

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2903
ANSWERED ON:30.03.2012
WINDFALL GAINS TAX
Singh Shri Bhola

Will the Minister of FINANCE be pleased to state:

- (a) whether the windfall profits/gains made by exports particularly mineral exporters are included in the calculation of export duty; and
- (b) if so, the details thereof and if not, the reasons therefor?

Answer

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

(a): Madam, Export duty is currently chargeable on two minerals, namely, iron ore and chromium ore. In both cases, the duty has been imposed on ad-valorem basis. As such, duty is charged on the f.o.b. (free on board) value of exports which would normally include the cost of mining, transportation, insurance, other costs as well as the profit margin of the exporter.

(b): Does not arise in view of (a) above.