

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

LOK SABHA
UNSTARRED QUESTION NO. 1959(H)
TO BE ANSWERED ON 28th NOVEMBER, 2016

COMMERCIAL RELATIONS WITH CHINA

1959(H). SHRI JAI PRAKASH NARAYAN YADAV:

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

- (a) whether the sale of imported items from China is proposed to be banned in the country and if so, the reasons therefor;
- (b) whether the Government also proposes to discontinue the commercial relations with China in near future and if so, the reasons therefor;
- (c) whether a considerable percentage of the raw material used in the manufacturing of the life saving medicines in our country is imported from China alone; and
- (d) if so, whether the Government has made alternative arrangements from any other country in this regard and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग राज्य मंत्री (श्रीमती निर्मला सीतारमण) (स्वतंत्र प्रभार)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): No Madam. India and China are members of the World Trade Organisation (WTO) and therefore any restriction imposed on trade needs to be WTO compliant. Therefore, no blanket ban can be imposed on China or any other Member Country under the WTO framework.

(c) & (d): Most of the intermediates and Key Starting Materials (KSM) are imported to manufacture Active Pharmaceutical ingredients (APIs) in India. Some of the APIs (Bulk Drugs) are also imported from China to manufacture some finished formulations including the life saving drugs.

Following are the total imports of Bulk Drugs of India during the years 2012-15 and April-Dec 2015-16.

Bulk Drug Imports of India in US\$ Million				
	2012-13	2013-14	2014-15	2015-16
Total Imports	3189.671	3146.76	3245.642	2510.413
Imports from China	2009.88	2000.394	2088.307	1626.875
% of Imports from China	63.01	63.57	64.34	64.81

(Source: Pharmexcil)

Efforts are being made for revival of API industry in India to lessen dependency on import of Key Starting Materials (KSM), Intermediates and APIs (Bulk Drugs) including from China. The government has withdrawn exemption of custom duty on certain categories of Bulk Drugs/APIs to promote domestic manufacturer. Further, the government is addressing bottlenecks which the manufacturers are facing such as providing speedy environmental clearance in order to give a boost to domestic manufacture of bulk drugs.
