

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2837
ANSWERED ON:30.03.2012
DEMAND OF EXPORTERS
Nagorao Shri Dudhgaonkar Ganeshrao

Will the Minister of FINANCE be pleased to state:

(a) the demands received and the steps taken by the Government with regard to reducing customs duty on hand-made products during the last three years and the current year; and

(b) the method adopted by the Government to compensate loss due to ups and downs in exchange rates?

Answer

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

(a): No such representations have been received by the Government. The Government has not given any specific exemption or concessions from customs duty to import of hand-made products.

(b): The exchange rate of rupee is basically determined by the demand and supply conditions in the foreign exchange market. The Reserve Bank of India constantly monitors the developments in the foreign exchange market and intervenes through purchase or sale operations only with objective to curb excessive volatility and to restore orderliness in the market without targeting any specific rate or band.