

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO.2772

TO BE ANSWERED ON MONDAY THE 21ST MARCH, 2022
PHALGUNA 30, 1943 (SAKA)

CUSTOMS DUTY HIKE

2772. SHRI MANNE SRINIVAS REDDY:
SHRI Y.S. AVINASH REDDY:
SHRIMATI VANGA GEETHA VISWANATH:
SHRI KOMATI REDDY VENKAT REDDY:

Will the Minister of FINANCE be pleased to state:

(a): whether it is true that duty on umbrellas is being raised to 20 per cent and exemption to parts of umbrellas is being withdrawn and if so, the details thereof;

(b): whether exemption is also being rationalised on implements and tools for agri-sector which are manufactured in India and if so, the details thereof;

(c): whether the customs duty exemption given to steel scrap last year is being extended for another year to provide relief to MSME secondary steel producer and if so, the details thereof along with its present status; and

(d): the manner in which it would be useful to the industries including the details of their demands taken into consideration and rejected along with the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a), (b) and (c): In the Union Budget 2022-23

- (i) Basic custom duty has been raised on umbrellas from 10% to 20%;
- (ii) exemption from basic custom duty has been withdrawn on parts of umbrella;
- (iii) duty exemption has also been rationalised on implements and tools for agri-sector which are manufactured in India;
- (iv) customs duty exemption given to steel scrap last year has been extended for another year (i.e. till 31st March, 2023) to provide relief to MSME secondary steel producers.

(d): These calibrated change in duty rates will help the domestic industry in capacity creation, providing level playing field, easing the raw material supply side constraints and enhancing ease of doing business. Representations from industry have been taken into consideration while making changes in duty rates.
