

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

UNSTARRED QUESTION NO:2965  
ANSWERED ON:20.03.2007  
FTA BETWEEN INDIA AND MAURITIUS  
Ponnuswamy Shri E.

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

- (a) whether a Free Trade Agreement is existing between India and Mauritius;
- (b) the details of annual exports and imports from Mauritius;
- (c) whether several Indian companies are registering in Mauritius to avoid taxation in India; and
- (d) if so, the details thereof?

**Answer**

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

(a) No, Sir.

(b) As per the trade data compiled by DGCI&S, Kolkata, goods valued at Rs.865.39 crore were exported to Mauritius during 2005-06. Imports from Mauritius during this period were to the tune of Rs.31.91 crore. The major items of export were cotton yarn, fabrics, made-ups etc., petroleum (crude and products), manmade yarn, fabrics, cotton raw including waste and transport equipments, whereas metaliferous ores and metal scrap, pulp and wastepaper, cotton yarn & fabrics, electronic goods were the major items of import.

(c) & (d): An Indian Company cannot be registered in Mauritius as an Indian Company means a company registered in India under the Companies Act.1956. However, an Indian Company can set up a subsidiary in Mauritius and in that case the subsidiary company, if it earns capital gains from India, becomes eligible for the capital gains tax concession available under India-Mauritius Double Taxation Avoidance Convention.