

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:775  
ANSWERED ON:25.02.2009  
IMPORT DUTY ON AGRICULTURAL PRODUCT  
Ahir Shri Hansraj Gangaram

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

- (a) details of the taxes levied on agricultural products imported in the country;
- (b) whether the Government has received representations from some quarters for increase in taxes on the import of cotton,paddy and vegetable oils; and
- (c) if so, details thereof and the reaction of the Government thereto?

**Answer**

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

(a) Agricultural products imported in the country are chargeable to basic customs duty,additional duty of customs equivalent to excise duty, additional duty of customs @ 4% ad valorem to counter balance state levies such as value added tax, sales tax,etc., Education cess and Secondary and Higher Education cess. Some of the major agricultural products such as wheat,semi or wholly milled rice, pluses,crude edible oils (other than soya-bean crude oil) and raw cotton are fully exempted from these duties.Other products like oil seeds,refined edible oils and rice (paddy/husked) attract basic customs duty ranging from 5% to 80% ad valorem.

(b)&(c) Yes,Sir.The Government has received representations requesting for increasing customs duty on cotton and vegetable oils.However,no such demand or representation has been received with regard to increasing customs duty on paddy.The rates of duty applicable to agricultural products are reviewed by the Government from time to time taking into account their domestic availability, domestic and international prices,general level of inflation,etc.The Government has decided,for the time being, to maintain the present customs duty rates on cotton, paddy and vegetable oils.