

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 656  
TO BE ANSWERED ON 26<sup>th</sup> JUNE, 2019**

**TRADE DEFICIT BETWEEN INDIA AND CHINA**

656. SHRI SRIRANGA APPA BARNE:

DR. SHRIKANT EKNATH SHINDE:

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

- (a) whether China is adopting a host of discriminatory and restrictive practices against Indian companies to bar them from participating in their procurement process;
- (b) if so, the response of the Government thereon and the action taken by the Government to safeguard the interest of Indian Companies;
- (c) whether there is a need to pursue for greater market access for agriculture and dairy products, and pharmaceuticals;
- (d) if so, the response of the Government thereon;
- (e) whether the Government has taken any measures to boost exports and reduce imports to check the massive trade deficit with China and if so, the details thereof; and
- (f) whether there is a need to give export incentives to bridge the gap between import and export and if so, the details thereof?

**ANSWER**

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

**THE MINISTER OF COMMERCE AND INDUSTRY  
(SHRI PIYUSH GOYAL)**

(a)& (b): A section of the industry has opined that some of the conditions like requirements of local experience, are limiting their participation in the Chinese procurement process. Government of India has been engaging with the relevant Chinese government entities to ensure that Indian companies get market access for its products. Such issues are also discussed in the bilateral meetings from time to time to find solutions to any such restrictions in market access.

(c)Yes sir.

(d) to (f): 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 two countries agreed to increase bilateral trade in a more balanced and sustainable manner. In this regard various meetings have been held at the official level with Chinese counterparts as a part of our ongoing efforts, to obtain market access for various Indian agricultural, dairy, and pharmaceutical products etc. in light of the potential of these products in the Chinese market. Various protocols have been signed to facilitate export of Indian rice, rapeseed meal, tobacco and fishmeal / fish oil, chilli meal, from India to China. A workshop was jointly conducted by National Medical Products Administration China, and Central Drugs Standard Control Organisation India, with the objective to train Indian Pharma exporters on the updated regulatory practices of China, on 21st June 2019, at Shanghai, China.

The Government of India has also taken various measures to extend support to exporters by facilitating Buyers Seller meets between potential Chinese importers and Indian exporters to increase exports of sugar, oil meals, Indian rice, grapes etc. In addition, Indian exporters are encouraged to participate in major trade fairs in China, to showcase Indian products.

Government has been implementing various schemes/programmes to help the domestic industries compete effectively with imports. To promote the domestic manufacturing, schemes like 'Make in India, 'Digital India', Software Technology Parks(STPs), Electronics Hardware Technology Park (EHTP) Scheme/ Export Oriented Unit (EOU) Scheme, Special Economic Zone Scheme (SEZ) etc., provide support for promoting domestic manufacturing in the country.

The Foreign Trade Policy 2015-20 has mechanisms such as Merchandise Exports from India Scheme, Advance Authorisation Scheme, Export Promotion Capital Goods Scheme, Interest Equalization Scheme to provide an enabling framework for the businesses to make their exports competitive. Active interventions, in terms of policy and procedural changes are regularly undertaken by the Government so that the businesses can cope up with the dynamic international trade scenario.

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