

TABLE 186  
CENTRAL EXCISE DUTY ON YARNS

(Adv1%)

ITEM		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
(I)	<b>COTTON YARN</b>						
(A)	<b>HANK YARN</b>						
	(a) Plain reel	9.20	zero duty without Cenvat or 4.08 with Cenvat	zero duty without Cenvat or 4.08 with Cenvat	zero duty without Cenvat or 4.08 with Cenvat	zero duty without Cenvat or 4.12 with Cenvat	zero duty without Cenvat or 4.12 with Cenvat
	(b) Cross reel purchased by Registered Handloom Development Co-op. Societies	NIL					
(B)	<b>CONE YARN (all counts)</b>	9.20					
(II)	<b>All Types of Blended Yarn</b>	13.80	zero duty without Cenvat or 8.16 with Cenvat	zero duty without Cenvat or 8.16 with Cenvat	zero duty without Cenvat or 8.16 with Cenvat	zero duty without Cenvat or 8.24 with Cenvat	zero duty without Cenvat or 8.24 with Cenvat
(III)	<b>Filament Yarn</b>						
	a) P.F.Y./P.O.Y.	28.60	24.48 Mandatory duty	16.32 Mandatory duty	8.16 Mandatory duty	8.24 Mandatory duty	8.24 Mandatory duty
	b) N.F.Y.	13.80	16.32 Mandatory duty	16.32 Mandatory duty	8.16 Mandatory duty	8.24 Mandatory duty	8.24 Mandatory duty
	c) Polypropylene filament yarn/ Viscose filament yarn	13.80	16.32 Mandatory duty	16.32 Mandatory duty	8.16 Mandatory duty	8.24 Mandatory duty	8.24 Mandatory duty
(IV)	<b>WOOLLEN YARN</b>	13.80	zero duty without Cenvat or 8.16 with Cenvat	zero duty without Cenvat or 8.16 with Cenvat	zero duty without Cenvat or 8.16 with Cenvat	zero duty without Cenvat or 8.24 with Cenvat	zero duty without Cenvat or 8.24 with Cenvat

**Note :**

- 1) In budget 2004-05 new tax regime for textile sector has been introduced, no mandatory excise duty on pure cotton, wool and silk whether its fibre, yarn, fabrics or garments or blended textiles. The cenvat has been made optional. Every manufacturers whether it is handloom or powerloom or composite mill have option to take either exemption route without cenvat facility or duty route with cenvat facility. Mandatory duty only on man-made fibre and yarn.
- 2) Education cess @ 2% is levied on the aggregate duty of central excise w.e.f. 9-7-2004 and increased to @ 3% in 2007-08 Budget.
- 3) SSI exemption for the entire textile sector has been withdrawn vide Notification No. 24/2004-CE dated 9-7-2004
- 4) AED(ST) and AT&T has been withdrawn in the budget 2004-05 w.e.f. 9-7-04 vide Notification No. 32/2004-CE & No. 31/2004-CE.