

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

RAJYA SABHA

QUESTION NO02.03.2010

ANSWERED ON

RELAXATION IN CUSTOMS AND EXCISE DUTIES

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Shri Rajkumar Dhoot

Will the Minister of COALHEALTH AND FAMILY WELFARE INFORMATION AND BROADCASTING FINANCE be pleased to state :-

- (a) whether it is a fact that Government announces relaxation/concession in customs and excise duties from time to time;
- (b) if so, whether there is any mechanism in position to ensure that benefits of such concessions/relaxation reach consumers;
- (c) if so, the details thereof; and
- (d) whether any action has been taken against defaulters; if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir

(b)&(c) There is no specific provision in customs and excise laws requiring the passing on of the reduction in customs and excise duties to the consumers. In any case, the price of a commodity depends on a variety of factors such as cost of inputs, supply and demand position, R&D costs, product quality, sales promotion cost, trade commission, freight charges, the landed cost of similar goods etc. Customs and Central Excise duties applicable to the product are only one of these factors.

(d) Does not arise in view of (b) and (c) above.