

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4603
ANSWERED ON:04.05.2012
EXEMPTION OF CUSTOMS DUTY
Ponnam Shri Prabhakar

Will the Minister of FINANCE be pleased to state:

(a) whether the Government exempted the re-import of cut and polished diamonds sent for certification or grading abroad from the two percent basic customs duty; and

(b) if so, the details thereof and the manner in which it is likely to benefit the consumers in the market?

Answer

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

(a): Yes Madam.

(b): Cut and polished diamonds sent abroad and re-imported after certification/grading by the laboratories/agencies as notified in the Foreign Trade Policy have been exempted from two percent basic customs duty with effect from 09.03.2012. The exemption is a facilitation measure to ensure that the domestic cutting and polishing industry does not suffer additional duty burden owing to the utilisation of grading and certification services abroad.