

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:761

ANSWERED ON:25.07.2003

WTO RULING

BRAHMANAND MANDAL;KAMBALAPADU E. KRISHNAMURTHY;RAMJI LAL SUMAN;SUSHIL KUMAR INDORA;T.M. SELVAGANAPATHI

Will the Minister of TEXTILES be pleased to state:

- (a) whether India has lost a major textile dispute vis-À-vis the United States at the World Trade Organisation;
- (b) if so, the details thereof;
- (c) to what extent India has suffered a loss;
- (d) whether the Government of India are planning again to appeal against the panel's ruling; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL (YATNAL))

(a) Yes, Sir.

(b)&(c) The panel established by the Dispute Settlement Body (DSB) has decided against India in the case titled `United States-Rules of Origin for Textiles and Apparel Products`. The unilateral changes in the US Rules of Origin are applicable from 1996 and, therefore, there are no new effects from the panel ruling. At that time, the changes did affect India's grey cotton fabrics exports to countries such as Sri Lanka which used them for processing and exports to US.

(d) & (e) The Government has decided not to appeal against the DSB panel ruling.