GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3215
ANSWERED ON:08.12.2000
NEW EXIM POLICY H
BHAWANA GAWALI (PATIL);GANTA SRINIVASA RAO;RAMDAS ATHAWALE

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

(a) whether some State Governments have opposed the new Exim Policy;

(b) if so, the names of those States;

(c) the reasons cited by these State Governments in support of their opposition;

(d) whether the State Governments have requested the Union Government to make certain changesin the existing new Exim Policy and also suggested some changes;

(e) if so, the details thereof;

(f) whether the Government accepted the requests of State Governments and considering to makechanges in the new Exim Policy; and (g) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)
(a) to (g): Some of State Governments have expressed certain reservation regarding removalof QRs on 714 items which may affect the economy of their states. The states who have expressed these reservations include Kerala, Karnataka, Andhrapradesh , Rajasthan, Punjab, Haryana and Himachalpradesh.. 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 6161tariff 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. Thus removal of import restrictions on 714 tariff lines was nothing but a continuation of the stated policy of the government .
Import restrictions have been removed in line with the economic liberalization policy being followed since 1991 and also in accordance with the country commitments to the multilateral trading regime . Thus , the requests of the various states governments regarding re-imposition of QRs could not be considered . However, to provide protection to the domestic producers the Government can, if the situation so warrants, utilize the mechanism of raising the applied tariffs within the bound rates, if such a gap exists and take measures such as Anti-Dumping Action, imposition of Counter-vailing duties and Safeguard actions which are permissible under the WTO Agreements.
The imports are being closely monitored and the Government are determined to ensure throughthe appropriate use of the above mechanisms that imports do not cause any serious injury to the domestic producers