

(c) the liability of Government under the scheme and whether budget is already allocated thereunder; and

(d) the sectors benefited by the scheme?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) The Government has introduced the Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit *w.e.f.* 01.04.2015 for select product lines under 416 ITC(HS) Codes at 4 digit level and exports made by all Micro, Small and Medium Enterprises across all ITC(HS) codes. Operational guidelines have been notified *vide* RBI Circular No. 62 dated 04.12.2015 which is available at RBI website www.rbi.org.in.

(c) and (d) Financial implication of the scheme is estimated to be in the range of ₹ 2500 to ₹ 2700 crore per year. However, the actual financial implication would depend on the level of exports and the claims filed by exporters with the Banks. ₹ 1625 crore has already been allocated to Department of Commerce for the Financial Year 2015-16 for this scheme.

Strategy to work in WTO system

1939. DR. E.M. SUDARSANA NATCHIAPPAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has formulated a strategy to positively work in World Trade Organization (WTO) system and create larger number of supporters in Nairobi Ministerial level meetings; and

(b) if so, how the plurilateral and bilateral treaties already existing between India and other countries will be protected and revisited keeping in mind specifically the corporate companies dictating to India and creating damaging disputes on the basis of Bilateral Investment Treaties (BITs)?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) India works closely with other member countries of the World Trade Organization in order to ensure that the interests of developing countries are protected. India is part of various groups of developing countries in the WTO working on issues of common interest. Apart from this India works in coordination with other groups of developing countries.

(b) The bilateral/plurilateral treaties are also entered into keeping national interests in view. India has concluded 11 Free Trade Agreements and 6 Limited scope Preferential Trade Agreements. Every Free Trade Agreement has a joint review

mechanism which provides for review of the Agreement from time to time, taking into account the interests of our stakeholders.

Under the WTO agreements, there are no provisions for any private sector/corporate action against the Government. India's Bilateral Investment Treaty (BIT), in certain circumstances, provide for private investors to file Investor-State-Dispute Settlement cases against the government. Such remedies are equally available for Indian investors in the other party to the BIT. However, the process of revising the Indian model text for Bilateral Investment Treaty (BIT) has recently been completed. The revised model BIT will be the basis for re-negotiation of existing BITs and negotiation of future BITs and investment chapters in Free Trade Agreement. The new Indian Model BIT text will provide appropriate protection to foreign investors in India and Indian investors in the foreign country, in the light of relevant international precedents and practices, while maintaining a balance between the investor's rights and the Government obligations.

Trade relation with China

1940. SHRIMATI SASIKALA PUSHPA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether India has trade relations with China;
- (b) if so, the year-wise and commodity-wise details of the quantum and value of exports and imports with China, during each of the last three years and this year;
- (c) whether it is a fact that trade deficit with China is increasing continuously in the recent years;
- (d) if so, the details thereof and the reasons therefor; and e) the steps taken to reduce trade deficit with China?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI NIRMALA SITHARAMAN): (a) Yes, Sir. India has trade relations with China.

(b) The details of commodities of export and import with China for the last three years and the current year (April- September 2015) is given in the Statement (*See below*).

(c) and (d) Details of trade and trade deficit with China during the last three years and the current year are given below:-