

## Tariff Value and Abatement for Garments

20-CE(NT) In exercise of the powers conferred by sub-section (2) of  
30.04.2001 section 3 of the Central Excise Act, 1944 (1 of 1944), and in  
supersession of the notification of the Government of India

in the Ministry of Finance (Department of Revenue), No. 8/2001-Central Excise (N.T.), dated the 1st March, 2001 [G.S.R. 142 (E), dated the 1st March, 2001], except as respects things done or omitted to be done before such supersession, the Central Government, hereby **fixes tariff value** in respect of **articles of apparel and clothing accessories, whether or not knitted or crocheted, all sorts falling under Chapter 61 or 62 and other made up textile articles or sets, falling under Chapter 63** of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), at the rate of ~~60%~~ **30% of the retail sale price** that is declared or required to be declared on the retail packages under the provisions of the Legal Metrology Act, 2009 (1 of 2010) or the rules made thereunder or under any other law for the time being in force.

**Provided that** where goods bearing the brand name of another person are cleared in the course of sale by a manufacturer to such person and the retail sale price is not affixed on the goods, the transaction value of such goods shall be deemed to be the tariff value.'

### Illustration:

If a manufacturer X clears goods bearing a brand name "ABC" to Y, who is the brand name owner on sale basis at the transaction value of Rs. 200/- per garment, duty at the rate of 10% would be chargeable on Rs. 200 /-which is the deemed tariff value';

*Explanation:-* For the purposes of this notification the 'transaction value' shall have the meaning assigned to it under section 4 of the Central Excise Act, 1944 (1 of 1944).

*Explanation.-* For the purposes of this notification, "retail sale price" means the maximum price at which the excisable goods in packaged form may be sold to the ultimate consumer and includes all taxes, local or otherwise, freight, transport charges, commission payable to dealers, and all charges towards advertisement, delivery, packing, forwarding and the like, as the case may be, and the price is the sole consideration for such sale.

2. This notification shall come into force on the 1st day of May, 2001.

[Notification amended by 07-CE(NT)/01.03.2011; 12-CE(NT)/24.03.2011; 17-CE(NT)/17.03.2012-Tariff value lowered of 30% of MRP].