

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1462
ANSWERED ON:03.03.2000
TRAVANCORE TITANIUM PRODUCTS LTD.
V.S. SIVAKUMAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether the Government are aware that the Travancore Titanium Products Ltd. (TTP) at Trivandrum in Kerala the only public sector undertaking in its area of activity is facing threats due to the reduced import duty on Titanium Dioxide; and

(b) whether the Government have taken any measures to maintain the current level of customs duty at 40% plus 4% additional duty for the next three year period by which time Titanium Dioxide manufacturing companies in India will get time to enhance their capacity, modernise, reduce the cost of production and get economics of scale which will help India to become a net exporter of Titanium Dioxide to the neighbouring countries of South Asia?

Answer

MINISTER FOR COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) Government are aware of the problems being faced by the Travancore Titanium Products Ltd.(TTP) at Trivandrum. Representations have been received from the Government of Kerala for not reducing Customs duty on Titanium Di-oxide from the peak level of 40%.

(b) Along with the reduction in the peak rate of basic customs duty from 40% to 35%, in the finance bill 2000-2001, Titanium di-oxide now attracts a basic duty of 35% and a surcharge of 10% thereon. Further, owing to withdrawal of exemption from Special Additional Duty (SAD) available to goods imported by traders, imports of Titanium di-oxide by traders would also be subject to SAD of 4% which is computed on the assesable value plus basic duty plus surcharge. This should provide adequate protection to the domestic Titanium di-oxide manufacturing companies in India.