

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

RAJYA SABHA
UNSTARRED QUESTION NO. 1970
TO BE ANSWERED ON 17th MARCH, 2023

INDO CHINESE TRADE

1970. SHRI JAWHAR SIRCAR:

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

- (a) whether Indian exports to China have fallen by approximately USD 10 billion or more this financial year and if so, the reasons therefor;
- (b) whether Indian exports to China have fallen by nearly 40 per cent or more in this 48th financial year;
- (c) whether the estimated trade gap for this financial year is likely to be over \$100 billion and what is it till February;
- (d) whether Government has any plan to improve the situation; and
- (e) whether it is a fact that China's Customs and Non-tariff barriers like regulatory control, internal market hurdles and political discrimination are harming India's exports to China, the reasons India is not reciprocating?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a)& (b): India's exports to China during the period April- January 2023 were USD 12.20 billion, as against USD 18.40 billion during April-January 2022. The decrease in exports to China can be attributed mainly to slowdown in Chinese economy, strict lockdowns due to covid which have resulted in decreased demand for goods.

(c): The trade deficit during April-January 2023 was USD 71.56 billion.

(d)& (e): The Government makes sustained efforts to bridge the trade deficit with emphasis on increasing the exports to China by diversifying the trade basket, resolution of market access issues

and non-tariff barriers. Indian exporters are encouraged to participate in major trade fairs and buyer seller meets to showcase and market their products.

While it is the endeavour of the Government to increase bilateral trade with partner countries, emphasis is laid on having a more balanced trade with them. Most of the goods imported from China are capital goods, intermediate goods and raw materials which are used for meeting the demand of fast expanding sectors like electronics, telecom and power in India. Some of the raw materials like Active Pharmaceutical Ingredients, auto components, mobile phone parts, etc, are also used for making finished products which are also exported out of India. The surge in imports are monitored on a regular basis and brought to notice of concerned Ministries/Departments for corrective actions and enhancing domestic capacities.

To boost domestic manufacturing and reduce dependency on imports, the Government has launched Production Linked Incentive Schemes in 14 strategic sectors with the aim to make Indian manufacturers globally competitive, attract investment in the areas of corecompetency/cutting-edge technology, enhance exports and integrate India in the global supplychain. The Government has also taken other steps such as Make in India, Start Up India, Promoting Ease of doing Business, PM Gati Shakti National Master Plan, etc., to support and expand domestic capacities.

Directorate General of Trade Remedies (DGTR) is empowered to recommend imposition of anti-dumping duty, countervailing duty or quantitative restrictions (QRs) if Indian industry is 'seriously injured' or 'threatened with injury' on account of surge in imports or unfair trade practices. Currently, 54 anti-dumping measures and 4 countervailing duty measures are in force on Chinese products on account of unfair trade practices.
