



INDIAN DENTAL ASSOCIATION

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Date: 31st December 2002

To,
Hon. Shree Jashwant Singh
Finance Minister
Union Government
New Delhi

Respected Sir,

- Sub: 1.Reduction of Custom Duty to 5% and CVD Nil for Dental Equipments & Materials on par with the list 37,38 and 39 of the same Custom Notification No. 21/2002 CUS Dt. 1.3.2002.
2. Central Excise continuing effective rate of 4% on Chapter No. 9018.00 & 9022.10 without availing MODVAT.
3. Reducing effective rate of Duty to 4% on items covered under Chapter 9402.10 also.

Sir, dental science is advancing very fast. But, unfortunately most of the precision dental equipment, instruments and materials are still not manufactured in India. The present custom duty is totalling to 39% (BCD-15%, CVD-16%, SADC-4%) on the majority of the dental equipment, instruments and materials.

We appeal to you sir, that atleast Duty on some of the vital Equipment, Instruments & Materials should be reduced to Custom Duty 5%, CVD - NIL, on par with list 37,38 and 39 of the Notification No. 21/2002.

Sir, as you know, as on today there are 150 dental colleges in the country and as many as 10,000 graduates are coming out every year. Out of this, 99% graduates are getting self-employed by opening their dental clinics in cities as well as in towns and villages. There are some vital equipments &

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materials which every dentist use it on every patient. All these are basic equipments and materials used irrespective of patient in the village or town. Many of these equipments and materials are very small and miniature in size, but costly in nature.

Sir, many times public at large have a wrong impression that Dentistry is Cosmetic in nature, but, in reality only small percentage of the patients may use Dentistry for Cosmetic consideration but rest majority of the patients use it as a vital, oral health treatment. Specially, in small towns & villages, Cosmetic dentistry does not exist, only curative and reconstructive dentistry exists.

The duty structure on dental equipment & materials was increased and the logic behind this, the dentistry is cosmetic in nature. At this point, we would like to remind you that highest number of oral cancer patients in the world and the highest number of Edentulous mouth is in India because of Periodontial diseases. So, the dentistry is to be given vital importance taking this aspect into consideration.

REVENUE:

The government has increased tax on dental equipment, instruments & materials to collect additional revenue, but at this point, we request you to go through the additional revenue collected over the previous year out of dental item after increasing the duty to 39%. We, Dental Fraternity definitely feel that revenue has not at all increased but only paved way for illegal import, because these items are such a small in size but expensive.

For example: Dental Turbine Cartridge, which weighs only 10 gms. costs Rs.2,000/-; and Dental Lightcure composite material weighs about 4.5 gms. costs about Rs.1,100/-. Definitely people are tempted for illegal ways to bring such items into the country.

Sir, we would like to bring to your notice some of the facts for your due considerations:

4 years ago, the duty structure was "ZERO" for vital items, but today it is almost 39%(Custom Duty + CVD all together as per Custom Ntn.No.21/2002-Cus dtd.1.3.2002 List 8 (See S.No.94 of the table). With add-ons like sales tax, local octroi, etc. altogether the equipment & material cost goes up by something like 55-60%. It is just impossible for a Dentist to buy and impart treatment to the society at this tax structure.

Duty Structure (Duty + CVD)at a glance for the last 5 Years:

1998-1999	0%
1999-2000	8%

2000-2001	21.16%
2001-2002	19.6%
2002-2003	39%

Sir, the present Custom Duty + CVD to the tune of 39% (As per Custom Ntn.No.21/2002-Cus dtd.1.3.2002 List 8 (See S.No.94 of the table)---- Ntnfn.copy enclosed herewith) i.e. the dental item classified under (A) Dental Equipment covering 19

items, (C) Other Medical Equipment, and (D) Other Goods which cover dental materials is the highest tariff in the last 5 years. In the year 1998-1999 it was "Zero", within short span the duty has increased to 39%, which is definitely not affordable to the dentist at large.

Now, we sincerely appeal to you that the list of below mentioned Dental Equipments and Materials to be given benefit of custom duty at 5% , CVD – NIL on par with the list 37, 38 and 39 of same Custom Notification No. 21/2002-Cus dtd.1.3.2002 and oblige, so that Dental Surgeons and poor patients at large will be benefited.

The following list which is a consolidated dental item appearing in (A), (C), (D) of the of the list 8 of the notification No. 21/2002 should be considered for concessional duty on par with list 37,38, and 39 of the same notification which attracts 5% Custom Duty, CVD – Nil.

(A) DENTAL EQUIPMENT:

- DENTAL ENGINE/MICROMOTOR/AIRMOTOR FOR LABORATORY/CHAIR SIDE CLINICAL WORK ON PATIENTS.
- DENTAL AIROTOR HANDPIECE/ DENTAL ENGINE HANDPIECE/ CARTRIDGES OF ALL TYPES.
- DENTAL OPERATING LIGHT/FIBRE OPTIC LIGHT.
- ULTRASONIC DENTAL CLEANING SYSTEM.
- ULTRASONIC SCALER OF ALL TYPES.
- DENTAL BURS OF ALL VARIETIES, VARIOUS SHAPES & SIZES: CARBIDE, DIAMOND, STEEL TITANIUM COATING, TUNGSTEN BURS.
- ROOT CANAL INSTRUMENTS/ENDODONTIC INSTRUMENTS, BROSCHEs, REAMERS & FILES, FILLERS/WIDENERS AND PLUGGERS.
- EQUIPMENT FOR CHROME COBALT WORK.
- PORCELAIN/CERAMIC FURNACE.

- MEDICAL GRADE OIL FREE AIROTOR AIR COMPRESSOR
- BODY CONTOURED SELF-ADJUSTING ELECTRICALLY OPERATED DENTAL CHAIR WITH ATTACHMENTS.
- DENTAL X-RAY MACHINE
- DIGITAL IMAGING SYSTEM FOR FACE X-RAYS COMPLETE SET.
- ORTHOPANTOMRAM (O.P.G), PANORAMIC X-RAYS FOR JAWS - ALL TYPES.
- DENTAL CEMENTS FOR FILLING/COMPOSITE CEMENT FILLINGS.
- IMPRESSION MATERIALS OF ALL TYPES - ALGENATE, RUBBER BASE, SILICON BASE
- DENTAL IMPLANT
- DENTAL FILLINGS AND NON-PRECIOUS METAL FOR CROWN/BRIDGE AND CAST PARTIAL DENTURE.
 - A) CHROME COBALT/NICKEL CHROME/PORCELAIN BOND METAL, LOW FUSING TECHNIC ALLOY
 - B) DENTAL CROWNS/ARTIFICIAL TEETH
- GUTTA - PERCHA POINTS FOR DENTAL FILLINGS
 - A. DENTAL SILVER AMALGAM ALLOYS FOR FILLINGS
- DENTAL INVESTMENT OF ALL TYPES/PHOSPATE BOND, ZYPSUM BOND/DENTAL PLASTER AND STONE.
- DENTAL X-RAY FILM, INTRA ORAL/EXTRA ORAL/PANORAMIC/OCCLUSAL.
- DENTAL PORCELAIN MATERIALS OF ALL TYPES.
- ACRYLICS FOR DENTAL USE - DENTURE BASE MATERIAL, HEAT CURE AND COLD CURE.
- WAXES OF ALL TYPES FOR DENTAL USE.

ALL THE ABOVE ITEMS WHICH ARE COVERED UNDER 3 DIFFERENT HEADINGS i.e. A) DENTAL EQUIPMENT, C) OTHER MEDICAL EQUIPMENT, AND D) OTHER GOODS, AS PER NOTIFICATION NO. 21/2002-Cus dtd.1.3.2002 List 8 (See S.No.94 of the table) SHOULD BE BROUGHT UNDER ONE CATEGORY AS DENTAL EQUIPMENT, INSTRUMENTS AND

MATERIALS AND EXTEND THE NOTIFICATION BENEFITS OF CUSTOM DUTY 5%, CVD - NIL ON PAR WITH LIST 37,38,39 OF THE SAME NOTIFICATION NO. 21/2002-CUS DTD. 1.3.2002.

CENTRAL EXCISE:

With regards to Central Excise, the concessional rate of duty structure given to the dental, veterinary and medical equipment as per chapter 9018.00 & 9022.10 to be continued as an encouragement for the indigenous manufacture of hi-tech dental and medical equipment. Further, the chapter 9402.10 with the development of technology some of the items like Electrically Operated Dental Chair, Electro / Hydraulic Operated O.T. Table, Electrically Operated Intensive Care Bed, Electrically Operated Gynecological & Urological Chair should be treated as specially designed equipment for the treatment of the patient and not as ordinary Medical Furniture, it should be classified under chapter 9018.00 or extend the benefit of 4% excise duty to these vital equipment and to be classified under Notification No. 10/2002 dt. 1.3.2002 List 1 (See S. No.42 of the table), Sl. No. 1 to 144. as done in case of Ophthalmic Chair & Electro/Hydraulic O.T. Table for Cardio Thoracic & Neuro Surgery.

We once again request you to consider our request in the interest of dental and medical fraternity and oblige.

Thanking you,

Dr. Ashok Dhoble
Hon.Secretary General

CC: **Mr. Satrughan Sinha** - Health Minister
Chairman - Customs & Excise