

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2837

ANSWERED ON:12.12.2011

DEPENDENCY ON IMPORTS FROM CHINA

Meghe Shri Datta Raghobaji;Muttamwar Shri Vilas Baburao;Nahata Smt. P. Jaya Prada;Sharma Shri Jagdish;Shekhar Shri Neeraj;Singh Shri Yashvir

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

- (a) whether Government is aware of the increasing dependence of Indian manufacturing industries on the imported Chinese goods and has also taken note of the concern expressed by the National Security Council regarding country's rising dependence on Chinese goods;
- (b) if so, the steps taken / being taken by the Government to make the indigenous industries self-reliant and put an end to the dependency on China;
- (c) the percentage of import-export between India and China and the extent of profit being earned by China annually;
- (d) whether the Government proposes to increase the duties on import of Chinese goods and raw material in India; and
- (e) if so, the details thereof alongwith the steps taken by the Government to check the negative trade balance between India and China?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (e): A Statement containing part-wise reply is enclosed.

Statement

Statement referred to in reply to Lok Sabha Unstarred Question No. 2837 to be answered on 12.12.2011 regarding 'Dependency on Imports from China'

(a) Government has not made any study regarding dependency of Indian Manufacturing Sector on imports from China. Government, however, has been conscious of widening trade deficit with China.

(b) Government has made concerted efforts to improve the rate of growth of manufacturing sector and making it globally competitive. Some of the measures, which have been taken to improve the competitiveness of domestic industry among others include creation of world class infrastructure; promotion and facilitation of industrial investment including the foreign direct investment, improvement in business environment; development of industry relevant skills etc.

(c) India's trade with China and its share as percentage to India's global trade in the current year so far and preceding two years is indicated in the table below:

(in US\$ Billion)

World Trade Trade with China

Year	Export balance	Import balance	Trade total	Export Indian	Import Indian	Trade total	% of export	% of import
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2009-2010	178.8	288.4	-109.6	11.6	30.8	-19.2	6.5	10.7
2010-2011	252.3	346.9	-94.6	19.4	39.8	-20.5	7.7	11.5
2011-2012	111.2	158.0	-46.8	5.6	18.2	-12.6	5.1	11.5

(Apr-Jul)

Information regarding profit made by China in trade with India is not maintained.

(d) & (e) Government has been taking initiatives to make Indian industry globally competitive so that trade and current account deficits are maintained at sustainable levels. As a WTO member, India can also impose antidumping or safe guard duty on products imported from any country that are either dumped in Indian market or threaten India's domestic industry with injury.