

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2134

ANSWERED ON:01.12.2000

IMPORT OF MILK PRODCUTS

GUNIPATI RAMAIAH;PUTTASWAMY GOWDA;RUDRAGOUDA PATIL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether milk and other milk products are being imported in the country;
- (b) if so, the reasons therefor;
- (c) the countries from which these products are being imported;
- (d) whether there is any compulsion for India to import these milk products even though our country has achieved white revolution; and
- (e) if so, the details of these compelling situations under which milk products are being imported?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY

(SHRI OMAR ABDULLAH)

(a) to (e) : India has been following a consistent policy for gradual removal of restrictions on imports since 1991. Tariff line- wise import policy was first announced on 31.3.1996. As on that date, import of 6161 tariff lines (at 10 digit level) out of the total number of 10202 was free. Import restrictions on 488 tariff lines were removed during the period 1.4.96 to 31.3.97. Further 391 tariff lines (at 8 digit level) were freed during the period 1.4.97 to 13.4.98 and 894 tariff lines (at 8 digit level) were freed on 1.4.99. Import restrictions on 714 tariff lines were removed on 31.3.2000. The items on which import restrictions have been removed include milk and milk products. Import of skimmed milk powder is free since 1995.

Import restrictions have been removed in line with the economic liberalization policy being followed since 1991 and also in accordance with country's commitment to multilateral trading regime.

In view of the fall in international prices of milk powder and the prevailing 0% rate of customs duty, milk and cream worth Rs.96.89 Crores was imported during the year 1999-2000, mainly from Europe and Australia. Subsequent to this, Government has successfully renegotiated the existing 0% bound rate of duty on milk powder including skimmed milk powder (as classified under Exim Code No. 0402.10 and 0402.21 of ITC(HS) Classifications of Export and Import Items 1997-2002) to 60% with a provision for allowing 10,000 MT of these products at a concessional duty rate of 15% under Article XXVIII of GATT. The imports of milk and cream during the period April-July 2000 has already come down to Rs.4.47 Crores. This increase in duty should provide necessary protection to the domestic milk producers.