

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

UNSTARRED QUESTION NO:4057  
ANSWERED ON:30.04.2012  
FRAUD BY CHINESE TRADERS  
Ajnala Dr. Rattan Singh; Bhagat Shri Sudarshan

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

- (a) whether there have been instance of illegal import of some items made in China;
- (b) if so, the details of the impact of such illegal trade on the domestic industries;
- (c) the steps being taken by the Government to check such trade;
- (d) whether there has also been instances of Indian businessmen being defrauded by their Chinese counterparts;
- (e) if so, the details thereof alongwith the details of the complaints received by the Government in this regard; and
- (f) the action taken/being contemplated thereon?

**Answer**

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

- (a) & (b) Some instances of illegal imports of miscellaneous items made in China by way of mis-declaration, under-invoicing, country of origin frauds, etc, have come to the notice of the Government.
- (c) The field formations have been sensitised by the Deptt. of Revenue to keep a strict watch for detection of illegal import and take appropriate action under the Customs Act.
- (d) Yes, Madam. There has been instances of trade disputes between India and China where Indian firms have alleged malpractices including fraud by Chinese Companies.
- (e) Indian firms have reported the cases of fraud/breach of contract by Chinese firms. The details of trade disputes between Indian and Chinese Companies in the year 2011 is at Annexure.
- (f) The Embassy of India in Beijing has done analysis on the type of trade disputes and has issued a trade Advisory titled "Advisory for Indian small and medium enterprise doing/ interested in doing business with Chinese companies".