

Excise Duty Act, 2058 (2002)

[Amended by Financial Act, 2068 (2011)]

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An Act Made to Implement Proposals Relating to Finance of the Government of Nepal

Preamble: Whereas, it is expedient to levy some charges, taxes, duties, cesses and fees, continue or alter the existing ones and also to amend the laws in force relating to revenue administration in order to implement the proposals relating to finance of financial year 2068/69 of the Government of Nepal;

Now, therefore, be it enacted by the Constitution Assembly pursuant to Sub-articles (1) of Article 83 of Interim Constitution of Nepal, 2063 (2007).

1. Short title and commencement: (1) This Act may be called the "Financial Act, 2068 (2011)."

(2) This Act shall come into force immediately.

24. Amendment to the Excise Duty Act, 2058 (2002): Of the Excise Duty Act, 2058(2002):

(1) Of Section 2:

(a) The following Clause (g) shall be substituted for Clause (g):

"(g) "Production" means the act of manufacturing, making or preparing a product subject to excise duty.

- (b) The following Clause (h1) shall be inserted after Clause (h):
- “(h1) “Tobacco product” means tobacco or cigarette containing mixtures of tobacco substance, *pan parag*, *khaini* or similar substance which is chewed or put in mouth, and this expression also includes cigarette, *bidi*, cigar etc.”
- (c) The following Clause (j) shall be substituted for Clause (j):
- “(j) "factory price" means the price fixed by adding only the expenditure incurred in manufacturing a product subject to excise duty and the profit of the enterprise, excluding the excise duty or any other tax chargeable on such product.”
- (d) The following Sub-clause (3) shall be substituted for Sub-clause (3) of Clause (k):
- "(3) price fixed as per Sub-section (2) of Section 7, in the case of a product to be imported."
- (e) The following Clauses (o1), (o2), (o3), (o4), (o5), (o6), (o7), (o8), (o9), 10 and 11 shall be inserted after Clause (o):
- (o1) "liquors" means any alcoholic substance prepared by fermenting any grains, fruits or any other starchful substance or by other method, which has an alcoholic strength by volume of more than 0.5 percent, and this expression includes liqueurs, spirit, country liquor, whisky, rum, gin, brandy, vodka, beer, wine, sherry, *sampange*, cider, perry, mid, malt, industrial alcohol, rectified spirit, malt

spirit, cyland spirit, denatured spirit, ENA and heads spirit.

- (o2) "ready-made liquors" means all kinds of alcoholic fluids prepared from mixtures with alcoholic strength by volume of less than 57.06 percent.
- (o3) "L.P" means the strength of pure ethanol in London proof.
- (o4) "L.P. liter" means the volume of 57.06 percent pure ethanol per liter.
- (o5) "U.P." means the strength less than London proof.
- (o6) "O.P." means the strength more than London proof.
- (o7) "Physical control system" means the system of production, release, import and export of a product subject to excise duty under the control of the Excise Duty Officer or employee designated by him or her.
- (o8) "Self-release system" means the system of production, release, import and export of a product subject to excise duty other than that based on the physical control system.
- (o9) "Determination of excise duty" means the determination of excise duty made pursuant to this Act.
- (o10) "Claim Amount" means the price of service or goods in which excise duty is levied pursuant to

this Act and the total amount by adding the excise duty in such service or goods.

(o11) "Electronic means" means computer, internet, email, fax, electronic cash machine and fiscal printer and this term also includes other approved means as prescribed by the Department.

(2) The following Section 3 shall be substituted for Section 3:

“3. To levy excise duty: In manufacturing or producing and discharging from any enterprise, importing any products or services subject to excise duty and selling any services, the excise duty as set forth in the Schedule shall be levied.”

(3) The following Sections 3A. and 3B. shall be inserted after Section 3:

"3A. Determination and recovery of excise duty: (1) The producer or manufacturer of goods or services subject to excise duty shall be liable to determine and recover the excise duty under this Act.

Provided that, the concerned Customs Office shall determine and recover the excise duty of the goods to be imported.

(2) If any product is subject to excise duty at the sale and distribution in addition to its production or importation, the importer or seller shall be liable to determine and recover the excise duty under this Act.

(3) The excise duty paid on the raw materials used in the making of a product subject to excise duty may be

deducted from the excise duty to be paid while exporting the finished product.

Provided that, the excise duty paid by any industry subject to the self-release system on the purchase or import of raw materials may be deducted from the excise duty payable while selling the finished product.

(4) The excise duty paid on the goods damaged due to arson, theft, accident, disruptive act or expiration of date of goods may be deducted as specified by the Department.

3B. Not to levy excise duty: (1) No excise duty shall be levied on any goods or services subject to excise duty pursuant to Section 3, in the following circumstances.

(a) If any goods or services are exported from Nepal or any goods other than liquors and cigarette are sold to a licensed bonded warehouse and duty free shop, on such goods or services.

(b) No excise duty shall be levied on the cigarette and liquors sold by the licensed bonded warehouse to any person or body enjoying diplomatic and tariff privilege, as recommended by the Government of Nepal, Ministry of Foreign Affairs.

Provided that,-

(1) Nothing contained herein shall bar the sale and distribution of goods by a bonded warehouse other than cigarette and liquors, without charging excise duty.

(2) In importing any goods subject to excise duty to be sold by a bonded warehouse, there shall be furnished a cash deposit or bank guarantee for the amount of excise duty leviable on such goods.

(2) The procedures for the release or refund of the cash deposit or bank guarantee as referred to in Clause (b) of Sub-section (1) shall be as prescribed by the Department.

(3) If any goods manufactured or prepared within Nepal and already exported from Nepal are re-imported because of rejection by the concerned party or other reason, and the same goods are to be exported within Three months of the import, the goods may be released against the deposit of the excise duty leviable at the time of such return, and the deposit shall be refunded by the concerned Customs Office after the re-export of such goods."

(4) The following Section 4 shall be substituted for Section 4:

"4. Recovery of excise duty: Except as otherwise provided in this Act, the excise duty shall be collected on the goods and services subject to excise duty pursuant to this Act as follows:

- (a) In the case of goods produced by an industry subject to the physical control system, at the time of production and discharge from the enterprise for sale;
- (b) In the case of any product and service to be sold under the automatic discharge system, at the time of issue of invoice;
- (c) In the case of goods to be imported, at the customs point at the time of entering of such goods into Nepal;

- (d) In the case of services to be imported, as prescribed by the Department.
 - (2) Notwithstanding anything contained in Sub-section (1), the Department may so prescribe, in the case of any goods or services, that the excise duty has to be collected at the time of production of such goods or delivery of such services."
- (5) The following Sections 4A., 4B., 4C.4D,4E shall be inserted after Section 4:

"4A. Obligation to pay excise duty: The following person shall be liable to pay the excise duty pursuant to this Act:

- (a) In the case of a product or service to be produced within the country, the producer thereof;
- (b) In the case of a product to be imported, the person receiving the product as mentioned in the bill of lading, airway bill, invoice or application made for examination and clearance;
- (c) In the case of auction of a product subject to excise duty, the person taking over that product;
- (d) In the event of resale of any goods, other than liquors and cigarette sold by a duty free shop or the use of such goods in other purpose, the person reselling or reusing them;
- (e) In the event of conversion of goods from a condition of being exempted from excise duty into a condition of being subject to excise duty, the person who has ownership of such product;

(f) In the circumstances other than those set forth in Clauses (a) through (e), the person as specified by the Department.

4B. Time limit for payment of excise duty: (1) The excise duty recovered pursuant to this Act shall be paid as follows:

(a) In the case of goods subject to the physical control system, at the time of discharge of such goods;

(b) In the case of any goods or services to be sold under the automatic discharge system, within the 25th day of the month following the issue of invoice;

(c) In the case of goods to be imported, at the time of entering of such goods into Nepal;

(d) In the case of services to be imported, as prescribed by the Department.

(2) In the event of failure to pay the excise duty within the time limit as referred to in Clause (b) of Sub-section (1), there shall be charged a delay fee by 0.05 percent on the due and payable amount per day.

4C. Exemption from excise duty: (1) No excise duty shall be levied on any goods to be imported by a person or body enjoying diplomatic facility on the recommendation of the Ministry of Foreign Affairs.

(2) Notwithstanding anything contained in Sub-section (1), the excise duty shall also be exempted in the following circumstances:

- (a) In transferring any motor vehicles that were imported by any foreign mission or donor agency with the enjoyment of the diplomatic facility or tariff facility to the project itself in consonance with the approval annual programme of the project and converting their number plates into governmental ones or in transferring, with the approval of the Ministry of Finance, any motor vehicles that were imported in the name of any project with the enjoyment of full or partial tariff facility (except those imported on inventory or bank guarantee) to any local body, community school, community hospital or governmental body after the completion of the project;
- (b) If any diplomatic body (mission), project or other body (governmental as well as non-governmental organization) intends to scrap and cancel the registration of any motor vehicle that it has imported with the enjoyment of the tariff facility and that is more than Fifteen years old after the year of initial production, with the approval of the Ministry of Finance, the excise duty shall not be levied on such a motor vehicle.
- (c) If the owner of a motor vehicle imported for personal use with the enjoyment of partial customs tariff facility dies and the motor vehicle has to be transmitted to the husband or wife of the owner of motor vehicle, the excise duty shall not be levied on such a motor vehicle.

(3) An industry producing goods by using 90 percent or more native worn and torn or unusable goods shall enjoy exemption of excise duty leviable on such goods or products.

- 4D. Control of sale and distribution:** The Government of Nepal may, if it so considers necessary, control the sale and distribution of goods subject to excise duty and manage such sale and distribution as prescribed."
- 4E. Provision Related to gift and cash rebate:** The liquor, Beer or cigarette industry or their sellers shall not operate any type of gift programme or such industry shall not provide any rebate to any other distributor except the distributor registered in the value added tax while selling such products. If such an act is carried it shall deem a breach of the condition of the license.
- (6) The following Section 7 shall be substituted for Section 7:
- "7. Fixation of price of product or service subject to excise duty:** (1)
In cases where the excise duty is to be levied on any product or service according to value (*ad valorem*), the excise duty shall be levied taking the following price as the basis:
- (a) The factory price which a manufacturer determines at the time of selling a product subject to excise duty;
 - (b) In the case of service, the price of the service at the time of selling it; or
 - (c) The price specified by the Department on the basis of production/manufacturing cost.
- (2) In respect of a product to be imported into Nepal, the excise duty shall be levied on the price fixed by adding the customs

tariff on such a product to the price fixed for the purpose of collecting customs tariff.

(3) Excise duty on service shall be collected by fixing the price as per the invoice.

(4) For purposes of collecting excise duty, the Department may, as per necessity, re-fix the price or fix additional price."

(7) The following Section 9 shall be substituted for Section 9:

"9. Provisions relating to license: (1) No one shall manufacture, import, sell or store a product subject to excise duty or deliver service subject to excise duty to any other person, without obtaining the license pursuant to this Act or the Rules framed under this Act.

Provided that, no excise duty license is required to manufacture, import, sell or store a product subject to excise duty or deliver service subject to excise duty by an industry subject to automatic release system, except the manufacturing of bricks, stone crusher, *bidi*, tobacco, *khaini*, *pan masala*, *gudkha*, *khandsari* industry and import of molasses and *Gund* and import of goods subject to excise duty under the diplomatic facility on the recommendation of the Ministry of Foreign Affairs.

(2) A person, firm, company or organization that intends to obtain the license referred to in Sub-section (1) has to make an application to the Excise Duty Officer for the license, in such format and accompanied by such fee as prescribed.

(3) In cases where an application is made to the Excise Duty Officer for the license pursuant to Sub-section (2), the Department or the Excise Duty Officer designated by the Department shall issue the license in the prescribed format if it

appears proper upon making necessary examination on such an application.

(4) The term of the license issued pursuant to Sub-section (3) shall remain valid until one Fiscal Year.

(5) A licensee who intends to obtain the renewal of license has to obtain the renewal within the month of *Shrawan* after the expiration of the period specified pursuant to Sub-section (4) by paying the fees as prescribed.

Provided that,-

(a) If a licensee so intends, he/she may renew his/her license by for a period of Three Fiscal Years by paying renewal fees at a time.

(b) A licensee of a brick, stonecurser, *Bidi*, tobacco (*surti*) *panmasala*, *Gutkha*, *Khadsary* industry or exporter of *khudo* or *Gud* export shall renew his/her license by depositing renewal fees as prescribed.

(c) A licensee, obtained to produce goods or provide services in which excise duty is levied under the industry where self relief system is applicable, shall not be required to renew.

(6) A licensee who fails to obtain the renewal within the period as referred to in Sub-section (5) has to pay the fine of Twenty Five percent of the renewal fees for obtaining the renewal within the first Three months of the expiration of such a period, that of Fifty percent of the renewal fees for obtaining the renewal within Three months thereafter, that of Seventy Five percent of the renewal fees for obtaining the renewal within Three months thereafter and that of

cent percent of the renewal fees for obtaining the renewal within the last day of the month of *Ashad* thereafter.

(7) If a licensee intends to obtain the renewal of license after the expiration of the period specified in Sub-section (6), the licensee may obtain the renewal by paying the cent percent additional license fees for each Fiscal Year and due amounts, in addition to the license fees as prescribed.

(8) If any person does transaction without obtaining the license as referred to in Sub-section (1), the person shall not be exempted from the fees chargeable for the license and for its renewal."

(8) The following Section 9A. shall be inserted after Section 9:

"9A. Power to suspend license: (1) If a licensee gives up doing transaction of goods or services subject to excise duty, the licensee has to make an application, accompanied by the reason, to the Excise Duty Officer for the suspension of the license.

(2) If an application is received pursuant to Sub-section (1), the Excise Duty Officer shall make decision to suspend or not to suspend the license of that licensee, and if it appears necessary to suspend the license, suspend it and give information thereof to the licensee within Thirty days after the receipt of the application.

(3) The licensee who so gets information of the suspension of the license pursuant to Sub-section (2) shall not be required to furnish details as referred to in Section 10A. after the next month of the suspension.

(4) The licensee shall not be required to obtain the renewal of license pursuant to Section 9 during the period of suspension of license pursuant to Sub-section (2)."

(9) The following Clause (d) shall be inserted after Clause (c) of Section 10:

"(d) In cases where the licensee organization is dissolved or the licensee makes an application for the cancellation of license."

(10) The following Sections 10A., 10B., 10C., 10D., 10E., 10F., 10G., 10H., 10i, 10j and 10k shall be inserted after Section 10:

"10A. To furnish excise duty returns: A person who has obligation to determine and recover the excise pursuant to Section 3A. has to furnish the returns of transaction subject to excise duty for each month to the Excise Duty Officer or the prescribed excise duty returns by a registered post within Twenty Five days. Such returns have to be furnished irrespective of whether transaction subject to excise duty has been carried on in that month or not.

10B. To maintain accounts: (1) A person who has obligation to furnish the excise duty returns pursuant to Section 10A. has to maintain accounts of the production and sale of goods or services subject to excise duty, of purchase, consumption of raw materials, subsidiary raw materials with specification of their price and quantity and of closing balance, along with the prescribed details, and shall provide such details as and when the Excise Duty Officer so demands for inspection.

(2) The accounts of purchase, production, release, sale and balance as referred to in Sub-section (1) shall be got certified by the concerned Excise Duty Officer and used for the purpose of maintaining accounts.

(3) The licensee has to safely retain the accounts of transaction for until Six years.

(4) For the implementation of this Act, the Excise Duty Officer may, by giving a notice in writing, seek information as to the transaction of goods and services subject to excise duty.

10C. Records processed by computer to be eligible as evidence:

(1) Notwithstanding contained in the laws prevailing, the records relating to excise duty of any person processed by the computer installed in the Department or offices thereunder or offices designated to administer the excise duty shall be eligible as evidence for purposes of excise duty, except as otherwise proved.

(2) The Department may so prescribe that the data relating to the goods or services subject to excise duty can be automatically retrieved by the Department or the office designated by the Department.

(3) The Department may make necessary arrangements on the submission of excise duty returns and payment of excise duty through electronic medium."

10D. Power of Excise Duty Officer to determine excise duty: (1)

The Excise Duty Officer may determine the excise duty in any of the following circumstances:

- (a) In the event of failure to submit the excise duty returns within the time limit,
- (b) In the event of submission of incomplete or erroneous excise duty returns,
- (c) In the event of submission of false excise duty returns,
- (d) In the event of existence of a reliable ground for the Excise Duty Officer to believe that lesser amount of excise duty has been shown or the amount of excise duty is not accurate,
- (e) Where there is a ground and reason for the Excise Duty Officer to believe that the sales price has been under-invoiced and it is necessary to re-determine the price or to determine additional price pursuant to Sub-section (4) of Section 7,
- (f) If the ceiling of production of goods or services subject to the excise duty is specified pursuant to or under this Act, the production ceiling is not met,
- (g) If the difference between the liquors released and the alcohol content of waste material or substance is more than One percent,
- (h) In the event of evasion of excise duty,
- (i) If any person does transaction of goods subject to excise duty without obtaining the license.

(2) In determining the excise duty pursuant to Sub-section (1), the Excise Duty Officer shall give a time-limit of Fifteen days to the concerned person to defend himself or herself.

(3) The Department may make monitoring of the determination of excise duty made pursuant to Sub-section (1). If any error is found upon monitoring, the Director General may order the redetermination of excise duty.

(4) The Excise Duty Officer shall have the following powers for the purposes of determination of excise duty pursuant to Sub-section (1) or examination of the excise duty returns submitted duty pursuant to Section 10A.:

- (a) To examine the goods, places, documents, accounts and records related with the liability of excise duty,
- (b) To search the place of transaction of any person or other places where evidences related with the acts deemed offence under this Act can be found,
- (c) To seek information from the persons who prepare any records, books, accounts and documents or fill up details therein in the course of discharge of their duty,
- (d) To take possession of or take elsewhere any documents, books and records situated in the place of transaction of goods and services subject to excise duty or other place related thereto,

- (e) To make audit of excise duty in the place of transaction or office or other appropriate place,
- (f) The Excise Duty Officer may seek information of any matter from a bank or financial institution or any person in relation to the transaction of goods and services subject to excise duty.

(5) It shall be the duty of such a bank and financial institution or person to give information as sought by the Excise Duty Officer pursuant to this Section.

10E. Power to have expert's service: The Department may obtain the service of liquor expert, brewing expert, chemical expert and other expert, as required, for the effective implementation of this Act.

10F. Power to specify ceiling of production of goods and services subject to excise duty: (1) The rate of production ceiling of ethanol, spirit or ENA required to be obtained from grains, molasses or *Khudo* used by an industry producing nhydres ethanol, rectified spirit or ENA shall be determined in accordance with the procedures as prescribed.

(2) If it appears that the production is less than the rate of ceiling prescribed pursuant to Sub-section (1), the production of highest quality liquors to be produced by the industry shall be deemed to have been made from the ethanol, spirit or ENA in such different quantity.

(3) The Department may specify the rate of ceiling of production of other goods and services subject to excise duty.

10G. To test the volume of alcohol: The Excise Duty Officer may at any time test or examine the content of alcohol of the liquors discharged with approval and of the waste substance and quality thereof. The alcohol content shall not be different more than One percent or quality shall not be altered significantly.

10H. Recovery of due excise duty: If any person does not pay the excise duty to be paid within the time limit as referred to in this Act, the concerned Excise Duty Officer may recover the same by way of any or all of the following measures:

- (a) Deducting the amount, if any, refundable to such a person,
- (b) By having deduction of such amount from the amount payable by the Government of Nepal or any corporate body owned by the Government of Nepal or local body to such a person,
- (c) By having deduction of such amount from the interest of such a person in a bank, financial institution or other institution,

Explanation: For the purposes of this Clause, the term "interest" includes deposits and investments held in a bank, financial or other institution.

- (d) By withholding the sale, export, import and other business by and of such a person,
- (e) By seizing the movable and immovable property of such a person,
- (f) By auction selling any or all of the movable and immovable properties of such person at one time or at different times as prescribed.

(g) By auctioning the goods in stock.

10i. Delay fee: In the event of failure of a person to pay the excise duty within the time limit as referred to in this Act after the determination of the excise duty or for any other reason, except a circumstance as referred to in Clause (a) of Sub-section (1) of Section 4, there shall be charged a delay fee by 0.05 percent on the due and payable amount of excise duty per day."

10j. Provision against Excise duty evasion plan: Notwithstanding anything contained elsewhere in this Act, if any person commits any of the following acts with an intention to take advantage of excise duty, such a person shall be deemed to have committed enticement to evade excise duty through excise duty evasion plan, and the Director General may order the Excise Duty Officer to assess the excise duty of such a person and recover the same:

- (a) To lessen the liability of excise duty by making any plan or doing any act with an intention to evade excise duty by manipulating any of the provisions contained in this Act,
- (b) To commit any act with an intention to lessen the excise duty liability or to enter into agreement with that intention."

10k. Verification of excise duty stamp (ticket): A Excise Duty Officer may verify the excise duty stamp (ticket) used in liquor, beer or cigarette to reveal whether it is original or duplicate.

(11) The word "release" shall be substituted for the work "export" contained in Section 11.

(12) The following "Clause (c)" shall be substituted for "Clause (c)" of Sub-section (3) of Section 12:

- (c) To possess (capture) the excisable goods related with the offence or any other goods which help to prove such an offence and to seal such place.
- (13) The following proviso shall be inserted in Clause (d) of Sub-section (3) of Section 12:

“Provided that, such suspension shall not exceed seven days; and decision shall be made no later than Sixty days after the making of such suspension.”

- (14) Of Section 13,

(a) The words "Inland Revenue Office" shall be substituted for the words "Excise Duty Office" contained in various places of Sub-section (1).

(b) The following Sub-sections (4) and (5) shall be inserted after Sub-section (3):

"(4) The Department may give an information incentive expense of a maximum of Ten Thousand Rupees as prescribed to a person who provides information of the offence as referred to in this Section.

(5) The details of the person giving information of offence pursuant to this Section shall be kept secret."

- (15) The words "Inland Revenue Office" shall be substituted for the words "Excise Duty Office" contained in various places of Sub-section (1) of Section 14 and the following Clauses (a), (b) and (c) shall be substituted for Clauses (a), (b) and (c) of the same Sub-section:

"(a) Ten per cent of the amount in controversy to the informer,

- (b) Twenty per cent of the amount in controversy to one who seizes and hands over a product only;
- (c) Thirty per cent of the amount in controversy to one who arrests and hands over the person, along with the proof.

Provided that, in cases where the informer who gives information or clue be more than one person, the reward shall be divided between them pro rata.”

(16) The words "Inland Revenue Office" shall be substituted for the words "Excise Duty Office" contained in Section 15:

(17) Of Section 16:

(a) The following Clause (b) shall be substituted for Clause (b) of Sub-section (1):

“(b) To produce or import a product subject to excise duty without obtaining the license,”

(b) The following Clause (D) shall be inserted after Clause (C) of Sub-section (1)

To use or produce (print) or transport or store any duplicate excise stamp (ticket) which are used in the production of liquor, beer, or cigarette.

Explanation:

In the course of determining the amount (*Bigo*) to impose penalty pursuant to this Clause the cost of such excisable goods shall be determined on the basis of the capacity, quantity or size of the goods to which stamp has been used or may be used and the chargeable excise duty shall also added in such amount in this regard.

- (c) The following Sub-section (2) shall be substituted for Sub-section (2):

(2) Any one attempts or abets to commits the offence as referred to Clause (a), (b), (c) and (d), he/she shall be punished with half of the punishment to be punished to main offender.

- (d) The following Sub-section (5) shall be inserted after Sub-section (4):

“(5) Where any person commits any of the following offences, the Excise Duty Officer may punish such a person with a fine as follows:

- (a) In the event of re-determination of the price or determination of additional price pursuant to Sub-section (4) of Section 7, cent percent amount of the amount of excise duty to be added,
- (b) In the event of making sale or storage of goods or services subject to excise duty without obtaining the license, from Five Thousand Rupees to Fifteen Thousand Rupees.
- (c) In the event of violation of the provision of Section 10A., the amount of 0.05 percent of the leviable excise duty per day or One Thousand Rupees for each return, whichever is the higher.
- (d) In the event of failure to maintain updated accounts as referred to ins Sub-section (1) of Section 10B., Ten Thousand Rupees and Five Thousand Rupees for each instance in the event of no allowing the accounts of transactions to be inspected,

- (e) In the event of violation of Sub-section (2) of Section 10B., upto Five Thousand Rupees,
 - (f) In the event of violation of Sub-section (3) of Section 10B., Ten Thousand Rupees,
 - (g) In the event of obstruction in the act as referred to in Sub-section (3) of Section 10D., Five Thousand Rupees for each instance,
 - (h) If, upon examination pursuant to Section 10G., the difference between the liquors released and the alcohol content of waste material or substance is more than One percent, cent percent of the amount of revenue leaked,
 - (i) If the ceiling of production of goods or services subject to the excise duty is specified and the production ceiling is not met, cent percent of the amount of excise duty to be added,
 - (j) In the event of violation of Section 4B., Ten Thousand Rupees for each instance,
 - (k) In the event of violation of this Act or the Rules framed under this Act, One Thousand Rupees for each instance.
- (17) The following Section 17A. shall be inserted after Section 17:

“17A. Provision on payment by installment: Where any taxpayer makes a request in writing for the payment of any arrear excise duty by installment, permission may be given to pay the same by installment for One year.”

(18) The following Section 19 shall be substituted for Section 19:

"19. Provisions relating to administrative review and appeal:

(1) A person who is not satisfied with any decision by the Excise Duty Officer of excise duty assessment and recovery thereof may make an application for administrative review to the Department against the decision within Thirty days of the date of receipt of a notice of that decision.

Provided that, a person may make an appeal in the Revenue Tribunal against the decision of punishment of imprisonment for any offences as referred to in Sub-sections (1), (2), (3) and (4) of Section 16.

(2) In cases where the time limit for making application pursuant to Sub-section (1) expires and any person makes an application for the extension of time limit within Seven days from the date of expiration of the time limit, the Department may extend the time limit for a period not exceeding Thirty days from the date of expiration of the time limit.

(3) If the claim of the applicant appears to be true upon examining the evidence and documents including the application made by the taxpayer pursuant to Sub-section (1), the Director General may, by executing a memorandum setting out the clear reasons, void that excise duty assessment order and direct the concerned Excise Duty Officer to make re-assessment of excise duty.

(4) The Department shall make decision on the application within Sixty days after the date of making of application pursuant to Sub-section (1).

(5) The taxpayer who makes an application pursuant to Sub-section (1) has to pay undisputed amount of excise duty and amount of fine, out of the amount of excise duty assessed, and furnish a cash deposit of One Third of the amount of excise duty in controversy and amount of fine.

(6) If the Department does not give decision within the time limit as referred to in Sub-section (4), the concerned person may, after the expiration of that time-limit, make an appeal to the Revenue Tribunal or if the person is not satisfied with the decision made by the Department, the person may make such an appeal in the Revenue Tribunal within Thirty Five days after the date of receipt of notice of the decision.

(7) A person who makes an application for administrative review or an appeal pursuant to this Section shall register a copy of the application or appeal with the concerned Office no later than Fifteen days.

(8) The implementation of the decision set forth in Sub-section (1) of Section 16 shall not be deemed to have been affected by the reason of making an application for administrative review or appeal pursuant to Sub-section (1).”

(19) The following Section 22A. shall be inserted after Section 22:

“22A. Deemed to be excise duty: Any charge, delay fee or fine imposable pursuant to this Act shall be deemed to be the excise duty imposable pursuant to this Act.”

(20) The following Section 23 shall be substituted for Section 23:

“23. Department to be responsible for implementation and administration: The Department shall be responsible for the implementation and administration of this Act.”

(21) The following Section 24 shall be substituted for Section 24:

"24. This Act to prevail on excise duty provision: Notwithstanding anything contained in the laws in force, except in cases where the Financial Act to be enforced in every year amends this Act and provides for imposition, assessment, increase, decrease, exemption, or remission of excise duty, no other Act may make any amendment to, or alter tax provisions referred to in this Act or make other excise duty related provisions."

(22) The following Section 25A. shall be inserted after Section 25:

“25A. Power to frame and issue manual: The Department may frame and issue necessary Manuals, subject to this Act and the Rules framed under this Act.”

(23) The following Schedule shall be inserted in the Excise Duty Act, 2058 (2002):

Schedule

(Relating to Section 3)

Rate of excise duty

SN	Heading/sub-heading No.	Description of product/good or service	Unit	Rate of excise duty
1.	1703.10.00 and 1703.90.00	<i>khudo</i> (Molasses)	Per quintal	Rs. 40.00
2.	1703.11.90	<i>Sakkhar (Gud)</i> , black <i>Sakkhar, Raskat</i> from <i>Khandsari</i> (Only on import)	Per quintal	Rs. 72.00
3.	Under 3923	Plastic packing materials	Value/price percent	5 percent
	3920, 3921	Plastic Seats	Value/price percent	5 percent
	3926.90.90	Other plastic materials	Value/price percent	5 percent
4.		Fruit juices		
	2009.19.00, 2009.11.00 and	(a) Orange juice	Per liter	Rs. 3.50

	2009.12.00			
	2009.29.00 and 2009.21.00	(b) Grape fruit juice	Per liter	Rs. 3.50
	2009.39.00 and 2009.31.00	(c) Any other citrus fruit	Per liter	Rs. 3.50
	2009.49.00 and 2009.41.00	(d) Pineapple juice	Per liter	Rs. 3.50
	2009.69.00, 2009.50.00 and 2009.61.00	(e) Tomato juice, grape juice including grape must	Per liter	Rs. 3.50
	2009.79.00 and 2009.71.00	(f) Apple juice	Per liter	Rs. 3.50
	2009.80.00	(g) Juice of nay other single fruit or vegetable	Per liter	Rs. 3.50
	2009.90.00	(h) Mixture of juices	Per liter	Rs. 3.50
5.	2106.90.20	Pan <i>Masala</i> and similar other goods with or without nicotine containing lime	Per Kilogram	Rs. 275.00

6.	1404.90.00	<i>Kattha</i>	Per Kilogram	Rs. 115.00
		<i>Kattha</i> juice	Per Kilogram	Rs. 10.00
7.	2202.90.00	All kinds of non-alcoholic beverages	Per liter	Rs. 4.50
8.	2203.00.00	Beer	Per liter	Rs.80.00
		Country beer (<i>chhang</i>)	Per liter	Rs.20.00
9.	2204.29.00	Wine made in the country (containing not more than 12 percent alcohol, made from <i>Chutro</i> , apple or <i>Aishalu</i> or domestic cider	Per liter	Rs.55.00
		Other beverages than wine and beer containing up to 12 percent alcohol(on import)	Per liter	Rs.189.00
	2204.10.00, 2205.90.00, 2204.21.00, 2204.29.00, 2204.30.00 and 2205.10.00	Wine containing not more than 12 percent alcohol (on import)	Per liter	Rs.189.00

	2204.10.00, 2205.90.00, 2204.21.00, 2204.29.00, 2204.30.00 and 2205.10.00	Wine containing 12-17 percent alcohol	Per liter	Rs.189.00
10.	2204.10.00, 2205.90.00, 2204.21.00, 2204.29.00, 2204.30.00, 2205.10.00 and 2206.00.90	Wine containing more than 17 percent alcohol, herbs mixed liquors, cocktail (alcoholic/non-alcoholic/non-alcoholic mixtures) and other fermented liquors	Per liter	Rs.214.00
11.	2206.00.90 and 2204.10.90	Sampan, sherry, mead, perry, cider	Per liter	Rs.214.00
12.	2207.20.00	Denatured spirit (containing 80-99 percent alcohol)	Per liter	Rs.10.00
13.	3814.00.00	Thinner, solvent	Per liter	Rs.22.00
14.	2207.10.00	Anhydrous ethanol (containing more than 99 percent alcohol)	Per liter	Rs.6.00

15.		All kinds of alcoholic fluids used as raw materials of liquors containing 57.38 percent to 80 percent alcohol by volume		
	2208.20.10	(a) Wine and raw materials of brandy	Per liter	Rs.108.00
	2208.30.10	(b) Raw materials of whisky	Per liter	Rs.108.00
	2208.40.10	(c) Raw materials of rum and <i>Tafia</i>	Per liter	Rs.108.00
	2208.50.10	(d) Raw materials of gin and Geneva	Per liter	Rs.108.00
	2208.60.10	(e) Raw materials of vodka	Per liter	Rs.108.00
	2208.70.10	(f) Raw materials of liqueurs and cordials	Per liter	Rs.108.00
	2208.90.10	(g) Raw materials of other liquors (including spirit)	Per liter	Rs.108.00
16.	2207.10.10	Rectified spirits used as raw materials of liquors containing more than 80 percent alcohol by volume	Per liter	Rs.44.00

	2207.10.10	E.N.A.	Per liter	Rs.44.00
17.		Liquors		
	2208.20.90	(a) Wine and brandy		
		(1) With 25 U.P. strength (containing 42.08 percent alcohol content)	Per liter Per LP liter	Rs. 439.00 or Rs. 587.00
	2208.20.90	(2) With 30 U.P. strength (containing 39.94 percent alcohol content)	Per liter Per LP liter	Rs. 411.50 or Rs. 587.00
		(b) Whisky		
	2208.30.90	(1) With 25 U.P. strength (containing 42.8 percent alcohol content)	Per liter Per LP liter	Rs. 439.00 or Rs. 587.00
	2208.30.90	(2) With 30 U.P. strength (containing 39.94 percent alcohol content)	Per liter Per LP liter	Rs. 411.50 or Rs. 587.00
		(c) Rum and Tafia		
	2208.40.90	(1) With 25 U.P. strength (containing 42.08 percent alcohol content)	Per liter Per LP liter	Rs. 439.00 or Rs. 587.00
	2208.40.90	(2) With 30 U.P. strength	Per liter	Rs. 411.00

		(containing 39.94 percent alcohol content)	Per LP liter	Rs. 587.00
		(d) Gin and Geneva		
	2208.50.90	(1) With 25 U.P. strength (containing 42.08 percent alcohol content)	Per liter Per LP liter	Rs. 439.00 or Rs. 587.00
	2208.50.90	(2) With 30 U.P. strength (containing 39.94 percent alcohol content)	Per liter Per LP liter	Rs. 411.50 Rs. 587.00
		(e) Vodka		
	2208.60.90	(1) With 25 U.P. strength (containing 42.8 percent alcohol content)	Per liter Per LP liter	Rs. 439.00 Rs. 587.00
	2208.60.90	(2) With 30 U.P. strength (containing 39.94 percent alcohol content)	Per liter Per LP liter	Rs. 411.00 Rs. 5187.00
		(f) Liquors and cordials		
	2208.70.90	(1) With 25 U.P. strength (containing 42.8 percent alcohol content)	Per liter Per LP liter	Rs. 439.00 Rs. 587.00
	2208.70.90	(2) With 30 U.P. strength (containing 39.94 percent alcohol content)	Per liter Per LP liter	Rs. 411.00 Rs. 587.00

		(g) Other liquors		
	2208.90.90	(1) With 15 U.P. strength (containing 48.5 percent alcohol content)	Per liter Per LP liter	Rs. 590.00 Rs. 695.00
	2208.90.90	(2) With 25 U.P. strength (containing 42.8 percent alcohol content)	Per liter Per LP liter	Rs. 439.00 Rs. 587.00
	2208.90.90	(3) With 30 U.P. strength (containing 39.94 percent alcohol content)	Per liter Per LP liter	Rs. 411.50 Rs. 587.00
	2208.90.90	(4) With 40 U.P. strength (containing 34.23 percent alcohol content)	Per liter Per LP liter	Rs. 208.00 Rs. 347.00
	2208.90.90	(5) With 50 U.P. strength (containing 28.53 percent alcohol content)	Per liter Per LP liter	Rs. 73.00 Rs. 146.00
	2208.90.90	(6) With 70 U.P. strength (containing 17.12 percent alcohol content)	Per liter Per LP liter	Rs. 18.00 Rs. 60.00
		Provided that, in the case of imported liquors, where the quantity of alcohol specified in the above rate differs by less than one percent, the same rate shall be applicable and where that quantity differs by more than one percent, the excise duty shall be levied and collected as		

		per the rate that is near and the highest.		
18.	2401	Only on import of raw tobacco not packed (other than that used as raw materials by industries)	Per kilogram	Rs. 60.00
	2403.91.00	Packed raw chewable tobacco containing lime	Per kilogram	Rs. 160.00
	2403.91.00	All kinds of <i>jarda</i> and <i>khaini</i> made from tobacco	Per kilogram	Rs. 240.00
	2403.99.00	Tooth cleaning material containing tobacco dust	Per kilogram	Rs. 230.00
	2403.10.90	Prepared <i>bidi</i>	Per M	Rs. 60.00
	2403.10.10	Pipe tobacco	Per kilogram	Rs. 700.00
19.	2402.10.00 and 2402.90.00	All kinds of cigar	Per stick	Rs. 7.00
20.	7213 and 6214 (including sub-heading 7214.99.10)	Iron rods	Per metric ton	Rs. 1000.00
21.	2516.90.00, 2516.22.00,	Marble	Value percent	5 percent

	2515.12.00, 2515.20.00, 2516.12.00, and from 6802.21.00.to 6802.99.00			
	6908	Glaze tiles	Value percent	5 percent
22.	1902	Noodles, macaroni, pasta	Per kilogram	Rs. 7.50
	2106.90.10	Junk foods (<i>Kurkure</i> , <i>Kurmure</i> , cheeseballs, pastry etc.)	Per kilogram	Rs. 7.50
23.	Chapter 16	Preparations of meat, fish (canned)	Value percent	5 percent
	2309.10.00	Dog and rat feed	Value percent	5 percent
24.		Cigarettes (all kinds of cigarettes made from tobacco)		
		(1) In up to 70 mm length		
	2402.20.00	(a) With filter	Per M	Rs. 252.00
	2402.20.00	(b) Without filter	Per M	Rs. 533.00

	2402.20.00	(2) In more than 70 mm up to 75 mm length (with filter)	Per M	Rs. 681.00
	2402.20.00	(3) In more than 75 mm up to 85 mm length (with filter)	Per M	Rs. 872.00
	2402.20.00	(4) In more than 85 mm length (with filter)	Per M	Rs. 1135.00
25.		Cement		
	2523.21.00	(a) Portland cement white (whether or not colored)	Per metric ton	Rs. 180.00
	2523.29.00	(b) Portland cement (brown)	Per metric ton	Rs. 180.00
	2523.30.00	(c) Aluminous cement	Per metric ton	Rs. 180.00
	2523.90.00	(d) Other hydraulic cement	Per metric ton	Rs. 180.00
26.	3208, 3209, 3210	All kinds of paints	Value percent	5 percent
27.	6904.10.00	All kinds of ceramic bricks (other than domestic production)	Per thousand	Rs. 600.00

28.		Motor vehicles		
		(a) Jeep, car and van (customs headings 8702 and 8703) and their chassis (customs heading 8706)	Value percent	60 percent
		(b) Microbus (with capacity of 11-14 seats) (customs heading 8702) and chassis thereof(customs heading 8706)	Value percent	55 percent
		(c) Double cab pick up (customs heading 8704) and chassis thereof(customs heading 8706)	Value percent	60 percent
		(d) Three wheeler (auto rickshaw) (customs heading 8703) and chassis thereof(customs heading 8706)	Value percent	55 percent
		(e) Single cab pick up (customs heading 8704) and chassis thereof(customs heading	Value percent	50 percent

		8706)		
		(f) Delivery van (customs heading 8704) and chassis thereof(customs heading 8706)	Value percent	30 percent
		(g) Minibus (with capacity of 15 to 25 seats(custom sub-heading 870210.20)	Value percent	35 percent
		(h) Minibus (with capacity of 15 to 25 seats(custom sub-heading 870290.20)	Value percent	35 percent
		(i) Chassis of minibus (custom heading 8706) (with capacity of 15 to 25 seats) falling under custom heading 8702	Value percent	35 percent
		(j) Buses and trucks (customs heading 8702, 8794) and their chassis (customs heading 8706)	Value percent	35 percent
		(k) Motor cycle (custom heading 8711)	Value percent	40 percent
29.	84.43	Plates, cylinders, and printing machinery used for printing other than those of heading 84.42, other		

		printing machines, copying machines, fax machines, whether installed or not, and their parts and accessories		
		Other printers, copying machines, fax machines, whether installed or not		
	844331.00	Out of the printers, copying machines and fax machines, those with two or more than two multiple functions and of such nature as can be linked to or installed with automated data processing machine or network	Value percent	10
	8443.39.00	Others	Value percent	10
30	84.72	Other office machines (for example, hectograph or stencil duplicating machine, addressing machines, automatic banknote dispensers, coin-sorting machines, coin-counting or wrapping machines, pencil sharpening machines, perforating or stapling machines)		
	84.72.90.00	Others	Value percent	15
31.	84.79	Machines and mechanical appliances having individual functions, not specified or included elsewhere in this Chapter		

		Others		
	8479.89.90	Others	Value percent	10
32.	85.17	Telephone sets, including telephones used for cellular networks or other cordless networks, equipment to broadcast or transmit or store sound, images or other data, appliances used in line or cordless network for communication in (such as local or wide area network), communication or transmission or store equipment under headings 84.43, 84.25, 85.27 or 85.28		
		Equipment to broadcast or transmit or store sound, images, including equipment used in line or cordless network for communication in (such as local or wide area network)		
	8517.61.10	Base stations	Value percent	5
	8517.62.00	Machines/equipment to store, change, reproduce and transmit sounds, images or other data, including switching and routing equipment	Value percent	5
	8517.69.00	Others	Value percent	5

	8517.70.00	Parts	Value percent	5
33.	85.18	Microphone and stands thereof, loudspeakers, whether or not mounted in their enclosures, headphones and earphones, whether or not combined with a microphone, and sets consisting of a microphone and one or more loudspeakers, audio-frequency electric amplifiers, electric sound amplifier sets		
	8518.18.00	Microphones and their stands Loudspeakers, whether or not mounted in their enclosures	Value percent	5
	8518.29.00	Others	Value percent	5
34.	85.23	Records, tapes and other recorded media for sound or other similarly recorded phenomena, including matrices and masters for the production of records, but excluding products of Chapter 37		
		Magnetic means		
	8523.29.90	Others	Value percent	5
	8523.40.00	Optical means	Value percent	5
	8523.51.00	Solid state non-volatile	Value percent	5

		storage equipment		
	8523.52.00	Smart cards	Value percent	5
	8523.59.00	Others	Value percent	5
	8523.80.00	Others	Value percent	5
35.	85.25	Transmission apparatus for radio-telephony, radio-telegraphy, radio broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus, television cameras, still image video cameras and other video camera recorders, digital cameras		
	8525.60.00	Transmission apparatus incorporating reception apparatus	Value percent	5
	8525.80.00	Television cameras, digital cameras and video camera recorders	Value percent	5
36.	85.28	Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus, video monitors and video projectors		
		Projectors		
	85.28.61.00	Apparatus of such kind as to be solely or principally	Value percent	10

		used in the automated data processing system of heading 84.71		
37.		Color television	Value percent	5
		Picture tubes of color television	Value percent	5
38.	85.29	Parts suitable for use solely or principally with the apparatus of headings of 85.25 to 85.28		
		Others		
	85.29.90.10	Of television receiver	Value percent	10
39.	85.31	Electric sound or visual signaling apparatus (for example, bells, sirens, indicator panels, burglar or fire alarms) other than those of Heading 85.12 or 85.30		
	8531.20.00	Indicator panels incorporating liquid crystal devices (LCD) or light emitting diodes (LED)	Value percent	10
	8531.90.00	Spare parts	Value percent	10
40.	85.32	Electrical capacitors. Fixed variable or adjustable (preset)		
	85.32.10.00	Fixed capacitors designed for use in 50/60 HZ	Value percent	10

		circuits and having a reactive power handling capacity of not less than 0.5 kvar (power capacitors)		
		Other capacitors		
	8532.21.00	Tantalum	Value percent	10
	8532.22.00	Aluminum electrolytic	Value percent	10
	8532.23.00	Ceramic dielectric, single layer	Value percent	10
	8532.24.00	Ceramic dielectric, multiple layer	Value percent	10
	8532.25.00	Dielectric of paper or plastics	Value percent	10
	8532.29.00	Others	Value percent	10
	8532.30.00	Variable or adjustable (preset) capacitors	Value percent	10
	8532.90.00	Parts	Value percent	10
41.	85.33	Electrical resistors (including rheostats and potentiometers), other than heating resistors		
	8533.10.00	Fixed carbon resistors,	Value percent	10

		composition or films		
		Other fixed resistors		
	8533.21.00	For a power handling capacity not exceeding 20W	Value percent	10
	8533.29.00	Others	Value percent	10
		Other variable resistors, including rheostats and potentiometers		
	8533.31.00	For a power handling capacity not exceeding 20W	Value percent	10
	8533.39.00	Others	Value percent	10
	8533.40.00	Other variable resistors, including rheostats and potentiometers	Value percent	10
	8533.90.00	Parts	Value percent	10
	8534.00.00	Printed circuits	Value percent	10
42.	85.36	Electrical apparatus for switching or protecting electrical circuits or for making connections to or in electrical circuits (for example, switches, relays, fuses, surge suppression, plugs, sockets, lamp-holders, junction boxes, for a voltage not exceeding 1,000 volts		

	8536.50.00	Other switches	Value percent	10
		Lamp-holders, plugs and sockets		
	8536.69.00	Others	Value percent	10
	8536.90.00	Other equipment	Value percent	10
43.	85.44	Insulated (including enameled or anodized) wire, cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors, optical fiber cables, made up of individually sheathed fibers, whether or not assembled with electric conductors or fitted with connectors		
		Other electric conductors, for a voltage not exceeding 80 v		
	8544.42.00	Connected with conductors	Value percent	15
	8544.49.00	Others	Value percent	15
	8544.70.00	Optical fiber cable	Value percent	10
44.	90.10	Apparatus and equipment for photographic (including cinematographic) laboratories, not specified or included elsewhere in this Chapter; negatoscopes, projection screens		
	9010.90.00	Parts and accessories	Value percent	10

45.	90.11	Compound optical microscopes, including those for microphotography microcinematography or microprojection		
	9011.10.00	Stereoscopic microscopes	Value percent	5
	9011.20.00	Other microscopes for microphotography microcinematography or microprojection	Value percent	5
	9011.90.00	Parts and accessories	Value percent	5
46.	90.12	Microscopes other than optical microscopes, diffraction apparatus		
	9012.10.00	Microscopes other than optical microscopes, diffraction apparatus	Value percent	5
	9012.90.00	Parts and accessories	Value percent	5
47.	90.17	Drawing, marking out or mathematical calculating instruments (for example, drafting machines, pantographics, protractors, drawing sets, slide rules, disc calculators), instruments for measuring length, for use in the land (for example, measuring rods and tapes, micrometers, calipers) not specified or included elsewhere in this Chapter		
	9017.20.00	Other drawing, marking-out or mathematical	Value percent	5

		calculating instruments		
	9017.90.00	Parts and accessories	Value percent	5
48.	90.26	Instruments and apparatus for measuring or checking the flow, level, pressure or other variables of liquids or gases (for example, flow meters, level gauges, manometers, heat meters), excluding instruments and apparatus of heading 90.14, 90.15, 90.28 or 90.32		
	9026.10.00	For measuring or checking the flow or level of liquids	Value percent	5
	9026.20.00	For measuring or checking pressure	Value percent	5
	9026.80	Other instruments or apparatus	Value percent	5
	9026.90.00	Parts and accessories	Value percent	5
49.	90.27	Instruments and apparatus for physical or chemical analysis (for example, polarimeters, refractometers, spectrometers, gas or smoke analysis apparatus), instrument and apparatus for measuring or checking viscosity, porosity, expansion, surface tension or the like, instruments and apparatus for measuring or checking quantities of heat, sound or light (including exposure meters), microtomes		
	9027.20.00	Chromatographs and electrophoresis instruments	Value percent	5

	9027.50.00	Other instruments and apparatus using optical radiators (UV, visible, IR)	Value percent	5
	9027.80.00	Other instruments or apparatus	Value percent	5
50.	90.30	Oscilloscopes, spectrum analyzers and other instruments and apparatus for measuring or checking electrical quantities, excluding meters of heading number 90.28, instruments and apparatus for measuring or detecting alpha, beta, gamma, X-ray, cosmic or other ionising radiators		
	9030.40.00	Other instruments and apparatus, specially designed for telecommunications (for example, cross-talk meters, gain measuring instruments, distortion factor meters, psophometers)	Value percent	5
	9030.90.00	Parts and accessories	Value percent	5

Note:

- (1) Notwithstanding anything contained above in the rate of excise duty, no excise duty shall be levied on the chassis of ambulances, corpse carrying vehicles and battery tempos.
- (2) The procedures of collection of the excise duty leviable on the motor vehicles purchased and in stock until Fiscal Year 2065/066 shall be as mentioned in the Finance Act, 2065.
- (3) Exemption of excise duty shall be granted, on the recommendation of the Department of Industries, to the raw materials imported by industries and used to produce goods as referred to in sub-heading 7213.91.10 of heading 72.13.
- (4) In the event of cocktail of any liquors, the rate of tariff set forth in serial number 10 shall be applicable.
- (5) Prepared liquors of 70 UP strength may be made by using rectified spirit of serial number 16 only.
- (6) No local production of marble shall be subject to excise duty.
- (7) No excise duty shall be levied on the goods of personal use imported enjoying the customs duty exemption facility under the Luggage and Baggage Order Facility.
- (8) Exemption of 50 percent excise duty shall be granted to the local production of motor cycles and that of 25 percent to the local production of other motor vehicles.
- (9) No excise duty shall be levied on the electric motor vehicles.
- (10) Eighty percent exemption of excise duty leviable pursuant to this excise duty tariff shall be granted to the production of brandy by the local fruits based industries established in the

least developed regions as mentioned in Schedule-9 of the Industrial Policy, 2067.

- (11) The Director General may, for statistical purposes, add a digit to the eight digit sub-heading for the purposes of the rate of excise duty.
- (12) The Department may, as required and in consultation with the Customs Department, interpret and specify the harmonized codes of the products/goods on which excise duty is leviable.
- (13) Liquor, beer, or cigarette importer or distributor of such product shall inform the selling retail price in the beginning of financial year by publishing a public notice and in case of change in price immediately after such a change.

NEPAL LAW COMMISSION