

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

UNSTARRED QUESTION NO:284
ANSWERED ON:21.02.2006
EXPORT OF GARMENTS
Mahtab Shri Bhartruhari

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

- (a) whether Nepal was the top exporter of garments to India during the last year as per Directorate General of Commercial Intelligence and Statistics data;
- (b) if so, the details in this regard;
- (c) whether Chinese garments are being smuggled into the country through Nepal by taking advantage of duty free access under the India-Nepal Trade Treaty; and
- (d) if so, the steps taken by the Government to prevent inflow of third country products through Nepal in the country?

Answer

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

- (a) & (b) : Yes, sir; the imports of readymade garments from Nepal were Rs. 29.13 crores during 2004-05 as per Directorate General of Commercial Intelligence and Statistics Data.
- (c) : As reported by Directorate of Revenue Intelligence, no seizure case of smuggling of Chinese origin garments through Nepal by taking advantage of duty free access under Indo-Nepal Trade of Treaty has been effected. However as per this report, outright smuggling cases have been booked, where readymade garments have been seized which were being smuggled through Indo-Nepal border.
- (d) : Government of India makes all efforts to prevent and control smuggling across India-Nepal Border. In addition, under the India-Nepal Agreement to Control Unauthorized Trade, Governments of the two countries cooperate with each other to prevent unauthorized trade across their border. The India-Nepal Treaty of Trade also prohibits export of third country goods from Nepal into India without the fulfillment of value addition and processing conditions prescribed under the Treaty. Field formations of Directorate of Revenue Intelligence have also been sensitized to prevent smuggling of third country products through Nepal.