Central Excise Tariff Act, 1985

Section 4 - CONSEQUENTIAL AMENDMENTS OF, AND CONSTRUCTION OF REFERENCES TO THE FIRST SCHEDULE TO ACT 1 OF 1944. - In the7[Central

a) for the words "First Schedule-", wherever they occur, the words and figures "Schedule to the Central Excise Tariff Act, 1985" shall be substituted; (b) insection 2-, for clause (f), the following clause shall be substituted; namely :- '(f) "manufacture" includes any process,- (i) incidental or ancillary to the completion of a manufactured product; and (ii) which is specified in relation to any goods in the Section or Chapter Notes of the Schedule to the Central Excise Tariff Act, 1985 as amounting to manufacture, and the word "manufacturer" shall be construed accordingly and shall include not only a person who employs hired labour in the production or manufacture of excisable goods, but also any person who engages in their production or manufacture on his own account;' (c) theFirst Schedule -shall be omitted. (2) Any reference to the expression "First Schedule to the8[Central Excise Act, 1944] (1 of 1944)" in any Central Act shall, on and after the commencement of this Act, be construed as a reference to the Schedule to this Act. SCHEDULE 01: RULES FOR THE INTERPRETATION OF THIS SCHEDULE 1. The titles of Sections and Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the provisions hereinafter contained. 2. (a) Any reference in a heading to goods shall be taken to include a reference to those goods incomplete or unfinished, provided that, the incomplete or unfinished goods have the essential character of the complete or finished goods. It shall also be taken to include a reference to those goods complete or finished (or falling to be classified as complete or finished by virtue of this rule), removed unassembled or disassembled. (b) Any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles contained in rule 3. 3. When by application of sub-rule (b) of rule 2 or for any other reason, goods are, prima facie, classifiable under two or more headings, classification shall be effected as follows : (a) The heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods. (b) Mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets, which cannot be classified by reference to (a), shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable. (c) When goods cannot be classified by reference to (a) or (b), they shall be classified under the heading which occurs last in the numerical order among those which equally merit consideration. 4. Goods which cannot be classified in accordance with the above rules shall be classified under the heading appropriate to the goods to which they are most akin. 5. For legal purposes, the classification of goods in the sub-headings of a heading shall be determined according to the terms of those sub-headings and any related Sub-heading Notes and, mutatis mutandis, to the above rules, on the understanding that only sub-headings at the same level are comparable. For the purpose's of this rule, the relative Chapter and Section Notes also apply, unless the context otherwise requires. GENERAL EXPLANATORY NOTES 1. Where in column (3) of this Schedule, the description of an article or group of articles under a heading is preceded by "-", the said article or group of articles shall be taken to be a sub-classification of the article or group of articles covered by the said heading. Where, however, the description of an article or group of articles is preceded by "__", the said article or group of articles shall be taken to be a sub-classification of the immediately preceding description of article or group of articles which has "-". 2. The abbreviation "%" in column (4) of this Schedule in relation to the rate of duty indicates that duty on the goods to which the entry relates shall be charged on the basis of the value of the goods as defined insection 4-or the tariff value fixed undersection 3-of the[Central Excise Act, 1944] (1 of 1944), the duty being equal to such percentage of the value or tariff value as is indicated in that column. 1. The Act has been extended to the designated areas in the Continental Shelf and Exclusive Economic Zone of India vide Notification No. 166/87-C.E., dated 11-6-1987. 2. The Act came into force on 28th February, 1986, vide Notification No. 10/86-C.E., dated 5-2-1986. 3. Substituted by s. 134 of the Finance Act, 1999 (27 of 1999). 4. Central Excises and Salt Act, 1944 renamed by s. 71 of the Finance (No. 2) Act, 1996 (33 of 1996). 5. Central Excises and Salt Act, 1944 renamed by s. 71 of the Finance (No. 2) Act, 1996 (33 of 1996). 6. Substituted by Clause 2 of the Central Excise Tariff (Amendment) Ordinance, 2002 (1 of 2002). 7. Substituted by s. 134 of the Finance Act, 1999 (27 of 1999). 8. Central Excises and Salt Act, 1944 renamed by s. 71 of the Finance (No. 2) Act, 1996 (33 of 1996). Central Bare Acts