

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.3412**  
**TO BE ANSWERED ON 31<sup>st</sup> MARCH, 2023**

**IMPORT OF NATURAL RUBBER**

**3412. SHRI ELAMARAM KAREEM:**

Will the Minister of Commerce and Industry be pleased to state:

- (a) in what manner the announcement made in the Union Budget to increase the import duty of compounded rubber will help the rubber farmers in India;
- (b) whether the announcement will be applicable to the ASEAN countries, if not, the maximum percentage of duty that can be imposed on the imports from ASEAN countries; and
- (c) whether Government will take action to increase the import duty of natural as well as compound rubber even from ASEAN countries to help the Indian rubber farmers in light of the huge loss these farmers are going through, if not, the reasons therefor?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY  
(SMT. ANUPRIYA PATEL)

(a) In the Union Budget 2023-24, basic customs duty rate on compounded rubber has been increased from 10% to “25% percent or ₹ 30/kg whichever is lower”, at par with that on natural rubber to curb circumvention of duty. This measure is expected to help domestic rubber farmers to get a higher price for their product.

(b) and (c) Under the ASEAN-India Trade in Goods Agreement (AITIGA), tariff concession/elimination is available on import of compounded rubber under HS 4005 and the same will be applicable irrespective of increase in the custom duty rate. The preferential duty applicable on import of compounded rubber from ASEAN countries is as under:

HS 400510 – 0%  
HS 400520 – 5%  
HS 400591 – 5%  
HS 400599 – 5%

However, Natural Rubber in almost all commercially traded forms (under HS codes 400110, 400121, 400122 and 400129) is kept under the exclusion list of AITIGA and therefore, the Most Favored Nation (MFN) duty is applicable on these forms of rubber imported from ASEAN.

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