

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:624
ANSWERED ON:28.07.2006
VANASPATI UNITS
Bellarmin Shri A.V.

Will the Minister of FINANCE be pleased to state:

- (a) Whether the increase in customs duty from 30 per cent to 80 per cent has negative impact on most of the Vanaspati Manufacturing units in India; and
- (b) If so, the details thereof and steps the Government has proposed to retrieve the trend?

Answer

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

- (a) In this year's budget, taking into account the representations from domestic manufacturer of vanaspati, customs duty on Vanaspati was increased from 30% to 80% ad valorem so that customs duty on Vanaspati and crude palm oil would be equal.
- (b) In view of (a) above, does not arise.