

भी इस सुविधा की व्यवस्था कर दी गई है। इसमें अधिक हम और क्या कर सकते हैं, इसके बारे में हम देखेंगे और देखने के बाद ही इसमें कुछ कहा जा सकता है... (व्यवधान)...

**डा० पुरली मनोहर जोशी:** गुजरात के बारे में आपने नहीं बताया है।

**श्री शिवराज वी० पाटिल:** गुजरात के संबंध में मैं आपको बताना चाहता हूँ कि चाहे गुजरात हो या कोई दूसरी जगह हो, यह बात सही है और मेरे मन में तो यह बात बहुत खटकती है कि हमारे स्वतंत्रता संग्राम में केवल दो लाख लोगों ने ही हिस्सा नहीं लिया था, उसमें तो लाखों लोगों ने हिस्सा लिया था, लेकिन वे सभी हमारे पास नहीं आए। कई बार तो हम यह जानते भी हैं कि उनके घर में बहुत तकलीफ है, हम अपनी आंखों से यह देखते हैं और उन्हें पूछते हैं कि क्या हम इसमें कुछ कर सकते हैं, तो वे कहते हैं कि क्या हमने इसलिए स्वतंत्रता संग्राम में हिस्सा लिया था? हम आपके पास नहीं आना चाहते। उन्हें लगता है कि कुछ मांगना, उस पर स्वतंत्रता संग्राम में हिस्सा लेने के बदले में कुछ मांगना उनकी गरिमा के खिलाफ है, इसलिए बहुत से लोगों ने मांगा नहीं कुछ। हो सकता है कि गुजरात के संबंध में भी यही बात रही हो।

\*142. [The questioner (Shri Rajkumar Dhoot) was absent. For answer *vide* page 30 *infra*.]

\*143. [The questioners (Shri Raj Mohinder Singh Majitha and Shri Ravi Shankar Prasad) were absent. For answer *vide* page 31 *infra*.]

### **Threat to livelihood by FTAs**

\*144. **SHRI SITARAM YECHURY:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Free Trade Agreements entered into with different nations are threatening the livelihood of majority of population in our country;

(b) whether it is a fact that the agreements entered with Nepal and Sri Lanka are particularly inimical to the interests of agro-based industries such as vanaspati; and

(c) if so, the steps being taken by Government to protect the interests of the Indian agro-based industries?

**THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH):** (a) No, Sir.

(b) and (c) The India-Nepal treaty on Transit & Trade has been in force since 1950, and is revised from time to time; the current treaty being effective from 6th March, 2002. The India-Sri Lanka Treaty has been signed

on 28th December, 1998 and came into force with effect from 1st March, 2000. Under both these Treaties, import of vanaspati comes into India duty free. To protect the interests of Indian Vanaspati industry, there is a quota of 1 lakh MT for import from Nepal which is operated through STC. The import of vanaspati from Sri Lanka has been canalized recently.

**SHRI SITARAM YECHURY:** Sir, the Free Trade Agreement, in our opinion, is posing a great deal of burden on the people involved with agro-based production. And, we have already seen this happening to a large number of commercial crops, particularly, in the State like Kerala, which they produce. This Free Trade Agreement with Sri Lanka and Nepal is actually adversely affecting their livelihood. The question, Sir, that I have for you is that we had earlier a system called 'rules of origin', that any item produced in Sri Lanka or in Nepal, if it did not contain 50 per cent of domestic raw material and labour, you could not avail of the FTA concessions. Now, this has increased to 70 per cent, and freely imported raw material is also passed on to India as Nepalese product or a Sri Lankan product. For example, in India, the custom duty that a vanaspati producer pays is 89.6 per cent. In Nepal, for import of this vanaspati from outside, there is zero duty. In Sri Lanka also, there is zero duty on this. How do you expect our vanaspati growers to compete in such a situation? There are already reports of 18 new vanaspati factories that have been established in Nepal, after this treaty was signed, in this year, in 2006, and 10 new factories that have been established in Sri Lanka. So, we think the Government will have to seriously re-think on this issue and protect our domestic producers on this. I would like to know what the hon. Minister would have to say.

**SHRI KAMAL NATH:** Sir, the hon. Member is right that there have been reports of injury to domestic industry. Sir, I would like to say that the first real Free Trade Agreement that we entered into was with Sri Lanka. We have had with Nepal and Bhutan over the years treaty and trade, transit treaty, etc. But, our first experience was with Sri Lanka. And, there has been a learning curve in this because there are issues of duty arbitrage, as the hon. Member pointed out that there is zero duty for palm oil, for the raw material of vanaspati. It is our Indian entrepreneurs, Indian industrialists, who have gone and put up the plants there. They are not 15; there are 25 of them. In fact, there are more than 25, who, in the last one and a half years, have set up in Sri Lanka merely to take advantage of the duty arbitrage which is there. Sir, this has been taken up with them because Free Trade Agreement's intention is to enhance trade, not that there is

misuse and abuse of the facilities in this, misuse and abuse arising out of duty arbitrage and, especially, when there is circumvention of 'rules of origin'. Sir, the 'rules of origin' are already there in the Agreement. Now, in our continuing dialogue, even yesterday, which was held between India and Sri Lanka, we are evaluating all this in the light of the experience gained over the last 2-3 years. There is a question sometimes brought to our notice, not only in this, it happened in the case of copper; we have found it in the case of pepper, hon. Member is right. So, holistically, after the experience that we have gained in the last 2-3-4 years, as our first experience in FTAs, in trade agreements, we are evaluating this. Where 'rules of origin' is concerned, yes, we are tightening our 'rules of origin'. First, there is a change of classification. This is not just a question of value added. You know, value added can be on packing also. If you take the price increase, if you take the profit margin, that will be value added. But, there is going to be a transformation of the product. That means, change in classification of it; at what digit level. All these matters are being gone into. And, yes, I do agree with the hon. Member, this is an areas which requires to be gone into and needs to be really addressed in an effective manner.

SHRI SITARAM YECHURY: I am glad that the hon. Minister says that there should be a further discussion on this. I hope that all of us are consulted in the process and we draw up proper rules. My second supplementary, Sir, deals with the fact that now these Free Trade Agreements are also being considered for a large number of countries of the ASEAN. Has the ASEAN FTA been finalised? If so, I would like to know also because there is a system where you have a certain negative list. With Thailand, I believe, 82 items are being kept in the negative list to protect our domestic producers. Surely, the Free Trade Agreements cannot lead to a shift of production away from our country into that country. I mean, you are encouraging trade but production is shifting, which completely adversely affects our investments

Investment is going out, our tax revenues will fall: all these implications are there. Therefore, what is the FTA that is being finalised with ASEAN? I hope the Government is keeping all this in mind because already, as I said, lakhs of people who are producing these commercial crops are facing ruination in States like Kerala. You will have to keep this in mind. We would like the Minister's assurance on it. And what are the guidelines?

SHRI KAMAL NATH: Sir, the hon. Member is right. We are discussing it, and we have been discussing it for the last two years with ASEAN. The

Framework Agreement with ASEAN was signed on 8th October 2003, and we are now in 2006. We have not been able to conclude the Agreement, though there is a Framework Agreement. It is only because — "What should be the negative list?" We gave a negative list which was not acceptable to ASEAN. Now, the question is whether India should engage in a Trade Agreement with the entire ASEAN group. We are a large country in the East Asia and in this period of engagement, especially in the region which is very essential, we are now looking at which are the products where we cannot allow imports under the Trade Agreement which will cause injury. Sir, injury is basically maybe to our local farmers or to our local industry. Also, there is a question of revenue. Because some of these products bring in large revenue. But if we are not going to allow, it cuts both ways. On the one hand, there is a possibility of investment moving there, if we do it. On the other hand, there is also a possibility of investment moving there, if we don't do it. So, it is just not a question of looking at it from one point of view. We have not been able to do it. I must tell the hon. Member categorically, we are unable to arrive at convergence with ASEAN in the ASEAN Free Trade Agreement. We are continuing negotiations because there is one contentious issue, which is palm oil. In case of both Indonesia and Malaysia, Palm oil constitutes a high percentage of their exports to India. If we want to reduce our tariffs in that, there will be a problem from revenue angle — okay, we can bypass, we can leave aside the revenue aspect — then there is the issue of domestic prices. Sir, we have seen that when we reduce our tariffs, the benefit does not go to the consumer. The supplier there increases the prices, so, the landed price becomes the same to the person concerned. All these aspects are being considered very carefully.

श्री राहुल बजाज: सभापति महोदय, आपका बहुत-बहुत धन्यवाद। मैं पहली बार इस हाउस में कुछ बोल रहा हूँ और अपनी मेडन स्पीच के लिए मौका ढूँढ़ रहा हूँ। ... (व्यवधान) ... मेडन क्वेश्चन तो है ही। श्री कमल नाथ जी ने जो बात कही है, वह बात ठीक है। सभापति जी, यह ताज्जुब की बात है कि मेरे जैसा एक छोटा बिजनेसमैन श्री सीताराम जी जैसे इतने सीनियर सीपीएम के लीडर से काफी सहमत हैं। आज देखिए डब्ल्यूटीओ के डिस्कशन करीब-करीब बंद हो गये हैं। यूऍस, ईऍस थोड़ा कोशिश कर रही है, लेकिन मुझे लगता नहीं है कि दो-चार साल में कुछ आसानी से हो जायेगा। वे लोग जो चाहते हैं, वह करते हैं। उन्हें डेवलपिंग कंट्रीज के बारे में जितना देखना चाहिए उतना बिल्कुल नहीं देखते हैं, वे खुद का देखते हैं, खुद की इंडस्ट्री, खुद के एग्रीकल्चर को देखते हैं। श्री कमल नाथ जी जानते हैं कि कुछ सालों पहले मैं बहुत चीजों के लिए बदनाम हो चुका था, बोम्बे क्लब के नाम से बदनाम हो गया था कि मैं प्रोटेक्शनिस्ट हूँ। मैं

प्रोटेक्शनिस्ट नहीं हूँ, मैं लिबरलाइजेशन चाहता हूँ, मैं ग्लोबलाइजेशन चाहता हूँ, लेकिन देश का भला तो देखना पड़ेगा। कमल नाथ जी, आज एफटीए करके, चाहे एग्रीकल्चर बोलिए, चाहे इंडस्ट्री बोलिए, चाहे सर्विसेज बोलिए। सीताराम जी ठीक बोलते हैं। ... (व्यवधान)...

एक माननीय सदस्य: सर, वह क्वेश्चन पूछ रहे हैं या स्पीच दे रहे हैं?

श्री सभापति: आज क्वेश्चन करिए।

श्री राहुल बजाज: सभापति महोदय, मुझे सुनने में आया है कि यूपीए की चेयरमैन ने इनको मैसेज दिया है और इसलिए हम जरा बचे हुए हैं। आप आसियान से जो भी ट्रेड एग्रीमेंट करें, वह सोच-समझकर करें। सभापति जी, यह बहुत महत्व की बात है इसलिए इस पर एक शार्ट इयुरेशन डिस्कशन भी होना चाहिए।

श्री कमल नाथ: सभापति महोदय, आज यह अच्छी बात सामने आई है कि कितना परिवर्तन देश में हो रहा है कि उद्योगपति सदन में आकर के सीताराम येचुरी जी की भाषा बोलने लग जाते हैं। ... (व्यवधान)...

डा० मुरली मनोहर जोशी: सभापति महादेय, सीताराम येचुरी जी उद्योगपति की भाषा बोल रहे हैं। ... (व्यवधान)...

श्री सीताराम येचुरी: सभापति महोदय, यह अच्छी बात है कि मंत्री जी ने कहा कि उद्योगपति हमारी भाषा बोल रहे हैं, लेकिन जोशी साहब का यह कहना कि हम उद्योगपति की भाषा बोल रहे हैं, इस तरह की डिस्कशन मत कराइएगा। ... (व्यवधान)...

श्री सभापति: कोई किसी तरह की भाषा नहीं बोल सकता। आपमें दोनों में बहुत अंतर है। ... (व्यवधान)...

श्रीमती वृंदा कारत: इससे ज्यादा खुशी की बात और क्या हो सकती है कि जोशी जी भी सीताराम जी की भाषा बोल रहे हैं। ... (व्यवधान)...

श्री सीताराम येचुरी: इससे ज्यादा खुशी और कोई नहीं है कि जोशी जी भी हमारी बात बोलने लगे हैं। ... (व्यवधान)...

डा० मुरली मनोहर जोशी: मैं तो उनसे भी पहले से वह बात बोल रहा हूँ जो आजकल आप बोल रहे हैं।

श्री सभापति: दोनों बोल रहे हैं, अब मुझे बोलने दीजिए। ... (व्यवधान)...

श्री अमर सिंह: ये लोग तो हर दफा आपका नाम लेते हैं, सीताराम, सीताराम, ... (व्यवधान)...

श्री सीताराम येचुरी: वह इसलिए सर, कि मैं हर वक्त कहता हूँ कि राम इधर है। ... (व्यवधान) ... पूरे में किसी का नाम राम है ... (व्यवधान) ... राम तो यहां है, वहां पर थोड़ा ही है। ... (व्यवधान)...

डा० मुरली मनोहर जोशी: यह बात समझने की है ... (व्यवधान)...

श्री कमल नाथ: सर, मुझे इस बात की खुशी है कि मेरे जवाब पर तीन अलग-अलग भाग एक हो गए। सर, जो सावधानी है, वही कारण है कि पिछले दो साल में कोई समझौता नहीं हुआ है। हमारी पार्टी में इस पर चर्चा हुई है और माननीय सदस्य अगर इसका जिक्र करें कि कांग्रेस अध्यक्ष ने इसमें कुछ सुझाव दिए हैं तो मैं कहना चाहता हूँ कि कांग्रेस अध्यक्ष समय-समय पर बहुत सारे अच्छे सुझाव हमें देती रहती हैं, इसमें कोई शक नहीं है। परन्तु पिछले दो साल से इस पर चर्चा - कई दफा मैंने भी कई फोरम में आसियान के देशों से चर्चा की है, इस महीने के आखिर में भी आसियान से चर्चा है और इसमें पूरी सावधानी बरती जाएगी तथा जो शक और संकोच माननीय सदस्य का है, वह पूरी तरह ध्यान में रखा जाएगा।

### Ban on SIMI

\*145. SHRI S. S. AHLUWALIA:††  
SHRI MANGANI LAL MANDAL.

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether a ban has been imposed on the Students Islamic Movement of India (SIMI) as unlawful organization;

(b) if so, the details thereof, including the year-wise details of the number of its activists taken into custody, prosecuted, convicted and/or acquitted since imposition of the ban;

(c) whether, despite the ban the activists of SIMI have been allowed to carry on its activities in various States;

(d) if so, the details thereof;

(e) the details as to the nature of alert, if any, decimated from intelligence agencies about involvement of SIMI activists in perpetration of unlawful acts; and

(f) the action taken in the light thereof?

THE MINISTER OF HOME AFFAIRS (SHRI SHIVRAJ V. PATIL): (a) Yes, Sir.

(b) State Governments and NCT of Delhi have indicated that 179 cases registered against the SIMI are at different stages in the Courts.

(c) and (d) No, Sir. However, their clandestine activities are continuing.

---

††The question was actually asked on the floor of the House by Shri S. S. Ahluwalia.