

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

LOK SABHA

STARRED QUESTION NO. *177

TO BE ANSWERED ON MONDAY, DECEMBER 19, 2022/AGRAHAYANA 28, 1944 (SAKA)

CHANGES IN IMPORT DUTY AND OTHER DUTY EXEMPTIONS

***177. SHRI PALLAB LOCHAN DAS:**

Will the Minister of **Finance** be pleased to state:

- (a) whether to promote Vocal for Local and Make in India, the import duty on certain sectors/products have been increased by the Government and if so, the details thereof;
- (b) whether the Government has removed several duty exemptions on import of various sectors like power, fertilizer, textiles, leather, footwear and food processing for Ease of Doing Business; and
- (c) if so, the details thereof?

ANSWER

**MINISTER OF FINANCE
SHRIMATI NIRMALA SITHARAMAN**

(a) to (c): A statement is placed on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED
QUESTION NO.177 RAISED BY SHRI PALLAB LOCHAN DAS FOR 19th
DECEMBER, 2022 ON CHANGES IN IMPORT DUTY AND OTHER DUTY
EXEMPTIONS**

(a): The Customs duty rate structure has been guided by a conscious policy of the government to incentivize domestic value addition under Make in India and Atma Nirbhar Bharat initiative, which inter-alia envisages imposition of lower duty on raw materials compared to intermediates and finished products with a view to provide reasonable tariff support to goods being manufactured in India. In accordance with this policy, MFN Rates of Basic Customs Duty have been increased in the past one year on goods such as Umbrellas and sun umbrellas, wearable and hearable devices and their parts, photo voltaic cells, parts of X-ray machines for medical, surgical, dental or veterinary use, electricity meters for alternating current along with its parts and accessories and parts of electronic toys used in the manufacture of electronic toys. The details are at **Annexure**.

(b to c): A comprehensive review of customs duty exemptions has been undertaken in consultation with line Ministries and stakeholders in which about 350 exemptions have been withdrawn to boost domestic manufacturing. For ease of doing business, unconditional exemptions which were provided through various notifications have been moved to the First schedule of the Customs Tariff Act, 1975. Accordingly, the effective rates of duty will operate through the Tariff/Schedule.

Annexure

S.No.	Product Description	BCD Rate Old	BCD Rate New
1.	Umbrellas and sun umbrellas	10%	20%
2.	Wearable and Hearable devices and their parts	15%	20%
3.	Solar cells	Nil	25%
4.	Solar modules	Nil	40%
5.	specified parts of X-ray machines for medical, surgical, dental or veterinary use	5%	10%
6.	electricity meters for alternating current	15%	25%
7.	parts and accessories for electricity meters	10%	20%
8.	parts of electronic toys used in the manufacture of electronic toys	15%	25%
