

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5026
ANSWERED ON:20.12.2002
MEMORANDUM FROM ZINC PRODUCING UNITS
ANANTA NAYAK;VIRENDRA KUMAR

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether his Ministry has received any Memorandum from some Zinc metal producing units;
- (b) if so, the names of such Zinc producing units both in the public as well as private sector;
- (c) the main problems mentioned in Memorandum; and
- (d) the reaction of the Government thereto with the action taken or likely to be taken by the Government in regard thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

(a)&(b) Yes, Sir. The names of zinc metal producing units are as under:-

- 1.Hindustan Zinc Limited, a joint venture company of Government of India and M/s Sterlite Opportunities and Ventures Limited.
2. Binani Industries Limited (a unit in private sector).

(c) In their representations, the zinc metal producing units have requested for reduction of import duty on zinc. In their post-budget (2002-03) representation, restoration of the basic customs duty on Zinc to the pre-budget level of 35% and reduction of the customs duty on zinc concentrates to 0% have been requested.

(d) The representations are dealt with, in accordance with the existing instructions and policies of the Government. During the Budget 2002-03, basic customs duty on non-ferrous metals was reduced, as per Government's policy, to attain a two rate custom duty structure (10% and 20%) by 2004-05 and basic custom duty on zinc was reduced from 35% to 25%. The import duty on zinc concentrate of 5% is the lowest non-zero rate and no change is considered due to large duty differential between the zinc metal and zinc concentrate.