

G.S.R. (E).- 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 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts excisable goods of the description specified in column (3) of the Table below and falling within the Chapter, heading No. or sub-heading No. of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), specified in the corresponding entry in column (2) of the said Table, from so much of the aggregate of –

- (a) the duty of excise specified in the First Schedule to the said Central Excise Tariff Act; and
- (b) the duty of excise specified in the First Schedule to the said Additional Duties of Excise (Goods of Special Importance) Act,

(hereinafter referred to as the 'aggregate duty') as is in excess of an amount calculated at the rate of sixteen per cent. *ad valorem*:

Provided that nothing contained in this notification shall apply to an independent processor who is engaged primarily in the processing of woven fabrics of cotton or woven fabrics of man-made fibres in a factory and who has the facility in that factory (including plant and equipment) for carrying out heat-setting or drying with the aid of power or steam in a hot-air stenter, and who has no proprietary interest in any factory primarily and substantially engaged in the spinning of yarn or weaving of fabrics, on or after 10<sup>th</sup> December, 1998, operating under any scheme of levy and collection of excise duty notified under section 3A of the Central Excise Act, 1944 (1 of 1944) except in respect of fabrics manufactured or produced prior to the 16th day of December, 1998 and cleared on or after that date.

2. The exemption contained in this notification shall apply only subject to the following conditions, namely:-

- (i) The aggregate duty of sixteen per cent. *ad valorem* leviable on the excisable goods specified in the Table below shall be apportioned equally between the duty leviable under the said Central Excise Act and the said Additional Duties of Excise (Goods of Special Importance) Act.
- (ii) The credit of the declared duty allowable as a proportion of the duty of excise leviable under the Central Excise Act, in terms of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 29/96-Central Excise (N.T.), dated the 3rd September, 1996, as amended, shall be allowed only on such portion of the aggregate duty as is apportioned towards the duty of excise leviable under the Central Excise Act.

**TABLE**

S.No.	Chapter or heading No. or sub-heading No.	Description
(1)	(2)	(3)
1.	52.07 (except 5207.10), 52.08 (except 5208.10) or 52.09 (except 5209.10)	Cotton fabrics, subjected to any process with the aid of power or steam.
2.	52.07, 52.08 or 52.09	Cotton fabrics woven on handlooms and processed with the aid of power or steam by an independent processor approved in this behalf by the Government of India on the recommendation of the Development Commissioner for Handlooms.
3.	54.06 (except 5406.10) or 54.07 (except 5407.10)	All goods

4.	55.11 (except 5511.10), 55.12 (except 5512.10), 55.13 (except 5513.10) or 55.14 (except 5514.10)	All goods
5.	5801.22, 5801.32, 5802.22 or 5802.32	All goods
6.	5802.51 or 5802.52	Tufted textile fabrics of cotton (not containing any other textile material)
7.	58.03	All goods
8.	5804.11 or 5804.12	Lace
9.	59.01	All goods
10.	6001.12, 6001.22, 6001.92, 6002.30, 6002.43 or 6002.93	All goods

*Explanation.-* For the purposes of the exemption under S.No. 2,-

- (i) the expression “independent processor” means a manufacturer, who is engaged exclusively in the processing of fabrics with the aid of power and who has no proprietary interest in any factory engaged in the spinning of yarn of cotton or weaving of cotton fabrics; and
- (ii) the value of the fabrics shall be equal to 40% of the value determined under section 4 of the Central Excise Act, 1944 (1 of 1944).

(T.R. Rustagi)

Joint Secretary to the Government of India

F.No. 334/1/2000-TRU

Notification  
March, 2000

No. 18/2000-Central Excise  
1921 (Saka)

New Delhi, dated the 1st

11 Phalgun,

G.S.R. (E).- 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 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 9/96-Central Excise, dated the 23rd July, 1996, namely:-

In the said notification, in the Table, S.Nos. 11, 12 and 24, and the entries relating thereto shall be omitted.

(T.R. Rustagi)  
Joint Secretary to the Government of India

F.No. 334/1/2000-TRU

Footnote:- The principal notification No. 9/96-Central Excise, dated the 23rd July, 1996, was published in the Gazette of India, Extraordinary, vide G.S.R. 307(E), dated the 23rd July, 1996, and was last amended by notification No. 43/99-Central Excise, dated the 24th December, 1999 [G.S.R. 818(E), dated the 24th December, 1999].