

EXPLANATORY NOTES TO THE CHANGES MADE TO EXCISE, IMPORT & EXPORT DUTIES TO BE EFFECTIVE FROM 22.05.2022

A few measures have been taken to provide relief from prevailing high prices of crucial raw materials & intermediates such as petrol, diesel, coal, iron, steel & plastic.

Reduction of Central Excise Duty on Petrol & Diesel

Central excise duty has been reduced by ₹ 8 per litre for Petrol and by ₹ 6 per litre for Diesel (by reducing Road & Infrastructure Cess).

Reduction of Import Duty on Raw Materials of Steel

In order to reduce the cost of domestic production of steel products, import duty on following raw materials of steel has been reduced.

S.No.	Product	HS Code	From (%)	To (%)
1.	A. Anthracite/pulverized Coal injection (PCI) coal B. Coking Coal	2701	2.5% (including AIDC)	NIL
2.	Coke and semi-coke	2704	5%	NIL
3.	Ferronickel	7202	2.5%	NIL

Increase in Export Duty on Iron Ore & Steel Intermediates

Further, in order to increase the domestic availability of iron ore & a few steel intermediates, export duty has been imposed/increased on them as follows:

S.No.	Product	HS Code	From (%)	To (%)
1.	Iron ores and concentrates (other than roasted iron pyrites)	2601	30% (only for lumps above 58% Fe content)	50% (to all categories)
2.	Iron ore pellets	2601	NIL	45%
3.	Pig iron and spiegeleisen in pigs, blocks, or other primary forms	7201	NIL	15%
4.	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated	7208	NIL	15%
5.	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated	7209	NIL	15%

S.No.	Product	HS Code	From (%)	To (%)
6.	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated	7210	NIL	15%
7.	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel	7213	NIL	15%
8.	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn	7214	NIL	15%
9.	Flat-rolled products of stainless steel of width ≥ 600 mm	7219	NIL	15%
10.	Other bars and rods of stainless steel; angles, shapes and sections of stainless-steel	7222	NIL	15%
11.	Bars and rods, hot-rolled, in irregularly wound coils, of other alloy steel	7227	NIL	15%

Reduction in Import Duty on Raw Materials of Plastic Products

In order to reduce the cost of domestic production of plastic products, import duty on following raw materials of plastic products has been reduced.

S.No.	Product	HS Code	From (%)	To (%)
1.	Naphtha	2710	2.5%	1%
2.	Propylene Oxide	2910 20 00	5%	2.5%
3.	Polymers Of Vinyl Chloride (PVC)	3904	10%	7.5%