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

RAJYA SABHA UNSTARRED QUESTION NO. 354 TO BE ANSWERED ON 04th FEBRUARY, 2022

FOREIGN TRADE WITH CHINA

354. DR. SASMIT PATRA:

Will the Minister of **COMMERCE & INDUSTRY** be pleased to state:

- (a) the total amount of foreign trade undertaken by India with China in the last five years, year-wise and category-wise details thereof;
- (b) the reasons for the increase or decrease, as the case maybe, of foreign trade of India with China; and
- (c) the steps being undertaken by India to improve its foreign trade with China?

ANSWER

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

(a): The trade data of India's exports to and imports from China from FY 2016-17 to FY 2020-21 is as under:

(Values in USD billion)

YEAR	2016-17	2017-18	2018-19	2019-20	2020-21
Import	61.28	76.38	70.32	65.26	65.21
Export	10.17	13.33	16.75	16.61	21.19

(Source: DGCIS)

(b) & (c): The imports from China have increased from USD 61.28 billion in 2016-17 to USD 65.21 billion in 2020-21, exhibiting marginal increase of 6.41% over 2016-17. However, the imports were static between 2019-20 & 2020-21. The major items of import from China are products such as telecom instruments, computer hardware and peripherals, fertilizers,

electronic components/ instruments, project goods, organic chemicals, drug intermediates, consumer electronics, electrical machinery etc. Some of our imports from China like the Active Pharmaceutical Ingredients (APIs) and drug formulations provide the Indian pharma industry raw material for producing finished goods which are also exported out of India.

The exports from India to China have increased from USD 10.17 billion in 2016-17 to USD 21.19 billion in 2020-21, exhibiting an increase of 108.35% over 2016-17. The major items of exports to China are Engineering goods, marine products, spices, organic and inorganic chemicals, petroleum products, etc.

The Government of India has made sustained efforts to achieve a more balanced trade with China, including bilateral engagements to address the non-tariff barriers on Indian exports to China. The Government has also taken measures inform of trade remedies (Anti-dumping, countervailing duty etc.) against unfair trade practices and formulated technical regulations and issued quality control orders to check substandard imports. Efforts have also been made to source critical supplies from alternate sources and sensitise the concerned Ministries/Departments to ramp up domestic capacities.

The Government has also launched schemes such as Production Linked Incentive Schemes (PLIs) to promote domestic manufacturing capacities in critical sectors such as Key Starting Materials(KSMs)/Drug Intermediates (DIs), Active Pharmaceutical Ingredients |(APIs), domestic manufacturing of Medical Devices, and for Pharmaceuticals apart from electronic components & mobiles, white goods (ACs and LEDs), Specialty Steel, Food Processing Industry, High efficiency Solar PV modules, Drones and Drone Components etc. These schemes will promote domestic manufacturing capacities and attract investment and reduce dependency on imports from China.
