

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

STARRED QUESTION NO:58  
ANSWERED ON:03.12.2004  
IMPORT OF PEPPER FROM SRI LANKA  
Sujatha Smt. C.S.;Thomas Shri P.C.

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

- (a) the quantum and value of pepper imported during the past three years, country-wise;
- (b) whether steep increase has been registered in the import of pepper from Sri Lanka to India since the exemption of Import Duty on pepper from Sri Lanka;
- (c) if so, the details of import of pepper effected from Sri Lanka and also from Vietnam via Sri Lanka during the period 2001- 2004, year- wise;
- (d) whether the Government are aware of the fall in prices of pepper during last three years;
- (e) if so, the details thereof, year-wise;
- (f) the steps Government has taken to protect the interests of the indigenous producers;
- (g) the details of pepper imported without custom duty or limited custom duty; and
- (h) whether there is any restriction on port of import in India and the measures taken to check the import of pepper ?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI E.V.K.S. ELANGO VAN)

(a) to (h) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (h) OF LOK SABHA STARRED QUESTION NO. 58 FOR 3RD DECEMBER, 2004 REGARDING IMPORT OF PEPPER FROM SRI LANKA.

(a) The quantum and value of imports of black pepper imported during the last three years, country-wise is given below :-

(Value in Rs. Lakhs)

Name of Country 2001 - 2002 2002 - 2003 2003 - 2004

	QTY	VALUE	QTY	VALUE	QTY	VALUE
Vietnam	2658.0	2197.9	7013.9	4889.4	5535.0	3641.1
Sri Lanka	1240.5	1605.1	6099.0	5705.4	4915.8	3525.7
Indonesia	2010.4	1474.8	1529.7	1218.9	3384.3	2407.1
Malaysia	29.8	24.5	55.6	35.8	123.2	68.6
Thailand	2.2	6.6	124.6	59.0	99.1	50.1
Singapore	207.6	194.7	45.0	44.0	90.3	87.3
Brazil	15.0	13.3	-	75.0	52.6	
Ecuador	-	-	-	56.0	37.1	
Others	164.7	119.3	524.1	385.0	55.6	53.5
Total	6328.2	5636.3	15391.8	12337.5	14334.1	9923.3

(b) Yes, Sir. Import of pepper from Sri Lanka has registered a steep increase after effecting exemption of duty in import of pepper from

Sri Lanka under the India - Sri Lanka Free Trade Agreement.

(c) Import of pepper from Sri Lanka from 2000-01 to 2003-04:-

Year	Quantity (MT)	Value (Rs. Lakhs)
2000-01	1759	2791
2001-02	1241	1605
2002-03	6099	5705
2003-04	4916	3526

There is no data available on import of pepper from Vietnam via Sri Lanka.

(d) & (e) Yes, Sir. However, the decline in domestic prices cannot be extensively attributed to duty free imports from Sri Lanka. Yearly average domestic price from 2000-01 is furnished below:-

Year	Average Domestic Price (Rs./Kg)
2000-01	174.24
2001-02	80.39
2002-03	88.32
2003-04	74.11
2004-05 (upto October 2004)	70.91
October, 2004	64.08

(f) During the 3rd Commerce Secretary level talks between India and Sri Lanka, held in August 2004, the Indian side expressed concern over the significant increase of pepper exports to India from Sri Lanka. The Sri Lankan side informed that the production statistics of pepper tallied with that of domestic consumption and export. Both sides agreed to establish a monitoring mechanism to prevent circumvention of the rules of origin.

(g) Import of pepper is allowed without customs duty under the India - Sri Lanka Free Trade Agreement (FTA) or under the Advance Licensing Scheme for the purpose of re-export. The details of import of pepper from Sri Lanka are given at part c) above.

(h) No Sir. There is no restriction on port of import of pepper in India. The government has increased the customs duty on import of pepper from 35% to 70% in the Budget for the year 2002-03. The imports of pepper are also being monitored by the DGFT as one of the Sensitive Items.