

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:45  
ANSWERED ON:20.11.2000  
INDIGENOUS MANUFACTURERS OF MILK AND MILK PRODUCTS  
P.H. PANDIAN

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the indigenous manufacturers of milk and milk products are restricted by the new Export and Import Policy of the Government which allows free import of milk and milk products;
- (b) if so, whether Government propose to save the indigenous manufacturers of milk and milk products from the present competition due to the new Import and Export Policy of the Government; and
- (c) whether the Government have any proposal to abolish the Milk and Milk Products Order, 1992 in order to make the manufacturers of milk and milk products to face the competition?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (DR. DEBENDRA PRADHAN)

(a)&(b): The import of Skimmed Milk Powder (SMP) has been on open general licence since 1995 and not as per the new Exim Policy. When it was felt that the cheap imports at zero duty, which was the bound rate, were having an adverse effect on domestic producers of milk powder, India undertook negotiations with its trading partners under Article XXVIII of GATT to raise the bound rate of duty of milk powder which was bound at zero level in the earlier negotiations of GATT. As a result of this step, the Deptt. of Revenue issued a notification on 12th June, 2000 by which the effective rate of import duty on milk powder, skimmed as well as whole, was fixed at 60% with a global annual Tariff Rate Quota of 10,000 Metric Tonnes at 15% duty on both lines taken together.

(c): There is no proposal to abolish Milk and Milk Products Order, 1992. .