

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1009**  
**ANSWERED ON 26/07/2023**

**WTO'S RULING**

**1009. SHRI BALASHOWRY VALLABHANENI:**

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the manner in which the Ministry looks at WTO's ruling against India's imposition of import duty on mobile phones (20%) and telecommunications equipment (15%);
- (b) the impact of the above ruling on local manufacturing;
- (c) whether the Government of India filed appeal against the above ruling; and
- (d) if so, the details thereof and the impact of the above ruling on PLI scheme and the Phased Manufacturing Programme?

**ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SMT. ANUPRIYA PATEL)

(a) to (c) India is a member of WTO and hence, it has to abide by its provisions in spirit of its multilateralism. India has sought review by the Appellate Body of certain errors on point of law and legal interpretation of the Panel's findings.

India views that there are certain errors on point of law and legal interpretation of the Panel's findings. Hence, until the Appellate Body issues its review report on the Panel's finding it is difficult to comment on the impact of the Panel's ruling on local manufacturing. In this regard it is highlighted that the Appellate Body is currently dysfunctional due to non-appointment of Appellate Body member since 2019.

There are three separate disputes filed against India by the European Union (DS582-India- Tariffs on ICT Goods), Japan (DS584India- Tariffs on ICT Goods) and Chinese Taipei (DS588-India-Tariffs on ICT Goods). Since, Japan has filed its motion for the adoption of the Panel report at Dispute Settlement Body (DSB) meeting at WTO, in response, India filed its notice of appeal. But, both the

European Union and Chinese Taipei have made a request to the Dispute Settlement Body at WTO to defer the adoption of the Panel report until 19 September 2023. This deferral is intended to create an opportunity for all parties to work towards a Mutually Agreed Solution (MAS). Hence, India has not filed its motion of appeal against European Union and Chinese Taipei.

(d) The dispute does not have any impact on the Production-Linked Incentive (PLI) scheme and the Phased Manufacturing Programme (PMP). As the complainants claims that India applies duties in excess of the rates bound in its Schedule of Concessions and Commitments annexed to the GATT 1994 ("Schedule") on imports of certain goods in the information and technology sector. While PLI and PMP are to make domestic manufacturing globally competitive and to create global champions in manufacturing.

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