

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2879

ANSWERED ON:12.12.2011

LIFTING OF QUOTA RESTRICTIONS

Bajwa Shri Partap Singh;Bapurao Shri Khatgaonkar Patil Bhaskarrao;Bhoi Shri Sanjay;Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash;Ponnam Shri Prabhakar

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government has allowed duty free import of textile items from Bangladesh and certain other countries;
- (b) if so, the details thereof alongwith the quantum of clothes imported from Bangladesh and other countries after lifting of quota restrictions, country-wise;
- (c) whether the Government had assessed the impact of opening up the free trade from various countries on domestic garment/fabric manufacturers;
- (d) if so, the details thereof alongwith the corrective steps taken by the Government to protect the interest of domestic textile industry; and
- (e) the steps taken by the Government to boost the Indian textile industries?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a) & (b): Yes, Madam. Government has, Vide Notification No. 99/2011-Customs dated 9th November,2011 allowed duty free import of textile items from the Least Developed Member countries (LDCs) of South Asia Free Trade Agreement (SAFTA) including Bangladesh, Bhutan, Maldives, Nepal and Afghanistan. It is too early to assess the volume of clothes imported from Bangladesh and other countries following the duty free import of textile items.

(c) & (d): There would be a positive impact of free trade with various countries on domestic garment / fabric manufacture as assessed at the time of signing of various free trade agreements. The exchange of tariff concessions between India and the other countries would lead to growth in bilateral trade and investment in these sectors resulting in economic benefits to India. The agreements also provides for bilateral safeguard mechanisms to address sudden surge in imports to protect the interest of domestic textile industry like concept of Negative list, imposition of safeguard duties and Rules of Origin.

(e): Government has introduced several export promotion measures in the Union Budget 2011-12 as well as through schemes of Foreign Trade Policy 2009-14, including incentives under Focus Market Scheme and Focus Product Scheme; enhancing the coverage of Market Linked Focus Product Scheme for textile products and extension of Market Linked Focus Product Scheme etc to boost the Indian textile industries.