

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

LOK SABHA
UNSTARRED QUESTION NO. 2275
TO BE ANSWERED ON 24th DECEMBER, 2018

TRADE BETWEEN INDIA AND CHINA

2275. SHRI DHANANJAY MAHADIK:
DR. HEENA VIJAYKUMAR GAVIT:
SHRI SATAV RAJEEV:
SHRIMATI SUPRIYA SULE:
DR. J. JAYAVARDHAN:
SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:
SHRI P.R. SUNDARAM:

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

- (a) the details of the imports and exports between India and China during the last three years and the current year, product, value and year-wise;
- (b) whether India's trade deficit with China has increased during the said period and if so, the details thereof and the reasons therefor;
- (c) whether China has now agreed to import raw sugar from India after several rounds of meeting in this regard and if so, the details of raw sugar to be exported to China;
- (d) the estimated quantum of foreign exchange earned during the last three years and the current year; and
- (e) the other steps taken by the Government to boost export of Indian goods to China to reduce trade deficit?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a): Top 50 Principal Commodity Group-wise India's import and export from China including raw and finished goods for the last three years and 2018-19 (upto October 2018) are attached as **Annex-I and Annex-II**.

(b): Details of trade and trade deficit with China in the last three years and the current year are given below: -

Period	Val in billion USD		
	Export	Import	Trade Deficit
2015-16	9.01	61.71	-52.69
2016-17	10.17	61.28	-51.11
2017-18	13.33	76.38	-63.05
Apr-Oct'17*	6.69	43.46	-36.77

Apr-Oct'18*	9.31	42.58	-33.28
-------------	------	-------	--------

*Data for 2018-19 is provisional (*Source: DGCI&S*)

From the above table, it may be seen that India's trade deficit with China reduced from USD 52.69 billion in 2015-16 to USD 51.11 billion in 2016-17, but rose to USD 63.05 billion in 2017-18. In the current year 2018-19 upto April to October 2018, our trade deficit with China is to the tune of USD 33.28 billion as compared to about USD 36.77 billion in the corresponding period of April to October 2017 (as per the provisional figures of DGCIS).

Increasing trade deficit with China can be attributed primarily to the fact that Chinese exports to India rely strongly on manufactured items to meet the demand of fast expanding sectors like telecom and power, while India's exports to China are characterized by primary and intermediate products. The major imports from China are products such as telecom instruments, computer hardware and peripherals, fertilizers, electronic components/instruments, project goods, organic chemicals and drug intermediates, consumer electronics, electrical machinery and equipment, iron and steel etc. These imports feed the growing demand in India for such goods which China, due to variety of reasons, is able to export to India at competitive prices. India's exports to China on the other hand include iron ore, cotton raw/yarn, petroleum products, copper and articles thereof, organic chemicals, iron and steel, castor oil, plastic raw materials, pearls, precious or semiprecious stones, marine products etc.

(c): A series of meetings with China's sugar importers have been convened by our sugar exporters and there has been a general consensus on import of Indian sugar by Chinese agencies. China's import quota of sugar for 2018 has been exhausted, and actual exports from India could commence, upon announcement of new quota for 2019 by China.

(d): Department of Statistics & Information Management, RBI does not have required information on the estimated quantum of foreign exchange earned during the last three years and the current year.

(e): Government of India has been taking continuous and sustained steps to bridge the trade deficit by lowering trade barriers for Indian exports to China. During the 11th session of India-China Joint Group on Economic Relations (JEG) held in New Delhi on 26 March 2018, the Trade Ministers of two countries agreed to increasing bilateral trade between the two countries in a more balanced and sustainable manner. In this regard various meetings have been held with Chinese counterparts as a part of our ongoing efforts to obtain market access for various Indian agricultural products, animal feeds, oil seeds, milk and milk products, pharmaceutical products etc. in light of the potential of these products/services in the Chinese market. Various protocols have been signed to facilitate export of Indian rice, rapeseed meal and fishmeal – fish oil from India to China.

The Government of India has also taken various measures to extend support to exporters through organising Buyers Seller meetings between potential Chinese importers and India exporters to increase export of sugar, oil meals, Indian rice and tea. In addition, Indian exporters are encouraged to participate in major trade fairs in China to showcase Indian products.

						(ANNEX-I)
Top 50 (based on 2017-18 data) Principal Commodity						
wise import to China						
Principal Commodity	2015-16	2016-17	2017-18	Apr-Oct 2017	Apr-Oct 2018*	
	Val in million USD	Val in million USD	Val in million USD	Val in million USD	Val in million USD	
TELECOM INSTRUMENTS	10093.36	11307.83	15594.19	9014.32	5171.09	
ELECTRONICS COMPONENTS	3514.48	4440.91	5496.19	3020.90	3252.76	
COMPUTER HARDWARE, PERIPHERALS	4413.69	4071.73	5026.08	2879.08	2537.43	
INDL. MACHNRY FOR DAIRY ETC	2866.60	2839.89	3418.77	1934.19	2143.36	
ORGANIC CHEMICALS	2416.74	2187.94	2931.53	1578.05	2175.76	
ELECTRONICS INSTRUMENTS	1926.26	2134.42	2531.12	1505.12	1410.48	
ELECTRIC MACHINERY AND EQUIPME	2170.23	2036.72	2463.32	1344.04	1542.57	
CONSUMER ELECTRONICS	2204.17	2151.60	2362.31	1501.28	1382.56	
RESIDUL CHEMICAL AND ALLED PROD	1458.94	1636.77	2168.78	1181.00	1535.75	
BULK DRUGS, DRUG INTERMEDIATES	2120.15	1826.34	2055.94	1143.89	1504.47	
AC, REFRIGERATION MACHNRY ETC	1045.79	1249.52	1638.61	772.21	936.31	
IRON AND STEEL	2359.26	1346.71	1621.05	1096.58	829.67	
PRODUCTS OF IRON AND STEEL	1181.85	1229.86	1469.68	829.48	1012.71	
SHIP, BOAT AND FLOATING STRUCT	1264.90	1454.44	1208.98	350.60	66.30	
PLASTIC RAW MATERIALS	823.53	897.57	1178.04	681.53	762.80	
AUTO COMPONENTS/PARTS	898.78	868.58	1164.41	627.71	746.42	
FERTILIZERS MANUFACTURED	3261.92	1244.16	1065.35	836.33	1089.74	
OTHER MISC. ENGINEERING ITEMS	751.06	902.05	1064.11	612.50	592.46	
ACCUMULATORS AND BATTERIES	510.49	608.78	947.88	527.00	608.94	
MANMADE YARN,FABRICS,MADEUPS	853.93	798.59	938.28	540.32	605.77	
ALUMINIUM, PRODUCTS OF ALUMINM	717.59	696.90	794.39	444.55	711.88	
MACHINE TOOLS	431.70	544.89	748.19	386.02	481.87	
AGRO CHEMICALS	332.65	506.10	726.69	430.71	464.83	
OTHER PLASTIC ITEMS	477.81	516.24	684.11	403.70	367.44	
CRANES, LIFTS AND WINCHES	410.30	692.05	671.90	444.13	415.26	
OTH TXTL YRN, FBRIC MDUP ARTCL	487.19	432.17	670.85	387.37	357.01	
COAL,COKE AND BRIQUITTES ETC	364.40	402.79	642.52	367.03	491.80	
PROJECT GOODS	994.11	763.00	609.54	374.93	331.97	
GLASS AND GLASSWARE	406.91	478.34	607.66	359.79	409.45	
MOULDED AND EXTRUDED GOODS	484.41	537.77	607.32	343.70	327.59	
PAPER, PAPER BOARD AND PRODUCT	362.11	434.50	602.47	369.39	310.84	
OTH NON FERROUS METAL AND PRODC	399.31	445.35	587.21	331.35	352.62	
OTHER CONSTRUCTION MACHINERY	352.71	416.10	580.49	299.82	419.40	
HANDCRFS(EXCL.HANDMADE CRPTS)	412.54	401.23	555.35	233.62	261.14	

INORGANIC CHEMICALS	502.39	428.99	531.33	287.37	469.14
MEDICAL AND SCIENTIFIC INSTRUM	342.62	388.01	510.51	274.66	295.01
CERAMICS AND ALLIED PRODUCTS	576.54	379.57	476.25	272.21	262.72
PLASTC SHT, FILM, PLTS ETC	294.29	318.72	476.02	251.67	466.45
OTHER MISCELLANEOUS CHEMICALS	393.44	338.58	420.87	232.64	340.56
IC ENGINES AND PARTS	176.18	265.22	397.18	232.27	203.15
PAINT, VARNISH AND ALLID PRODC	227.37	245.61	360.04	197.33	226.05
SILVER	384.51	440.69	326.31	238.10	241.38
PLYWOOD AND ALLIED PRODUCTS	272.54	254.95	324.45	195.53	160.29
PETROLEUM PRODUCTS	243.08	213.11	313.84	169.66	168.15
OPTICAL ITEMS (INCL.LENS ETC)	135.20	137.69	296.79	219.37	161.34
ATM, INJCTNG MLDING MCHNRY ETC	215.05	240.20	292.90	170.14	170.66
HND TOOL, CTTNG TOOL OF METALS	213.76	182.63	266.76	143.40	176.05
FOOTWEAR OF RUBBER/CANVAS ETC.	147.14	167.84	256.03	148.03	123.28
COPPER AND PRDCTS MADE OF COPR	185.58	197.24	245.60	142.39	144.25
PUMPS OF ALL TYPES	147.66	159.71	238.74	142.13	146.82
Total Top 50	57227.20	56860.62	71166.90	40469.14	39365.77
Grand Total	61707.95346	61283.03478	76380.69685	43455.90305	42584.73
<i>*Data for 2018-19 is provisional.</i>					(SOURCE:DGCIIS)

						(ANNEX-II)
<u>Top 50 (based on 2017-18 data) Principal Commodity wise export to China</u>						
Principal Commodity	2015-16	2016-17	2017-18	Apr-Oct'2017	Apr-Oct'2018	
	Val in million USD	Val in million USD	Val in million USD	Val in million USD	Val in million USD	
ORGANIC CHEMICALS	472.34	452.81	1559.63	723.20	1434.61	
COPPER AND PRDCTS MADE OF COPR	1144.35	702.00	1548.51	784.25	97.22	
PETROLEUM PRODUCTS	636.11	789.43	1507.00	589.14	1893.35	
IRON ORE	155.28	1449.60	1091.23	528.30	457.92	
COTTON YARN	1474.51	1045.65	858.84	409.33	808.96	
PLASTIC RAW MATERIALS	261.13	244.68	494.87	167.67	532.73	
GRANIT, NATRL STONE AND PRODC	408.59	411.59	461.60	267.65	254.67	
CASTOR OIL	276.65	264.93	424.30	260.44	208.49	
IRON AND STEEL	145.60	344.84	324.12	182.94	139.28	
SPICES	171.47	193.24	314.69	188.95	191.72	
ZINC AND PRODUCTS MADE OF ZINC	20.06	46.53	288.40	153.13	40.85	
ELECTRIC MACHINERY AND EQUIPME	96.65	111.23	250.67	98.07	198.28	
PEARL, PRECS, SEMIPRECS STONES	107.64	140.66	218.65	133.79	147.46	
ELECTRONICS INSTRUMENTS	151.60	231.08	211.08	122.53	151.29	
RESIDUL CHEMICAL AND ALLIED	146.21	206.99	209.27	109.48	135.21	

PROD					
BULK MINERALS AND ORES	347.60	197.60	207.86	124.37	128.34
TELECOM INSTRUMENTS	57.75	82.80	166.19	102.05	83.52
MARINE PRODUCTS	149.71	137.46	164.07	74.49	288.81
HUMAN HAIR, PRODUCTS THEREO	159.74	173.93	157.34	86.36	69.24
BULK DRUGS, DRUG INTERMEDIATES	113.08	103.85	154.01	88.55	88.05
IC ENGINES AND PARTS	94.50	154.41	141.59	87.81	90.93
INDL. MACHNRY FOR DAIRY ETC	106.08	100.19	139.87	70.50	95.98
COTTON RAW INCLD. WASTE	196.19	281.84	132.97	28.41	144.03
DYES	70.06	86.79	126.77	65.21	114.87
ELECTRONICS COMPONENTS	83.21	103.08	117.17	76.57	65.06
COIR AND COIR MANUFACTURES	76.11	92.50	117.12	80.76	65.35
FINISHED LEATHER	109.47	109.25	100.84	61.20	58.89
AUTO COMPONENTS/PARTS	67.12	70.43	79.07	41.52	43.52
PROCESSED MINERALS	201.02	102.65	71.49	47.55	14.95
AGRO CHEMICALS	60.83	60.98	69.33	29.96	38.81
ATM, INJCTNG MLDING MCHNRY ETC	56.19	54.44	68.78	37.67	47.75
DYE INTERMEDIATES	56.47	47.62	63.05	34.36	67.87
PAINT, VARNISH AND ALLID PRODC	14.79	44.55	62.38	31.93	35.41
INORGANIC CHEMICALS	21.72	40.17	61.03	35.55	34.78
PRODUCTS OF IRON AND STEEL	62.46	68.91	59.71	37.79	36.95
RMG COTTON INCL ACCESSORIES	53.90	52.73	58.51	28.20	38.72
SULPHUR, UNROASTED IRON PYRITE	61.47	43.14	58.28	26.81	34.87
OTHER MISC. ENGINEERING ITEMS	60.81	52.76	57.37	33.10	36.34
OTHR RUBBER PRODC EXCPT FOOTW	28.85	29.61	49.98	24.81	38.77
MANMADE YARN,FABRICS,MADEUPS	34.90	36.34	49.65	28.34	32.49
MICA	32.99	36.74	47.96	24.90	32.26
FOOTWEAR OF LEATHER	30.19	35.13	41.95	26.64	23.66
MEDICAL AND SCIENTIFIC INSTRUM	18.71	24.93	40.58	18.75	33.62
GUERGAM MEAL	45.59	30.98	38.63	16.93	35.81
MANMADE STAPLE FIBRE	31.49	56.23	38.19	27.41	34.33
COTTON FABRICS, MADEUPS ETC.	37.88	34.89	35.98	22.57	18.49
MACHINE TOOLS	26.13	23.95	35.45	22.20	14.99
AIRCRAFT, SPACECRAFT AND PARTS	17.40	43.38	32.72	24.76	10.48
PLASTC SHT, FILM, PLTS ETC	28.64	30.31	32.17	18.17	20.68
OTHER WOOD AND WOOD PRODUCTS	63.31	34.73	30.93	16.32	18.56
Total Top 50	8344.54	9314.55	12671.83	6321.41	8729.24
Grand Total	9014.55	10172.41	13334.42	6688.63	9306.10
					(SOURCE:DGCIS)
<i>*Data for 2018-19 is provisional.</i>					
