

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:931

ANSWERED ON:27.02.2006

IMPOSITION OF EXCISE DUTY ON DRUGS MANUFACTURERS

Reddy Shri Mekapati Rajamohan

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether excise duty imposed on the drugs manufactured by small scale manufacturers are uniform in the whole country;
- (b) if not, the reasons therefor;
- (c) whether the Government has received any memorandum from Andhra Pradesh Small Scale Drugs Manufacturing Association in this regard; and
- (d) if SO; the details thereof and the reaction of the Government thereto ?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS & MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

- (a) & (b): In general, drugs/medicines attract excise duty @ 16%, However some full/partial exemptions/concessions from central excise duties on specified drugs and medicines are presently in force. Besides this, as per the decision earlier taken by the Government the Central Excise duty has been exempted on manufactured goods including drugs, in notified areas of Uttaranchal, Himachal, Jammu and Kashmir, Sikkim, Kutch, and North Eastern states.
- (c): No representation or appeal has been received from Andhra Pradesh Small Scale Manufacturing Association.
- (d): In view of reply to part (c) above, does not arise.