

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

UNSTARRED QUESTION NO:1063

ANSWERED ON:28.11.2014

TRADE DEFICIT

Azad Shri Kirti (JHA);Gavit Dr. Heena Vijaykumar;Innocent Shri ;Jardosh Smt. Darshana Vikram;Joshi Shri Chandra Prakash;Kodikunnil Shri Suresh;Mahadik Shri Dhananjay Bhimrao;Patil Shri Vijaysinh Mohite;S.R. Shri Vijay Kumar;Satav Shri Rajeev Shankarrao;Sule Smt. Supriya Sadanand

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

(a) the quantum and value of export and import including contribution of small and medium export houses therein during each of the last three years and the current year, country, commodity/sector-wise along with the country's share in world's trade including share of various States therein;

(b) the share contribution of the export sector in the Gross Domestic Product (GDP) of the country along with the measures taken by the Government to increase contribution of manufacturing sector in overall GDP;

(c) whether there is an increase in trade deficit, causing negative impact on the economic condition of the country and if so, the details thereof indicating the sectors adversely affected thereby during the said period along with the reaction of the Government thereto;

(d) whether the World Trade Organisation (WTO) has cut its forecast on global trade growth for 2014 and if so, the details thereof; and

(e) the measures taken by the Government to boost exports to minimize the impact of the trade deficit and to enhance the benefits provided to the exporters under various export promotion schemes along with the target fixed, if any, to boost country's trade by the year 2020?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY

(INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a)&(b) The details of Export, Import, Trade Deficit and Exports as percentage of GDP (Financial year wise) for Merchandise goods is given in Table-1. India's Total Trade and its share in the World (Calendar year wise) is given in Table-2. The details of state-wise exports during 2013-14 (as reported by Customs and compiled by DGCI&S Kolkata but not validated) are given in Table-3.

Table-1: Value (US \$ Billion)
YEAR Export Import Trade Export as
deficit
Percentage
of GDP

2011-12	306.0	489.3	183.3	17.47
2012-13	300.4	490.7	190.3	17.41
2013-14	314.4	450.2	135.8	18.16
2014-15	189.8	273.6	83.8	Not Available

(Apr-
Oct.)#

figures for 2014-15 (Apr-Oct.)are provisional Source: DGCI&S

Table-2: Value (US \$ Billion)
Calendar India's India's Share
Year Total in World Trade
Trade (%)

2010	576.6	1.87
2011	767.4	2.08
2012	785.4	2.12
2013	779.3	2.07

Source: WTO

Table-3:

Sl. State Exports by the Share of
No. state(2013-14 the State
Value (in Rs.Cr) (%)

1	ANDAMAN & NICOBAR	58.64	0.00
2	ANDHRA PRADESH	93860.34	4.93
3	ARUNACHAL PRADESH	4.60	0.00
4	ASSAM	2465.65	0.13
5	BIHAR	5761.69	0.30
6	CHANDIGARH	596.90	0.03
7	CHATTISGARH	7701.68	0.40
8	DADRA & NAGAR HAVELI	10551.21	0.55
9	DAMAN & DIU	3889.90	0.20
10	DELHI	55894.42	2.93
11	GOA	9305.74	0.49
12	GUJARAT	444477.75	23.33
13	HARYANA	64477.46	3.38
14	HIMACHAL PRADESH	5003.10	0.26
15	JAMMU & KASHMIR	1043.33	0.05
16	JHARKHAND	3710.53	0.19
17	KARNATAKA	107592.68	5.65
18	KERALA	25923.50	1.36
19	LAKSHADWEEP	5.01	0.00
20	MADHYA PRADESH	26463.25	1.39
21	MAHARASHTRA	434591.04	22.81
22	MANIPUR	2.64	0.00
23	MEGHALAYA	579.28	0.03
24	MIZORAM	0.56	0.00
25	NAGALAND	19.42	0.00
26	ORISSA	24233.76	1.27
27	PUDUCHERRY	1882.61	0.10
28	PUNJAB	42729.58	2.24
29	RAJASTHAN	35786.70	1.88
30	SIKKIM	14.33	0.00
31	TAMIL NADU	163008.74	8.56
32	TRIPURA	7.98	0.00
33	UTTAR PRADESH	80523.45	4.23
34	UTTARAKHAND	6781.78	0.36
35	WEST BENGAL	63731.95	3.35
36	UNSPECIFIED	182329.90	9.57
	TOTAL	1905011.09	100.00

The details of export and import commodity-wise/country-wise during last three years is available in the DGCI&S publication in CD from namely 'Monthly Statistics of Foreign Trade of India' Vol. I and Vol. II. Such CD's are regularly sent to Parliament Library by DGCI&S, Kolkata.

The Government of India has proposed a number of administrative and fiscal measures to revive the industrial growth and has launched a "Make in India" programme with 25 thrust sectors, which is likely to increase the contribution of manufacturing sector in overall GDP.

(c)&(e) The trade deficit over the last three years has shown a mixed trend. However, one of the prime contributors of trade deficit is import of Petroleum & Crude oil, accounting for nearly one-third of country's total imports, which is critical for the growth of the economy and meeting the energy needs of the country. As such, these imports are essential in nature and do not cause negative impact on the economic condition of the country.

In order to boost exports and reduce imports Government has taken a number of measures, which inter alia include the following:

(i) Compression in import of gold and silver and non-essential items including hike in custom tariffs and administrative measures like linking gold imports with the gold exports under 80-20 scheme, whereby 20 per cent of the imported gold has to be channelized for gold exports.

(ii) Exports are supported through various schemes e.g. Focus Market Scheme, Market Linked Focus Product Scheme, Focus Product Scheme and Duty Drawback Scheme. Exporters can avail duty free import of capital Goods under EPCG scheme and raw materials under Advance Authorisation Scheme.

The target is to double India's exports of Goods and Services by the end of 12th Five Year Plan (FYP) over the level achieved by the end of 11th FYP.

(d) As per WTO's Press Releases, 26th September, 2014, the forecast for World Trade growth in 2014 has been reduced to 3.1% (down from 4.7% in April, 2014).