

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:391
ANSWERED ON:06.12.2013
IMPORT DUTY ON CARS AND ENGINES
Viswanathan Shri P.

Will the Minister of FINANCE be pleased to state:

- (a) the tariff rates applicable on import of each category of cars and engines from European Union (EU) during each of the last three years and the current year;
- (b) whether the Government is having any proposal to lower the import duty on cars and engines;
- (c) if so, the details thereof and the reasons therefor, category-wise;
- (d) whether there is any provision for reduction in such import duty in India-EU Free Trade Agreement (FTA) and if so, the details thereof and the reaction of Indian car manufacturers thereto; and
- (e) whether the Government has proposals/requests to place Completely Built Units (CBU) and car engines under negative list on the lines similar to FTAs with Japan, ASEAN and South Korea and if so, the present status thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI J. D. SEELAM)

(a): The tariff rates applicable on import of cars and engines from EU during the last three financial years (FY) and current year are as under:

S. No.	FY	Cars	High-end cars of certain specification	Engines
1	2010-11	60%	60%	7.5%
2	2011-12	60%	60%	7.5%
3	2012-13	60%	75%	7.5%
4	2013-14	60%	100%	7.5%

(b) & (c): There is no such proposal under consideration.

(d) & (e): The Government is negotiating a bilateral Broad Based Trade and Investment Agreement (BTIA) with the EU. So far fifteen rounds of negotiations have been held. Requests have been made by both sides on a variety of sectors including automobiles. Views of stakeholders are taken to determine negotiating positions with a view to ensuring that the agreement leads to enhanced bilateral trade in goods and services and investments.