

GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA

UNSTARRED QUESTION NO.3390  
ANSWERED ON:28.08.2004  
IMPORT OF AGRICULTURAL PRODUCTS  
Panda Shri Prabodh

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

- (a) whether the Government have allowed import of agricultural products from certain countries by reducing the rate of import duty;
- (b) if so, the reasons therefor;
- (c) the details of agricultural items on which import duty has been reduced and the names of countries to whom this facility has been given;
- (d) the extent to which import of agricultural products has increased as a result thereof; and
- (e) the impact of such imports on the prices of domestic agricultural products?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI V.K.S. ELANGO/AN)

(a) to (e): The Government has allowed import of agricultural products on a preferential basis under Free Trade Agreements (FTAs) and Preferential Trading Arrangements (PTAs) with the following countries/regions:-

(i) India Sri Lanka Free Trade Agreement which was signed on 28th December, 1998 and the implementation began in March, 2000. India allows duty free access to all agricultural items under the India-Sri Lanka FTA except for items in the Negative List. The import of tea is allowed into India from Sri Lanka under Tariff Rate Quotas at a preferential duty of 7.5% for 15 million kgs annually. The agricultural items in the Negative List of items under the India-Sri Lanka FTA is at Annex 4.

(ii) India also has bilateral trade treaties with Nepal and Bhutan, under which duty free imports are allowed, from these two countries on the principles of non-reciprocity.

(iii) India has also exchanged tariff preferences under the SAARC Preferential Trading Arrangement (SAPTA).

(iv) India has also granted tariff preferences under Bangkok Agreement, a PTA, of which Bangladesh, China, India, Republic of Korea and Sri Lanka are members.

(v) India has entered into a PTA with Afghanistan in the year 2003 under which tariff concessions on agricultural items are being exchanged on a non-reciprocal basis.

India has also finalised some agricultural items under the Early Harvest Programme under the Framework Agreements with ASEAN (Association of South East Asian Nations comprising Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam) and Thailand on which tariff preferences will be available.

The list of agricultural products on which India is granting concessions under SAPTA, Bangkok Agreement, India - Afghanistan Preferential Trade Agreement and Framework Agreements with ASEAN and Thailand is at Annex 4.

As per the estimates the import of agricultural products has increased by 18.4% during 2003-04.

Department of Agriculture and Co-operation has received a number of representations pointing out the adverse impact of duty free import of certain agricultural products from Sri Lanka.

Annex 4

Negative List under India Sri Lanka FTA (No concessions on these items)

HS CODE DESCRIPTION

08.01 0801.11 Coconut desiccated  
0801.19 Coconut, other  
12.01 1203 Cocoa  
12.01 1201 Sugar (except oil and its fractions) crude  
22.01 2201 Beer made from malt  
22.04 Wine of fresh grapes, including fortified wines; grape must other than that of heading No. 20.09

2204.1 Sparkling wine  
Other wine; Grape must with fermentation prevented or arrested by the addition of alcohol

2204.21 In containers holding 2L or less  
2204.29 Other  
2204.9 Other grape must

22.05 Vermouth and other wine of fresh grapes (flavoured with plants aromatic substances)

2205.1 In containers holding 2L or less  
2205.9 Other

22.06 2206 Other fermented beverages (for example, cider, berry (hard) drinks or fermented beverages and non-alcoholic beverages, not elsewhere specified or included.

22.07 Undenatured ethyl alcohol of an alcoholic strength by volume of 80 vol or higher, ethyl alcohol and other spirits, denatured, of any strength

2207.1 Undenatured ethyl alcohol of an alcoholic strength by volume of 80 vol or higher.

2207.2 Ethyl alcohol and other spirits, denatured, of any strength.

22.08 Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 vol; spirits, liqueurs and other spirituous beverages

2208.3 Spirits obtained by distilling grape wine or grape marc  
2208.4 Whiskies  
2208.5 Rum and raki  
2208.6 Gin and Geneva  
2208.7 Vodka  
2208.9 Liqueurs and cordials

Annex-11

Concessions granted by India under SACSC Preferential Trading Arrangement (SAPTA)

S.No. HS Code Description Extent of concession to Member Countries (Bhutan and Sri Lanka)

Extent of concession to LDCs (Bangladesh, Bhutan, Maldives and Nepal)

1 0601.10 Fresh 25%  
2 0601.90 Other 25%  
4 0704.10 Other 15%  
4 0704.12 Peas 10%  
4 0704.20 Beans 10%  
4 0704.90 Other leguminous vegetables 10%  
8 0713.10 Peas 10%  
8 0713.20 Chick Peas (garbanzo) 10%

9 0713.30 Beans of the species Vigna  
Pigeon or Vigna radiata 10%

10 0713.20 Small red (adzuki) beans 15%  
11 0713.13 Kidney beans (incl. White pea beans) 10%  
12 0713.10 Other 10%  
15 0713.10 Lentils 10%  
15 0713.10 Broad beans and other Beans 10%  
15 0713.90 Other 10%  
16 0801.10 Pistachios 10%  
17 0802.20 Other 50%  
18 0802.02 Almonds 50%  
19 0804.10 Dates 20%  
20 0804.20 Figs 20%  
21 0804.30 Pineapples 40%  
22 0804.30 Pineapples 70%  
24 0805.10 Guavas 10%  
25 0805.20 Mandarins 70%  
26 0805.30 Lemons 20%  
27 0805.40 Other Citrus Fruits 20%  
28 0806.10 Guavas fresh 10%  
28 0806.20 Guavas dried 10%  
30 0811.10 Raisins/dried 10%  
31 0807.20 Papaya 20%  
32 0807.10 Apples, fresh 10%  
33 0810.90 Jack Fruit 40%  
34 0810.90 Other 70%  
35 0811.90 Other 15%  
36 0812.10 Apples 10%  
36 0812.20 Apples 20%  
38 0813.40 Pine nuts 10%  
39 0804.11 Macadamia nut ground 15%  
40 0804.12 Crushed or ground 15%

41 0904.20 Fruits of the genus Capsicum or 15%  
of the genus Pimenta, dried or crushed or ground

42 0906.10 Nuts/crushed nut ground 15%  
43 0906.20 Crushed or ground 15%  
44 0907.00 Cloves (whole, crushed, stems and stems) 90%  
45 0908.10 Mustard 50%  
46 0908.20 Mustard 50%  
47 0910.10 Turmeric 15%  
48 0904.10 Turmeric (curcuma) 15%  
49 0907.90 Curry 15%

50 0910.91 Nutmeg referred to in Note 1 (b) 15%  
to this Chapter

51 0910.93 Other 15%  
52 1102.20 Flakes, granules and pellets 15%  
53 24.1100.20 Coconut shell powder 10%

54 1109.30 Seeds of herbaceous plants cultivated principally for their fibres 10%

55 1211.10 Liqueur roots 10%

56 1211.90 Plants and parts of plants used for perfumery, pharmacy or for insecticides, fungicides or similar purposes 10%

58 1301.90 Leaf 15%  
58 1301.90 Raisin-Gum 15%  
59 1302.10 Fat and (including lard) and poultry fat, other than that of heading No. 02.09 or 02.01. 50%  
60 1302.20 Fats of bovine animals, sheep or goats, other than those of heading No. 02.07. 50%  
61 1302.30 Lard (tallow), lard oil, tallow-kernel, tallow-kernel and tallow oil, not manufactured or used or obtainable prepared. 50%  
62 1304.10 Fish-liver oils and their fractions 50%  
63 1304.20 Fats and oils and their fractions, of fish, other than liver oils 50%  
64 1304.30 Fats and oils and their fractions, of marine mammals 50%  
65 1305.10 Wool grease, crude 50%  
65 1305.20 Wool grease, refined 50%  
66 1306.20 Other animal fats and oils and their fractions, whether or not refined, but not chemically modified. 50%  
68 1401.10 Crude silk, whether or not degummed 50%  
69 1401.90 Other 50%  
70 1402.90 Crude silk 50%

