

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

UNSTARRED QUESTION NO:5201
ANSWERED ON:05.09.2011
TRADE ACROSS LOC
Ponnam Shri Prabhakar

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

- (a) whether the trade across the Line of Control (LoC) in Jammu and Kashmir remains suspended over a period of time;
- (b) if so, the reasons therefor;
- (c) whether there has been demands from the traders to enhance the trade across the Line of Control between India and Pakistan; and
- (d) if so, the steps taken/being taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

- (a) Trade across Line of Control(LoC) in J&K remained suspended during the months of April and May 2011.
- (b) Trade had been suspended due to certain demands of the traders, which included infrastructure and taxation issues. The tax issue has been resolved in favour of the traders. The infrastructure issues are also being addressed.
- (c) Yes, Madam.
- (d) During the meeting of Foreign Ministers of India and Pakistan held on 27.07.2011, the following decisions were taken to enhance trade across LoC:
 - (i) Both sides will provide adequate facilities at the trade facilitation centres on each side.
 - (ii) The number of trading days has been increased from 2 days a week to 4 days a week.
 - (iii) The designated authorities will resolve operational issues concerning cross LoC trade through regular interaction.
 - (iv) Regular meetings between the Chambers of Commerce and traders of both sides will be facilitated.
 - (v) Existing telephone communication facilities should be strengthened.
 - (vi) Joint Working Group will henceforth meet on a bi-annual basis to review existing arrangements and suggest additional measures for Cross-LoC travel and trade.