

(14) (17)

MEMORANDUM
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF INDIA
AND
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA
ON
THE RESUMPTION OF BORDER TRADE

The Government of the Republic of India and the Government of the People's Republic of China, being desirous of promoting trade relations between India and China, and through friendly consultations, have agreed to the resumption of border trade, on the basis of equality and mutual benefit and have reached the following understanding:

1. The border trade referred to in this Memorandum includes overland trade, and the exchange of commodities by the residents along the border between the Tibet Autonomous Region of China and the State of Uttar Pradesh of India as well as other areas as may be mutually agreed upon from time to time.
2. The trade and exchange of mutually agreed commodities in the border areas of the two countries shall be carried out in accordance with the laws, regulations and rules in force in either country.
3. The Government of the Republic of India and the Government of the People's Republic of China presently agree to establish the border trade markets at the following locations:
 - a. Pulan in the Tibet Autonomous Region of China;
 - b. Gunji in the Pithoragarh district of the State of Uttar Pradesh of India;

The border trade activities between the two countries shall take place at the above-mentioned border trade markets

during mutually agreed periods of each year.

4. With a view to facilitating the visits of persons engaged in border trade and the exchange of commodities and means of transportation, the Government of the Republic of India and the Government of the People's Republic of China have decided that Lipulekh (Qiangla) be the border pass for the entrance and exit of the said persons, commodities and means of transportation from the two sides. Upon entrance into either side's territory, the persons, commodities and means of transportation must be accompanied by valid papers for entrance and exit and shall be subject to the supervision and control of the authorities concerned of either country.

5. Payment for border trade may be made in freely convertible currencies acceptable to both sides or in barter mode. The specific mode of payment for border trade will be decided by the buyers and sellers. If it is necessary a banking arrangement on border trade will be negotiated and signed between the banks designated by the two Governments.

6. With a view to ensuring the implementation of this Memorandum, the Government of the Republic of India and the Government of the People's Republic of China may designate relevant border authorities respectively to coordinate and resolve issues, if any, arising from border trade activities.

7. This Memorandum shall come into force on signature and shall remain in force for a period of two years. It shall be automatically extended for subsequent periods of one year each unless a written notice is given by either side for its termination at least three months before the date of expiry.

Done in New Delhi on the 13th day of December, 1991 in two originals , in Hindi, Chinese and English languages. The three texts shall be equally authentic, but in case of any divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF
THE REPUBLIC OF INDIA

FOR THE GOVERNMENT OF
THE PEOPLE'S
REPUBLIC OF CHINA

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REGULATIONS

1. This travel pass is non-transferable.
2. This pass is valid during the authorised period of the border trade and in the year of its issue.
3. ~~xxxxxxx~~ The travel pass should be surrendered at the end of its validity to the issuing authority.
4. This pass will not be renewed.
5. The bearer of this pass has to apply a fresh for travel pass every year.

CUTION

1. This travel pass is a valuable document. It should not be allowed to pass in to the possession of any unauthorised person. If lost or destroyed, the fact and circumstances should be immediately reported to the nearest 'Travel Pass issuing authority' in India or (if the holder is abroad) to the nearest Indian Mission and to the local police.
2. This travel pass must not be altered or mutilated in any way nor any endorsement made on it by any person other than a duly authorised official.
3. This travel pass may be cancelled or withdrawn at any time at the discretion of the Government of India, in which event the holder must surrender the travel pass to the ~~nearest~~ travel pass issuing authority.
4. The travel pass is a sure means of establishing the holders identity and should, therefore, be carried personally.

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Ministry of Commerce
FT(China) Desk
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Export Items

1. Agricultural implements
2. Blankets
3. Brass copper idols/images
4. Barley
5. Clothes
6. Coffee
7. Cycles
8. Cigarettes
9. Dried radish
10. Dry fruits
11. Dyes
12. Flour
13. Gur(Jaggery)
14. Kerosene oil
15. Local herbs
16. Maida (Crystallized Sugar)
17. Misri Mustard
18. Mustured oil
19. Pharmaceutical products-
agro-chemicals
20. Processed(tinned) food
21. Rice
22. Sugar
23. Stationary
24. Suitings
25. Shoes
26. Snuff
27. Spices
28. Tea
29. Tobacco
30. Textile looms
31. Toileteries
32. Transistor/TV
33. Utensils
34. Vegetables
35. Watches
36. Wheat(buck wheat, Ua, local varities of wheat)
37. Woolen and cotton textiles and coarse cloth
38. All other daily needs of the local people.

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Ministry of Commerce
FT(China) Desk

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Import Items

1. Animal hair/fur
2. Borex
3. Butter
4. China clay
5. Goats
6. Horses
7. Hand bags
8. Kasturi
9. Lether goods
10. Pasham
11. Salt
12. Sheep
13. Silk
14. Skins
15. Torches
16. Wool
17. Yak/Jhupou
18. Yak tails