

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

LOK SABHA
UNSTARRED QUESTION NO.530
TO BE ANSWERED ON 06/12/2023

IMPORTS

530. DR. PRITAM GOPINATHRAO MUNDE:

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

- (a) whether the high imports affect the country's foreign currency exchange rates;
- (b) if so, whether it is a fact that production-linked incentive scheme and mandatory quality norms are helping the country reduce imports of nonessential products such as TV, tyres, wallpaper and AC gas compressors;
- (c) if so, the facts in this regard and the extent to which import of such goods has been reduced after implementation of production linked incentive scheme;
- (d) whether the Central Government is sensitizing all other Ministries to see areas where we have competitiveness and where we can increase our manufacturing and cut import of those goods;
- (e) if so, the facts in this regard; and
- (f) the other steps taken by the Central Government to reduce the current trade deficit?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

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

- (a) The exchange rate of rupee is market determined and is a function of multiple factors.
- (b) The objective of the PLI Schemes is to make domestic manufacturing globally competitive and the objective of mandatory quality norm is to ensure that customers have access to quality products that meet the necessary standards. Both the initiatives are expected to help the country in enhancing production capacity and reducing substandard products

(c) As far as imported goods such as TVs, Tyre, Wallpaper, and AC gas compressors are concerned, the trade data indicated that there are several categories of import of such products where there has been considerable reduction in imports or the imports have significantly low value in the overall import basket as given below:

Table: Imports of some specific commodities (Value in USD Million)

S. No.	HS Code	Commodity	2021-22	2022-23	Apr-Oct 2022	Apr-Oct 2023 (A)	Growth %
1	85287213	Television set of screen size exceeding 54 cm but not exceeding 68 cm	0.25	0.13	0.10	0.02	-76.08
2	85287214	Television set of screen size exceeding 68 cm but not exceeding 74 cm	0.00	0.07	0.07	0.04	-44.96
3	85287215	Colour TV set of screen size between 74 - 87 cm	0.20	0.17	0.12	0.03	-76.81
4	85287219	LCD TV set; Other	14.54	28.19	20.70	20.04	-3.21
5	40111010	Radials tyres used on motor cars	95.33	52.06	33.70	28.06	-16.72
6	40111090	Tyres used on motor cars: Other	3.56	1.52	1.35	0.40	-70.24
7	40112010	Radials tyres used on buses/lorries	16.92	9.46	7.53	1.01	-86.65
8	40112090	Tyres used on buses/lorries: Other	0.63	0.40	0.22	0.12	-47.43
9	40114020	Tyres for motor scooters	0.01	0.95	0.69	0.46	-33.48
10	40115090	Tyres of a kind used for bicycles: Other	1.20	0.56	0.44	0.10	-77.90
11	40117000	Tyres used on agricultural or forestry vehicles and machines	1.21	1.23	0.59	0.53	-10.95
12	48142000	Wallpaper and similar wall coverings of paper, consisting of paper coated or covered	38.14	212.86	85.29	14.19	-83.36
13	48149000	Wallpaper and similar wallcoverings of paper, and window transparencies of paper	4.77	4.23	2.51	2.30	-8.49
14	84148011	Gas compressors of a kind used in air-conditioning equipment	440.25	568.58	264.32	238.52	-9.76

Source: DGCI&S, Figures are provisional and as per latest data available.

(d) & (e) The Department of Commerce has been regularly monitoring and sensitizing line Ministries/Departments and other stakeholders from time to time and at various levels on the issue of imports on the following broad strategy: (i) Addressing domestic supply rigidities and looking at domestic production opportunities /enhancement of capacity; (ii) Timely use of trade remedy options; (iii) Quality Controls; (iv) Enforcing rules of origin; (v) Tariff measures /inverted duty correction; and vi) Import monitoring.

(f) Several steps have been taken by the Government to boost exports and reducing dependence on imports keeping in view India's increased integration in the global value chain. Some of the measures includes, easing trade processes through digital platforms, and negotiating free trade agreements (FTAs) with various countries and blocs to enhance market access for Indian products. Regular monitoring of export performance with Commercial Missions abroad, Export Promotion Councils, Commodity Boards/ Authorities and Industry Associations is being done and corrective measures are being taken from time to time. Further, New Foreign Trade Policy has been launched on 31st March, 2023 and came in to effect from 1st April, 2023. The policy lays down a blue print to integrate India with the global market and make it a reliable and trusted trade partner. It will further improve India's trade performance and competitiveness.
