SPECIAL PACKAGE FOR SMALL TEA GROWERS

*290. SHRI P. BHATTACHARYA
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether the Ministry has proposed or planned any special package for small tea growers of the country;
(b) if so, the details thereof;
(c) whether Government proposes new schemes to attract the youth of this country, as it is employment-generating, helps in afforestation and self-supporting;
(d) if so, the details thereof; and
(e) the different measures being taken to increase the total tea production of the country?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (e): A Statement is laid on the Table of the House.

*****
(a) & (b): The Tea Board under the Tea Development and Promotion Scheme (TDPS) is implementing special packages for the small tea growers for North East, Idukki (Kerala), Kangra (Himachal Pradesh) and Uttarakhand. In addition, Tea Board is extending financial assistance to the small tea growers for replanting, rejuvenation, pruning, irrigation, assistance to Self Help Groups (SHGs), field mechanization, assistance to Farmers’ Producers Organizations (FPOs), annual award for SHGs & FPOs, setting up of new factories by FPOs, setting up of mini factories, workshop/training, development & promotion of organic farming/organic conversion, etc.

The financial assistance provided under the special package in last two financial years is given in the following table:

<table>
<thead>
<tr>
<th>Name of the Special Package</th>
<th>2017-18</th>
<th>2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Package for North East</td>
<td>113.24</td>
<td>18.75</td>
</tr>
<tr>
<td>Special Package for Idukki District (Kerala)</td>
<td>324.34</td>
<td>37.32</td>
</tr>
<tr>
<td>Special Package For Himachal Pradesh and Uttarakhand States</td>
<td>49.13</td>
<td>89.46</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>486.71</strong></td>
<td><strong>145.53</strong></td>
</tr>
</tbody>
</table>

*Source: Tea Board*

(c) & (d): The tea Industry is a labour intensive sector. As per baseline survey conducted by the Tea Board, there are approximately 1.13 million workers engaged in tea plantation. Under the TDPS, vocational training programmes are organized for skill development and self-employment of dependents of workers. Short term training for acquiring skills like plumbing, masonry, electrical /TV repair, carpentry, construction of sanitary units, mobile banking, computer literacy etc. are also conducted.

(e): In order to increase the production of tea in the country, the Tea Development and Promotion Scheme is implemented by the Tea Board. The main activities of the Scheme, inter alia, includes replantation, rejuvenation, field mechanization, factory modernization, quality certification and workers welfare.

***********
LEVYING OF ARBITRARY DUTIES BY SHIPPING COMPANIES

*296(H). SHRI MAHESH PODDAR:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether there is no control over shipping companies, most of which are foreign companies, in operations done via containers in import-export done by India;
(b) whether Government has taken cognizance of fact that these shipping companies are charging duties arbitrarily and whether Government is taking any steps to stop this;
(c) whether any committee has been constituted to control such arbitrary levying of duty, if so, whether Government plans to adopt suggestions of that committee; and
(d) whether Government accepts the fact that there is need to keep other duties also under control like port duty in order to increase import-export?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (d): A Statement is laid on the Table of the House.
(a): Shipping companies levy charges on the import-export done in India for the services rendered by them. The said charges are market determined and the Government neither determines nor regulate them.

(b) & (c): In February 2016, a group under Directorate General of Shipping was constituted with representatives from shipping lines and other stakeholders. The group considered the issue of transparency and reasonableness of various charges levied by the shipping lines / carriers for the carriage of export-import goods. Accordingly, Directorate General of Shipping, in September 2016, issued an advisory to the shipping companies for not levying certain charges. Further, in order to improve transparency, shipping lines have started displaying on their websites, the rates of various charges levied by them.

(d): No, in view of (a).

***
WITHDRAWAL OF GSP

3073. SHRI K. R. ARJUNAN:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether it is a fact that Government was negotiating with the US on the issue of withdrawing the Generalized System of Preferences (GSP) status to Indian business houses;
(b) if so, the details thereof;
(c) whether it is also a fact that while India exported over US $50 billion or about ₹ 4 lakh crore, GSP benefits were given to an export basket worth ₹ 42,000 crore; and
(d) if so, the details thereof?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) & (b): Trade related issues are a part of any ongoing economic relationship. India has been engaged with US on this issue, as a part of our regular ongoing bilateral trade engagements.

(c) & (d): India exported goods worth $6.3 billion (as per USITC figures) to the U.S. under the GSP programme during the calendar year 2018, which was about 12.1% of India’s total exports to the U.S. in that year. The total duty concessions accruing on account were $ 240 million in 2018, which was about 3.8% of the India’s export to US in that year availing GSP benefits.

***
REMOVAL OF MEIS

3074. SHRI NARESH GUJRAL:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether it is a fact that Ministry, as per media reports, is planning to remove Merchandise Exports from India (MEIS) scheme for exports, which was introduced primarily with a view to make our labour intensive export industry more competitive; and

(b) whether it would affect our exports and lead to more unemployment in the country?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) & (b): The Government has been implementing various export promotion schemes such as Advance Authorization Scheme, Export Promotion Capital Goods Scheme, Merchandise Exports from India Scheme (MEIS) and Services Exports from India Scheme (SEIS). The Merchandise exports From India Scheme was introduced in the Foreign Trade Policy to offset infrastructural inefficiencies and associated costs involved in export of goods/products, which are produced/manufactured in India, especially those having high export intensity, employment potential thereby enhancing India’s export competitiveness. The Government undertakes regular review/reform of these schemes keeping in view the changing domestic and international situation.

*******
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 3075
TO BE ANSWERED ON 19th JULY, 2019

TAKEOVER OF TEA GARDENS IN WEST BENGAL

3075. SHRI RITABRATA BANERJEE:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether the Central Government has taken over seven tea gardens in the northern part of West Bengal, as declared;
(b) if so, the details thereof; and
(c) if not, the reasons therefor?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (c): The Central Government vide Notification S.O. 260(E) dated 28th January, 2016 authorized the Tea Board to take immediate steps as per the provisions of Chapter IIIA of the Tea Act, 1953 to take over the management or the control of seven Tea Estates, namely (i) Birpara Tea Estate, (ii) Garganda Tea Estate, (iii) Lankapara Tea Estate, (iv) Tulsipara Tea Estate, (v) Huntapara Tea Estate, (vi) Dhumchipara Tea Estate, and (vii) Demdima Tea Estate.

The process was initiated by the Tea Board for handing over the management control of the seven notified tea estates to prospective buyers. In the meantime, owners of the above seven Tea Estates, viz. M/s Duncans Industries Ltd. (DIL) and M/s Santipara Tea Co. Pvt. Ltd. (sister concern of M/s DIL) approached the Hon’ble High Court at Calcutta by way of Writ Petitions/Appeals against such action of the Central Government and the Hon’ble High Court at Calcutta vide interim order dated 20.09.2016 directed that the appellants - writ petitioners shall take over the management of all the seven tea gardens, shall pay both the current and arrear dues of the workers and shall run the gardens in a prudent businessman like manner.

**********
3076. SHRI K. C. RAMAMURTHY:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) the details of strict Country of Origin norms proposed by India in the recently concluded Regional Comprehensive Economic Partnership (RCEP) trade talks;
(b) whether it is a fact that not just RCEP, but ASEAN block is also opposing this move;
(c) if so, the reasons for such opposition; and
(d) in what manner the Ministry is planning to go ahead in this regard?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) : The Regional Comprehensive Economic Partnership (RCEP) is still under negotiation.

(b) to (d): In view of reply to (a) above, question does not arise.

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3077. SHRI MD. NADIMUL HAQUE:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) the details of Quantitative Restrictions (QRs) imposed by Government on import of certain pulses;
(b) whether additional volume has been included in the quota specified under QRs;
(c) if so, the details thereof as well as reasons therefor;
(d) whether Government is planning to extend the impositions;
(e) if so, the details thereof as well as reasons therefor; and
(f) the likely ramifications of these decisions to be faced by Government at the WTO if the impositions continue?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) Government of India has imposed quantitative restriction on import of Toor, Moong, Urad and Peas; 02 lakh MT of Toor, 1.5 lakh MT of Moong, 1.5 lakh MT of Urad and 1.5 lakh MT of Peas is allowed to be imported during the fiscal year 2019-20. In addition to this, 1.75 lakh MT of pulses is also allowed to be imported under bilateral MOU with Mozambique.

(b) & (c) Recently, an additional volume of 02 lakh MT of Toor has been allowed to be imported during the current fiscal raising the total quantity to be imported to 04 lakh MT during 2019-20. This decision was taken keeping in view a decline of 5.7 lakh MT of Toor over last year’s production as per the 2nd Advance Estimate 2018-19.

(d) & (e) No such proposal is under consideration.

(f) Whenever a member country resorts to quantitative restrictions, it affects the export interests of other producing members of WTO. Many such members have raised questions against India on this matter. Government has been defending its decision keeping in view the national interest.

****
SECTORAL EXPORT PROMOTION STRATEGY TO BOOST THE COUNTRY'S MERCHANDISE EXPORTS

3078. DR. BANDA PRAKASH:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether Ministry is working on an export promotion strategy to boost shipments of chemicals, plastics and allied products sector to push the growth of the country's overall exports;
(b) for the formulation of the strategy, whether the Ministry has constituted a subgroup to deliberate upon the issues of the sector; and
(c) the details of exports of organic, inorganic and agrochemicals, plastics and its products in the last four years including the current year?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

a) and b): Yes Sir. The Ministry has prepared export promotion strategy for industry sectors, including for the chemicals, plastics and allied products sector, in order to enhance our overall exports. The Ministry has constituted sectoral sub-groups, including for the chemicals, plastics and allied products sector, in order to deliberate upon the issues faced by the exporters and to prepare the sectoral export promotion strategy. The sectoral sub-groups include officials from the Department of Commerce and from the respective administrative and line Ministries, as well as stakeholders from Export Promotion Councils and industry sector.

c) The details of exports of organic, inorganic and agrochemicals, plastics and its products in the last four years and in the current year are as follows:

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<td>------------</td>
<td>------------</td>
<td>------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>Organic chemicals</td>
<td>4,859.52</td>
<td>4,844.39</td>
<td>7,142.33</td>
<td>9,326.32</td>
<td>2300.98</td>
</tr>
<tr>
<td>Agro chemicals</td>
<td>1,965.71</td>
<td>2,140.73</td>
<td>2,559.00</td>
<td>3,156.49</td>
<td>707.81</td>
</tr>
<tr>
<td>Inorganic chemicals</td>
<td>628.20</td>
<td>727.63</td>
<td>976.01</td>
<td>1,072.76</td>
<td>268.84</td>
</tr>
<tr>
<td>Plastics and its products</td>
<td>7,636.79</td>
<td>7,557.68</td>
<td>8,850.18</td>
<td>10,984.72</td>
<td>2048.8</td>
</tr>
</tbody>
</table>

[Data Source: DGCIS]
REDUCTION IN LOGISTICS COST

3079. SHRIMATI VIJILA SATHYANANTH
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether it is a fact that the State Governments have been asked to reduce the logistics cost to 9 per cent of GDP by 2022 from the current 14 per cent;
(b) if so, the details thereof;
(c) whether Government has received any response from the State Governments in this regard; and
(d) if so, the details thereof?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (d): There is no official estimate of logistics costs as a percentage of GDP in India. A private consulting company has estimated the logistics cost in India to be 13% of the GDP. Efficient Logistics is a key enabler for economic development. States have been sensitised on the importance of logistics. Some States have issued State Logistics Policy. India’s rank in World Bank’s Logistics Performance Index has improved to 44 in 2018 compared to 54 in 2014.
NEW NATIONAL LOGISTICS POLICY

3080. SHRIMATI VIJILA SATHYANANTH:
Will the Minister of COMMERC堃 & INDUSTRY be pleased to state:

(a) whether it is a fact that Government is considering to come out with a new National Logistics Policy;
(b) if so, the details thereof;
(c) whether it is also a fact that Government held discussions with all counterparts and States in this regard; and
(d) if so, the details of deliberations made in the meetings?

ANSWER

THE MINISTER OF COMMERC堃 AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) & (b): Yes Sir. The draft National Logistics Policy was put in public domain for stakeholder consultation. The vision of the draft policy is to drive economic growth and business competitiveness of the country through an integrated seamless, efficient, reliable, green, sustainable and cost effective logistics network, leveraging best in class technology, processes and skilled manpower.

(c) & (d): Besides Inter-Ministerial Consultation, interaction on the draft National Logistics Policy was also done with other stakeholders. Over 450 suggestions were received on the policy. The relevant suggestions have been incorporated in the draft policy.

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3081. SHRI BHUBANESWAR KALITA:
   Will the Minister of COMMERCE & INDUSTRY be pleased to state:

   (a) whether it is a fact that Pharmaceutical Export Promotion Council has been playing an
       important role in promoting Indian pharmaceutical interests overseas;
   (b) if so, the details of the products handled by the Council during the last five years; and
   (c) the extent to which the Indian pharmaceutical industries have gained and extent to which
       foreign exchange was earned during the period?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
   (SHRI PIYUSH GOYAL)

(a) & (b) : Pharmaceutical Export Promotion Council of India (Pharmexcil) was set up by the
   Ministry of Commerce & Industry in 2004 with a mandate to promote pharmaceuticals exports
   and is playing the role of a facilitator in promoting exports of Indian pharmaceutical products.
   The products handled by Pharmexcil are Bulk drugs, Drug intermediates, Drug formulations,
   Biological Products, Ayurveda, Siddha & Unani products, Herbal products, Medicinal Plants,
   Homeopathic products, Neutraceuticals & Phytochemicals and Surgical Dressings.

(c) : The Indian Pharmaceutical industry, through participation in various trade events, fairs etc.,
   has been able to enhance its presence and exports of pharmaceutical products in countries
   across the world. The value of pharma exports during the last five years is as under:

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Pharma</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharmaceuticals Exports</td>
<td>15,433</td>
<td>16,912</td>
<td>16,785</td>
<td>17,281</td>
<td>19,134</td>
</tr>
</tbody>
</table>

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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 3082
TO BE ANSWERED ON 19th JULY, 2019

DOUBLING OF EXPORTS

3082. SHRI LAL SINH VADODIA
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether it is a fact that Government is seriously considering to double the exports;
(b) if so, whether Government has taken any step in this regard, so far; and
(c) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (c): India is on the threshold of a high growth trajectory with a distinct possibility of achieving a USD 5 trillion GDP by 2024. A key driver for India to achieve the USD 5 trillion-mark sooner would be boosting exports—both merchandise and services. Thus it will be critical to provide a renewed thrust on the External sector.

Government has taken a number of steps for promoting exports. These are:

I. Improvement in “Ease of doing business” and “Trading across border” rankings

With the initiation of the following measures and interventions, India’s overall ranking in ‘ease of doing business’ has improved exponentially from 142 in 2014 to 77 in 2018.

- ‘Trading across borders’ ranking of India has also gone up from 122 in 2014 to 80 in 2018. A new five-year Foreign Trade Policy 2015-20 was announced with Trade facilitation and enhancing ease of doing business as focus areas.
- Simplification of Export Incentive Schemes and its broadening to boost exports, like MEIS and SEIS duty credit scrips have been made freely transferable.
- GST Mechanism was liberalised to boost exports.
- Revamp of Interest Equalization Scheme to support MSME’s and Merchant Exporters.
- Many steps have been taken to increase use of online platforms, make transactions paperless and reduce human intervention, e.g. Export and Import Documentation has been simplified and Self Generation of e-IEC, online auto approval of MEIS benefit.

II. Improved Logistics and Supply
India’s rank in World Bank’s Logistics Performance Index improved from 54 in 2014 to 44 in 2018.

III. Launch of Government eMarketplace (GeM) to facilitate online transparent system

- Government eMarketplace (GeM) was set up as the National Public Procurement Portal in August 2016 for facilitating completely online and transparent system for procurement of goods and services with speed, efficiency and transparency through the paperless, contact-less and cash-less platform offering end-to end solutions by Government organizations.
- In about two years of its formation, GeM is already Government’s biggest e-marketplace.

IV. Special Economic Zones (SEZs)

To enhance competitiveness of SEZs, some of the following initiatives have been taken:

- Digital Online processing platform called “SEZOnline” was introduced and integrated with ICEGATE system
- Dual use of infrastructure in the Non Processing Area (NPA)
- Mobile Application for SEZ Developers and Units has been launched by this Department on 6th January, 2017. Tracking of SEZ online transaction can be accessed through mobile phone.
- Notification has been issued permitting Legal and Accounting Services in SEZs amending rule 76 of SEZ Rules, 2006.

V. Services

- Government is giving focussed attention to 12 identified Champion Services Sectors. Nodal Ministries/Departments have been identified to prepare sectoral action plans for their respective service sectors in consultation with stakeholders and DoC.

VI. Trade Infrastructure for Export Scheme (TIES)

- Launched w.e.f FY 2017-18 to enhance export competitiveness by bridging gaps in export infrastructure and creating first and last mile connectivity.

VII. Directorate General of Trade Remedies (DGTR)

- Fully integrated DGTR created on 7.5.2018 by absorbing DGAD into DGTR, to cover all trade remedial functions under single window

VIII. Focused engagement with States for export promotion

As a result, for the year 2018-19:

I. Merchandise exports achieve new peak

- Through secular growth over the last three financial years, following the major downturn in the face of the global slowdown, merchandise exports for the year 2018-19 reached USD 330.07 Billion, the highest ever, surpassing the earlier peak of USD 314.4 Billion achieved in 2013-14. This has been achieved in a challenging global environment.

II. Total Exports (Services and Goods) Surpass Half Trillion USD for the First Time

- India’s total exports (goods and services combined) have been growing on a secular basis since 2016-17 for the last three years and have surpassed USD Half Trillion (500 Billion) mark in 2018-19, for the first time. The overall estimated exports (merchandise and services) have reached a new peak of USD 538.07 billion this year, attaining a growth of 7.91%.

All steps are being taken for export promotion and are being regularly monitored and reviewed at the highest level.
REVIEW OF PERFORMANCE OF EXPORT PROMOTION COUNCILS

3085. SHRI MOHD. ALI KHAN
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether Government reviews the performance of Export Promotion Councils periodically;
(b) if so, the details thereof; and
(c) the Export Promotion Councils presently functioning and whether there are any proposals to start new Export Promotion Councils?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) Yes Sir.

(b) Export Promotion Councils (EPCs) are industry bodies created to promote exports. The Department of Commerce regularly interacts with the Councils to identify and address interventions for promoting exports. The Management Committees of the Councils which also have nominated Representatives of the Government of India, review the performance of the EPCs. These Management Committees of the Councils facilitate interaction with the exporters and assess performance of the Councils. The review reports of performance of EPCs are laid in the Parliament on annual basis. The Foreign Trade Policy 2015-20 mandates holding of elections by electronic voting in the EPCs to ensure democratic functioning of the management.

(c) The Export Promotion Councils presently functioning under Department of Commerce are as listed below:

1. Basic Chemicals, Cosmetics & Dyes Export Promotion Council
2. Cashew Export Promotion Council of India
3. Chemical and Allied Products EPC
4. Council for Leather Exports
5. EEPC India
6. Export Promotion Council for EoUs and SEZ Units
7. Gem & Jewellery Export Promotion Council
8. Indian Oilseeds & Produce Export Promotion Council
A proposal from the Ministry of Food Processing Industries (MoFPI) for setting up of an Export Promotion Council for consumer food products, fish & meat products, and dairy products sector has been received in the Department of Commerce.

*****
MEETING OF PRIME MINISTER WITH US PRESIDENT

3086. DR. T. SUBBARAMI REDDY:
SHRIMATI AMBIKA SONI:
Will the Minister of COMMERCE & INDUSTRY be pleased to state:

(a) whether the US President and our Prime Minister held a meeting recently on the sidelines of the G-20 Summit in Osaka;
(b) if so, the details thereof;
(c) whether the issue of tariffs levied by India on American goods was also discussed; and
(d) if so, the response of Government, with details thereof?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a to d) : Prime Minister had a bilateral meeting with the President of United States on 28 June 2019 in Osaka, Japan, on the margins of the G20 Summit. Both leaders discussed bilateral and global issues, including issues related to the bilateral economic and commercial relations.

Government of India remains engaged with the U.S. to promote mutually beneficial trade relations and to address issues of each other’s interest to mutual satisfaction.

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3088. SHRI TIRUCHI SIVA:
   Will the Minister of COMMERCE & INDUSTRY be pleased to state:
   
   (a) the number of working women's hostels built in Special Economic Zones (SEZs) over the last five years, year-wise;
   
   (b) whether Government plans to improve the transportation facilities for women working in SEZs; and
   
   (c) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (c): Special Economic Zones (SEZs) being set up under the SEZ Act, 2005 and SEZ Rules, 2006 are primarily private investment driven. As per the SEZ Act, 2005 and SEZ Rules, 2006, the developer of SEZs provides infrastructure facility for their employees and units in SEZs. No working women’s hostel has been built in any SEZ over the last five years.

*****
Preventing Chinese goods from flooding the country through duty-free route

3089. Shri Sanjay Raut
Will the Minister of Commerce & Industry be pleased to state:

(a) whether Chinese garments are making their way into India through the duty-free route under the South Asia Free Trade Pact and the Duty-Free Quota-Free window from Bangladesh; and
(b) if so, Government's response thereto and the steps taken to prevent Chinese goods from flooding the country through member countries that may have lower or no duty levels?

Answer

The Minister of Commerce and Industry
(Shri Piyush Goyal)

(a) to (b): India has provided duty-free access for almost all products to all least Developed Countries (LDCs), which are members of South Asian Association for Regional Cooperation (SAARC), including Bangladesh, under the provisions of the Agreement on South Asian Free Trade Area (SAFTA). However, SAFTA prescribes certain value addition in the territory of the exporting member country before the product is eligible for concessionary duty under the agreement. Similarly, under Duty Free Tariff Preference (DFTP) Scheme, India has allowed duty-free quota-free access to almost all products from LDCs, including Bangladesh. DFTP scheme also prescribes certain value addition norms, upon fulfillment of which a product is eligible for concessionary duty under the scheme. Hence, only those third-country origin products that fulfill the value addition norms under SAFTA and DFTP scheme can avail the respective concessionary duties.

Central Board of Indirect taxes and Customs (CBIC), Ministry of Finance has, however, been requested to take necessary steps for strict verification of value addition norms relating to import of products, to ensure that no import of third-country origin products takes place through the neighbouring countries, without due compliance to the prescribed norms of value addition.

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