

(d) the incentives proposed to be provided/being provided to the exporters of such garments; and

(e) the other steps being taken by the Union Government to boost the export of readymade garments?

THE MINISTER FOR TEXTILES (SHRI G. VENKAT SWAMY): (a) and (b). As a result of the Indo-EC Textile agreement signed on 31.12.1994, all restrictions on our exports of handloom and cottage industry products to the European Union countries have been removed. Over and above the existing flexibilities, exceptional flexibility of 7000 tonnes has also been provided. These measures are expected to improve the export prospects of our handloom and readymade garments to the European Union countries.

(c) State-wise export figures are not maintained.

(d) and (e). In order to step up the exports of garments, Government have taken a number of steps, which include encouraging exporters to participate in buyer-sellers meets, fairs and exhibitions; enabling import of capital goods at concessional duty for export production; special arrangements for duty-free import of raw materials for export production; ensuring increased availability of export credit etc.

[Translation]

Export Incentives

*175. SHRI PANKAJ CHOWDHARY:
SHRI BRIJ BHUSHAN SHARAN SINGH:

Will the minister of COMMERCE be pleased to state:

(a) whether the Government have received a number of complaints regarding misuse of export incentives by exporters;

(b) if so, the details thereof;

(c) whether the Government have investigated these complaints;

(d) if so, the outcome thereof; and

(e) the steps proposed to be taken by the Government to check the misuse of export incentives by exporters in future?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (e). Some complaints have been received relating to misuse of export incentives such as Cash Compensatory Support (CCS), Replenishment (REP) Licences, Exim Scrips, International Price Reimbursement Scheme (IPRS), Drawback on physical & deemed exports, etc. It has been alleged in these complaints that such incentives were availed of or attempted to be availed of on the basis of misdeclaration, forged documents and suppression of material facts. All such complaints are investigated and penal action such as debarment, imposition of fiscal penalty and suspension of Importer-Exporter Code are taken under the relevant statutory provisions. Some cases are also referred to the CBI for prosecution. These steps are considered adequate to deal with any misuse of incentives by the exporters.

[English]

World Trade Organisation

*176. SHRI CHITTA BASU: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have since joined the World Trade Organisation;

(b) the conditions required to be fulfilled to secure entry into the WTO as one of the founder members;

(c) the manner in which the conditions were fulfilled;

(d) whether the entry will help India to ensure the success of the new economic reforms; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (e). Article XI of the Agreement Establishing the World Trade Organisation (WTO) provides that "Contracting Parties to GATT 1947 as of the date of entry into force of this Agreement and the European Communities, which accept this Agreement and the Multilateral Trade Agreements and for which Schedules of Concessions and Commitments are annexed to GATT 1994 and for which Schedules of Specific Commitments are annexed to GATS shall become original Members of the WTO".

As India was a Contracting Party to GATT 1947 and ratified the Agreement Establishing the WTO, alongwith the Multilateral trade agreements, schedules of concessions and commitments by the date of entry into force of the WTO Agreement, India became a founding member.

Membership of the WTO would ensure that the process of globalisation of India's economy takes place in the context of a rule based multilateral trading system which provides for stability, predictability and non-discrimination in international trade. Besides strengthening the multilateral trading system, by enlarging world wide market access for goods and services the Uruguay Round results are expected to considerably enlarge the volume of world trade thereby creating employment, increasing incomes and raising the standards of living generally. India expects to be able to expand its exports of goods and services substantially, taking advantage of tariff reductions, phasing out of quantitative restrictions, reduction in export-subsidies, etc., by members of the WTO in accordance with WTO Agreements.

Cotton and Cotton Yarn

*177. SHRI V. SREENIVASA PRASAD:
SHRI MAHESH KANODIA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the prices of cotton and cotton yarn in the country have increased alarmingly during the past few months;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Government propose to supply cotton and cotton yarn to handloom sector at subsidised rates;

(d) if so, the details thereof; and

(e) the other steps being taken to check the rise in prices and hoarding of cotton?