

**डा. रमण :** सर, 1991 की जो पालिसी है उसके संबंध में सम्माननीय सदस्या ने जानना चाहा है। मैं पूरे सम्मान के साथ यह बताना चाहूंगा कि जो पालिसी अभी चल रही है उसी पालिसी के अनुसार हमने 1991 के बाद से कदम उठाये हैं। इसका लाभ हिन्दुस्तान के दोनों क्षेत्रों, 123 क्षेत्र जो आईडेंटिफाई रीजन हैं उनको और अन्य क्षेत्रों को इसका लाभ मिल रहा है। इसमें और भी सुझाव सम्माननीय सदस्या देना चाहेंगी तो उनका स्वागत है।

**श्रीमती चन्द्रकला पांडेय :** देशी उद्योगों के लिए अब जो सीन है, उसको अब बहुत खतरा है। उसके बारे में आप क्या सोच रहे हैं ?

**डा. रमण :** आपके जो सुझाव आयेंगे, उन पर विचार किया जायेगा।

\*402. [The Questioner (Shri Shibu Soren) was absent. For answer vide Page 23 infra.]

### **Import Restrictions on Food and Allied Products**

**\*403. DR. C. NARAYANA REDDY:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether it is a fact that Government propose to lift import restrictions on food produce and allied products, including milk and milk products;

(b) Whether it is also a fact that the measure would adversely affect millions of Indian farmers; and

(c) If so, what remedial steps Government propose to take in the interest of agricultural and dairy community?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH) :** (a) to (c) A statement is laid on the table of the House.

### **STATEMENT**

Import restrictions on various items including food produce and allied products and milk and milk products are being removed as part of the import liberalisation programme of the government and also in terms of our international obligations.

However, all imports in the country are subject to applicable rates of customs duties and are also subject to domestic laws, rules, orders, regulations, technical specifications, environmental and safety norms as applicable to domestically produced goods. This should provide adequate protection to domestic farmers.

India's tariff bindings at W.T.O. for most of the agricultural items are fairly high and effective rates of customs duties can be raised to those levels, in case there is any evidence of substantial increase in imports.

In the Budget for the year 2000-2001, presented before the Parliament, import duties on many of the agricultural items, (Chapter 1 to 24) of ITs (HS) Classification of Export and Import Items, have been increased to provide further protection to domestic farmers, *e. g.* duty on rice has been increased from 0% to upto 80%, on maize from 0% to 50%, on apples from 35% to 50%.

The imports are being closely monitored and Government is determined to ensure through appropriate use of the tariff mechanism that imports do not cause any serious detriment or injury to the domestic farmers.

DR. C. NARAYANA REDDY : Mr. Chairman, Sir, at the outset, I would like to thank my stars for facilitating me to put a Starred Question for the first time.

MR. CHAIRMAN : This is done by ballot.

DR. C. NARAYANA REDDY : Sir, I share the anxiety of the hon. Members. I can understand the agony. So far my position here has been either unstarred or far starred, that is, beyond the orbit of stipulated or prescribed Question Hour time. Now I come to the main question. Sir, I have gone through the reply given by hon. Minister. Part (a) of my question is this. Is it a fact that the organized farmers of developed countries get heavy subsidy which is provided by the Organisation of Economic Cooperation and Development? If so, aren't the Indian farmers at a disadvantaged position *vis-a-vis* those organised farmers?

SHRI OMAR ABDULLAH : Sir, it is true that the E.U. has negotiated with the WTO to allow subsidies to agriculture to continue. This happened way back in 1994. But I don't believe that our agriculturists are a disadvantage on account of their subsidies because (1) our agricultural industry, our agricultural movement, is much, much older; (2) we have a well-established agricultural movement; (3) we have a much cheaper cost of production; and (4) we have a much cheaper cost of labour. As such, we don't feel that our agriculturists are being put to a disadvantage because of this. Having said that, let me clarify that if with the advent of the era of removal of quantitative

restrictions, we find that this policy of subsidy by certain other countries or certain other groups is putting our farmers to a disadvantage, we will, to the best of our extent, re-examine the policy of subsidising our farmers.

DR. C. NARAYANA REDDY : Sir, my second supplementary is this. When all the urban stores are stocked with imported milk and milk products, what will be the position of the Indian farmers and the survival of our dairy industries? I would like to know specifically from the Minister concerned, in what manner the Government will protect their interests.

SHRI OMAR ABDULLAH : Sir, as far as we know, there is no stocking up of foreign milk products in shops and markets. The removal of quantitative restrictions on some items of milk and milk products has taken place only under the new Exim Policy. The bound rates of duties on such imported products have been pegged at 60 per cent. The Government is monitoring the situation closely. If we find that there is any surge in the import of milk and milk products, we will raise these bound rates of duties; plus, there is the additional duty that is levied on account of excise and other taxes that the local manufacturers have to pay. And, in keeping with the provisions that the WTO has provided us, in terms of anti-dumping, measures, in terms of anti-surge measures and other protective measures which we can bring to bear, if we find any surge in imports, the Government will take appropriate measures, when necessary.

SHRI PRANAB MUKHERJEE : Sir, as the Hon. Minister is aware, when this Agreement was signed, the aggregate subsidies on all agricultural products, except on one item were negative in terms of international prices. But the question is not that. Recently, the Government has decided to remove the quantitative restrictions on a number of items; in all 714 items and certain other items permitted by the European Union. My question to the hon. Minister is this. As far as my recollection of the fact goes, this review could have been easily done in 2003, as per the conditions of the agreement. What prompted us to prepone the period of review? No. 2, the hon. Minister is fully aware of the fact that it was linked with the dismantling of the multi-fibre arrangement which the industrial countries have committed to. And when even this type of bilateral negotiations under the Uruguay Agreement of the WTO took place, it has always been the stand of the country that, "I am giving you concessions in these areas. What type of concessions are you going to give me in the areas in which you are committed to give?" In this connection. I would like to know what type of *quid pro quo* took place in this bilateral agreement? And the

third related question which is relevant is that once you give an additional concession to one country under this negotiation you will have to extend a similar type of concession to all the 124 or so members of the WTO, who are covered by the Most Favoured Nation status. Therefore, it will not be confined to an individual country.

SHRI OMAR ABDULLAH : Sir, this is a long-drawn question covering a number of points. The first and foremost thing which the Hon. Member has made in his supplementary is that he has made it appear as if the Government of India has been in an unnecessary haste to remove the quantitative restrictions and that we are doing things earlier than was necessary.

The hon. Member had also been a Commerce Minister, has played a much bigger role in our negotiations with the WTO than I have done. He is, therefore, aware of the fact that we were maintaining quantitative restrictions on account of the fact that we justified before the WTO that our balance of payments were adverse and, as such we were forced to maintain quantitative restrictions. The situation has now changed wherein we are now telling the world that we have a comfortable position of resources of around 35 billion US dollars. It is no longer possible for us to tell the WTO that "look, we have a bad balance of payments and we need to maintain quantitative restrictions." The hon. Member is right; actually, up till 2003, we have time to remove the quantitative restrictions but, as the hon. Member is aware, countries may take other countries through the WTO to the dispute settlement mechanism if they disagree with certain aspects. The United States of America disagreed with the time-frame that India was allowing itself to remove these quantitative restrictions; and, in this dispute settlement, unfortunately, we lost, and the time frame set was by 2001 and so because of this new time-frame set out by WTO, next year will be the last year wherein all quantitative restrictions will be phased out. Now, as far as hon. Members question as to what sort of *quid pro quo* took place, in terms of negotiations I do not have the exact information available with me right now. But I will make the information available to the member subsequently.

श्री सतीश प्रधान : सभापति महोदय, मैं यह कहना चाहता हूँ कि डब्ल्यू.टी.ओ. की वजह से और लिबलाइजेशन पॉलिसी की वजह से बहुत सारी मल्टी नेशनल कंपनियां ट्रेडिंग और रिटेलिंग में आ रही हैं जैसे कि मार्क स्पेन्सर कंपनी जिसके साथ हमारी कुछ बातचीत हो चुकी है और बताया जाता है कि एम.ओ.यू. भी साईन हो गया है। सब फार्मर्स

को आज यह डर लगता है कि दूध और दूध के अन्य उत्पादों की मार्केट में दुनिया की विभिन्न मैन्युफैक्चरिंग कंपनियां, मल्टी नेशनल कंपनियां आकर खड़ी हो जाएंगी जिनके पास ताकत होगी कि वे कम मुनाफा लेकर या बिना मुनाफा लिए लोगों को ज्यादा माल सप्लाई कर सकें। महोदय, जब सरकारी दूध उत्पादन संस्था तक दूध का दाम फार्मर्स को समय पर नहीं दे पाती है तो जब ऐसी परिस्थिति पैदा हो जाएगी तो क्या हमारे फार्मर्स उन मल्टी नेशनल कंपनियों का डटकर मुकाबला कर सकेंगे? क्या आपने ऐसा कुछ सोचा है कि उनकी फाइनेंशियल ताकत बढ़ाई जा सके? इसके लिए क्या आपने कोई योजना बनाई है? आपने क्या प्रावधान किया है, इस विषय पर हमें जानकारी दीजिए।

**SHRI OMAR ABDULLAH :** Sir, as I have already mentioned in my answer, the WTO has provided us with ample weapons on our arsenal to take care of a surge or growth in imports if we find that the situation arises. The hon. Member mentioned that, perhaps, with the removal of the restrictions on the import of milk and milk products, multinational companies or large farmers will start selling their products in our country on a no-profit no-loss basis, just to capture the market. This, Sir, will constitute a clear case of dumping, and, as per the WTO provisions, we are well within our right to take enough measures under anti-dumping rules so that we can control this. Also, Sir, as I mentioned, we have a bound rate of 60 per cent, in the case of milk and milk products. In addition to this, all the additional duties will have to be levied, which will, we are fairly confident, make imported milk and milk products uncompetative. But if we find that there is growth in imports, the Government will closely monitor the situation and I would like to re-assure the Hon. Members that the procedure of removing the quantitative restrictions has been going on since 1990.

The figure that are available to us show that the percentage growth in imports has actually fallen since we have started doing away with quantitative restrictions. Now, if the Hon. member's fear was that with the removal of QRs, we would see a surge in imports, the actual figures show this to be the opposite; with the removal of QRs, the imports are falling. Another point that I would like to mention is that the removal of QRs does not by itself stop the imports, or, earlier when we had the QRs, it did not stop the imports; imports were taking place anyway. But imports were taking place through licences, and we all know the system of licencing—the select few would take licence and would benefit from it; and the products were coming anyway. Or, the second channel that was available was that these products

would come through smuggling because, if there was a market for the product, the product would come in, whether the Government likes it or not. This way, with a higher import duty, those who want to buy will buy but the import duty will flow into the Government's coffers and that money will be made available through the exchequer to strengthen our domestic industry and domestic producers.

**श्री रमा शंकर कौशिक :** श्रीमन्, मैं आपकी अनुमति से माननीय मंत्री जी के उत्तर के संदर्भ में प्रश्न पूछना चाहता हूँ जिसके दो भाग हैं। एक तो यह है कि माननीय मंत्री जी ने कहा है कि अधिकांश कृषिजन्य मर्दों के लिए डब्ल्यू.टी.ओ. में भारत की टेरिफ सीमाएं काफी अधिक है और सीमा शुल्क की प्रभावी दरें ऊंची सीमा तक बढ़ाई जा सकती हैं, यदि आयात में पर्याप्त वृद्धि के कोई साक्ष्य मौजूद हों। माननीय मंत्री जी का कहना है कि हम सीमा शुल्क को आगे तक बढ़ा सकते हैं, जैसा कि डब्ल्यू.टी.ओ. की जो शर्त है या डब्ल्यू.टी.ओ. में जो प्रावधान हैं। उसमें हमें अनुमति मिली हुई है लेकिन इनका यह भी कहना है कि हमें साक्ष्य देने पड़ेंगे। मैं माननीय मंत्री जी से यह जानना चाहूंगा कि वे साक्ष्य कहां होंगे और किस प्रकार से हम उनको सिद्ध करेंगे? मेरे प्रश्न का यह दूसरा भाग है कि माननीय मंत्री जी को जानकारी है कि विदेशों में बहुत भारी प्रतिशत के हिसाब से अनाज के ऊपर सब्सिडी दी जाती है और तीस से लेकर सत्तर फीसदी तक सब्सिडी का प्रावधान अमेरिका में है। ऐसी स्थिति में आपके सीमा शुल्क बढ़ाने पर भी अगर उनका रेट, उनकी कीमतें हमारे देश में कम बैठेंगी तो उनके खर्च और सब्सिडी के हिसाब को देखते हुए माननीय मंत्री जी ऐसी स्थिति में क्या उपचार करेंगे, ताकि हमारे किसानों के हितों की रक्षा हो सके?

**SHRI OMAR ABDULLAH :** Sir, the Hon. Member has rightly pointed out that we are allowed, through the WTO, to raise duties on agricultural products between fifty to three hundred per cent. In keeping with this, no country can give a subsidy up to 300%. So, we will be able to match any subsidy that a country is providing to its agriculturalists, by raising our duties. We have already raised duties on products like rice and apple because we felt the removal of QRs would adversely affect our domestic producers. If a case arises whether other products also have to be considered for a higher duty because of a surge in imports, the Government will do so.

**श्री रमा शंकर कौशिक :** श्रीमन् माननीय मंत्री जी ने कहा है कि वे साक्ष्य हैं। मैं जानना चाहता हूँ कि अगर उन्होंने हमारे यहां अपनी कम्युनिटी ज्यादा भेज दी है तो ये साक्ष्य कहां देंगे और ये कैसे सिद्ध करेंगे?

SHRI OMAR ABDULLAH : Sir, the Government monitors all the imports and exports from the country. We monitor the position in the markets. As and when we feel there is an adverse quantity of imports taking place, we will take necessary action.

श्री सी.एम. इब्राहीम : महोदय, मेरी पहली विनती यह है कि इसको कम से कम हॉफ एन आवर डिस्कशन में कंवर्ट किया जाए क्योंकि यह देश के अस्सी प्रतिशत किसानों के हित का मामला है और जिस तरह से इस गंभीर मामले को सरकार को लेना चाहिए था मैं समझता हूँ कि सरकार इसको ले नहीं रही है। आपको क्या चाहिए, साक्ष्य चाहिए? कॉफी का जो तीन हजार का रेट था, वह आठ सौ रुपए हो गया है। सुपारी का अठारह हजार रुपए रेट था, आज वह बारह हजार हो गया है। चीनी, गेहूँ और चावल और आखिर में गरीब किसान की जो भैंस बची थी उसके दूध की भी यही हालत है और आप कहते हैं कि चीप लेबर है। मैं समझता हूँ माननीय मंत्री जी, यह हिन्दुस्तान के किसानों का अपमान है क्योंकि वे डालर में ले रहे हैं इसलिए उनको रेट ज्यादा मिल रहा है और हमारा गरीब किसान दो रुपए में भी अपनी जिंदगी चला रहा है, उसको देने के लिए आप कुछ देंगे? एक तरफ आपने कहा कि हम सब्सिडी देंगे। जो सब्सिडी दी थी, वित्त मंत्रीजी ने सब सब्सिडी को कट कर दिया, आप कहते हैं कि हम सब्सिडी देंगे।

इसमें क्या वित्त मंत्री की बात सही है या आपकी बात सही है, इसका मैं आपसे जवाब चाहता हूँ? 1996 में खाद के लिए हमने सात हजार करोड़ रुपए की सब्सिडी दी थी ताकि किसानों की जो राशि है वह बढ़े और उस समय 40 लाख टन अनाज की पैदावार ज्यादा हुई थी। इस समय 20 लाख टन अनाज कम हुआ है और 2015 में 320 मिलियन टन अनाज कम होने का अनुमान है। मैं जानना चाहता हूँ कि क्या इस पर भी सरकार गौर कर रही है? एक तरफ आप कहते हैं कि हम सब्सिडी देंगे और दूसरी तरफ पूरी सब्सिडी निकाल ली गई है। मैं जानना चाहता हूँ कि क्या आप सही हैं या वित्त मंत्री सही है? इसका जवाब मैं सरकार से चाहता हूँ।

SHRI OMAR ABDULLAH : Sir, firstly, the hon. Members pointed out that the prices of coffee and betelnut and other things have been falling. I would like to correct the hon. Member's information, the products mentioned by the hon. Member are still under quantitative restrictions. They are still imported only by licences. *(Interruptions)*

SHRI C.M. IBRAHIM : Coffee prices have already come down to Rs. 800/-. Rubber prices are falling down. Rubber farmers in Kerala are committing suicide. Coconut prices have gone down; prices of pepper have come down; tea prices have come down. You tell me which price the farmers are getting.

SHRI OMAR ABDULLAH : If international prices are coming down, how are we supposed to maintain the prices? You can't have one island of high prices, India, in the middle of the world. In the rest of the world prices have come down. The fact of the matter is, international prices are coming down. Sir, this question pertains to quantitative restrictions. What I said was, the items the hon. Member mentioned, betelnut, coffee and other things, all these are still being maintained under quantitative restrictions. The prices are coming down because of the global economic scenario. We are concerned about the farmers and their interests. But unfortunately . . . *(Interruptions)* Sir, can I complete my answer, please? Sir, in all these, the Government will continue to monitor the situation and we will not allow farmers to face an adverse situation, but we must also keep in mind the interests of the consumers. How long will the consumer be willing to pay higher prices to protect the domestic industry? We have to find a balance. *(Interruptions)*

SHRI C.M. IBRAHIM: We want this question to be converted into a half-an-hour discussion. Let the Prime Minister come. This question is a question affecting 80% of the country's people. We want a statement from the hon. Prime Minister. Even if you want to protect the interests of the farmers, it is not being done. We want a categorical reply from the Prime Minister because it pertains to agricultural policy. *(Interruptions)* We will not get an opportunity. Let the Prime Minister come and make a statement on this.

SHRI T.N. CHATURVEDI: He had been a Minister and he should understand this...*(Interruptions)*

SHRI C.M. IBRAHIM: We will never allow this. The whole House should join in this. There is no question of any party-politics here. The whole House should join unanimously to protect the farmers, for God's sake. Otherwise, the farmers will be ruined. Let the Prime Minister come and reply. *(Interruptions)*

SHRI T.N. CHATURVEDI: The only thing is, allow the Minister to have his say. Then you can make a request. *(Interruptions)*

SHRI C.M. IBRAHIM: It is our sincere request because the Finance Minister has removed all the subsidies. *(Interruptions)*

SHRI T.N. CHATURVEDI : No, he has not. *(Interruptions)*

SHRI C.M. IBRAHIM: Sir, the Commerce Minister says that he will give subsidy. Let the hon. Prime Minister come to this House and clarify the position. We will request you to protect the interests of the farmers.



SHRI T.N. CHATURVEDI: For a long time the hon. Member has been a Member of this House. *(Interruptions)*

श्री सी.एम. इब्राहीम : चतुर्वेदी जी आप तो चतुर्वेदी हैं। (व्यवधान) एक किसान वेद भी है। (व्यवधान)

श्री टी.एन. चतुर्वेदी : आप इसमें पार्टी पोलिटिक्स मत लाइये। (व्यवधान)

श्री सी. एम. इब्राहीम : इसमें कोई पार्टी पोलिटिक्स नहीं है। .. (व्यवधान)

MR. CHAIRMAN : Please sit down . . . You give notice for a Half-an-Hour Discussion . . . . *(Interruptions)* . . We will allow it.

SHRI C. M. IBRAHIM : Thank you, Sir. . . . *(Interruptions)* . . . Now, next question.

#### Subsidiaries for Loss Making Units of SAIL

\*404. SHRI ABANI ROY : Will the Minister of STEEL be pleased to state :

(a) whether SAIL propose to flor separate subsidiaries for its loss making units before hiving them off;

(b) if so, whether a panel has been set up for the purpose;

(c) if so, the time by which panel will submit its report to Government; and

(d) what other steps would be taken to check losses of units of SAIL?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY) : (a) to (d) A Statement is laid on the table of the House.

#### STATEMENT

(a) As part of its restructuring programme, Steel Authority of India Limited (SAIL) has identified certain units for conversion into joint ventures/subsidiaries.

(b) and (c) No panel has been set up for the purpose.

(d) Other steps taken by SAIL to check losses include financial restructuring, rightsizing of the organisation, reduction in operating costs, change in market strategy and reprioritising of capital expenditure.