

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6881  
ANSWERED ON:07.05.2010  
IMPORT DUTY ON COTTON  
Danve Shri Raosaheb Patil

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

- (a) whether the rate of import duty charged on import of cotton is less as compared to other crops;
- (b) if so, the details thereof and reasons therefor; and
- (c) the action taken by the Government to increase import duty on cotton with a view to benefit the cotton growers in the country?

**Answer**

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

- (a) Imports of cotton, not carded or combed, currently attract Nil basic customs duty while cotton, carded or combed, attracts basic customs duty rate of 30% ad valorem. Other cash crops such as oil seeds (except poppy seeds) and natural rubber attract basic customs duty of 30% ad valorem and 20% ad valorem respectively.
- (b) Full exemption from basic custom duty was provided to cotton, not carded or combed, to augment domestic availability and keep the domestic prices in check.
- (c) There is no proposal to increase import duty on cotton at this stage.