

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1098
ANSWERED ON:30.07.2010
DUTY DRAWBACK RATES
Rao Shri Sambasiva Rayapati;Sule Supriya

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Finance and Commerce Ministries have begun parallel exercise to cut the duty drawback rate;and
- (b) If so, the details thereof and the time by which final action will be taken in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) and (b); The drawback scheme rebates the Customs and Central Excise duties chargeable on any imported/ locally procured materials and Service Tax chargeable on input services used in the manufacture of export goods. The drawback rates are worked out and notified every year after taking into account the budgetary changes in the duty structure and other relevant facts. The Government has in this regard constituted a three-member Committee like in the previous years to recommend the Drawback rates. The report of the Drawback Committee is expected by 31.08.2010. The report shall be examined by the Government and rates notified thereafter.