

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2480
ANSWERED ON:07.12.2012
EXCISE DUTY EXEMPTION
Vijayan Shri A.K.S.

Will the Minister of FINANCE be pleased to state:

- (a) whether Government had given exemption of excise duty to various States;
- (b) if so, the area-wise tenure of such exemption;
- (c) whether Government has made any re-assessment of excise exemption of such States;
- (d) if so, the details thereof and action taken/being taken thereon;
- (e) whether Government has received any representation for extension of excise duty; and
- (f) if so, the details thereof and action taken thereon?

Answer

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

(a): Yes, Sir.

(b): The details of area-wise exemption are given in the Annexure.

(c) & (d): In the new North-East Industrial and Investment Promotion Policy, 2007 (NEIIPP), Government has not extended the benefits of excise exemption to peripheral activities like preservation, cleaning operations, packing, re-packing, etc. In 2008, similar modifications were made with respect to the exemption for Jammu and Kashmir, Uttarakhand and Himachal Pradesh. Further, in respect of Jammu and Kashmir and North Eastern States including Sikkim, refund has been linked with value addition undertaken by the industry with effect from 01.04.2008.

(e) & (f): Representations seeking extension of the tenure of excise duty exemptions were received. These were examined, but it has not been found feasible to accede to the requests.