

ANALYSIS OF INDIAN UNION BUDGET 2012-13

CUSTOM - NON TARIFF (Custom Act, 1962)

CLAUSE NO.	SECTION OF CEA, 1944	CHANGE AT GLANCE	APPLICABLE w.e f	EXECUTIVE SUMMARY
114	2 clause 10 - definition of 'Custom Airport'	The definition of 'Custom Airport' is being amended to include 'Air freight station',	Date of enactment of the Finance Bill, 2012	
115	7 - Appointment of Custom Port..	Clause (aa) of Section 7 is being amended to include "air-freight stations".	Date of enactment of the Finance Bill, 2012	These amendments would empower the Central Board of Excise and Customs to appoint air freight stations for unloading of import cargo and loading of export cargo as in the case of Inland Container Depots.
116	28AAA- New Insertion - Recovery of duty in certain cases	A new section 28AAA is being inserted to provide for recovery of duties, from the person to whom the instrument which was obtained through collusion etc, was issued without prejudice to any action that may be taken against the importer.	Date of enactment of the Finance Bill, 2012	Certain cases have been detected relating to utilization of instruments, such as duty credit scrips, where the instrument was obtained by means of collusion or wilful mis-statement or suppression of facts by the person to whom the instrument was issued or his agent or employee and not by the importer who utilized it.

117	28BA - Provisional attachment...	Section 28BA is being amended to make the provisions relating to provisional attachment of property applicable to the proposed Section 28AAA.	Date of enactment of the Finance Bill, 2012	
118	47 - Clearance of goods for home consump- tion	Section 47 is being amended to insert a new proviso therein to provide that the Central Government may, by notification in the official gazette, specify the class or classes of importers who shall pay customs duty electronically.	Date of enactment of the Finance Bill, 2012	The CG is going to introduce the schema of electronic payment which shall be announced shortly.
119	75A - Interest on Drawback	Section 75A is being amended to substitute the reference to section 28AB with section 28AA. The amendment is also being given retrospective effect from 08.04.2011.	Date of enactment of the Finance Bill, 2012	Sections 28AA and 28AB of the Customs Act were merged through the provisions of the Finance Act, 2011.
120	104 - Power to arrest	Section 104 is being amended to provide that notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences under the Act (except an offence punishable with term of	Date of enactment of the Finance Bill, 2012	This amendment has been made in line with amendment in section 13 of Central Excise Act, 1944. It also provides that all offences punishable with a term of imprisonment of 3 years or more under section 135 shall be cognizable.

		imprisonment of 3 years or more under section 135) shall be non-cognizable and bailable.		
121	104A - Bail for offences	Section 104A is being inserted to provide that bail in the case of offences punishable with a term of imprisonment of 3 years or more under section 135 shall not be granted by a Court or Magistrate without an opportunity being given to the Public Prosecutor to present his case. It also provides that in the case of minors, infirm and women, the Magistrate may grant bail. It also excludes the jurisdiction of police officers to initiate investigation of offences under the Customs Act, unless authorized in this behalf by the Central Government by a special or general order.	Date of enactment of the Finance Bill, 2012	This amendment has been made in line with amendment in section 13A of Central Excise Act, 1944.

122	122 - Adjudication of confiscations and penalties	Section 122 is being amended to enhance the monetary limits for adjudication of cases involving confiscation of goods and imposition of penalty from Rs. 2 lakhs to Rs. 5 Lakh for Deputy/ Assistant Commissioners and from Rs.10,000 to Rs. 50,000 for Gazetted officer lower in rank to Assistant/ Deputy Commissioner.	Date of enactment of the Finance Bill, 2012	The coverage for Assistant Commissioner and lower category officers have been increased for adjudication.
123	138 - Offences to be tried summarily	This section is being amended to exclude offences punishable with term of imprisonment of three years or more under section 135 since it is being proposed that such offences shall be cognizable.	Date of enactment of the Finance Bill, 2012	Section 138 deals with summary trial of offences.
124	153 - Service of order, decision etc	Section 153 is being amended to bring 'courier services' within its ambit for the purpose of serving any order/decision/ summons/notice by the Commissioner.	Date of enactment of the Finance Bill, 2012	Now, any order or decision may be sent through courier and such delivery shall be valid.

125	First Schedule of Custom Tariff Act,	Exemption from additional duty is being provided retrospectively to “foreign going vessels” for the period from 1st March, 2011 to 16th March, 2012.	Retrospectively	
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