

**PARLIAMENT OF INDIA**  
**RAJYA SABHA**

**DEPARTMENT-RELATED PARLIAMENTARY STANDING  
COMMITTEE ON COMMERCE**

**Forty – Ninth  
REPORT  
ON  
FOREIGN TRADE (DEVELOPMENT & REGULATION) AMENDMENT BILL, 2001**

*(PRESENTED TO THE RAJYA SABHA ON THE 8<sup>th</sup> MARCH, 2002)*  
*(LAID ON THE TABLE OF THE LOK SABHA ON THE 8<sup>th</sup> MARCH, 2002)*

RAJYA SABHA SECRETARIAT  
NEW DELHI  
MARCH, 2002/ PHALGUNA, 1923 (SAKA)

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**COMPOSITION OF THE DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON  
COMMERCE**

**(Constituted on 1<sup>st</sup> January, 2001)**

1. Shri Sikander Bakht - Chairman

**RAJYA SABHA**

2. Shri Ananta Sethi
3. Shri K.M. Khan

4. Shri Dilip Singh Judev
5. Shri Lekhraj Bachani
6. Shri Sanjay Nirupam
7. Sardar Balwinder Singh Bhunder
8. Shri Nilotpal Basu
9. Shri Prem Chand Gupta
10. Shri J. Chitharanjan
11. Dr. Swami Sakshi Ji Maharaj
12. Shri V.P. Duraisamy
13. Shri M.J. Varkey Mattathil
14. Dr. Arun Kumar Sarma
15. Shri N.K. Premachandran

### **LOK SABHA**

16. Begum Noor Bano
17. Shri Surender Singh Barwala
18. Shri Girdhari Lal Bhargava
19. Shri Ashok Kumar Singh Chandel
20. Shri Nand Kumar Singh Chauhan
21. Shri P.S. Gadhavi
22. Shri Pusp Jain
23. Shri Ramesh C. Jigajinagi
24. Shri N.N. Krishnadas
25. Dr. M. Jagannath
26. Shri A.F. Golam Osmani
27. Shri Atmaram Bhai Patel
28. Shri Deepak Patel
29. Shri Dinsha Patel
30. Shri Bhaskarrao Patil
31. Shri Danve Raosahib Patil
32. Shri C.P. Radhakrishnan
33. Shri H.G. Ramulu
34. Shri Y. V. Rao
35. Shri Pradeep Rawat
36. Shri Vijay Sankeshwar

37. Shri Shashi Kumar
38. Kunwar Akhilesh Singh
39. Shri Radha Mohan Singh
40. Shri Kirit Somaiya
41. Shri M.K. Subba
42. Shri Tarit Baran Topdar
43. Shri Ramakant Yadav

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## **COMPOSITION OF THE DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON COMMERCE**

**(Constituted on 1<sup>st</sup> January, 2002)**

1. Shri Sikander Bakht - Chairman

### **Rajya Sabha**

2. Shri Ananta Sethi
3. Shri Banarsi Das Gupta
4. Shri K.M. Khan
5. Shri Dilip Singh Judev
6. Shri C.O. Poullose
7. Shri J. Chitharanjan
8. Shri Sukhbir Singh
9. Shri Ghanshyam Chandra Kharwar
10. Shri Korambayil Ahammed Haji
11. Shri N.K. Premachandran
12. Shri Dilip Ray

### **LOK SABHA**

13. Shri Radha Mohan Singh
14. Shri Deepak C. Patel
15. Shri Nand Kumar Singh Chauhan
16. Shri Pradeep Rawat
17. Shri Danve Raosaheb Patil
18. Shri Girdhari Lal Bhargava
19. Shri Pusp Jain
20. Shri C.P. Radhakrishnan
21. Shri Atmaram Bhai Patel
22. Shri Gurcharan Singh Galib
23. Shri M.K. Subba
24. Shri V.S. Sivakumar
25. Shri Balbir Singh
26. Shri H.G. Ramulu
27. Shri Dinsha Patel
28. Shri N.N. Krishnadas
29. Shri Tarit Baran Topdar
30. Dr. D.V.G. Shankar Rao
31. Shri Y. V. Rao
32. Shri Rizwan Zahir Khan
33. Shri Saroj Tufani
34. Shri Ramakant Yadav
35. Shri Shivaji Vithalrao Kamble
36. Shri Jai Bhadra Singh
37. Shri Mahendra Baitha
38. Shri Ramchandra Paswan
39. Smt. Kanti Singh
40. Shri Joachim Baxla

### **SECRETARIAT**

Shri Satish Kumar, Additional Secretary  
Shri Surinder Kumar Watts, Deputy Secretary  
Shri M.K. Khan, Under Secretary

Shri D.K. Mishra, Committee Officer  
Shri Virender Singh Griwan, Research Officer

## REPORT

I, the Chairman of the Department-related Parliamentary Standing Committee on Commerce, having been authorised by the Committee to present the Report on its behalf, present this Forty-ninth report of the Committee.

2. In pursuance of the rules relating to Department-related Parliamentary Standing Committees, the Chairman, Rajya Sabha, in consultation with the Speaker, Lok Sabha, referred the Foreign Trade (Development and Regulation) Amendment Bill, 2001, as introduced in the Rajya Sabha on the 24<sup>th</sup> April, 2001 and pending in that House, to the Committee for examination and report.

3. The Committee, at its sitting held on the 21<sup>st</sup> May, 2001, considered the information on the subject received from the Department of Commerce and also heard a presentation by the Director General of Foreign Trade and decided that a press communiqué, inviting memoranda from various individuals, organisations and institutions, interested in the subject matter of the Bill, may be issued. Accordingly, the press communiqué was issued on the 22<sup>nd</sup> May, 2001 (Appendix-I). Besides, the State Governments/Union Territory Administrations were also requested to send their views on the subject.

4. Twenty memoranda containing the views, comments and suggestions on various provisions and aspects of the Bill were received by the Committee from different individuals, organisations and associations. Besides, nine States and three Union Territory Administrations sent their views, for considerations by the Committee (Appendix-II).

5. At its sittings held on the 31<sup>st</sup> May, 1<sup>st</sup>, 26<sup>th</sup> and 27<sup>th</sup> June, 2001, the Committee heard the views of the representatives of Federation of Indian Export Organisations (FIEO); Associated Chamber of Commerce and Industry (ASSOCHAM); Delhi Exporters Association; Confederation of Indian Industries (CII); PHD Chamber of Commerce and Industry; Federation of Indian Micro and Small and Medium Enterprises; Society of Indian Automobile Manufacturers and Association for UPS and Power Conditioning Systems Manufacturers, on various provisions of the Bill (Appendix III).

6. The Committee, at its sitting held on the 19<sup>th</sup> November, 2001 undertook clause-by-clause consideration of the Bill.

7. The Committee, at its sitting held on the 18<sup>th</sup> February 2002 considered and adopted the draft Report.

8. Though World Trade Organisation (WTO) stands for liberal trade, yet it provides for corrective/remedial measures which a member country can resort to in an urgent situation, to protect its domestic production from foreign competition. Under Article XXIX of GATT 1994, the Member countries are free to suspend any obligation incurred by them if imports of product (s) into their territory cause or threaten to cause serious injury to the domestic producers of the like or directly competitive articles. Such restrictions should normally be applied on Most Favoured Nation (MFN) basis to imports from all sources. The Agreement on Safeguards permits restrictions on imports, in the form of either increase in tariffs or imposition of Quantitative Restrictions (QRs) or a combination of the two, with a more liberal dispensation for such imports from the developing countries. The Bill seeks to amend Foreign Trade (Development and Regulation) Act, 1992, to enable the Union Government to take corrective steps, through imposing quantitative restrictions on imports, by way of emergency action, in accordance with the Agreement on Safeguards. It also seeks to empower the Union Government to make rules to provide for the manner in which articles liable for import restrictions may be identified; for the manner in which the causes of serious injury or causes of threat of serious injury in relation to such articles may be determined and for the manner in which import restrictions may be imposed. The Agreement on Safeguards contains a provision for application of safeguard measures for eight years. However, a special arrangement has been made for the developing countries to extend this measure up to ten years. The provisions of Agreement on Safeguards are temporary in nature in as much as application of safeguard measures is subject to the condition that the affected domestic industry has taken steps towards adjustment.

9.1 The Committee suggest a change in clause 2 of the Bill. This clause empowers the Central Government to impose quantitative restrictions, by insertion of a new Chapter III A in the Principal Act. Sub-Clause 4 of this clause defines some terms and phrases used in the Bill. Sub-Clause 4(a) states that “developing country” means a country notified by the Central Government in the official Gazette. The Committee was informed that presently the developing countries were listed in the

Customs Tariff Act. For the sake of uniformity, the same list may be adopted for the purpose of this Bill also. The notification on the developing countries would be issued at the time of framing rules. The Members were of the view that such definition should be based on certain considerations of national requirement. The Committee, therefore, recommend that the term 'developing country' may be defined as under: -

“developing country” means a country as may be notified by the Central Government in the Official Gazette for the purposes of this section.

9.2 Similarly, sub-clause 4(c) of clause 2 defines the term “serious injury”. The Committee was informed that definition of the serious injury included in the Bill was as per the provisions of the WTO Agreement on Safeguards. The determination of serious injury to the domestic industry was to be carried out, taking into consideration all the relevant factors of an objective and quantifiable nature, having a bearing on the situation of that industry. The rate and amount of increase in imports of the concerned product(s) in absolute and relative term, share of the domestic market taken by increased imports, changes in the level of sales, productivity, capacity utilization, profit and losses and employment had to be taken into consideration for deciding serious injury. These criteria would be laid down and incorporated in the statutory rules to be promulgated after passing of the Bill. The Committee recommend that definition of the 'serious injury' should be broad based, precise and clear so as to avoid damage to the domestic industry.

#### Clause 1, the Enacting Formula and the Title

10. Clause 1, Enacting Formula and the Title of the Bill were adopted with some changes which were of consequential or drafting nature, namely, '2001 and 'Fifty-second' to be substituted by '2002' and 'Fifty-third, respectively.

11. The Committee recommend that the Bill, as reported by it, be passed.

SIKANDER BAKHT

NEW DELHI  
February 28, 2002

Chairman,  
Department related Parliamentary  
Standing Committee on Commerce

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**BILLS INTRODUCED IN THE RAJYA SABHA**  
**24 APR 2001**  
**Bill No. XXXVI of 2001**

1. THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) AMENDMENT BILL, 2001

A  
BILL

to amend the Foreign Trade (Development and Regulation) Act, 1992.

Be it enacted by Parliament in the Fifty-second Year of the Republic of India as follows:

1. (1) This Act may be called the Foreign Trade (Development and Regulation )  
Amendment Act, 2001

Short title and  
Commence-  
ment.

(2) It shall come into force on such date as the Central Government may, by  
notification, appoint.

22 of 1992 2. In the Foreign Trade (Development and Regulation) Act, 1992 (hereinafter referred to as  
the principal Act), after Chapter III, the following Chapter shall be inserted, namely:- Insertion of new  
Chapter IIIA.

### 'CHAPTER IIIA

#### Quantitative Restrictions

9A. (1) If the Central Government, after conducting such enquiry as it  
deems  
fit, is satisfied that any article is imported into India in such increased  
quantities  
and under such conditions so as to cause or threaten to cause serious injury  
to  
domestic industry, then, it may, by notification in the Official Gazette, impose  
such quantitative restrictions on the import of such articles as it may deem  
fit:

Power of  
Central  
Government to  
impose  
quantitative  
restrictions

Provided that no such quantitative restrictions shall be imposed on an  
article  
originating from a developing country so long as the share of imports of  
that article  
from that country does not exceed three per cent. Or where that article  
originates from  
more than one developing countries, then, so long as the aggregate of  
the imports  
from all such countries taken together does not exceed nine per cent. of  
the total  
imports of that article into India.

(2) The quantitative restrictions imposed under this section shall, unless  
revoked  
earlier, cease to have effect on the expiry of four years from the date of such imposition:

Provided that if the Central Government is of the opinion that the  
domestic  
industry has taken measures to adjust to such injury or threat thereof and it is  
necessary  
that the quantitative restrictions should continue to be imposed to prevent  
such injury  
or threat and to facilitate the adjustments, it may extend the period of such imposition:

Provided further that in no case the quantitative restrictions shall  
continue to  
be imposed beyond a period of ten years from the date on which such  
restrictions  
were first imposed.

(3) The Central Government may, by rules provide for the manner in which articles, the import of which shall be subject to quantitative restrictions under this section, may be identified and the manner in which the causes of serious injury or causes of threat of serious injury in relation to such articles may be determined.

(4) For the purposes of this section,-

(a) "developing country" means a country notified by the Central

Government in the Official Gazette for the purposes of this section;

(b) "domestic industry" means the producers—

(i) as a whole of the like article or a directly competitive article in India; or

(ii) whose collective output of the like articles or a directly competitive article in India constitutes a major share of the total production of the said article in India;

(c) "serious injury" means an injury causing significant overall impairment in the position of a domestic industry;

(d) "threat of serious injury" means a clear and imminent danger of serious injury.'

Amendment of Section 19 3. In section 19 of the principal Act,—

(i) in sub-section (2), after clause (e), the following clause shall be inserted, namely:-

"(ea) the manner in which articles, the import of which shall be subject to quantitative restrictions, may be identified and the manner in which the causes of serious injury or causes of threat of serious injury in relation to such articles may be determined under subsection (3) of section 9A;"

(ii) in sub-section (3),—

(A) for the words "Every rule and every Order made", the words "Every notification issued, every rule and every Order made" shall be substituted;

(B) for the words "the rule" wherever they occur, the words "the

notification or the rule" shall be substituted.

### STATEMENT OF OBJECTS AND REASONS

The Foreign Trade (Development and Regulation) Act, 1992 was enacted to provide for the development and regulation of foreign trade in the overall context of the new trade policy aimed at increasing productivity and competitiveness and achieving a strong export performance. As part of the new liberalized economic policy and with a view to fulfilling international obligations, India continues to remove quantitative restrictions on imports.

2. The Agreement on Safeguards enables member countries to impose quantitative restrictions by way of emergency action, if imports of such articles are in such increased quantities as to cause or threaten to cause serious injury to domestic producers of like or directly competitive articles, with a more liberal dispensation for such imports from the developing countries.

3. It is, therefore, considered necessary to amend the Foreign Trade (Development and Regulation) Act to enable the Government to impose such quantitative restrictions on imports in accordance with the Agreement on Safeguards. It is also necessary to empower the Union Government to make rules to provide for the manner in which articles liable for import restrictions may be identified and for the manner in which the causes of serious injury or causes of threat of serious injury in relation to such articles may be determined and for the manner in which import restrictions may be imposed.

4. The Bill seeks to achieve these objectives.

New DELHI  
The 8th March, 2001.

MURASOLI MARAN.

### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 3 of the Bill seeks to amend section 19 of the principal Act empowering the Central Government to make rules for the purposes of the Act. Such rules may provide, inter alia, the manner in which the articles, import for which shall be subject to quantitative restrictions may be identified and the manner in which the causes of serious injury in relation to such articles may be determined under sub-section (3) of section 9A.

2. The matters in respect of which rules may be made by the Central Government are matters of administrative detail or procedure. The delegation of legislative power is, therefore, of a normal character.

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### APPENDICES

#### Appendix-I

(Vide para 3 of the report)

#### Press Communique

The Foreign Trade (Development and Regulation) Amendment Bill, 2001, introduced in the Rajya Sabha on the 24<sup>th</sup> April, 2001, has been referred to the Department-related Parliamentary Standing Committee on Commerce, with Shri Sikander Bakht, Member, Rajya Sabha, as its Chairman, for examination and report.

2. In pursuance of the new liberalized economic policy and with a view to fulfilling international obligations, India continues to remove quantitative restrictions on imports.

3. The Agreement on Safeguards enables member-countries to impose quantitative restrictions by way of emergency action, if imports of such articles are in such increased quantities as to cause or threaten to cause serious injury to domestic

producers of like or directly competitive articles, with a more liberal dispensation for such imports from the developing countries. The present Bill, therefore, seeks to amend Foreign Trade (Development and Regulation) Act, 1992, to enable the Union Government to take corrective steps through imposing quantitative restrictions on imports by way of emergency action, in accordance with the Agreement on Safeguards.

3.1 The proposed Bill further seeks to empower the Union Government to make rules to provide for the manner in which articles liable for import restrictions may be identified and for the manner in which the causes of serious injury or causes of threat of serious injury in relation to such articles may be determined and for the manner in which import restrictions may be imposed.

4. The Standing Committee, at its sitting held on the 21<sup>st</sup> May, 2001, decided to invite views/suggestions on the provisions of the Bill from State Governments/Union Territory Administrations and individuals, institutions and organisations, engaged in import/export of articles and/or interested in / having knowledge of the subject-matter of the Bill, and to hear oral evidence. The individuals, institutions and organisations may send copies of memoranda containing their suggestions on the Bill, latest by the 15<sup>th</sup> June, 2001, indicating whether they would also be interested in giving oral evidence before the Committee, to Shri Surinder Kumar Watts, Deputy Secretary, Rajya Sabha Secretariat, Room No. 007, Ground Floor, Parliament House Annexe, New Delhi. Copies of the Bill, which was published in the Gazette of India (Extraordinary) Part-II dated 24<sup>th</sup> April, 2001, can be had on a request made in writing to the above mentioned officer.

5. The text of the Bill is also available on the official website of the Rajya Sabha Secretariat at <http://rajyasabha.nic.in>

NEW DELHI  
22<sup>nd</sup> May, 2001.

**APPENDIX-II**  
**(Vide para 5 of the Report)**

**LIST OF INDIVIDUALS/ORGANISATIONS WHO TENDERED ORAL EVIDENCE**

Sr. No.	Name of Witnesses	Date of hearing
1.	Representatives of the Directorate General of Foreign Trade  Shri N.L. Lakhanpal, Director General of Foreign Trade Dr. V.S. Sheshadri, Joint Secretary, (TPD), Department of Commerce Shri L.B. Singhal, Joint Director General of Foreign Trade Shri O.P. Hisaria, Deputy Director General of Foreign Trade	21.5.2001
2.	Confederation of Indian Industry  Shri K.K. Jain, President Shri Ashok Kumar, Deputy Director General Shri Anand P. Seth, Joint Director	31.5.2001
3.	Representatives of Associations/Organisations  The Associated Chambers of Commerce and Industry of India  Shri Vineet Virmani Dr. Disha Banerjee	1.6.2001
4.	Delhi Exporters Association	

Shri S.P. Aggarwal  
 Shri V.C. Jain  
 Shri Subodh Jain  
 Shri V.S. Goel  
 Shri S. Rakyan  
 Shri Anil Verma  
 Shri Takht Ram Ji

1.6.2001

## 5. Confederation of Indian Industries (CII)

Mr. Dadi E. Mistri, Member Small Scale Council  
 Mr. S. Sen, Deputy Director General  
 Mr. N.B. Mathur, Advisor

26.6.2001

## 6. PHD Chamber of Commerce and Industry

Mr. K.N. Memani, Chairman, Foreign Trade & Investment Promotion Committee,  
 PHDCCI  
 Mr. Pradeep Bhagat, Co-chairman, Foreign Trade & Investment Promotion Committee,  
 PHDCCI  
 Mr. Sri Nath, Member, PHDCCI  
 Dr. B.P. Dhaka, Secretary General (Designate), PHDCCI  
 Ms. Shabnam Pareek, Additional Secretary, PHDCCI

26.6.2001

## 7. Federation of Indian Micro and Small &amp; Medium Enterprises

Shri Neeraj Kedia, Chairman, Agro Food Committee  
 Shri Anil Bhardwaj, Secretary-General

27.6.2001

## 8. Society of Indian Automobile Manufacturers

Mr. Hanumantha Charya, Corporate Economist, Hero Honda Motors  
 Mr. Pankaj Gupta, Director, SIAM  
 Mr. Sugato Sen, Executive Officer, SIAM

27.6.2001

## 9. Association for UPS and Power Conditioning System Manufacturers

Mr. Sanjay Agrawal, President  
 Mr. Ashok Mazumdar, Executive Director

27.6.2001

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**APPENDIX-III**

**(Vide para 4 of the Report)**

**LIST OF ORGANISATIONS / INDIVIDUALS FROM WHOM MEMORANDA WERE RECEIVED**

1. Confederation of Export Units, East Patel Nagar,  
New Delhi-110008.
2. The Associated Chambers of Commerce and Industry
3. Shri Sushil Gupta,  
Mittal Tower "C" 16<sup>th</sup> Floor,  
Nariman Point,

Mumbai-21.

4. Shri H.M.G. Murthy,  
4, Parijat Society Diwalipura,  
Baroda - 390 015.

5. Shri Ashik Mazumdar, Executive Director  
Association of UPS & Power Conditioning Systems Manufacturer  
D-10/2, Okhla Industrial Area, Phase-II, New Delhi-20

6. Shri Ravi Mehra, Vasant Building,  
Juhu, Mumbai.

7. Shri S.P. Paramasivaiah,  
B.Sc., LL.B., D.J.  
Advocate & Hon. Arbitrator SOMPURA,  
Koratagere Taluk, Tumkur District Karnataka. India  
Pin-572 121.

8. Shri M.A. Dar, Mandir Bagh, Srinagar (J&K) 190001

9. Shri Shankar T. Bhide, Yashwantrao Chavan,  
Pratishthan, Pune, Pune Office.

10. Shri Imran Ansari, Handloom Carpet Industries  
Manufactures & Exporters of Handloom,  
Woollen Carpets. Novmahal, Golconda Fort,  
Hyderabad-500008.

11. Shri Bikas Kr Singh, Asstt. Secretary,  
Federation of Indian Chamber of Commerce and Industry,  
Federation House, Tansen Marg,  
New Delhi-110 001.

12. Dr. Jayati Ghosh,  
Poorvanchal, JNU,  
New Delhi.

13. Shri L.N. Batra, Secretary General, AIDA  
All India Bistillers' Association, 805,  
Siddharth 99, Nehru Place,  
New Delhi-110019.

14. Shri S. Balaraman, Parliament of India Activist,  
No.7, Nallikeswarar Koil,  
North St. Chennai-600001.

15. PHD Chamber of Commerce and Industry PHD House,  
Opp Asian Games Village, New Delhi-110016.  
Ph: 6863801.

16. Shri Pankaj Kumar Yadav,

Vill. Malghara, P.O. Chandadil,  
The Punliya, Distt. Banka, Bihar-813105.

17. Dr. I.R. Bhattacharjee

18. Shri M. Viswakumari, Additional Secretary,  
Government of Kerala, Industries (E) Department,  
Thiruvananthapuram.

19. Shri H.L. Malik,  
Jt. Director of Industries (PC),  
Office of the Commissioner of Industries,  
Government of National Capital Territory of Delhi,  
C.P.O. Building, Kashmere Gate,  
Delhi.

20. Shri Dinesh Singhal, President,  
Federation of Indian Micro and Small & Medium Enterprises,  
B-4/161, Safdarjung Enclave,  
New Delhi-110029.

21. Shri Anwarul Hoda

22. Shri B.S. Patil, Principal Secretary to Government of Karnataka,  
Secretariat-2, Room No.347, 3<sup>rd</sup> Floor, 3<sup>rd</sup> Stage,  
Multi-Storeyed Building, Dr. Ambedkar Road,  
Bangalore-560001.

23. Shri Anoop Mishra, IAS  
Secretary,  
Industrial Development Department,  
Government of U.P.,  
Secretariat Annexe, Lucknow 226001 U.P.)

24. Shri Krishan Kumar, Advocate Supreme Court,  
New Delhi

25. Shri J.P. Dange, Secretary (Trade, Commerce & Mining)  
Government of Maharashtra, Mantralaya, Mumbai.

26. Shri K.C. Badu, Additional Secretary to Government of Orissa

27. Shri Sonika Singh, General Manager (DIC) Daman,  
Administration of Daman & Diu, Department of Industries,  
District Industries Centre, Daman.

28. Director of Industries, Government of Haryana.

29. Shri P.M. Emmanuel, Under Secretary,  
Government of Pondicherry.

30. Shri S.C. Negi, CommissionerCum-Secretary to the Government of Himachal Pradesh Shimla.

31. Shri Charles D' Souza, Joint Secretary to the Government of Goa, Panjim.

32. Shri Sobhana Desai, Deputy Secretary to Government of Gujarat, Gandhinagar.

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**MINUTES**  
**\*VI**  
**SIXTH MEETING**

The Department-related Parliamentary Standing Committee on Commerce met at 11.00 a.m. on Monday, the 21<sup>st</sup> May, 2001, in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

**PRESENT**

1. Shri Sikander Bakht — Chairman

**Rajya Sabha**

- 
- 2 Shri Ananta Sethi
  - 3 Shri K.M. Khan
  - 4 Shri Dilip Singh Judev
  - 5 Shri Lekhraj Bachani
  - 6 Shri Sanjay Nirupam
  - 7 Sardar Balwinder Singh Bhunder
  - 8 Shri Prem Chand Gupta
  - 9 Sjri J. Chitharanjan
  - 10 Shri N.K. Premachandran

**LOK SABHA**

- 
11. Shri Girdhari Lal Bhargava
  12. Shri P.S. Gadhavi
  13. Shri Pusp Jain
  14. Shri A.F. Golam Osmani
  15. Shri Deepak Patel
  16. Shri Dinsha Patel
  17. Shri Shashi Kumar
  18. Shri Kirit Somaiya
  19. Shri Tarit Baran Topdar

**WITNESSES**

Representatives of the Directorate General of Foreign Trade

Shri N.L. Lakhnupal, Director General of Foreign Trade

Dr. V.S. Sheshadri, Joint Secretary, (TPD), Department of Commerce  
Shri L.B. Singhal, Joint Director General of Foreign Trade  
Shri O.P. Hisaria, Deputy Director General of Foreign Trade

\* Minutes of the 1<sup>st</sup> to 5<sup>th</sup> meetings of the Committee relate to other matters.

## SECRETARIAT

Shri Satish Kumar, Additional Secretary  
Shri Surinder Kumar Watts, Deputy Secretary  
Shri M.K. Khan, Under Secretary  
Shri Virender Singh Griwan, Research Officer

2. The Committee heard a presentation by the Director General, Foreign Trade on various provisions of the Foreign Trade (Development and Regulation) Amendment Bill, 2001. Members sought some clarifications, which were replied to by the DGFT.

A verbatim record of the proceedings of the meeting was kept.

3. The Committee, thereafter, decided that a press release may be issued by the Secretariat, inviting views/suggestions on the provisions of the Bill from State Governments/union Territory Administrations and individuals, institutions and organisations, engaged in import/export of articles and / or interested in/having knowledge of the subject-matter of the Bill, by the 15<sup>th</sup> June, 2001.

4. The Chairman requested members to suggest names of witnesses who may be invited before the Committee for oral evidence, as well the material on the Bill, which may be obtained from the Ministry.

5. The Committee decided to meet again on Thursday, the 31<sup>st</sup> May, and Friday, the 1<sup>st</sup> June, 2001.

6. The Committee adjourned at 12.45 p.m.

## VII

### SEVENTH MEETING

The Department-related Parliamentary Standing Committee on Commerce met at 3.00 p.m. on Thursday, the 31<sup>st</sup> May, 2001, in Committee Room 'A', Ground Floor, Parliament House Annexe, New Delhi.

## PRESENT

1. Shri Sikander Bakht — Chairman

## RAJYA SABHA

2. Shri Ananta Sethi
3. Shri Lekhraj Bachani
4. Shri Sanjay Nirupam
5. Sardar Balwinder Singh Bhunder
6. Shri Prem Chand Gupta
7. Shri J. Chitharanjan
8. Dr. Swami Sakshi Ji Maharaj
9. Dr. Arun Kumar Sarma

## **LOK SABHA**

10. Shri G.L. Bhargava
11. Shri P.S. Gadhavi
12. Shri Ramesh C. Jigajinagi
13. Dr. M. Jagannath
14. Shri Atmaram Bhai Patel
15. Shri Deepak Patel
16. Shri Dinsha Patel
17. Shri Danve Raosahib Patil
18. Shri Y.V. Rao
19. Shri Shashi Kumar

### WITNESSES

#### Confederation of Indian Industry

Shri K.K. Jain, President  
Shri Ashok Kumar, Deputy Director General  
Shri Anand P. Seth, Joint Director  
SECRETARIAT

Shri Satish Kumar, Additional Secretary  
Shri Surinder Kumar Watts, Deputy Secretary  
Shri D.K. Mishra, Committee Officer  
Shri Virender Singh Griwan, Research Officer

2. The Committee heard the views of the above-mentioned witnesses on the Foreign Trade (Development and Regulation) Amendment Bill, 2001. Members raised some queries, which were replied to by the witnesses.

A verbatim record of the proceedings was kept.

3. The Committee adjourned at 3.40 p.m. to meet again on Friday, the 1<sup>st</sup> June, 2001.

## **VIII**

### **EIGHTH MEETING**

The Department-related Parliamentary Standing Committee on Commerce met at 11.00 a.m. on Friday, the 1<sup>st</sup> June, 2001, in Committee Room 'A', Ground Floor, Parliament House Annexe, New Delhi.

#### PRESENT

1. Shri Sikander Bakht — Chairman

## **Rajya Sabha**

2. Shri Ananta Sethi
3. Shri K.M. Khan
4. Shri Lekhraj Bachani
5. Shri Sanjay Nirupam
6. Sardar Balwinder Singh Bhunder
7. Shri Nilotpall Basu

8. Shri Prem Chand Gupta
9. Shri J. Chitharanjan
10. Dr. Swami Sakshi Ji Maharaj
11. Shri M.J. Varkey Mattathil
12. Shri N.K. Premachandran

## LOK SABHA

13. Shri Nand Kumar Singh Chauhan
14. Shri Ramesh C. Jigajinagi
15. Dr. M. Jagannath
16. Shri Atmaram Bhai Patel
17. Shri Deepak Patel
18. Shri Dinsha Patel
19. Shri Y.V. Rao
20. Kunwar Akhilesh Singh
21. Shri Kirit Somaiya
22. Shri Tarit Baran Topdar

## WITNESSES

### Representatives of Associations/Organisations

- (I) The Associated Chambers of Commerce and Industry of India

Shri Vineet Virmani

Dr. Disha Banerjee

- (II) Delhi Exporters Association

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Shri S.P. Aggarwal  
Shri V.C. Jain  
Shri Subodh Jain  
Shri V.S. Goel  
Shri S. Rakyan  
Shri Anil Verma  
Shri Takht Ram Ji

## SECRETARIAT

Shri Satish Kumar, Additional Secretary  
Shri Surinder Kumar Watts, Deputy Secretary  
Shri D.K. Mishra, Committee Officer  
Shri Virender Singh Griwan, Research Officer

2. The Committee heard the views of the above-mentioned witnesses on the Foreign Trade (Development and Regulation) Amendment Bill, 2001. Members raised some queries, which were replied to by the witnesses.

A verbatim record of the proceedings was kept.

3. The Committee adjourned at 12.48 p.m.

## IX NINTH MEETING

The Department-related Parliamentary Standing Committee on Commerce met at 3.00 p.m. on Tuesday, the 26<sup>th</sup> June, 2001, in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

### PRESENT

1. Shri Sikander Bakht — Chairman

### **Rajya Sabha**

2. Shri Ananta Sethi
3. Shri K.M. Khan
4. Shri Lekhraj Bachani
5. Shri Prem Chand Gupta
6. Shri J. Chitharanjan
7. Shri V.P. Duraisamy
8. Shri M.J. Varkey Mattathil
9. Dr. Arun Kumar Sarma
10. Shri N.K. Premachandran

### **LOK SABHA**

11. Shri Girdhari Lal Bhargava
12. Shri P.S. Gadhavi
13. Shri Ramesh C. Jigajinagi
14. Shri Dinsha Patel
15. Shri Kirit Somaiya
16. Shri Tarit Baran Topdar
17. Shri Ramakant Yadav

### WITNESSES

#### Representatives of Associations/Organisations

- I. Confederation of Indian Industries (CII)

Mr. Dadi E. Mistri, Member Small Scale Council  
Mr. S. Sen, Deputy Director General  
Mr. N.B. Mathur, Advisor  
Shri T.S. Vishwanath, Consultant, Int. Trade

- II. PHD Chamber of Commerce and Industry

Mr. K.N. Memani, Chairman, Foreign Trade & Investment Promotion Committee, PHDCCI  
Mr. Pradeep Bhagat, Co-chairman, Foreign Trade & Investment Promotion Committee, PHDCCI

Mr. Sri Nath, Member, PHDCCI  
Dr. B.P. Dhaka, Secretary General (Designate), PHDCCI  
Ms. Shabnam Pareek, Additional Secretary, PHDCCI

SECRETARIAT

Shri Satish Kumar, Additional Secretary  
Shri Surinder Kumar Watts, Deputy Secretary  
Shri Virender Singh Griwan, Research Officer

2. The Committee heard the views of the above-mentioned witnesses on the Foreign Trade (Development and Regulation) Amendment Bill, 2001. Members raised some queries, which were replied to by the witnesses.

A verbatim record of proceedings of the meeting was kept.

3. The Committee adjourned at 4.45 p.m.

X

TENTH MEETING

The Department-related Parliamentary Standing Committee on Commerce met at 11.00 a.m. on Wednesday, the 27<sup>th</sup> June, 2001, in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

1. Shri Sikander Bakht — Chairman

**Rajya Sabha**

2. Shri Ananta Sethi
3. Shri K.M. Khan
4. Shri Lekhraj Bachani
5. Shri Sanjay Nirupam
6. Shri Nilotpal Basu
7. Shri Prem Chand Gupta
8. Shri V.P. Duraisamy
9. Shri N.K. Premachandran

**LOK SABHA**

10. Shri Girdhari Lal Bhargava
11. Shri P.S. Gadhavi
12. Shri Ramesh C. Jigajinagi
13. Shri A.F. Golam Osmani
14. Shri Dinsha Patel
15. Shri Tarit Baran Topdar
16. Shri Ramakant Yadav

WITNESSES

## Representatives of Associations/Organisations

### I. Federation of Indian Micro and Small & Medium Enterprises

Shri Neeraj Kedia, Chairman, Agro Food Committee  
Shri Anil Bhardwaj, Secretary-General

### II. Society of Indian Automobile Manufacturers

Mr. Hanumantha Charya, Corporate Economist, Hero Honda Motors  
Mr. Pankaj Gupta, Director, SIAM  
Mr. Sugato Sen, Executive Officer, SIAM

### III. Association for UPS and Power Conditioning System Manufacturers

Mr. Sanjay Agrawal, President  
Mr. Ashok Mazumdar, Executive Director

#### SECRETARIAT

Shri Surinder Kumar Watts, Deputy Secretary  
Shri Virender Singh Griwan, Research Officer

2. The Committee heard the views of the above-mentioned witnesses on the Foreign Trade (Development and Regulation) Amendment Bill, 2001. Members raised some queries, which were replied to by the witnesses.

A verbatim record of proceedings of the meeting was kept.

3. The Committee adjourned at 12.50 p.m.

## \*XII

### TWELFTH MEETING

The Department-related Parliamentary Standing Committee on Commerce met at 3.00 p.m. on Monday, the 19<sup>th</sup> November, 2001, in Room '63', First Floor, Parliament House, New Delhi.

#### PRESENT

1. Shri Sikander Bakht — Chairman

#### **Rajya Sabha**

2. Shri Ananta Sethi
3. Shri K.M. Khan
4. Shri Lekhraj Bachani
5. Shri Prem Chand Gupta
6. Shri M.J. Varkey Mattathil
7. Shri N.K. Premachandran

#### **LOK SABHA**

8. Shri Girdhari Lal Bhargava
9. Shri P.S. Gadhavi
10. Shri Ramesh C. Jigajinagi
11. Shri Atmaram Bhai Patel
12. Shri Y.V. Rao
13. Shri Shashi Kumar
14. Shri Radha Mohan Singh
15. Shri Ramurti Singh Verma

## SECRETARIAT

Shri Satish Kumar, Additional Secretary  
Shri Surinder Kumar Watts, Deputy Secretary  
Shri M.K. Khan, Under Secretary  
Shri D.K. Mishra, Committee Officer  
Shri Virender Singh Griwan, Research Officer

2. XXX XXX XXX

3. The Committee then took up Clause-by-Clause consideration of the Foreign Trade (Development and Regulation) Amendment Bill, 2001.

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\* Minutes of the 11<sup>th</sup> meeting of the Committee pertain to other matters.

XXX Relates to other matters.

4. Clause 2

Sub clause 4(a):

Page 2: line 21, the words 'as may be' were inserted before 'notified'.

Clause 3

The clause was adopted without any change.

5. The Committee adjourned at 3.30 p.m.

## \*III

### THIRD MEETING

The Department-related Parliamentary Standing Committee on Commerce met at 3.00 p.m. on Monday, the 28<sup>th</sup> February, 2002, in Room No. '63', First Floor, Parliament House, New Delhi.

#### PRESENT

1. Shri Sikander Bakht — Chairman

#### **Rajya Sabha**

2. Shri Ananta Sethi
3. Shri K.M. Khan
4. Shri C.O. Poulouse
5. Shri J. Chitharanjan

#### **LOK SABHA**

6. Shri Girdhari Lal Bhargava

7. Shri Pusp Jain
8. Shri C.P. Radhakrishnan
9. Shri V.S. Sivakumar
10. Shri Tarit Baran Topdar
11. Shri Dr. D.V.G. Shankar Rao
12. Shri Y.V. Rao
13. Shri Mahendra Baitha
14. Smt. Kanti Singh
15. Shri Joachim Baxla

#### SECRETARIAT

Shri Satish Kumar, Additional Secretary  
Shri Surinder Kumar Watts, Deputy Secretary  
Shri M.K. Khan, Under Secretary  
Shri D.K. Mishra, Committee Officer  
Shri Virender Singh Griwan, Research officer

2. The Committee resumed clause-by-clause consideration of the Foreign Trade (Development and Regulation) Amendment Bill, 2001.

#### 4. "Clause 1, the Enacting Formula and the Title

2.1 "Clause 1, the Enacting Formula and the Title were adopted with some changes which were of consequential or drafting nature, namely", "2001" and "Fifty-second" to be substituted by "2002" and "Fifty-third", respectively.

3. The Committee then took up for consideration the draft Report on the Bill and adopted the same for presenting/laying in both the Houses.

4. The Committee authorized the Chairman and, in his absence, Shri K.M. Khan to present the Report in the Rajya Sabha. It also authorised him to nominate two Members from among Members of the Lok Sabha to lay a copy of the Report on the Table of the Lok Sabha.

5. The Committee adjourned at 3.45 p.m.

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\* Consequent upon reconstitution of the Committee, fresh numbers given to Minutes.