

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) Export Oriented Units (EOUs) are eligible for fiscal concessions which include duty free import/domestic procurement and reimbursement of Central Sales Tax (CST) on capital goods, raw materials, consumables for their production activities and corporate tax exemption on export income for a specified period.

(c) Yes, Sir.

(d) Yes, Sir.

(e) and (f) The fluctuations in employment depend on many factors such as global economic scenario, product mix, technology etc. For the continued interest in EOU scheme, Government is amending the relevant provisions from time to time to keep the scheme more vibrant.

#### **Declining trend in exports**

3118. SHRIMATI SHOBHANA BHARTIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total quantity and value of export of major items during the last three years, item-wise and year-wise;

(b) the comparative figures of the country's trade deficit with other developing countries;

(c) whether various trade/commerce bodies have expressed their views on the declining trend in exports and suggested measures to arrest this trend; and

(d) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) The detailed data giving ITC(HS) code-wise quantity and value of export of last three years is available in the DGCI&S publications in CD form namely 'Monthly Statistics of Foreign Trade of India' for March, 2008, March, 2009 and March, 2010 respectively, which is regularly sent to Parliament library by DGCI&S.

(b) The trade deficit in US \$ billions for the year 2009 of India, Bangladesh, Brazil, China, Indonesia, Malaysia and Pakistan is (-) 86.98, (-) 6.75, 19.33, 195.85, 27.73, 33.60 and (-) 14.03 respectively. These values have been calculated by culling out figures of exports and imports from WTO website <http://stat.wto.org>. Similar information about other developing countries is available on the same website.

(c) and (d) Proposals from various trade/commerce bodies have been received from time to time, particularly during sectoral performance reviews on export performance. The Government has been closely monitoring the export performance of various sector *vis-a-vis* the

economic developments in the country and internationally on a continuous basis. Based on sectoral performance reviews for export sectors, support measures are undertaken, keeping in view the need based supports and the financial implications thereof. These measures have contributed in turning the exports growth to positive trajectory since October, 2009.

#### Trade with China

3119. SHRIMATI SHOBHANA BHARTIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether trade between India and China has decreased over the last few years;
- (b) if so, the details regarding import export between India and China during the last three years;
- (c) whether the export to China is coming under various restrictions from that country causing trade imbalance between the two countries; and
- (d) if so, the details thereof alongwith the measures taken to protect the interests of the Indian industry and correct trade imbalance between the two countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) and (b) India's, export to China declined during the year 2008-09 and China's exports to India/declined during the year 2009-10. However total trade between India and China during the last three years has been increasing gradually. The details of the bilateral trade between India and China during the last three years is given below:—

<i>Value in USD million</i>			
Year	Exports to China	Imports from China	Total Trade
2007-08	10871.34	27146.41	38017.75
2008-09	9353.5	32497.02	41850.52
2009-10	11617.88	30824.02	42441.90

(Source: DGCI&S)

(c) and (d) There are various factors which restrict exports from India to China. China's macro-economic policies, exchange rate policy and other specific non-tariff measures make exports to China uneconomic and cumbersome. During the eighth session of India-China Joint Group on Economic Relations, Trade, Science and Technology (JEG) held on 19th January, 2010, the Commerce and Industry Minister raised the issue of growing trade deficit with his Chinese counterpart. As an outcome of 8th JEG, an MoU on Expansion of trade and Economic Cooperation was signed between India and China. The MoU recognizes that a balanced trade is