

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

UNSTARRED QUESTION NO:3172  
ANSWERED ON:16.08.2005  
FREE TRADE AGREEMENT  
Singh Kunwar Rewati Raman

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

- (a) whether there is any possibility of Free Trade Agreement being materialized among Asian countries;
- (b) if so, the details thereof; and
- (c) the impact on the automobile industry in the country?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI E.V.K.S. ELANGO VAN)

(a) &(b) The Government of India has signed the South Asia Free Trade Area (SAFTA) Agreement comprising SAARC members, Framework Agreement with Association of South East Asian Nations (ASEAN) on Comprehensive Economic Cooperation Agreement (CECA), Framework Agreement for Bay of Bengal Initiative Multisectoral Technical & Economic Cooperation Free Trade Agreement (BIMSTEC FTA), Bilateral CECA with Singapore, Bilateral Free Trade Agreements with Nepal, Bhutan and Sri Lanka, and is negotiating few bilateral CECA with few other Asian countries. However, at present, there is no move for entering into a single Free Trade Agreement among Asian countries.

(c) The coverage of goods and the tariff liberalization programme under various Free Trade Agreements (FTAs) are finalized after due consultation with domestic stakeholders, which includes the automobile industry in the country, so that their views and sensitivities are taken into account in the negotiations.