

Business Line ND 23/04/2012 P-3

FICCI seeks excise duty cut on man made fibres

New Delhi, April 22

Industry chamber, FICCI, has written to the Ministry of Textiles seeking a reduction in excise duty on man-made fibres (MMF) to pre-stimulus levels. It has also sought equal treatment in terms of taxation to both cotton and MMF. "The excise duty on raw materials such as PTA, MEG, Caprolactam should also be considered for reduction to avoid the emergence of an inverted duty structure," the Federation of Indian Chambers of Commerce and Industry said in a statement. Mr Shishir Jaipuria, Chairman, FICCI Textiles Committee & Managing Director, Ginni Filaments, said, "In terms of excise duty between cotton and man-made fibres, the gap has further widened as a result of a hike in general excise duty to 12 per cent in the Budget". The excise duty on man-made fibres was 8 per cent in 2006 and was further brought down to 4 per cent in the stimulus package announced in 2008-09. However, the excise duty on MMF was increased to 8 per cent in the 2009 and subsequently to 10 per cent in 2010. — **Our Bureau**