

To arrest Re fall, Centre hikes import duty on 19 items; air travel, ACs to cost more

OUR BUREAU

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Air fares are set to soar after the Government announced on Wednesday that it was raising the Customs duty on aviation turbine fuel and 18 other non-essential items.

The other items include air-conditioners, refrigerators, small washing machines as well as products such as foot-

wear, tableware, suitcases, gold and silver jewellery, and semi-processed diamonds.

The higher tariff will come into effect from midnight. The Centre said that the total value of imports of these items in 2017-18 was about ₹86,000 crore (approximately \$13 billion taking the average exchange rate for the last fiscal year at ₹65 a dollar).

The decision to raise the import duty is part of the measures announced by the Government on September 14 to arrest the slide in the rupee versus the dollar. The Indian unit is the worst performer in Asia and has lost nearly 12 per cent against the dollar since January. With oil prices rising, there are also fears that the Current Account Deficit will widen.