. You may recall that in this year's Budget, excise duty of 4% (without CENVAT credit) or 12.5% (with CENVAT credit) was prescribed for reception apparatus for television not designed to incorporate a video display falling under tariff item 8528 71 00 [S.No.263T of notification No.12/2012-Central Excise, dated 17.03.2012 refers]. Simultaneously, parts, components and accessories for use in manufacture of such reception apparatus for television and sub-parts for manufacture of such parts, components or accessories were also exempted from BCD, excise/CVD and SAD [S.No.431I of notification No.12/2012-Customs, dated 17.03.2012 and S.No. 263U of notification No.12/2012-Central Excise, dated 17.03.2012 refers]. In this regard, the Trade and industry has represented that some field formations are denying the benefit of aforesaid concessions to manufacturers of set top boxes for cable TV, on the ground that such set top boxes are not explicitly mentioned in the aforesaid notification. As such, set top boxes for TV are covered under the description reception apparatus for television not designed to incorporate a video display falling under tariff item 8528 71 00. Accordingly, it is clarified that:

- (i) Set Top Box for cable TV are covered under description reception apparatus for television not designed to incorporate a video display falling under tariff item 8528 71 00 and are eligible for excise duty of 4% (without CENVAT credit) or 12.5% (with CENVAT credit); and
- (ii) Parts, components and accessories for use in manufacture of Set Top Box for cable TV and sub-parts for manufacture of such parts, components or accessories are eligible for Nil BCD, Nil excise/CVD and Nil SAD.

With warm regards,

Yours sincerely,

(Alok Shukla)
Joint Secretary (TRU-I)

To:

All Principal Chief Commissioners,
All Chief Commissioners / Directors General,

Copy to:

All Principal Commissioners,
All Commissioners,
Director DPPR / Logistics / Legal Affairs / Data Management.