

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2574
ANSWERED ON:18.08.2006
CUSTOMS DUTY ON RUBBER
Ajaya Kumar Shri S.

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government is considering the removal of anomalies in customs duty structure on raw-rubber and rubber products;
- (b) If so, the details of customs duty on raw rubber and rubber products; and
- (c) If not, the reasons therefore?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a)&(b) There is 20% basic customs duty and 4% additional customs duty on import of natural (raw) rubber whereas most rubber products attract 12.5% basic customs duty and 4% additional duty of customs. In addition, 2% education cess is also attracted on all such imports.

(c) While examining the customs duty structure of any agricultural commodity like raw rubber, Government takes into consideration various factors including concerns of the domestic producers, and domestic and international prices of the commodity. At the current level of prices for raw rubber, no reduction in import duty is considered necessary for the present.