

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4047**  
**TO BE ANSWERED ON 18<sup>th</sup> MARCH, 2020**

**IMPACT OF IMPROPER PEPPER IMPORTS**

4047. SHRI RAHUL GANDHI:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the domestic pepper growers have been affected by its improper imports from neighbouring countries;
- (b) if so, the details thereof; and
- (c) the details of the measures being taken by the Government to prevent improper pepper imports, thereby supporting domestic producers?

**ANSWER**

वाणिज्य एवं उद्योग मंत्री ( श्री पीयूष गोयल )  
THE MINISTER OF COMMERCE AND INDUSTRY  
(SHRI PIYUSH GOYAL)

(a) & (b): Several representations were received from State Governments, public representatives, growers' associations etc. regarding improper import of low quality pepper into India from neighbouring countries through Sri Lanka by utilizing the provisions of India Sri Lanka Free Trade Agreement (ISLFTA) and Agreement on South Asian Free Trade Area (SAFTA). Representations have also been received regarding import of cheap quality pepper from other origins invoiced at higher rates and smuggling of pepper into India through some of the neighbouring countries viz. Nepal, Bhutan, and Bangladesh.

(c) : In order to prevent improper pepper imports and to stabilize the domestic price of pepper, Government had fixed the CIF value of Rs.500/- per kg. as the Minimum Import Price for black pepper vide Notification of Directorate General of Foreign Trade (DGFT) dated 6/12/2017. Subsequently, an amendment was brought in the Minimum Import Price (MIP) notification by making import of pepper at or above Rs.500/- per kg. free and import below Rs.500/-per kg. prohibited vide DGFT Notification dated 21/3/2018. The field formation of Customs and Directorate of Revenue Intelligence have been alerted and made vigilant at the point of entry in the port to detect and prevent entry of inferior quality pepper from other countries to India. Customs have booked several cases of attempted smuggling of pepper in the recent past.

Further, on the request of the Government of India, Government of Sri Lanka has introduced a new procedure to prevent issue of Certificates of Origin for third-country black pepper shipments destined to India.

Government of Sri Lanka has also provided access to Indian authorities to examine the scanned copies of Certificates of Origin issued for black pepper exports under ISLFTA and SAFTA and temporarily suspended import of spices including pepper to Sri Lanka through the Entreport Trade and Commercial Hub Operations to prevent these spices being reshipped to India. As a result of these actions, the quantum of import of pepper has shown considerable decline in 2019 as compared to the similar period in 2018 & 2017.

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