

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3835
ANSWERED ON:27.04.2012
EXCISE DUTY EXEMPTION ON EARTHEN ROOFING TILES
Reddy Shri K. Jayasurya Prakash

Will the Minister of FINANCE be pleased to state:

- (a) the zone-wise rate of excise duty levied on production of Earthen Roofing Tiles;
- (b) whether requests for exemption of the product from excise duty has been received by the Union Government from various States/ federations; and
- (c) if so, the details thereof, State-wise/ federation-wise and reaction of the Union Government thereto?

Answer

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

(a): Earthen tiles are chargeable to an excise duty of 2% ad valorem on the condition that no input tax credit is availed by the manufacturer. This rate applies throughout the country except to goods produced by new units or units undertaking substantial expansion in the states of the North-East, Jammu & Kashmir, Sikkim, Uttarakhand & Himachal Pradesh eligible to area-based exemption if they fulfil the conditions. Besides, general small scale exemption is also available.

(b): Yes, Madam.

(c): The representations were received from;

- (1) Federation of All India Earthen Tiles Manufacturers.
- (2) Andhra Pradesh Earthen Tile Manufacturers Association,
- (3) The Jaggampeta Area Tile Manufacturers Association.
- (4) All Kerala Tile Manufacturers` Federation,

The request had been examined as a part of the budget exercise for 2012-13 and it was not found feasible to consider the same, given the policy intent of moving towards the Goods & Services Tax.