### LOK SABHA UNSTARRED QUESTION NO. 1152 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### DIGITAL SERVICES AGREEMENT

1152. SHRI RAHUL RAMESH SHEWALE: SHRI GIRISH BHALCHANDRA BAPAT: SHRI CHANDRA SEKHAR SAHU: DR. PRITAM GOPINATHRAO MUNDE:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether Australia has shown keen interest in exploring a digital services agreement with India under a Comprehensive Economic Cooperation Agreement (CECA), if so, the details thereof;
- (b) whether both the countries have started negotiations on the same and if so, the time by which final decision is likely to be taken in this regard;
- (c) whether negotiation for the CECA began in 2011 and was suspended in 2016, if so, the reasons therefor and the present status thereof;
- (d) whether Australia is planning to set up a Centre of Excellence for Critical and Emerging Technology Policy in Bengaluru; and
- (e) if so, the details thereof?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) & (b): The India-Australia Economic Cooperation and trade agreement (Ind-Aus ECTA) was signed on 2nd April 2022 and will enter into force on 29 December 2022. As per Article 14.5 of Chapter 14- Final Provisions, the Negotiation sub-committee established under the agreement shall commence negotiations on amendments to this Agreement, on a without prejudice basis, to transform this Agreement into a Comprehensive Economic Cooperation Agreement (CECA). Amongst the indicated areas, a chapter on Digital trade is one of the

indicated areas on which negotiations will take place under the CECA. Negotiations for a Comprehensive Economic Cooperation agreement are yet to start.

(c): Negotiations on India-Australia bilateral Comprehensive Economic Cooperation Agreement commenced in 2011 and 9 rounds of negotiations were held till 2015. Thereafter, no negotiations were held as both the countries were part of the then ongoing Regional Comprehensive Economic Partnership (RCEP) negotiations.

In September 2021, India and Australia formally re-launched CECA negotiations with the intention of concluding an Economic Cooperation and Trade Agreement (Ind-Aus ECTA) to swiftly liberalise and deepen bilateral trade in goods and services, and to then use this foundation for further negotiations on a more comprehensive CECA. The India-Australia Economic Cooperation Trade Agreement (Ind-Aus ECTA) was signed on 2nd April,2022 and will enter into force on 29th December,2022.

(d) & (e): A proposal to explore the setting up of a Centre of Excellence for Critical and Emerging Technology in Bengaluru is being discussed between India and Australia.

# LOK SABHA UNSTARRED QUESTION NO. 1174 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### INTERNATIONAL TRADE FAIR

1174. SHRI SANJAY SADASHIVRAO MANDLIK:

SHRI SUDHEER GUPTA:

SHRI SUBRAT PATHAK:

SHRI BIDYUT BARAN MAHATO:

SHRI SHRIRANG APPA BARNE:

SHRI PRATAPRAO JADHAV:

SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:

SHRI MANOJ TIWARI:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether India International Trade Fair, 2022 was organized recently in Delhi;
- (b) if so, the details thereof and the main theme of the said fair;
- (c) the details of domestic and foreign participants/companies and countries who participated in the said fair;
- (d) the number of MoUs signed and the quantum of foreign exchange earned therefrom;
- (e) whether the Government has set up/proposes to set up new trade fair complexes in various parts of the country and if so, the details thereof along with the time by which the proposed complexes are likely to be set up; and
- (f) the steps taken to boost domestic trade though such trade fairs in the country?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) Yes, Sir. India International Trade Fair (IITF), 2022 was organised by the India Trade Promotion Organistaion (ITPO) at Pragati Maidan, New Delhi.

(b) The  $41^{st}$  edition of India International Trade Fair (IITF) was organized during November 14-27, 2022 in a gross area of 73,000 sq.mtrs approximately.

The main theme of the event was "Vocal for Local, Local to Global".

(c) **Domestic:** A total of 29 Indian States/UTs and 53 Government Ministries/ Departments/ PSUs, etc. participated in the event with their respective pavilions, in addition to private participants. The total number of participants, including direct as well as through various government departments / agencies is estimated to be around 3000.

**Foreign:** Around 57 Exhibitors from 13 countries participated in IITF 2022, including Afghanistan, Bahrain, Bangladesh, Belarus, China, Iran, Kyrgyz Republic, Nepal, Republic of Türkiye, Thailand, Tunisia, United Arab Emirates and Vietnam.

- (d) A large number of overseas trade visitors attended the IITF and met with Government and private stakeholders. However, no MoU was signed by ITPO during the event.
- (e) ITPO facilitates Department of Commerce (DoC) in setting up trade fair complexes in various parts of the country. The details of the same are:

| Name of the Organisation & State/UT  | Status               | Year of Incorporation | % of<br>Share of<br>ITPO |
|--|----------------------|-----------------------|--------------------------|
| Tamil Nadu Trade Promotion<br>Organisation (TNTPO), Chennai, Tamil<br>Nadu           | Subsidiary           | 2000                  | 51%                      |
| Karnataka Trade Promotion Organisation (KTPO), Bengaluru, Karnataka                  | Subsidiary           | 2000                  | 51%                      |
| Jammu & Kashmir Trade Promotion<br>Organisation (JKTPO), Pampore,<br>Jammu & Kashmir | Associate<br>Company | 2018                  | 40%                      |

For setting up of trade fair complexes in various States grant is provided by the Department of Commerce under Trade Infrastructure for Export Scheme (TIES) scheme directly to States.

(f) ITPO organises trade fairs at various locations in India to provide a platform for the industry to meet, interact and transact business in an environment conducive for trade. Major events include –

- India International Trade Fair (IITF), Delhi
- Aahar The International Food and Hospitality Fair, Delhi
- India International Leather Fair, Chennai
- India International Footwear Fair (IIFF), New Delhi
- India International Security Expo, New Delhi
- East Himalayan Expo, Shillong
- Delhi Book Fair, Stationery Fair, Office Automation and Gift Fair, Delhi
- Indian Leather and Accessories Fair (ILAF), Kolkata

# LOK SABHA UNSTARRED QUESTION NO. 1177 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### EXPORT OF BROKEN AND PARBOILED RICE

1177. SHRIMATI KAVITHA MALOTHU:

SHRI KOMATI REDDY VENKAT REDDY:

SHRI VENKATESH NETHA:

BORLAKUNTA:

DR. G. RANJITH REDDY:

SHRI MANNE SRINIVAS REDDY:

SHRI KANUMURU RAGHU RAMA:

KRISHNA RAJU:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) the details of non-basmati and parboiled rice exports during the last three years, year, variety and country-wise;
- (b) whether it is true that non-basmati rice exports this year would touch 15 million tonnes despite 20% export duty and ban on shipment of broken rice and if so, the details thereof;
- (c) whether it is true that many African countries are asking for broken and parboiled rice;
- (d) if so, the details of parboiled rice stocks in the country, State-wise; and
- (e) the steps being taken by the Ministry to export broken and parboiled rice to such countries?

### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) Rice is broadly divided into two categories i.e Basmati and Non-Basmati. Parboiled rice also comes under non-basmati rice category. The details of total non-basmati rice and parboiled rice exported during the last three years, year-wise, variety-wise and country-wise are given at Annexure-I.

- (b) The total non-basmati rice exported during April-October 2022 is 10.21 Million MT. However, export of non-basmati rice has registered a decline after prohibition on broken rice and imposition of export duty of 20% on other non-basmati rice except parboiled rice on 8<sup>th</sup> September 2022.
- (c) Yes, Sir. Requests for non-basmati rice including broken and parboiled rice from a few African countries have been received.
- (d) The State-wise details of parboiled rice stock in the country as per Food Corporation of India, are given at Annexure-II.
- (e) The Government of India has set up an Inter-Ministerial Committee (IMC) to review domestic prices, production, available stocks, production estimates, forecast etc., of essential agricultural commodities to safeguard the interest of the domestic farmers, industrial sector and consumers. The policy decision regarding export of these essential commodities is taken keeping in view the above-mentioned factors. The IMC periodically meets and inter-alia, recommends measures for export of prohibited items, if any, including rice to support the needs of neighbouring and vulnerable countries for their food security.

# Annexure regard to in reply to Part (a) of Lok Sabha Unstarred Question No. 1177.

Annexure-I

Source: DGCIS

|                        | Qty in LMT; Values in USD Million |         |        |         |         |         |  |  |  |
|------------------------|-----------------------------------|---------|--------|---------|---------|---------|--|--|--|
| Commodity /Year        | 2019-20                           |         | 202    | 0-21    | 2021-22 |         |  |  |  |
|                        | Qty                               | Value   | Qty    | Value   | Qty     | Value   |  |  |  |
| Total non-basmati rice | 50.56                             | 2031.25 | 131.49 | 4810.80 | 172.89  | 6133.63 |  |  |  |
| Parboiled rice *       | 31.29                             | 1215.15 | 61.75  | 2365.19 | 74.34   | 2764.69 |  |  |  |

<sup>\*</sup> Parboiled rice also comes under non-basmati rice category

|                  |       |         |        | Qty in Ll | MT; Values in | USD Million |  |  |
|------------------|-------|---------|--------|-----------|---------------|-------------|--|--|
| Non-Basmati Rice |       |         |        |           |               |             |  |  |
| COLINEDA         | 201   | 2019-20 |        | 0-21      | 2021-22       |             |  |  |
| COUNTRY          | Qty   | Value   | Qty    | Value     | Qty           | Value       |  |  |
| BANGLADESH PR    | 0.13  | 12.12   | 9.14   | 350.97    | 16.29         | 613.95      |  |  |
| BENIN            | 5.35  | 195.90  | 12.31  | 442.97    | 15.27         | 531.39      |  |  |
| CHINA P RP       | 0.02  | 0.78    | 3.32   | 103.70    | 16.33         | 496.65      |  |  |
| NEPAL            | 6.81  | 245.30  | 13.33  | 405.26    | 14.01         | 461.49      |  |  |
| COTE D' IVOIRE   | 2.94  | 107.70  | 7.32   | 260.30    | 9.32          | 322.65      |  |  |
| SENEGAL          | 2.18  | 67.49   | 10.36  | 304.88    | 10.91         | 311.91      |  |  |
| TOGO             | 3.03  | 107.90  | 7.80   | 283.02    | 8.44          | 293.99      |  |  |
| GUINEA           | 3.27  | 120.41  | 6.10   | 224.50    | 6.73          | 243.81      |  |  |
| VIETNAM SOC REP  | 0.00  | 0.78    | 2.93   | 90.15     | 7.08          | 231.10      |  |  |
| MADAGASCAR       | 0.11  | 3.69    | 4.16   | 127.22    | 5.72          | 188.84      |  |  |
| Other            | 26.72 | 1169.17 | 54.71  | 2217.82   | 62.80         | 2437.84     |  |  |
| Total            | 50.56 | 2031.25 | 131.49 | 4810.80   | 172.89        | 6133.63     |  |  |

Source: DGCIS

| Qty in LMT; Values in USD Million |       |         |       |         |         |         |  |  |
|-----------------------------------|-------|---------|-------|---------|---------|---------|--|--|
| India's export of Parboiled Rice  |       |         |       |         |         |         |  |  |
| COUNTRY                           | 20    | 2019-20 |       | )20-21  | 2021-22 |         |  |  |
|                                   | Qty   | Value   | Qty   | Value   | Qty     | Value   |  |  |
| BANGLADESH PR                     | 0.06  | 2.42    | 7.86  | 294.97  | 14.85   | 556.11  |  |  |
| BENIN                             | 5.00  | 182.13  | 9.36  | 341.62  | 10.22   | 363.09  |  |  |
| COTE D' IVOIRE                    | 2.78  | 101.89  | 5.50  | 201.17  | 5.91    | 210.88  |  |  |
| TOGO                              | 2.63  | 94.11   | 5.46  | 202.35  | 5.83    | 207.23  |  |  |
| GUINEA                            | 2.70  | 99.81   | 4.41  | 164.60  | 4.89    | 176.55  |  |  |
| SOMALIA                           | 3.44  | 122.17  | 3.70  | 126.54  | 4.55    | 154.09  |  |  |
| SRI LANKA DSR                     | 0.03  | 1.34    | 0.01  | 0.95    | 3.43    | 137.94  |  |  |
| LIBERIA                           | 2.02  | 74.26   | 3.17  | 119.06  | 3.45    | 124.14  |  |  |
| DJIBOUTI                          | 1.66  | 60.66   | 2.12  | 76.66   | 2.37    | 83.32   |  |  |
| SOUTH AFRICA                      | 1.45  | 50.13   | 2.38  | 84.20   | 1.97    | 67.53   |  |  |
| Others                            | 9.51  | 426.23  | 17.77 | 753.06  | 16.87   | 683.82  |  |  |
| Total                             | 31.29 | 1215.15 | 61.75 | 2365.19 | 74.34   | 2764.69 |  |  |

Source: DGCIS

# Annexure regard to in reply to Part (d) of Lok Sabha Unstarred Question No. 1177.

**Annexure-II** 

| Stock of Parboiled Rice as on 01.12.2022in different States |           |                      |                      |  |  |  |  |
|---|-----------|----------------------|----------------------|--|--|--|--|
| (Qty. in MT)  |           |                      |                      |  |  |  |  |
| Region  | Parboiled | Parboiled Rice Stock |                      |  |  |  |  |
|   | FCI       | State Agency         | Total Parboiled Rice |  |  |  |  |
| East Zone   |           |                      |                      |  |  |  |  |
| Bihar   | 229       | 0                    | 229                  |  |  |  |  |
| Jharkhand   | 37417     | 0                    | 37417                |  |  |  |  |
| Odisha  | 63081     | 344336               | 407417               |  |  |  |  |
| West Bengal   | 19690     | 147114               | 166804               |  |  |  |  |
| East Zone Total   | 120417    | 491450               | 611867               |  |  |  |  |
| South Zone  |           |                      |                      |  |  |  |  |
| Andhra Pradesh  | 2237      | 0                    | 2237                 |  |  |  |  |
| Telangana   | 400015    | 0                    | 400015               |  |  |  |  |
| Karnataka   | 4986      | 0                    | 4986                 |  |  |  |  |
| Kerala  | 89886     | 741                  | 90627                |  |  |  |  |
| Tamilnadu   | 289795    | 971000               | 1260795              |  |  |  |  |
| South ZoneTotal   | 786919    | 971741               | 1758660              |  |  |  |  |
| West Zone   |           |                      |                      |  |  |  |  |
| Chhattisgarh  | 20785     | 1398                 | 22183                |  |  |  |  |
| West Zone Total   | 20785     | 1398                 | 22183                |  |  |  |  |
| All India Total   | 928121    | 1464589              | 2392710              |  |  |  |  |

Source: FCI.

Note: Stocks of parboiled rice in States/Zone other than those mentioned in the table above are not available, as there is no consumption of parboiled rice in those states.

# LOK SABHA UNSTARRED QUESTION NO. 1187 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### IMPACT OF RUSSIA-UKRAINE WAR ON INDIA

1187. SHRI B.B. PATIL:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether the Government has made any estimate of the scale of impact of Ukraine-Russia war on Indian industry and commerce;
- (b) if so, the details thereof;
- (c) whether the Government intends to inject any financial stimulus in the economy in the wake of Ukraine-Russia war; and
- (d) if so, the details thereof?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) to (d): The situation with regard to foreign trade is being monitored on a regular basis in consultation with all stakeholders.

The progress of the Indian industry is impacted by various factors and is measured by various indicators which are available in public domain such as the Index of Industrial Production, Index of eight core industries, PMI Manufacturing etc. These data sets include impact of both internal as well as external factors such as rise in input costs, geopolitical tensions, supply chain pressures etc., on the manufacturing sector.

Financial stimulus provided by the Government depends on overall assessment of the economy and impact of various factors such as prevailing domestic and external conditions, spill over impact of the incentive on various sections of the economy, cost-benefit analysis etc.

# LOK SABHA UNSTARRED QUESTION NO. 1198 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### FOREIGN TRADE POLICY

1198. SHRI KOTHA PRABHAKAR REDDY:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether the Government has extended the tenure of the Foreign Trade Policy instead of replacing it with a new policy as it had envisaged, as part of a package to propel merchandise exports that had dipped sequentially; and
- (b) if so, the details, present status and response received in this regard?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) & (b): The government has received requests from Export Promotion Councils and leading exporters that we should continue with current Foreign Trade Policy (2015-20), which had been extended from time to time. Exporters and Industry bodies have strongly urged the government that in view of the prevailing, volatile global economic and geo-political situation, it would be advisable to extend the current policy for some time, and undertake more consultations before coming out with the new policy. The government has always involved all stakeholders in formulating policy. In view of this, it has been decided to extend the Foreign Trade Policy 2015-20, valid till Sept. 30, 2022 for a further period of six months, w.e.f. October 1<sup>st</sup>, 2022. Hence, the existing Foreign Trade Policy 2015-2020 which was valid up to 30<sup>th</sup> September, 2022 has been extended up to 31<sup>st</sup> March, 2023 vide Notification No. 37/2015-2020 and Public Notice No. 26/2015-2020 dated 29<sup>th</sup> September, 2022.

# LOK SABHA UNSTARRED QUESTION NO. 1239 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### SLOWDOWN IN KEY EXPORT MARKETS

### 1239. SHRI P.C. MOHAN:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether the Government is aware of the demand slowdown from key export markets;
- (b) if so, the details of the same including demand drop in engineering goods export; and
- (c) the details of the measures taken by the Government to boost export?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

- (a) & (b) India's overall merchandise export demand remained strong during April-October 2022 (latest available data). Merchandise exports for the period April-October 2022 was USD 263.35 billion as against USD 233.98 billion during the same period last year (April-October 2021) recording a positive growth of 12.55 percent. A slight decline of (-) 2.2 percent has been recorded for engineering goods export during the period Apr-Oct 2022 in comparison to the same period last year.
- (c) Government is encouraging and promoting Indian exports in international markets and initiating suitable interventions from time to time. The key schemes/interventions include:
  - 1. Market Access Initiative (MAI) Scheme helps Export Promotion Organizations/Trade Promotion Organizations/National Level Institutions/ Research Institutions/Universities/Laboratories, Exporters etc., for enhancement of exports through accessing new markets or through increasing the share in the existing markets.

- 2. Assistance to the exporters of agricultural products is also available under the Export Promotion Schemes of Agricultural & Processed Food Products Export Development Authority (APEDA), Marine Products Export Development Authority (MPEDA), Tobacco Board, Tea Board, Coffee Board, Rubber Board and Spices Board.
- 3. Trade Infrastructure for Export Scheme (TIES) helps Central and State Government agencies for creation of appropriate infrastructure for growth of exports.
- 4. Remission of Duties and Taxes on Exported Products (RoDTEP) provides remission of Central, State and Local duties/taxes/levies which are incurred in the process of manufacture and distribution of exported products, but are currently not being refunded under any other duty remission scheme.
- 5. ECGC improves the competitiveness of the Indian exports by providing them with credit insurance covers. NEIA provides additional support to the insurance cover provided by ECGC for project exports making Indian project exporters more competitive and gain a stronger foothold in various jurisdictions, highlighting India's capabilities to execute large projects abroad.
- 6. Common Digital Platform for Certificate of Origin to facilitate trade and increase FTA utilization by exporters.
- 7. A whole of Government approach with active role of EPCs, Commodity Boards and Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced.
- 8. So far, India has signed 13 FTAs and 6 PTAs. The Government of India has recently signed India-UAE Comprehensive Economic Partnership Agreement (CEPA), which entered into force from 1<sup>st</sup> May, 2022, and a FTA with Australia (viz. India Australia Economic Cooperation Trade Agreement (Ind-Aus ECTA)) which comes into force from 29.12.2022.

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### LOK SABHA UNSTARRED QUESTION NO. 1246 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### FTA WITH UK

#### 1246. SHRI ADHIR RANJAN CHOWDHURY:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) the current status of negotiations with the United Kingdom (UK) in concluding a Free Trade Agreement (FTA);
- (b) the reasons for not concluding the FTA on or before the occasion of Diwali,2022;
- (c) whether the Government is taking the issue of migration of Indian students and working professionals to the UK, in the negotiations;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) to (e): India and the UK are negotiating a Free Trade Agreement (FTA) since 13<sup>th</sup> January 2022. 5 rounds of negotiations have been held so far. Both sides are engaged and working together with the aim to achieve a fair and equitable FTA. Trade in Services, including movement of natural persons, is one of the areas under negotiations based on overall package of gains and give-aways, which takes into consideration the ambitions and sensitivities of both the sides.

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# LOK SABHA UNSTARRED QUESTION NO. 1253 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### TRADE WITH CHINA

1253. SHRI VINCENT H. PALA: DR. A. CHELLAKUMAR: SHRI BENNY BEHANAN:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether China is one of the India's largest trade partners, if so, the value of goods traded with China and the details of imports and exports, year- wise from 2014 till date;
- (b) the details of India's trade deficit with China, year-wise from 2014 till date;
- (c) the reasons for India's increasing reliance on Chinese imports for capital and intermediate goods;
- (d) the reasons why India remains dependent on Chinese imports for chemicals and electronics despite Production Linked Incentive (PLI) schemes for the same;
- (e) the reasons why the PLI schemes meant to reduce India's dependency on China have failed to achieve its objectives; and
- (f) whether the Government is taking any other initiatives to reduce trade dependency on China, and if so, the details thereof and if not, the reasons therefor?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a): No, Sir. The largest merchandise trading partner of India in 2021-22 was United States of America.

(b): The trade deficit with China since FY 2014-15 is as follows:

(Values in USD billion)

| FY      | 2014-15 | 2015- | 2016- | 2017- | 2018- | 2019- | 2020- | 2021-  | 2022-23  |
|---------|---------|-------|-------|-------|-------|-------|-------|--------|----------|
|         |         | 16    | 17    | 18    | 19    | 20    | 21    | 22     | (Apr-    |
|         |         |       |       |       |       |       |       |        | Oct) (P) |
| Export  | 11.93   | 9.01  | 10.17 | 13.33 | 16.75 | 16.61 | 21.18 | 21.26  | 8.77     |
| Import  | 60.41   | 61.70 | 61.28 | 76.38 | 70.31 | 65.26 | 65.21 | 94.57  | 60.27    |
| Total   | 72.34   | 70.71 | 71.45 | 89.71 | 87.06 | 81.87 | 86.39 | 115.83 | 69.04    |
| trade   |         |       |       |       |       |       |       |        |          |
| Trade   | 48.48   | 52.69 | 51.11 | 63.05 | 53.56 | 48.65 | 44.03 | 73.31  | 51.50    |
| Deficit |         |       |       |       |       |       |       |        |          |

(Source: DGCIS)

The trade deficit with China in 2004-05 was USD 1.48 billion, which increased to USD 36.21 billion in 2013-14, an increase of 2346%. Against this massive increase, the trade deficit with China has since increased by only about 100% to USD 73.31 billion in 2021-22from USD 36.21 billion in 2013-14.

- (c): 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 rise in import of electronic components, computer hardware and peripherals, telephone components, etc. can be attributed to transforming of India into a digitally empowered society and a knowledge economy. India's dependence on imports in these categories is largely due to the gap between domestic supply and demand.
- (d): The raw materials in the form of Active Pharmaceutical Ingredients (APIs) and drug formulations imported from China are used for making finished products (generic medicines) which are also exported out of India. The electronic components such as mobile phone parts, integrated circuits, video recording or reproducing apparatus etc are used for making finished products (e.g. mobile handsets) which are also exported to other countries. The Production Linked Incentive Scheme (PLI) in API/Bulk Drugs/Key Starting Materials and Large-Scale Electronics Manufacturing have been launched by the Government recently and these schemes will reduce dependency on imports and make India a competitive destination for drugs/electronics manufacturing and create more domestic champions apart from giving boost to Atmanirbhar Bharat.
- (e) & (f): Though the PLI schemes have been launched recently, they have started showing results and some examples are enumerated below:

<sup>\*(</sup>P) is for provisional

- (i) The PLI Scheme for Large Scale Electronics Manufacturing has attracted large investments from global and domestic companies manufacturing mobile phones and specified electronic components. The production as well as exports of mobile phones have increased. The imports of mobile handsets have decreased from Rs 48,609 crore in FY 2014-15 to around Rs 11,209 crore in FY 2021-22 whereas the Mobile phone exports from India touched the USD 1 billion mark (over ₹8,200 crore) for the first time ever in the month of September 2022. In FY 2022-23, mobile phone exports have increased to more than USD 5 billion till October 2022 against USD 2.2 billion in 2021-22 during the same period.
- (ii) Under PLI for Active Pharmaceutical Ingredients API, a total of 51 applicants have been approved with a committed investment of Rs.4138.41 crore and expected employment generation of around 10,598 persons. Industry has responded well and the actual investment up to September 2022 is Rs.1707.37 crore
- (iii) Under PLI Scheme for 'Medical Devices', total 21 applicants have been approved, with a total committed investment of Rs. 1058.97 crore.
- (iv) Under PLI for Pharmaceuticals, 55 applications have been approved with total committed expenditure of Rs.17,425 crore and actual investment up to September 2022 is Rs.15,164 crore with 261 manufacturing location commissioned.
- (v) Under PLI for Telecom and Networking Products, amendments were made in the PLI Scheme Guidelines with effect from 01-04-2022,to enhance the scope of the scheme, and to facilitate Design-led manufacturing for 5G products. Approval has been granted to 42 companies, with committed investment of Rs. 4,115 crores over the scheme period. For Telecom and Networking products, as on 30-09-2022, there is sale of Rs.14,735 crores with export of Rs.8,063 Crores since 01-04-2021.
- (vi) Under PLI scheme for High efficiency Solar PV modules, under tranche 1 of scheme, letter of awards has been issued to 3 successful bidders in Nov./Dec 2021 for setting up 8.737 GW capacity of fully integrated solar PV module manufacturing units. The manufacturing capacity is scheduled for commissioning around end of 2024.

The Government has taken various other steps to support and expand domestic capacities such as Make in India, Start Up India, Promoting Ease of doing Business, reducing compliance burden, PM Gati Shakti National Master Plan etc.

Other measures taken by Government include framing of Technical Regulations (TRs) for several products for maintenance of standards/quality of imported products. Further, the Directorate General of Trade Remedies (DGTR) is empowered to recommend restrictions on import of a product by imposition of additional duty or quantitative restrictions (QRs) if Indian industry is 'seriously injured' or 'threatened with injury' on account of surge in imports or unfair

trade practices. Currently, 53 Anti-dumping measures and 4 Countervailing Duty measures are in force on Chinese products on account of unfair trade practices.

The Government has also notified "Electronics and Information Technology Goods (Requirement of Compulsory Registration) order 2021 for curbing import of sub-standard and unsafe electronic goods into India. 63 product categories have been notified under the Compulsory Registration Order. Similarly, for toys, the Government has issued Toys (Quality Control) Order, 2020 on 25 Feb 2020 through which toys have been brought under compulsory Bureau of Indian Standards (BIS) certification with effect from 1 Jan 2021. This will check import of substandard toys. In the chemicals and fertilizer sector, as on date 61 QCOs with 66 products have been notified making BIS certification mandatory.

The Government has amended General Financial Rules whereby in public procurements, the bidders having beneficial ownership from countries sharing land border with India will be eligible to bid only after registration with the Government.

The Government procurement portal i.e. Government e-Marketplace (GeM) has made it mandatory for sellers to mention 'country of origin' on products they wish to sell through the platform, a move aimed at promoting Atma Nirbhar Bharat (Self-reliant India).

# LOK SABHA UNSTARRED QUESTION NO. 1287 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### WHEAT EXPORT FROM PUBLIC STOCKHOLDING

### 1287. SHRI S. JAGATHRAKSHAKAN:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether the Government subscribes to the view that India should revisit its stand on asking the World Trade Organization (WTO) for a waiver for wheat exports from its public stockholding;
- (b) if so, the steps that are proposed to be taken by the Government in this regard and if not, the reasons therefor;
- (c) whether the Government is planning to lift the ban imposed on private traders to export wheat; and
- (d) is thereof and if not, the reasons therefor?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

- (a) and (b): No Sir.
- (c) and (d): The policy decision regarding restriction imposed on export of an item is periodically reviewed based on its domestic production and availability.

# LOK SABHA UNSTARRED QUESTION NO. 1333 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

#### EXTENSION OF TENURE OF FOREIGN TRADE POLICY

#### 1333. SHRI VIJAYAKUMAR ALIAS VIJAY VASANTH:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether the Government has extended the tenure of foreign trade policy 2015-20 by another six months till March 2023, if so, the details thereof;
- (b) whether the Government had received requests from industry associations to extend the tenure of the Foreign Trade Policy, if so, the details in this regard;
- (c) whether the industry bodies have urged the Government to undertake more consultations before coming out with the new policy; and
- (d) if so, the details thereof and the number of consultations held with the industry associations so far in this regard?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

- (a): Yes Sir. The existing Foreign Trade Policy 2015-2020 which was valid up to 30<sup>th</sup> September, 2022 has been extended up to 31<sup>st</sup> March, 2023 vide Notification No. 37/2015-2020 and Public Notice No. 26/2015-2020 dated 29<sup>th</sup> September, 2022.
- (b) to (d): The government has received requests from Export Promotion Councils and leading exporters that we should continue with current Foreign Trade Policy (2015-20), which had been extended from time to time. Exporters and Industry bodies have strongly urged the government that in view of the prevailing, volatile global economic and geo-political situation, it would be advisable to extend the current policy for some time, and undertake more consultations before coming out with the new policy. The government has always involved all stakeholders in formulating policy. In view of this, it has been decided to extend the Foreign Trade Policy 2015-20, valid till Sept. 30, 2022 for a further period of six months, w.e.f. October 1<sup>st</sup>, 2022. Hence, the existing Foreign Trade Policy 2015-2020 which was valid up to 30<sup>th</sup> September, 2022 has been extended up to 31<sup>st</sup> March, 2023.

# LOK SABHA UNSTARRED QUESTION NO. 1339 TO BE ANSWERED ON 14<sup>th</sup> DECEMBER, 2022

### SHRUNKING OF EXPORTS

# 1339. SHRI LAVU SRI KRISHNA DEVARAYALU: SHRI BALASHOWRY VALLABHANENI:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री)be pleased to state:

- (a) whether India's exports shrunk in October 2022, bringing the outbound shipments under the \$30 billion mark;
- (b) if so, the details thereof and the reasons for the decline in exports in almost all sectors;
- (c) whether India's trade deficit expanded by more than 50% in October 2022 and if so, the details thereof;
- (d) whether it is a fact that India's trade with Russia touched an all-time high of US \$18.2 billion between April and August 2022;
- (e) if so, whether it is also true that Russia has now become the largest exporter of oil to India;
- (f) if so, the reasons for decline in exports thereof;
- (g) whether India's exports to Russia reduced by 24% in August 2022; and
- (h) Is thereof including the steps taken to reduce the overall trade deficit?

#### **ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

# THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) to (c): India's merchandise exports in October 2021 to USD 31.40 billion in October 2022 was USD 31.40 billion. Inspite of global headwinds, India's merchandise exports grew by 12.52% during April – October 2022-23 vis-à-vis corresponding period of the previous year. Sectors like Electronic Goods (54.2%), Readymade garments (6.7%), Petroleum products (69%), rice (16.4%), etc. have grown in October 2022 vis-à-vis last year. The reasons for the decline in merchandise exports in some sectors include slowdown in some developed economies due to

- COVID, Russia-Ukraine conflict and the consequential slowdown in demands. India's merchandise trade deficit expanded by 54.06% from USD 17.91 billion in October 2021 to USD 27.59 billion in October 2022.
- (d) to (g): India's merchandise trade (export plus import) with Russia was US \$16.46 billion during April -August 2022. Russia became the 3<sup>rd</sup> largest exporter of crude petroleum to India during this period.
- **(h):** The Government has taken the following measures to boost exports and reduce the overall trade deficit:
  - (i) Foreign Trade Policy (2015-20) extended upto 31-03-2023.
  - (ii) Interest Equalization Scheme on pre and post shipment rupee export credit has also been extended upto 31-03-2024.
- (iii) Assistance provided through several schemes to promote exports, namely, Trade Infrastructure for Export Scheme (TIES) and Market Access Initiatives (MAI) Scheme.
- (iv) Rebate of State and Central Levies and Taxes (RoSCTL) Scheme to promote labour oriented textile export has been implemented since 07.03.2019.
- (v) Remission of Duties and Taxes on Exported Products (RoDTEP) scheme has been implemented since 01.01.2021.
- (vi) Common Digital Platform for Certificate of Origin has been launched to facilitate trade and increase Free Trade Agreement (FTA) utilization by exporters.
- (vii) 12 Champion Services Sectors have been identified for promoting and diversifying services exports by pursuing specific action plans.
- (viii) Districts as Export Hubs has been launched by identifying products with export potential in each district, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the district.
- (ix) Active role of Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced.
- (x) Package announced in light of the COVID pandemic to support domestic industry through various banking and financial sector relief measures, especially for MSMEs, which constitute a major share in exports.