

- (b) how Government proposes to achieve this high target;
- (c) whether any effort will be made to find overland routes to Southern China and Tibet to achieve more trade;
- (d) what steps will also be taken to reduce the high gap between Indian Exports and imports from China by 2015; and
- (e) the full details of incentives to be given to meet this target?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) During the last six years, bilateral trade on an average has increased by more than 30%. This trend is likely to continue and as such with a average growth of 30% per annum, the bilateral trade target of USD 100 billion on may be achieved even before 2015.

(c) At present there is no proposal to find overland route to southern China and Tibet to achieve more trade.

(d) With a view to achieving balance in the bilateral trade, efforts are being made to diversify the trade basket with emphasis on manufactured goods. We are also taking market access issues to tackle non-tariff barriers in the Chinese market at different fora for which there are Institutional mechanism. At the Ministerial level, we have India-China Joint Group on Economic Relations, Trade Science and Technology (JEG) where trade related issues are taken up regularly. 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).

(e) Currently there is no such proposal with regard to incentives.

Trade deficit with China

158. SHRI N.K. SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the details of steps being taken by Government to address the widening trade deficit with China;
- (b) whether any sectors have been earmarked by Government where import tariffs by China are prohibitive; and
- (c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) With a view to reducing trade deficit, efforts are

being made to diversify the trade basket with emphasis on manufactured goods. We are also pursuing market access issues to tackle non-tariff barriers in the Chinese market at different fora. At the Ministerial level, we have India-China Joint Group on Economic Relations, Trade Science and Technology (JEG) where trade related issues are taken regularly. 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).

(b) No, Sir.

(c) Does not arise.

Diversification of export destinations

159. SHRI N.K. SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what percentage of India's exports is going to dollar dominated countries;

(b) what steps are being taken for diversification of export destinations;

(c) what is the commodity composition of India's exports; and

(d) what steps are being taken to diversifying the composition basket?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) As per Foreign Trade Policy all export contracts and invoices can be denominated either in freely convertible currency or Indian rupees but export proceeds has to be realised in freely convertible currency. Export proceeds in Indian rupees are only allowed from member country of ACU or Nepal or Bhutan.

(b) Focus Marker Scheme (FMS) aims for diversification of markets covering 112 markets. Further, 41 existing markets have been given additional 1 % duty credit scrip *w.e.f.* 1.4.2011. With the objective to promote exports of products of high export intensity but which have a low penetration in identified countries Market Linked Focus Product Scheme (MLFPS) has been introduced.

(c) The commodity-wise detail of exports is given in the DGCI&S publication in CD form namely "Monthly Statistics of Foreign Trade of India" Volume-I. Such publication is regularly sent on monthly basis to Parliament Library by DGCI&S.

(d) To increase India's share and diversify the composition basket, incentives have been provided under various Schemes, viz. Focus Market Scheme (FMS), Focus Products Scheme (FPS), Market Linked Focus Product Scheme (MLFPS) and Vishesh Krishi and Gram Udyog