

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

STARRED QUESTION NO:189
ANSWERED ON:05.12.2006
FREE TRADE AGREEMENT
Owaisi Shri Asaduddin

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

- (a) whether there has been protest by plantation, agriculture and auto sectors against the Free Trade Agreements with Asian countries;
- (b) if so, the details thereof;
- (c) whether the Government has received representations in this regard;
- (d) if so, the details thereof; and
- (e) the steps taken or being taken by Government on the points raised by these industries, particularly automobile sector to save the domestic industry?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI KAMAL NATH)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.189 FOR ANSWER ON 5TH DECEMBER, 2006 REGARDING 'FREE TRADE AGREEMENT'

(a) to (e): Government have received representations from the Plantation, Agriculture and Auto sectors against Free Trade Agreements (FTAs) with Asian countries. The main concerns relate to lowering of tariffs, which may result in cheap imports in these sectors which could affect the domestic sector. Government have taken note of these representations. Inclusion of the items is done after due consultation with the relevant stake holders. With reference to the India Sri Lanka Free Trade Agreement, Government has restricted the import of pepper to 2500 MTs per annum and desiccated coconut to 500 MT per annum at a concessional duty of 30% from Sri Lanka. The auto components industry also represented against non-inclusion of certain auto components in the sensitive list as well as about inverted duty structure. These have been duly noted by the Government.