

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:1814  
ANSWERED ON:07.03.2006  
DUMPING OF GOODS AFTER FREE TRADE AGREEMENT  
Nayak Shri Ananta

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

- (a) whether several countries such as Philippines, Malaysia, China, Indonesia and Taiwan, after entering into Free Trade Agreement, are using Thailand as a preferred destination to dump their products in India;
- (b) if so, the details thereof and the reaction of the Government in this regard;
- (c) the names of countries with whom Free Trade Agreement has so far been signed by the Government Agreement alongwith the percentage of imports increased consequent of these Agreements; and
- (d) the steps taken by the Government to check dumping of such products and protect Indian Industries?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI JAIRAM RAMESH)

(a) Rules of Origin devised under the India-Thailand Framework Agreement require that goods to qualify for imports at preferential duty should be produced or manufactured in India or in Thailand. No incident of dumping of products under preferential duty from Philippines, Malaysia, China, Indonesia and Taiwan through Thailand has been brought to the notice of the Government.

(b) Does not arise.

(c) India has a Free Trade Agreement (FTA) with Sri Lanka, an Agreement on Trade and Commerce with Bhutan and a Comprehensive Economic Cooperation Agreement (CECA) with Singapore. Framework Agreement for India-Thailand FTA allows imports of 82 products from Thailand at preferential tariff under the Early Harvest Scheme (EHS). Bilateral trade depends on a variety of factors which inter alia include agreements such as FTAs, infrastructure, trade with other countries etc. An abstract of data on imports from Bhutan, Sri Lanka, Singapore and Thailand as growth %age over the previous year is indicated below:

Year 2003-04 2004-05

Bhutan	62.8	-4.26
Sri Lanka	114.41	87.05
Singapore	45.34	23.82
Thailand	60.70	36.85

(Source: DGCI&S)

(d) Provisions to take trade defence measures are provided in the Free Trade Agreements which would allow India to take anti-dumping actions in cases where dumping of goods take place or initiate safeguard actions where surge in imports due to preference in duty causes injury or threatens to cause injury to the domestic industry.