

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

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1323**  
ANSWERED ON 02/08/2024

**TRADE RELATIONS WITH CHINA**

1323. SHRI DIGVIJAYA SINGH:  
SMT. JEBI MATHER HISHAM:  
SMT. PHULO DEVI NETAM:

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

- (a) the product-wise details of imports and exports between India and China during the last five years in value terms;
- (b) whether India's imports from China have increased in terms of trade taking place between China and India during the last five years;
- (c) if so, the total trade deficit caused to India in trade with China in the last five years, year-wise; and
- (d) whether Government plans to reduce the increasing trade deficit with China?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SHRI JITIN PRASADA)

(a) The product wise details of imports and exports between India and China during the last five years in value terms can be accessed at DoC's website i.e. <https://tradestat.commerce.gov.in/eidb/default.asp>.

(b) and (c) India's imports from China have shown mixed trend in last 5 years i.e. 2019-20 to 2023-24. While imports decreased during first two years (2019-20 and 2020-21), these increased during the next three years. The details of trade deficit between India and China can be accessed at DoC's website i.e. <https://tradestat.commerce.gov.in/eidb/default.asp>. The trade deficit of India with China has increased by compound annual growth rate (CAGR) of 42.85 percent during 2004-05 to 2013-14 while the same has come down to compound annual growth rate (CAGR) of 6.45 percent during 2014-15 to 2023-24 clearly indicating the success of the Government in containing the excessive import growth from China during the past 10 years.

(d) The Government, from time to time, has been taking necessary steps to reduce trade balance with China. Most of the goods imported from China are capital goods, intermediate goods and raw materials and are used for meeting the demand of fast expanding sectors like electronics, telecom and power in India.

The Government has taken various steps to boost domestic manufacturing and reduce dependency on imports. Production Linked Incentives (PLI) Schemes in 14 critical sectors like electronics, pharmaceuticals, white goods and telecommunication equipment, where there is substantial dependency on imports, have been launched by the Government. The Government has also introduced stricter quality standards, testing protocols, and mandatory certification to check substandard imports. The Government is also encouraging Indian businesses to explore alternative suppliers and to diversify their supply chains. To support the domestic industry, the Government has rationalised the customs duty on imports.

The Government monitors the surge in imports on a regular basis and takes appropriate action. Quality control orders for various products have been issued to check substandard imports. Further, the Directorate General of Trade Remedies is empowered to recommend trade remedial actions against unfair trade practices.

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