

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3107

ANSWERED ON:20.12.2004

IMPORT DUTY FREE SYSTEM

Mahato Shri Sunil Kumar;Renge Patil Shri Tukaram Ganpatrao

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

- (a) whether the food items being brought into the country by multinational companies after implementation by Government of import duty free system are affecting the Indian farmers;
- (b) if so, the details thereof and the names of food items which come under the purview of the said system;
- (c) whether the Government propose to reconsider the system; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a) to (d): Under the Duty Exemption Scheme, duty free import of inputs required for export production is permitted. These imports are permitted exclusively for use in export production and are not allowed to enter the domestic market for re-sale. Duty free import of items, including agricultural items, is also permitted under the Free Trade Agreement with Sri Lanka and under Treaty from Nepal. Representations have been received by the Government pointing out the adverse impact of duty free import of pepper from Sri Lanka and that of vanaspati from Nepal. To mitigate the adverse impact of duty free vanaspati import from Nepal, the total quantity has been limited to only 1,00,000 tonnes per annum with effect from 6.3.02. The representations regarding pepper are under consideration of the Government for suitable remedial measures, if found necessary.