

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4949
ANSWERED ON:02.09.2011
CONCESSIONS AND COLLECTION
Roy Shri Arjun;Singh Shri Rajiv Ranjan (Lalan)

Will the Minister of FINANCE be pleased to state:

(a) the details of concessions extended by the Government in Central excise and customs duty and also the collection under such heads during each of the last three years, zone-wise; and

(b) whether the amount foregone as concessions is more than the collection and if so, the reaction of the Government thereto?

Answer

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

(a): Several concessions from customs and central excise duty have been extended by the Central Government in public interest. The objective of granting these concessions vary from industrial development of certain areas/regions, export promotion, promotion of critical industries, defence, promotion of small scale sectors and also social sectors like health, drinking water supply, etc. These concessions have been extended under section 25(1) of the Customs Act, 1962 and section 5A(1) of the Central Excise Act, 1944. The notifications extending them are duly laid on the Table of both Houses of Parliament. The zone-wise revenue collection from central excise duty and customs duty in the last 3 years is placed at Annexures I & II.

(b): Yes, Sir. Annual review of exemptions is undertaken during the Budget exercise in line with the policy of the Government to minimize exemptions and widen the tax base. In the Budget for 2011-12, exemptions from central excise duty were withdrawn on 130 items.