

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

**RAJYA SABHA**  
**STARRED QUESTION NO. 243**  
**TO BE ANSWERED ON 25<sup>th</sup> MARCH, 2022**

**IMPACT OF UKRAINE CRISIS ON INDUSTRY AND COMMERCE**

\* 243. SHRI K.J. ALPHONS:

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

- (a) the impact of Ukraine crisis on Indian industry and commerce; and
- (b) the steps that are being taken by Government to reduce the adverse consequences?

**ANSWER**

THE MINISTER OF COMMERCE AND INDUSTRY  
(SHRI PIYUSH GOYAL)

(a) & (b): A Statement is laid on the Table of the House.

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**STATEMENT REFERRED TO IN REPLY TO PARTS (a) & (b) OF RAJYA SABHA  
STARRED QUESTION NO. 243 FOR ANSWER ON 25<sup>th</sup> MARCH, 2022 REGARDING  
“IMPACT OF UKRAINE CRISIS ON INDUSTRY AND COMMERCE”.**

**(a) &(b):** The impact can be assessed only after the situation stabilizes. However, Department of Commerce is holding regular consultation with all stakeholders to ensure availability of essential imports and to find alternate destinations for our exports.

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भारत सरकार  
वाणिज्य एवं उद्योग मंत्रालय  
वाणिज्य विभाग

राज्य सभा  
तारांकित प्रश्न सं. 243\*

दिनांक 25 मार्च 2022 को उत्तर दिये जाने के लिए

**उद्योग और वाणिज्य पर यूक्रेन संकट का प्रभाव**

**\*243. श्री के.जे.एल्फोंस :**

क्या वाणिज्य और उद्योग मंत्री यह बताने की कृपा करेंगे कि :

(क) भारतीय उद्योग और वाणिज्य पर यूक्रेन संकट का क्या प्रभाव पड़ा है; और

(ख) सरकार द्वारा इसके प्रतिकूल प्रभावों को कम करने के लिए क्या-क्या कदम उठाए जा रहे हैं?

**उत्तर**

**वाणिज्य एवं उद्योग मंत्री**

**(श्री पीयूष गोयल)**

(क) से (ख): विवरण सभा पटल पर रखा गया है।

"उद्योग और वाणिज्य पर यूक्रेन संकट का प्रभाव" के संबंध में 25 मार्च 2022 को उत्तर दिए जाने के लिए राज्य सभा तारांकित प्रश्न संख्या 243 के भाग (क) से (ख) के उत्तर में उल्लिखित विवरण।

(क) और (ख): स्थिति के स्थिर होने के बाद ही प्रभाव का आकलन किया जा सकता है। तथापि, वाणिज्य विभाग आवश्यक आयात की उपलब्धता सुनिश्चित करने और हमारे निर्यात के लिए वैकल्पिक गंतव्य खोजने के लिए सभी हितधारकों के साथ नियमित परामर्श कर रहा है।

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SHRI K.J. ALPHONS: Sir, the nation is extremely proud of India crossing 400-billion dollars in exports; for that, every Indian would be proud of. What is the role of the MSME sector in achieving this historic figure?

SHRI PIYUSH GOYAL: Mr. Deputy Chairman, Sir, there can be absolutely no doubt in anybody's mind that our MSME sector is an extremely important sector. It is the mainstay of the nation's economy and, directly or indirectly, they contribute and will always contribute in a very big measure to our economy and, within that, to the exports that India does. Very often, this issue about the contribution of MSMEs comes up. I would like to suggest that it is more important that we assess that these MSMEs also are now growing rapidly and becoming important technology base for India's future job creation expansion. Therefore, in the revised definition of MSMEs, the Government of India has increased the investment threshold, has increased the turnover threshold, and importantly, has said that any turnover which is export related will not be counted while assessing the eligibility to be categorized as an MSME. So, I think this has been a very, very major and transformative decision taken by hon. Prime Minister, Shri Narendra Modi, to encourage MSMEs to go out of the cocoon or the shell, and look at engaging with the world with strength, with economies of scale, with high technology products, etc. Therefore, while they have a huge role to play in this 400-billion dollar achievement, my own sense is, in the years to come, their role is only going to get increasingly more and more important.

SHRI K.J. ALPHONS: Sir, there are two surprise items in this export basket. One is, export of engineering goods which has touched 107 billion dollars; it is an increase of 46.5 per cent. Another is, electronics goods, which has touched 15 billion dollars; it is an increase of 41 per cent. So, do you see a huge target for these two items? Do you see a huge future for these items in our exports?

SHRI PIYUSH GOYAL: Mr. Deputy Chairman, Sir, I would like to compliment the hon. Member for the detailed analysis that he has done on the achievement of India and I think this is an achievement that the entire House, irrespective of political affiliations, can applaud our exporters, farmers, MSMEs, etc. who have contributed in a big measure to this success. But, clearly, there are these two sectors which have been highlighted by the hon. Member. Engineering has seen a growth of nearly 50 per cent. It is a record growth; it is a record achievement. Engineering goods sector, which includes auto components and various small products that we make in India and send to the world, is highly job creating. They give a lot of opportunities for our

MSMEs particularly and there is a major thrust. I, myself, would have had not less than, maybe, 40 or 50 meetings, over the last two-year Covid period, with the Engineering Export Promotion Council ensuring that we were resolving their problems on a real time basis, sorting out any issues that they faced whether logistics or related to operations during the lockdown or any issues they had with foreign buyers or foreign countries. Our Missions are very active and are handholding our exporters. So, all of these steps have helped us achieve this 50 per cent growth. I must also acknowledge the technology, and adoption of the new age requirements of the world has also been our mainstay. Therefore, I say that the new India, that our exporters are now a symbol of, really is something that the whole nation should be proud of.

As regards mobiles, it is one of the biggest success stories in recent times. The Government had come up with a production-linked incentive scheme by which we were able to encourage large mobile manufacturers to come to India and set up shop here. I am happy to share with you -- I think I read in the papers couple of days back -- that Apple itself has exported probably Rs.10,000 crores worth of goods which is just the beginning. They have very, very aggressive investment and export plans from India. My colleague hon. Minister of MeITY is here and his MoS, Shri Ashwini Vaishnaw and Shri Rajeev Chandrasekhar are here. I hope they get an opportunity to give more details in any of the questions related to that Ministry. But, believe me, the new policy that Rs.76,000 crore being offered for co-investment or as a support from the Government of India to promote the semiconductor industry to come in India in a big way, the semi-con policy, is another massive initiative. Never before has India come out with such a robust and futuristic technology-oriented policy to promote semiconductors in India. I am very confident that in the years to come, India would become a global player in the electronic sector.

**SHRI ANAND SHARMA:** Mr. Deputy Chairman, Sir, through you, I want to ask the hon. Minister a specific question. Before that, let me also, as a former Commerce and Industry Minister, compliment the Minister and Indian exporters for crossing the 400 billion dollars mark. I remember our exporters have risen to the occasion in the past. When I demitted office, we had left at 318 billion dollars, but two years were very difficult. Due to Covid, this is a remarkable achievement.

Sir, the Minister, in his reply, has referred to the difficulties, particularly, in the maritime transit routes due to sanctions. India has not endorsed sanctions and the trade in the past, we have continued with our strategic partners whether it was Iran

and others. Therefore, will the Government look at more commodities for export since our agri exports have touched 50 billion? Ukraine and Russia are the major producers of wheat besides Canada and the United States. So, are we looking at sending our wheat in the international market through alternate transit routes due to the problems on the high seas, whether through the land corridors, through the Central Asian countries, so that we can continue with our trade?

SHRI PIYUSH GOYAL: Sir, through you, I would like to thank the hon. former Commerce and Industry Minister for his very, very gracious comments. Truly, our exporters deserve it. Our exporters deserve accolades for what they have been able to achieve in these very difficult times. The second wave was so difficult. Then, we had Omicron and then towards the last quarter, we had the uncertainties around the emerging current situation in Ukraine and Russia. In this situation, Mr. Deputy Chairman, Sir, all the Members would be happy to know that we have been continuously monitoring the opportunities this opens up for India and Indian exporters. I still recall, over a month ago or a month and a half probably, I got a call from the hon. Prime Minister asking me what steps are being taken, for example, on wheat exports. Wheat is something where, I would like to share with the hon. Members, through you, India can proudly say that we have very high quality wheat and our farmers are truly making the country proud with the growth in wheat production. Similarly, our exporters, over the last two years grew wheat export from merely 2 lakh metric tonne. Last year, they grew it ten times to 21 lakh metric tonne and in the current year, we will close with over 70 lakh metric tonnes of wheat export. But, as is the way of working of Prime Minister Modi, he has set an even much more aggressive target for all of us to work with. The hon. Agriculture Minister is here. We have been having joint consultations. The Railways is rising to the occasion by ensuring availability of adequate rakes so that wheat can be moved to the port. The Shipping Ministry is also working to ensure seamless movement of agricultural products, particularly, wheat, given the current situation where the opportunity, because Ukraine and Russia were large exporters of wheat, is pretty large all over the country. So, (a) we are working on the track of increasing our wheat exports to the current importers; (b) Agriculture Ministry is in dialogue with various countries for the process to be speeded up and expedited so that newer markets for wheat can be sought. I am happy to share with you that after I gave my entire report to the hon. Prime Minister, he said, 'But the most important thing you have not reported.' I was quite taken aback. I thought I had given a whole nice response to what efforts we are doing. He said, 'Quality'. I said, yes, of course. But, he said take this

opportunity so that we give such good quality to the whole world that सबको हमारे गेहूं का स्वाद इतना लग जाए कि उसके बाद हमारे देश के गेहूं का सब जगह पर निर्यात हो। आनन्द शर्मा जी, हमारे निर्यात में एक तरफ जो दो वर्ष में बढ़त हुई है - वह पहले दो लाख मीट्रिक टन था, फिर 21 लाख मीट्रिक टन हुआ और इस वर्ष 70 लाख मीट्रिक टन हुआ है तथा हम अगले वर्ष और बड़ी छलांग लगायेंगे। इसके साथ ही जब पूरी सरकार इस पर लग गई है, तो हमने FSSAI को भी इसमें जोड़ दिया है। माननीय प्रधान मंत्री जी ने कहा कि इसमें बहुत अच्छी क्वालिटी जानी चाहिए, अच्छी गुणवत्ता वाला हमारा अनाज विश्व भर में जाए। जैसे आज चावल में, पूरे विश्व में एक प्रीमियम मिलता है कि यह भारत का चावल है, चाहे वह बासमती हो या गैर-बासमती हो, यह एक प्रीमियम प्रोडक्ट बन गया है, वैसे ही आगे के दिनों में हमारे अन्नदाता जो गेहूं पैदा करते हैं, वे भी भारत की शान बनेंगे।

**श्री उपसभापति :** धन्यवाद। प्रो. मनोज कुमार झा।

PROF. MANOJ KUMAR JHA: Mr. Deputy Chairman, Sir, through you, I would like to know from the hon. Minister that we are seeing situation evolving in a catch-22 mode. I believe, very clearly, that you are doing enough, but whereas there could be a point where there could be a conflict or contradiction between our trade and commerce priority and our diplomatic and political position which has been shaped through all these conflicts since 1947. Has the Government been thinking about it what could be the alternative or diversification through all that? Thank you, Sir.

SHRI PIYUSH GOYAL: As regards the strategic issues, I think that would be more for my colleague, the hon. External Affairs Minister to address that at the appropriate time because, right now, we are in a situation which is something where we should not be discussing beyond a point, though he has already come to the House and very transparently addressed the concerns of the Members. As regards trade, our approach is that trade stands on its own legs, and diplomacy and geo-political considerations stand on their own leg. I think it is important that the two should not be mixed up while one may have an impact on the other. For example, we have excellent relationship with all countries around the world and, therefore, we are able to expand our trade with many countries. A lot of excitement and interest is there in many countries to have economic partnerships and grow the relations with India given the emerging strengths and the power that India is demonstrating across the world. However, our national interest will always be supreme. The strategic interest of the country will always be supreme in any consideration or bilateral relation that we may have with any country.



**श्री बृजलाल :**उपसभापति महोदय, हमारी जो neighbouring countries हैं, उनको हमारा exportland route से होता है, चाहे वह बंगलादेश हो, भूटान हो, नेपाल हो या म्यांमार हो। इन countries को land route से export करने के लिए दो routes हैं, एक ट्रेन route है और दूसरा रोड route है। मैं माननीय मंत्री जी से जानना चाहूंगा कि इसके लिए क्या प्रयास हो रहे हैं, ताकि हमारा export, जो land route से इन countries को हो रहा है, उस export को हम बढ़ा सकें।

MR. DEPUTY CHAIRMAN: The question is related to impact of Ukraine crisis on industry and commerce. फिर भी माननीय मंत्री जी अगर कुछ कहना चाहें तो कहें।

**श्री पीयूष गोयल :**यह इससे directly related नहीं है, लेकिन चूंकि माननीय सांसद ने विषय उठाया है, तो मैं आपको विश्वास दिलाता हूँ कि सरकार whole of the Government approach से काम कर रही है। कोई silos में सरकार का काम करने का ढंग नहीं है कि अगर रोड का विषय है तो सिर्फ रोड की चिन्ता वह मंत्रालय करे, रेलवे मंत्रालय सिर्फ अपनी चिन्ता करे, Home Ministry सिर्फ जो रोड पर border post होते हैं, उन border posts की चिन्ता करे या हम सिर्फ अपने वाणिज्य मंत्रालय की चिन्ता करें। सरकार में लगातार एक दूसरे मंत्रालय से सम्पर्क बना रहता है, वहां लगातार चर्चाएं चलती रहती हैं कि क्या-क्या और प्रोत्साहन देशवासियों के लिए, हमारे निर्यातकों के लिए हम दे सकते हैं, कैसे और अवसर ढूंढ सकते हैं कि लोगों को व्यापार करने का, उद्योग लगाने का, रोजगार करने का और काम मिले। इस विषय में लगातार काम चलता रहता है। जैसे उदाहरण के लिए रेलवे के प्रश्न पर माननीय रेल मंत्री जी कहना चाहें कि किस प्रकार से बंगलादेश के साथ रेलवे की सुविधाओं का कितना विस्तार हो रहा है, कैसे उसे बढ़ाने के लिए अलग-अलग स्तर पर प्रयत्न चल रहे हैं। भूटान से भी कैसे हम अपना आयात-निर्यात और बढ़ा सकें, उसमें road sector और railways, किस-किस माध्यम से इस दिशा में काम किया जा सकता है, सरकार इस पर लगातार प्रयासरत है। Port sector लगातार लगा रहता है कि अगर कोई चीज़ पश्चिमी भारत से जानी है तो वह sea route से भी इन देशों तक पहुंच सके। मैं समझता हूँ कि यह पूरी सरकार बड़ी गंभीरता से अपने neighbourhood की तरफ भी देखती है और neighbourhood में जितने देश हैं, उन सब के साथ निरन्तर सम्पर्क बनाये हुए है और निरन्तर अपने trade को बढ़ाने के लिए कार्य कर रही है।

MR. DEPUTY CHAIRMAN: Question No. 244. Shri Rewati Raman Singh.