

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

UNSTARRED QUESTION NO:570

ANSWERED ON:09.12.2013

IMPORT OF ESSENTIAL PRODUCTS H .

Jakhar Shri Badri Ram ;Pakirappa Shri S.;Singh Shri Ganesh;Tandon Shri Lal Ji

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

- (a) whether India's share in the global trade of agricultural products is very low and if so, the details thereof and the reasons therefor;
- (b) the quantum of the agricultural products and other edible items imported as well as exported, item and country-wise along with foreign exchange earned thereon during each of the last three years and the current year;
- (c) whether there has been instance of dumping of edible items, other essential items in the country and if so, the details thereof and the reasons therefor along with strategy being adopted to reduce the dependency on imported foodgrains;
- (d) whether the Government has conducted any study to assess the impact of the import of edible items on their prices in the domestic market and if so, the details thereof along with the corrective steps taken by the Government in this regard; and
- (e) whether the export of agricultural commodities has also affected the domestic supply and demand scenario and if so, the details thereof along with the steps taken to ensure proper domestic supply of these products and create a balance between their demand and supply in the domestic market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN)

(a) As per UNCOMTRADE data, India's share in global agricultural trade is 2.12% during 2012. India's share in world agricultural trade is relatively low. The small share is primarily on account of very high domestic consumption, low land holding size, low productivity, constraints of supply chain and marketing linkages as well as low level of processing. Moreover, essential commodities including foodgrains are allowed to be exported only after meeting the buffer stock and strategic reserve norms.

(b) The quantum of import and export of major agricultural products during last three years including current year upto September, 2013 for top five destinations are at Annexure-I and Annexure – II respectively.

(c) The Directorate General of Anti-Dumping & Allied Duties (DGAD) had initiated anti-dumping investigation on imports of butter oil from New Zealand on 26.11.2012. Subsequently, the application was withdrawn by the Domestic Industry and accordingly, the investigation was terminated on 17.9.2013 by DGAD.

DGAD conducts anti-dumping investigations in a time bound manner and the Central Government imposes provisional/definitive duties, whenever warranted.

(d) No specific study has been conducted to assess the total potential of export of agricultural sector in recent times. Encouraging exports is a continuous process. The Government is taking steps to encourage exports of agro products through measures and incentives under Plan schemes of the Commodity Boards and Export Promotion Councils. Besides these measures, the Ministry of Commerce & Industry has put in place various schemes namely Market Development Assistance (MDA), Market Assistance Initiative (MAI), Assistance to States for Developing Export Infrastructure and Allied Activities (ASIDE), Vishesh Krishi and Gram Upaj Yojana, Focus Product Scheme, Focus Market Scheme, Town of Export Excellence, etc. to provide assistance to encourage exports.

(e) The Government analyses data on export of agricultural commodities. Review of domestic availability/deficit/ surplus of essential agricultural commodities are done at various levels like the Empowered Group of Ministers (EGoM), Cabinet Committee on Economic Affairs (CCEA) Cabinet Committee on Prices (CCP), Committee of Secretaries (CoS) & Inter-Ministerial Group (IMG) and relevant Ministries etc. Appropriate decisions on allowing or banning/restricting exports of any particular agricultural product/commodity are taken by Government to ensure domestic supply after considering various factors including stocks of agriculture products available in the country, surplus over and above the buffer stock norm and strategic reserve requirements, if any, the concerns of food security, availability of agriculture products to common man at reasonable prices and remunerative returns to the grower and price competitiveness in the international market etc.