

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2698  
ANSWERED ON:16.03.2007  
SMUGGLING OF NARCOTICS  
Barman Shri Hiten

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the United States of America has included India in the list of countries engaged in production and smuggling of narcotics;
- (b) if so, the details thereof;
- (c) whether the Government has lodged its protest with the U.S. Government in the said matter; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir.

(b) The US domestic law {Section 706 (1) of the Foreign Relations Authorisation Act} requires the US President to identify countries as 'major drug transit or major illicit drug producing countries', referred to as the "Major List". India has been included in this list. The US President is also required under section 706(2) (A) of the Act to identify any country on the 'Majors List' that "failed demonstrably" during the previous 12 months to adhere to international counter narcotics agreements or to take counter narcotics measures set forth in US law. India has not been listed as a country that has "failed demonstrably".

(c)&(d) The Government of India has taken up the matter with the US Government. The US Government has indicated that India's inclusion in the "Majors List" is primarily because of the 'large-scale diversion from licit opium production into the illicit market'. US has requested information over a period of time that diversion from licit production has been reduced to a modest problem.