

CHAPTER 27

Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes

NOTES

1. This Chapter does not cover:

(a) separate chemically defined organic compounds other than pure methane and propane which are to be classified in heading 2711;

(b) medicaments of heading 3003 or 3004; or

(c) mixed unsaturated hydrocarbons of heading 3301, 3302 or 3805.

2. References in heading 2710 to “petroleum oils and oils obtained from bituminous minerals” include not only petroleum oils and oils obtained from bituminous minerals but also similar oils, as well as those consisting mainly of mixed unsaturated hydrocarbons, obtained by any process, provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents.

However, the references do not include liquid synthetic polyolefins of which less than 60% by volume distils at 300°C, after conversion to 1,013 millibars when a reduced-pressure distillation method is used (Chapter 39).

3. For the purposes of heading 2710, “waste oils” means waste containing mainly petroleum oils and oils obtained from bituminous minerals (as described in Note 2 to this Chapter), whether or not mixed with water. These include:

(a) such oils no longer fit for use as primary products (for example, used lubricating oils, used hydraulic oils and used transformer oils);

(b) sludge oils from the storage tanks of petroleum oils, mainly containing such oils and high concentration of additives (for example, chemicals) used in the manufacture of the primary products; and

(c) such oils in the form of emulsions in water or mixtures with water, such as those resulting from oil spills, storage tank washings, or from the use of cutting oils for machining operations.

4. In relation to lubricating oils and lubricating preparations of heading 2710, labelling or relabelling of containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer, shall amount to ‘manufacture’.

5. In relation to natural gas falling under heading 2711, the process of compression of natural gas (even if it does not involve liquefaction), for the purpose of marketing it as Compressed Natural Gas (CNG), for use as a fuel or for any other purpose, shall amount to ‘manufacture’.

SUB-HEADING NOTES

1. For the purposes of sub-heading 2701 11 “anthracite” means coal having a volatile matter limit (on a dry, mineral-matter-free basis) not exceeding 14%.

2. For the purposes of sub-heading 2701 12, “bituminous coal” means coal having a volatile matter limit (on a dry, mineral-matter-free basis) exceeding 14% and a calorific value limit (on a moist, mineral-matter-free basis) equal to or greater than 5,833 Kcal/Kg.

3. For the purposes of tariff items 2707 10 00, 2707 20 00, 2707 30 00 and 2707 40 00, the terms “benzol (benzene)”, “toluol (toluene)”, “xylol (xylenes)” and “naphthalene” apply to products which contain more than 50% by weight of benzene, toluene, xylenes or naphthalene, respectively.

4. For the purposes of sub-heading 2710 12, “light oils and preparations” are those of which 90% or more by volume (including losses) distil at 210°C (ASTM D 86 method).

5. For the purposes of the sub-headings of heading 2710, the term “biodiesel” means mono-alkyl esters of fatty acids of a kind used as a fuel, derived from animal or vegetable fats and oils whether or not used.

SUPPLEMENTARY NOTE

In this Chapter, the following expressions have the meanings hereby assigned to them :

(a) “motor spirit” means any hydrocarbon oil (excluding crude mineral oil) which has its flash point below 25°C and which either by itself or in admixture with any other substance, is suitable for use as fuel in spark ignition engines. “Special boiling point spirits (tariff items 2710 12 11, 2710 12 12 and 2710 12 13)” means light oils, as defined in Sub-heading Note 4, not containing any anti-knock preparations, and with a difference of not more than 60°C between the temperatures at which 6% and 90% by volume (including losses) distil;

(b) “natural gasoline liquid (NGL)” is a low-boiling liquid petroleum product extracted from Natural Gas;

(c) “superior kerosene oil (SKO)” means any hydrocarbon oil conforming to the Indian Standards Specification of Bureau of Indian Standards IS : 1459-1974 (Reaffirmed in the year 1996);

(d) “aviation turbine fuel (ATF)” means any hydrocarbon oil conforming to the Indian Standards Specification of Bureau of Indian Standards IS : 1571:1992:2000;

(e) “high speed diesel (HSD)” means any hydrocarbon oil conforming to the Indian Standards Specification of Bureau of Indian Standards IS: 1460:2005;

(f) “light diesel oil (LDO)” means any hydrocarbon oil conforming to the Indian Standards Specification of Bureau of Indian Standards IS: 15770:2008;

(g) “fuel oil” means any hydrocarbon oil conforming to the Indian Standards Specification of Bureau of Indian Standards IS:1593:1982 (Reaffirmed in the year 1997);

(h) “lubricating oil” means any oil, which is ordinarily used, for lubrication, excluding any hydrocarbon oil, which has its flash point below 93.3° C;

(i) “jute batching oil” and “textile oil” are hydrocarbon oils which have their flash point at or above 93.3°C, and is ordinarily used for the batching of jute or other textile fibres;

(j) the expression “petroleum jelly crude” (tariff item 2712 10 10) shall be taken to apply to petroleum jelly of a natural colour higher than 4.5 by the ASTM D 1500 method;

(k) for the purposes of these additional notes, the tests prescribed have the meaning hereby assigned to them :

(1) "Flash Point" shall be determined in accordance with the test prescribed in this behalf in the rules made under the Petroleum Act, 1934 (30 of 1934);

(2) "Smoke Point" shall be determined in the apparatus known as the Smoke Point Lamp in the manner indicated in the Indian Standards Institution specification IS:1448 (p. 31)-1967 as for the time being in force;

(3) "Final Boiling Point" shall be determined in the manner indicated in the Indian Standards Institution specification IS:1448 (p.18)-1967 as for the time being in force;

(4) "Carbon Residue" shall be determined in the apparatus known as Ramsbottom Carbon Residue Apparatus in the manner indicated in the Indian Standards Institution specification IS:1448 (p. 8)-1967 as for the time being in force;

(5) "Colour Comparison Test" shall be done in the following manner, namely :

(i) first prepare a five per cent. weight by volume solution of Potassium Iodine (analytical reagent quality) in distilled water;

(ii) to this, add Iodine (analytical reagent quality) in requisite amount to prepare an exactly 0.04 normal Iodine solution;

(iii) thereafter, compare the colour of the mineral oil under test with the Iodine solution so prepared.

| Tariff Item | Description of goods | Unit | Rate of duty |
|-------------|---|------|--------------|
| (1) | (2) | (3) | (4) |
| 2701 | COAL; BRIQUETTES, OVOIDS AND SIMILAR SOLID FUELS MANUFACTURED FROM COAL | | |
| | - <i>Coal, whether or not pulverised, but not agglomerated:</i> | | |
| 2701 11 00 | -- Anthracite | kg. | 6% |
| 2701 12 00 | -- Bituminous coal | kg. | 6% |
| 2701 19 | -- <i>Other coal:</i> | | |
| 2701 19 10 | --- Coking coal | kg. | 6% |
| 2701 19 20 | --- Steam coal | kg. | 6% |
| 2701 19 90 | --- Other | kg. | 6% |
| 2701 20 | - <i>Briquettes, ovoids and similar solid fuels manufactured from coal:</i> | | |
| 2701 20 10 | --- Anthracite agglomerated | kg. | 6% |
| 2701 20 90 | --- Other | kg. | 6% |
| 2702 | LIGNITE, WHETHER OR NOT AGGLOMERATED, EXCLUDING JET | | |
| 2702 10 00 | - Lignite, whether or not pulverised, but not agglomerated | kg. | 6% |
| 2702 20 00 | - Agglomerated lignite | kg. | 6% |
| 2703 | PEAT (INCLUDING PEAT LITTER), WHETHER OR NOT AGGLOMERATED | | |
| 2703 00 | - <i>Peat (including peat litter), whether or not agglomerated:</i> | | |

| Tariff Item | Description of goods | Unit | Rate of duty |
|-------------------|--|------|--------------|
| (1) | (2) | (3) | (4) |
| 2703 00 10 | --- Peat whether or not compressed into bales, but not agglomerated | kg. | 6% |
| 2703 00 90 | --- Other | kg. | 6% |
| 2704 | COKE AND SEMI-COKE OF COAL, OF LIGNITE OR OF PEAT, WHETHER OR NOT AGGLOMERATED; RETORT CARBON | | |
| 2704 00 | - <i>Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon:</i> | | |
| 2704 00 10 | --- Retort carbon (gas carbon) | kg. | 6% |
| 2704 00 20 | --- Coke and semi-coke of lignite or of peat | kg. | 6% |
| 2704 00 30 | --- Hard coke of coal | kg. | 6% |
| 2704 00 40 | --- Soft coke of coal | kg. | 6% |
| 2704 00 90 | --- Other | kg. | 6% |
| 2705 00 00 | COAL GAS, WATER GAS, PRODUCER GAS AND SIMILAR GASES, OTHER THAN PETROLEUM GASES AND OTHER GASEOUS HYDROCARBONS | kg. | Nil |
| 2706 | TAR DISTILLED FROM COAL, FROM LIGNITE OR FROM PEAT AND OTHER MINERAL TARS, WHETHER OR NOT DEHYDRATED OR PARTIALLY DISTILLED, INCLUDING RECONSTITUTED TARS | | |
| 2706 00 | - <i>Tar distilled from coal, from lignite or from peat and other mineral tars, whether or not dehydrated or partially distilled, including reconstituted tars:</i> | | |
| 2706 00 10 | --- Coal tar | kg. | 6% |
| 2706 00 90 | --- Other | kg. | 6% |
| 2707 | OILS AND OTHER PRODUCTS OF THE DISTILLATION OF HIGH TEMPERATURE COAL TAR SIMILAR PRODUCTS IN WHICH THE WEIGHT OF THE AROMATIC CONSTITUENTS EXCEEDS THAT OF THE NON-AROMATIC CONSTITUENTS | | |
| 2707 10 00 | - Benzol (benzene) | kg. | 14% |
| 2707 20 00 | - Toluol (toluene) | kg. | 14% |
| 2707 30 00 | - Xylol (xylenes) | kg. | 14% |
| 2707 40 00 | - Naphthelene | kg. | 14% |
| 2707 50 00 | - Other aromatic hydrocarbon mixtures of which 66% or more by volume (including losses) distils at 250°C by the ASTM D 86 method | kg. | 14% |
| | - <i>Other:</i> | | |
| 2707 91 00 | -- Creosote oils | kg. | 14% |
| 2707 99 00 | -- <i>Other</i> | kg. | 14% |

| Tariff Item | Description of goods | Unit | Rate of duty |
|-------------------|--|------|---------------------------------|
| (1) | (2) | (3) | (4) |
| 2708 | PITCH AND PITCH COKE, OBTAINED FROM COAL TAR OR FROM OTHER MINERAL TAR | | |
| 2708 10 | - <i>Pitch:</i> | | |
| 2708 10 10 | --- Obtained by blending with creosote oil or other coal tar distillates | kg. | 14% |
| 2708 10 90 | --- Other | kg. | 14% |
| 2708 20 00 | - Pitch coke | kg. | 14% |
| 2709 00 00 | PETROLEUM OILS AND OILS OBTAINED FROM BITUMINOUS MINERALS, CRUDE | kg. | Nil |
| 2710 | PETROLEUM OILS AND OILS OBTAINED FROM BITUMINOUS MINERALS, OTHER THAN CRUDE; PREPARATIONS NOT ELSEWHERE SPECIFIED OR INCLUDED, CONTAINING BY WEIGHT 70% OR MORE OF PETROLEUM OILS OR OF OILS OBTAINED FROM BITUMINOUS MINERALS, THESE OILS BEING THE BASIC CONSTITUENTS OF THE PREPARATIONS; WASTE OILS | | |
| | - <i>Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than those containing biodiesel and other than waste oil</i> | | |
| 2710 12 | -- Light oils and preparations: | | |
| | --- Motor spirit: | | |
| 2710 12 11 | ---- Special boiling point spirits (other than benzene, toluol) with nominal boiling point range 55 – 115 °C | kg. | 14% + Rs. 15.00 per litre |
| 2710 12 12 | ---- Special boiling point spirits (other than benzene, benzol, toluene and toluol) with nominal boiling point range 63 – 70 °C | kg. | 14% + Rs. 15.00 per litre |
| 2710 12 13 | ---- Other Special boiling point spirits (other than benzene, toluene and toluol) | kg. | 14% + Rs. 15.00 per litre |
| 2710 12 19 | ---- Other | kg. | 14% + Rs. 15.00 per litre |
| 2710 12 20 | --- Natural gasoline liquid (NGL) | kg. | 14% + Rs. 15.00 per litre |

| Tariff Item | Description of goods | Unit | Rate of duty |
|-------------|--|------|---------------------------------|
| (1) | (2) | (3) | (4) |
| 2710 12 90 | --- Other | kg. | 14% + Rs.15.00 per litre |
| 2710 19 | -- <i>Other:</i> | | |
| 2710 19 10 | --- Superior kerosene oil (SKO) | kg. | 14% |
| 2710 19 20 | --- Aviation turbine fuel (ATF) | kg. | 14% |
| 2710 19 30 | --- High speed diesel (HSD) | kg. | 14% + Rs. 15.00 per litre |
| 2710 19 40 | --- Light diesel oil (LDO) | kg. | 14% + Rs. 5.00 per litre |
| 2710 19 50 | --- Fuel oil | kg. | 14% |
| 2710 19 60 | --- Base oil | kg. | 14% |
| 2710 19 70 | --- Jute batching oil and textile oil | kg. | 14% |
| 2710 19 80 | --- Lubricating oil | kg. | 14% |
| 2710 19 90 | --- Other | kg. | 14% |
| 2710 20 00 | - Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, containing biodiesel, other than waste oils | kg. | 14%+ Rs. 15.00 per litre |
| 2710 91 00 | - <i>Waste oil:</i> -- Containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs) | kg. | |
| 2710 99 00 | -- Other | kg. | |
| 2711 | PETROLEUM GASES AND OTHER GASEOUS HYDROCARBONS | | |
| | - <i>Liquefied:</i> | | |
| 2711 11 00 | -- Natural gas | kg. | 14% |
| 2711 12 00 | -- Propane | kg. | 14% |
| 2711 13 00 | -- Butane | kg. | 14% |
| 2711 14 00 | -- Ethylene, propylene, butylene and butadiene | kg. | 14% |
| 2711 19 00 | -- Other | kg. | 14% |
| | - <i>In gaseous state:</i> | | |
| 2711 21 00 | -- Natural gas | kg. | 14% |
| 2711 29 00 | -- Other | kg. | 14% |
| 2712 | PETROLEUM JELLY, PARAFFIN WAX, MICROCRYSTALLINE PETROLEUM WAX, SLACK WAX, OZOKERITE, LIGNITE WAX, PEAT | | |

| Tariff Item | Description of goods | Unit | Rate of duty |
|-------------|---|------|--------------|
| (1) | (2) | (3) | (4) |
| | WAX, OTHER MINERAL WAXES, AND SIMILAR PRODUCTS OBTAINED BY SYNTHESIS OR BY OTHER PROCESSES, WHETHER OR NOT COLOURED | | |
| 2712 10 | - <i>Petroleum jelly:</i> | | |
| 2712 10 10 | --- Crude | kg. | 14% |
| 2712 10 90 | --- Other | kg. | 14% |
| 2712 20 00 | - Paraffin wax containing by weight less than 0.76% of oil | kg. | 14% |
| 2712 90 | - <i>Other:</i> | | |
| 2712 90 10 | --- Micro-crystalline petroleum wax | kg. | 14% |
| 2712 90 20 | --- Lignite wax | kg. | 14% |
| 2712 90 30 | --- Slack wax | kg. | 14% |
| 2712 90 40 | --- Paraffin wax containing by weight 0.76% or more of oil | kg. | 14% |
| 2712 90 90 | --- Other | kg. | 14% |
| 2713 | PETROLEUM COKE, PETROLEUM BITUMEN AND OTHER RESIDUES OF PETROLEUM OILS OR OF OILS OBTAINED FROM BITUMINOUS MINERALS | | |
| | - <i>Petroleum coke:</i> | | |
| 2713 11 00 | -- Not calcined | kg. | 14% |
| 2713 12 00 | -- Calcined | kg. | 14% |
| 2713 20 00 | - Petroleum bitumen | kg. | 14% |
| 2713 90 00 | - Other residues of petroleum oils or of oils obtained from bituminous minerals | kg. | 14% |
| 2714 | BITUMEN AND ASPHALT, NATURAL; BITUMINOUS OR OIL SHALE AND TAR SANDS; ASPHALTITES AND ASPHALTIC ROCKS | | |
| 2714 10 00 | - Bituminous or oil shale and tar sands | kg. | 14% |
| 2714 90 | - <i>Other:</i> | | |
| 2714 90 10 | --- Asphalt, natural | kg. | 14% |
| 2714 90 20 | --- Bitumen, natural | kg. | 14% |
| 2714 90 30 | --- Gilsonete | kg. | 14% |
| 2714 90 90 | --- Other | kg. | 14% |
| 2715 | BITUMINOUS MIXTURES BASED ON NATURAL ASPHALT, ON NATURAL BITUMEN, ON PETROLEUM BITUMEN, ON MINERAL TAR OR ON MINERAL TAR PITCH (FOR EXAMPLE, BITUMINOUS MASTICS, CUT BACKS) | | |
| 2715 00 | - <i>Bituminous mixtures based on natural asphalt, on natural bitumen, on petroleum bitumen, on mineral tar or on mineral tar pitch (for example, bituminous mastics, cut backs):</i> | | |

| Tariff Item | Description of goods | Unit | Rate of duty |
|-------------------|--------------------------------------|----------|--------------|
| (1) | (2) | (3) | (4) |
| 2715 00 10 | --- Cut backs, bituminous or asphalt | kg. | 14% |
| 2715 00 90 | --- Other | kg. | 14% |
| 2716 00 00 | ELECTRICAL ENERGY | 1000 kWh | |

Duties of excise leviable on Motor Spirit (Petrol) and ethanol.

Whereas the Central Government is satisfied that according to a practice that was generally prevalent regarding levy of duties of excise (including non-levy thereof) namely (i) the duties of excise leviable under section 3 of the Central Excise Act, 1944 (1 of 1944), (ii) the additional duty of excise leviable under section 111 of the Finance (No.2) Act, 1998 (21 of 1998), and (iii) the special additional excise duty leviable under section 147 of the Finance Act, 2002 (20 of 2002), on 6% ethanol blended petrol that is a blend consisting by volume, of 96% Motor spirit, (commonly known as petrol) and 6% ethanol, and confirming to Bureau of Indian Standards specification 2796, falling under heading No. 27.10 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) which was liable to duties of excise but according to the said practice, the duties of excise were not being levied during the period commencing on the 1st day of July, 2004 and ending with the 3rd day of August, 2004.

Now, therefore, in exercise of the powers conferred by section 11C of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby directs that the whole of the duties of excise payable under the aforesaid Acts, on such 6% ethanol blended petrol but for the said practice, shall not be required to be paid in respect of such 6% ethanol blended petrol on which said duties of excise were not being levied during the period aforesaid, in accordance with the said practice only if the appropriate duties of excise have been paid on 96% Motor spirit (commonly known as petrol) and 6% ethanol used for blending to obtain such 6% ethanol blended petrol.

Explanation : For the purposes of this exemption, “appropriate duties of excise” shall mean the duties of excise leviable under the First Schedule and Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the additional duty of excise leviable under section 111 of the Finance (No.2) Act, 1998 (21 of 1998), and the special additional excise duty leviable under section 147 of the Finance Act, 2002 (20 of 2002), read with any relevant exemption notification for the time being in force.

[Notfn. No. 25/06 - C.E. (NT) dt. 20.11.06]

- **For rates of special duty of excise and notification(s) giving effective rates of special duty of excise on specified goods of this Chapter - please see the second Schedule to this tariff.**
- **For rates of National Calamity Contingent duty on specified goods of this Chapter - please see Appendix III.**
- **For effective rates of Cess on the specified goods of this Chapter - please see Appendix IV.**
- **The specified goods falling under this Chapter are assessable to duty w.r.t. Maximum Retail Price. For percentage of abatement - please see Appendix V.**

SPECIAL ADDITIONAL EXCISE DUTY*[Section 140 of Finance Act, 2002]*

140. (1) In the case of goods specified in the Eight Schedule, being goods manufactured, there shall be levied, and collected, for purposes of the Union, by surcharge, a duty of excise, to be called the Special Additional Excise Duty, at the rates specified in the said Schedule.

(2) The Special Additional Excise Duty chargeable on goods specified in the Eighth Schedule shall be additional to any other duties of excise chargeable on such goods under the Central Excise Act, 1944 or any other law for the time being in force.

(3) The provisions of the Central Excise Act, 1944 and the rules made thereunder, including those relating to refunds and exemptions from duties and imposition of penalty, shall, as far as may be, apply in relation to the levy and collection of the Special Additional Excise Duty leviable under this section in respect of the goods specified in the Eighth Schedule, as they apply in relation to the levy and collection of the duties of excise on such goods under that Act, or those rules, as the case may be.

THE EIGHTH SCHEDULE

| Item No. (1) | Description of goods (2) | Rate of duty (3) |
|-----------------|---|----------------------------|
| 1. | Motor spirit, commonly known as petrol | Rs. seven per litre |
| 2. | High speed diesel oil | Re. one per litre |

*Inserted vide section 140 of Finance Bill, 2002.

ADDITIONAL DUTY ON MOTOR SPIRIT (PETROL)

[See S.111 of Finance (No.2) Act, 1998 (21 of 1998), as amended by Section 159 of the Finance Bill, 2003 and Section 119 of the Finance Bill, 2005]

111. (1) In the case of goods specified in the Second Schedule, being goods manufactured in India, there shall be levied and collected as an additional duty of excise an amount calculated at the rate set forth in the said Schedule.

(2) The additional duty of excise referred to in sub-section (1) shall be in addition to any other duties of excise chargeable on such goods under the Central Excise Act, or any other law for the time being in force.

(3) The provisions of the Central Excise Act and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the additional duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules and regulations, as the case may be.

(4) The additional duty of excise leviable under sub-section (1) shall be for the purposes of the Union and the proceeds thereof shall not be distributed among the States.

THE SECOND SCHEDULE
[See sections 103(1) and 111(1)]

| Item No. (1) | Description of goods (2) | Rate of duty (3) |
|-----------------|--|------------------------------------|
| 1 | Motor spirit commonly known as petrol | Rupees *eight per litre |

* Clause 163 of Finance Bill, 2015.

ADDITIONAL DUTY ON HIGH SPEED DIESEL OIL

*(Section 133 of Finance Act, 1999, as amended by Section 160 of the Finance Bill, 2003. and
Section 120 of Finance Bill, 2005)*

133. (1) In the case of goods specified in the Second Schedule, being goods manufactured in India, there shall be levied and collected as an additional duty of excise an amount calculated at the rate set forth in the said Schedule.

(2) The additional duty of excise referred to in sub-section (1), shall be in addition to any other duties of excise chargeable on such goods under the Central Excise Act, or any other law for the time being in force.

(3) The provisions of the Central Excise Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the additional duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules, as the case may be.

(4) The additional duty of excise leviable under sub-section (1), shall be for the purposes of the Union and the proceeds thereof shall not be distributed among the States.

THE SECOND SCHEDULE
[See sections 116(1) and 133(1)]

| Item No. (1) | Description of goods (2) | Rate of duty (3) |
|-----------------|------------------------------|-------------------------------|
| 1 | High speed diesel oil | Rupee *eight per litre |

* Clause 164 of Finance Bill, 2015.

EXEMPTION NOTIFICATIONS

Effective rates of special additional duty on motor spirit and high speed diesel .

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944

(1 of 1944) read with sub-section (3) of section 147 of the Finance Act, 2002 (20 of 2002), and in supersession of the notification of the Government of India in the Ministry of Finance(Department of Revenue) No 19/2002-Central Excise, dated the 1st March, 2002 [G.S.R 140(E), dated the 1st March, 2002], the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts goods falling within the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) and specified in column(2) of the Table hereto annexed, from so much of the **special additional excise duty leviable** thereon under sub-section(1) of section 147 of the said Finance Act, as is **in excess of the amount indicated in the corresponding entry in column (3) of the said Table**, namely:-

TABLE

| S.No | Description of goods | Rate |
|------|---|----------------------|
| (1) | (2) | (3) |
| 1. | Motor spirit , commonly known as petrol | Rupees six per litre |
| 2. | High speed diesel oil | Nil |
| 3. | 6% ethanol blended petrol that is a blend.- (a) consisting, by volume, of 96% Motor spirit, (commonly known as petrol) on which the appropriate duties of excise have been paid and, of 6% ethanol on which the appropriate duties of excise have been paid, and b) conforming to Bureau of Indian Standards specification 2796. | Nil |
| 4. | 10% ethanol blended petrol that is a blend ,- Nil (a) consisting, by volume, of 90% Motor spirit, (commonly known as petrol), on which the appropriate duties of excise have been paid and, of 10% ethanol on which the appropriate duties of excise have been paid, and (b) conforming to Bureau of Indian Standards specification 2796. | |

Explanation : For the purposes of thus exemption “appropriate duties of excise” shall mean the duties of excise leviable under the First Schedule and Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) the additional duty of excise of excise leviable under section 111 of the Finance (No. 2) Act, 1998 (21 of 1998) and the special additional excise duty leviable under section 147 of the Finance Act, 2002 (20 of 2002), read with any relevant exemption notification for the time being in force

Explanation: For the purposes of this exemption “appropriate duties of excise” shall mean the duties of excise leviable under the First Schedule and Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986),the additional duty of excise leviable under section 111 of the Finance (No.2) Act, 1998 (21 of 1998) and the special additional excise duty leviable

| S.No | Description of goods | Rate |
|------|---|-------|
| (1) | (2) | (3) |
| | under section 147 of the Finance Act, 2002 (20 of 2002), read with any relevant exemption notification for the time being in force. | |
| 5 | High speed diesel oil blended with alkyl esters of long chain fatty acids obtained from vegetable oils, commonly known as bio-diesels, upto 20%, by volume, that is a blend, consisting 80% or more of high speed diesel oil, on which the appropriate duties of excise have been paid and upto 20% bio-diesel on which the appropriate duties of excise have been paid. <i>Explanation.</i> -For the purposes of this exemption “appropriate duties of excise” shall mean the duties of excise leviable under the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the additional duty of excise leviable under section 133 of the Finance Act, 1999 (27 of 1999) and the special additional excise duty leviable under section 147 of the Finance Act, 2002 (20 of 2002), read with notification No. 4/2006-Central Excise dated the 1st March, 2006, published vide No. G.S.R.94(E), dated the 1st March, 2006 and notification No. 28/2002-Central Excise dated the 13th May 2002, published vide No. G.S.R.361(E), dated the 13th May 2002. | Nil”. |

[Notfn.No. 28/02-CE, dt. 13.5.02 as amended by Notfn. Nos.62/02, 16/03, 12/04, 40/04, 63/08 and 8/09]

Exemption to Motor Spirit falling under Heading No. 27.10, intended for use in ethanol blended petrol:

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 hereby exempts Motor Spirit (commonly known as petrol) (hereinafter referred to as said goods), falling under heading No.27.10 of the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) (hereinafter referred to as said Schedules), manufactured in and cleared from an oil refinery or cleared from a registered warehouse, intended for use in ethanol blended petrol, that is, a blend,

- a) consisting, by volume, of 96% Motor spirit, (commonly known as petrol) and of 6% ethanol; and
- b) conforming to Bureau of Indian Standards specification 2796

from so much of the duty of excise leviable thereon under the said Schedules, as is in excess of the duty that would have been leviable on such goods under the said Schedules, if sold by the manufacturer for delivery at the time of removal of such goods or at any other time nearest to the removal of such goods, where the manufacturer and the buyer are not related and the price is the sole consideration.

[Notfn. No. 37/04-CE., dt. 4.8.2004]

Exemption to ethanol blended petrol from Additional Duty of Excise:

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 111 of the Finance (No 2) Act, 1998 (21 of 1998) the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts 6% ethanol blended petrol that is a blend , -

- a) consisting, by volume, of 96% Motor spirit, (commonly known as petrol), on which the appropriate duties of excise have been paid and, of 6% ethanol on which the appropriate duties of excise have been paid; and
- b) conforming to Bureau of Indian Standards specification 2796, from the whole of the additional duty of excise leviable thereon.

Explanation. - For the purposes of this exemption “appropriate duties of excise” shall mean the duties of excise leviable under the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the additional duty of excise leviable under section 111 of the Finance (No.2) Act, 1998 (21 of 1998), and the special additional excise duty leviable under section 147 of the Finance Act, 2002 (20 of 2002), read with any relevant exemption notification for the time being in force.

[Notfn. No. 38/04-CE., dt. 4.8.2004]

Exemptions petroleum oils and oils obtained from bituminous minerals, crude, from whole of the National Calamity Contingent Duty under specified conditions.

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act 1944 (1 of 1944), read with section 136 of the Finance Act, 2001 (14 of 2001), the Central Government being satisfied that it is necessary in the public interest so to do, hereby exempts, petroleum oils and oils obtained from bituminous minerals, crude, produced either in the fields under the Production Sharing Contracts, specified in column (2) of the Table below or in the exploration blocks offered under the New Exploration Licensing Policy (NELP) through competitive international bidding, from the whole of the National Calamity Contingent Duty leviable thereon under section 136 of the said Finance Act 2001, read with section 169 of the Finance Act, 2003 (32 of 2003).

TABLE

| S.No | Name of the field under Production Sharin Contracts |
|-------------|--|
| 1. | Panna and Mukta fields |
| 2. | Ravva field |
| 3. | Kharsang field |
| 4. | Mid and South Tapti fields |
| 5. | Hazira field |
| 6. | Bhandut field |
| 7. | Matar field |
| 8. | Sabarmati field |
| 9. | Cambay field |
| 10. | Indrora field |
| 11. | Bakrol field |
| 12. | Lohar field |

| S.No | Name of the field under Production Sharing Contracts |
|------|---|
| 13. | Dholka field |
| 14. | Wavel field |
| 15. | Baola field |
| 16. | Asjol field |
| 17. | PY-I field |
| 18. | North Balol field |
| 19. | Allora field |
| 20. | Unawa field |
| 21. | Dholsan field |
| 22. | Kanwara field |
| 23. | Modhera field |
| 24. | Amguri field |
| 25. | North Kathana field |
| 26. | Sanganpur field |

[Notfn. No. 41/03-CE., dt. 14.5.2003]

Exemption to Motor Spirit (commonly known as petrol) falling under heading No.2710:

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 hereby exempts Motor Spirit (commonly known as petrol) (hereinafter referred to as said goods), falling under heading No.27.10 of the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) (hereinafter referred to as said Schedules), manufactured in and cleared from an oil refinery or cleared from a registered warehouse, intended for use in ethanol blended petrol, that is, a blend,

- a) consisting, by volume, of 90% Motor spirit, (commonly known as petrol) and of 10% ethanol; and
- b) conforming to Bureau of Indian Standards specification 2796

from so much of the duty of excise leviable thereon under the said Schedules, as is in excess of the duty that would have been leviable on such goods under the said Schedules, if sold by the manufacturer for delivery at the time of removal of such goods or at any other time nearest to the removal of such goods, where the manufacturer and the buyer are not related and the price is the sole consideration.

[Notifn. No. 61 /08-CE., dt. 24.12.2008.]

Exemption to 10% ethanol blended petrol:

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 111 of the Finance (No 2) Act, 1998 (21 of 1998) the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts 10% ethanol blended petrol that is a blend ,-

- a) consisting, by volume, of 90% Motor spirit, (commonly known as petrol), on which the appropriate duties of excise have been paid and, of 10% ethanol on which the appropriate duties of excise have been paid; and
- b) conforming to Bureau of Indian Standards specification 2796,

from the whole of the additional duty of excise leviable thereon.

Explanation.- For the purposes of this exemption “appropriate duties of excise” shall mean the duties of excise leviable under the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the additional duty of excise leviable under section 111 of the Finance (No.2) Act, 1998 (21 of 1998), and the special additional excise duty leviable under section 147 of the Finance Act, 2002 (20 of 2002), read with any relevant exemption notification for the time being in force.

[Notifn. No. 62 /08-CE., dt. 24.12.2008]

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 133 of the Finance Act, 1999 (27 of 1999), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts high speed diesel oil blended with alkyl esters of long chain fatty acids obtained from vegetable oils, commonly known as bio-diesels, upto 20%, by volume, that is a blend, consisting 80% or more of high speed diesel oil, on which the appropriate duties of excise have been paid and upto 20% bio-diesel, on which appropriate duties of excise have been paid, from the whole of the additional duty of excise leviable thereon.

Explanation. - For the purposes of this exemption “appropriate duties of excise” shall mean the duties of excise leviable under the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the additional duty of excise leviable under section 133 of the Finance Act, 1999 (27 of 1999) and the special additional excise duty leviable under section 147 of the Finance Act, 2002 (20 of 2002), read with notification No. 4/2006-Central Excise dated the 1st March, 2006, published vide No. G.S.R.94(E), dated the 1st March, 2006 and notification No. 28/2002-Central Excise dated the 13th May 2002, published vide No. G.S.R.361(E), dated the 13th May 2002.

[Notifn. No. 21/09-CE., dt.7.7.2009]

Exemption of motor spirit commonly known as petrol, falling under First Schedule to the Central Excise Tariff Act, 1985.

In exercise of the powers conferred by section 111 of the Finance (No.2) Act, 1998(21 of 1998), read with section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts motor spirit commonly known as petrol, falling under heading 2710 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), from so much of the additional duty of excise leviable thereon under section 111 read with the Second Schedule to the said Finance (No.2) Act, 1998, as is in excess of the amount calculated at the rate of rupees six per litre.

[Notifn. No.10/2015-CE., dt. 1.3.2015]

Exemption of high speed diesel oil, falling under First Schedule to the Central Excise Tariff Act, 1985.

In exercise of the powers conferred by section 133 of the Finance Act, 1999 (27 of 1999), read with section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts high speed diesel oil, falling under heading 2710 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), from so much of the additional duty of excise leviable thereon under section 133 read with the Second Schedule to the said Finance Act, 1999, as is in excess of the amount calculated at the rate of rupees six per litre.

[Notifn. No.11/2015-CE., dt. 1.3.2015]