GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
RAJYA SABHA
UNSTARRED QUESTION NO-2141
ANSWERED ON-30.07.2014

Measures taken to reduce trade deficit with China

2141. Shri Motilal Vora

a) the trade deficit of India with China in the year 2013-14 and during April-June 2014;

b) whether it is a fact that the trade deficit with China is continuously increasing;

c) the efforts being made by Government to bring down this deficit;

d) whether, discussion was also held with the Chinese Foreign Minister during his recent visit to India in this regard; and

e) if not, the reasons therefor?

ANSWER

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

(a): Details of import-export and trade deficit with China during the last three years are given below:-
Value in USD Million

Year	Import	Export	Total Trade	Trade Deficit
I	II	III	IV	V
2011-12	55,313.58	18,076.55	73,390.13	37,237.03
2012-13	52,248.33	13,534.88	65,783.21	38,713.45
2013-14	51,049.01	14,829.31	65,878.32	36,219.70
April-May 2014*	9,219.00	2,213.10	11,432.10	7,005.90

* Figures are provisional (Source; DGCI&S)

(b): Trade deficit with China has been US$ 37,237.03 million in 2011-12 and US$ 36,219.70 million during the year 2013-14.

(c): With a view to reducing trade deficit with China, efforts are being made to diversify the trade basket with emphasis on manufactured goods. The Government is also pursuing market access issues to tackle non-tariff barriers in the Chinese market at different fora. At the Ministerial level, there is a India-China Joint Group on Economic Relations, Trade Science and Technology (JEG) where trade related issues are taken up regularly. Also, Indian exporters are encouraged to participate in major trade fairs in China to show-case Indian products in the Chinese market and increase engagement with Chinese companies. Participation of Indian exporters in trade fairs educates the Chinese importers about niche Indian products. Business to Business relations are encouraged through schemes such as Market Access Initiative (MAI)/Market Development Assistance (MDA).

(d) & (e): During the visit of the Chinese Foreign Minister to India in June 2014, the discussion centred around the potential for greater co-operation between India and China and towards working for mutually beneficial trade and investment as economic partners.

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