

First Schedule to the Customs Tariff Act, 1975 and drug intermediates generally fall within Chapter 29 of the First Schedule. While the general statutory basic duty on items covered by these Chapters is 100% advalorem, drugs generally carry an effective basic duty of 60% advalorem, and drug intermediates 70% advalorem. Auxiliary duty at the rate of 40% advalorem and additional (countervailing) duty equal to Central Excise duty are leviable in addition. However, duty on various specified drugs and drug intermediates has been reduced in consultation with the administrative Ministry concerned and notifications issued in this respect from time to time have been laid on the Table of the House with Explanatory Memoranda setting out the reasons for such exemption. As while granting exemption on drug intermediates various factors including their alternative uses, indigenous availability, consumption-factors and actual incidence of duty are taken into account, in has not been found possible to give general exemption from customs duty to all the drug intermediates imported into the country.

#### Textile Export to U.S.A.

842. SHRI C. JANGA REDDY :

DR. A.K. PATEL :

Will the Minister of TEXTILES be pleased to state :

(a) whether USA has imposed curbs on imports of textiles to that country;

(b) if so, to what extent it will be detrimental to India's textile exports to USA;

(c) nature of preparations being made for formulating the Indian position with reference to MFA (Multi-Fibre Arrangement) 1986;

(d) Indian position as reflected in negotiation with other LDCs; and

(e) how much has been Indian textile exported to USA in each of the last three years and the current year ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). No, Sir. However, a Bill has been passed in the U S. Senate on November 14, 1985 which inter-alia seeks to freeze textile imports from India and a few other countries into USA for 1985 at 1984 level and allow only an annual growth at the rate of 1 per cent instead of 6-7% as existing at present. The Bill is yet to be approved by the US President.

(c) and (d). India's stand has been formulated taking into account of our competitiveness and the views of other exporting countries. The position taken is that derogation from the normal rules of GATT inherent in the discriminatory regime of the MFA should be terminated.

(e) The value of textiles exports to USA from India during the current year and also the earlier three years is given in the following table :—

(Rs. crores)

Item	1982	1983	1984	1985 Jan.- Sept.)
Readymade Garments	138.49	225.88	291.46	285.02
Fabrics, Made-ups and Yarn of Cotton, Woolen, Synthetic and Silk.	38.10	53.53	118.83	94.75

Source : *Export Promotion Councils*

#### Check on Increase in Price of Silk Yarn at Varanasi

843. SHRI ZAINUL BASHER : Will the Minister of TEXTILES be pleased to state :

(a) whether his Ministry is aware that despite the assurance given by the Textile Minister that silk yarn prices will not be