

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3957
ANSWERED ON:20.03.2015
RECTIFYING TAX STRUCTURE
Maragatham Smt. K.

Will the Minister of FINANCE be pleased to state:

- (a) whether Tariff Commission has received representation from Industry to rectify anomalies in the tax structure and make it more attractive to manufacture in the country; and
- (b) if so, the details thereof; and
- (c) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (JAYANT SINHA)

- (a) & (b): The details of representation received from Industry to rectify anomalies in the tax structure are given in Annexure-A.
- (c): The recommendations of Tariff Commission are examined from time to time. In the Budget, 2015-16, the following steps have been taken to make manufacturing sector more attractive:
 - (i) Basic customs duty has been reduced from 10% to 7.5% on metal parts for use in the manufacture of electrical insulators.
 - (ii) Basic customs duty has been reduced from 7.5% to 2.5% on specified components for use in the manufacture of specified CNC lathe machines and machining centres.
 - (iii) Basic customs duty has been reduced from 5% to 2.5% on certain specified inputs for use in the manufacture of flexible medical video endoscopes.
 - (iv) Additional duty of customs (CVD) and SAD has been reduced to Nil on specified raw materials for use in the manufacture of pacemakers.