

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

RAJYA SABHA
UNSTARRED QUESTION NO. 1809
ANSWERED ON 04/08/2023

IMPORT RELIANCE ON CHINA

1809. SHRI R. GIRIRAJAN:

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

- (a) whether it is a fact that India's import reliance on China is too high that 70 per cent of Active Pharmaceutical Ingredients (APIs), 40 per cent of electrical equipment and Organic Chemicals, Nuclear reactors, Fertilizers and if so, the details thereof;
- (b) the effective measures taken by Government to control the imports from China and reduce its reliance; and
- (c) whether the Indian exporters are affected due to excessive taxes, lack of level playing zone, cumbersome customs clearance process and incidental costs, if so, the details thereof and Government's stand thereto?

ANSWER

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

- (a) The Indian Pharmaceutical industry is the 3rd largest in the world by volume and India imports various bulk drugs/Active Pharmaceutical Ingredients from several countries for producing medicines which are also exported out of India. In 2022-23, India imported USD 3.18 billion worth of bulk drugs/APIs from China. India also import electrical equipment, organic chemicals, nuclear reactors and fertilizers from China as China is a manufacturing hub of such products and these products are necessary for meeting the demand of our fast expanding sectors.
- (b) 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 core competency and integrate India in the global supply chain. Quality Control Orders for various products have been issued to check sub-standard imports. The Government has taken various steps to support and expand domestic capacities such as Make in India, Start Up India, Promoting Ease of doing

Business, PM Gati Shakti National Master Plan etc. Further, the Directorate General of Trade Remedies is empowered to recommend trade remedial action against unfair trade.

(c) The Indian exporters, from time to time, take up tariff and non-tariff related issues with the Government. The Government is actively working to address the challenges faced by exporters and make their exports more competitive. The Government has taken several measures to promote exports, e.g., setting up of special economic zones, launching of export promotion schemes, simplification of tax and customs procedure, export finance and insurance, branding and marketing, reducing compliance burden, etc. The government is also engaged in negotiations with other countries and trade blocs to secure favorable trade agreements.
