

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

STARRED QUESTION NO:375
ANSWERED ON:18.08.2000
EXPORT IMPORT
LAXMINARAYAN PANDEY;SRINIVASULU KALAVA

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

- (a) whether the overall export position of the country has declined while import has increased during the last two years;
- (b) if so, the facts thereof and the reasons therefor;
- (c) the names of items whose export has declined during the above period;
- (d) the steps taken so far to boost the export and to reduce the import; and
- (e) the present position of the country with regard to balance of foreign exchange due to the import-export situation?

Answer

MINISTER OF COMMERCE & INDUSTRY (THIRU MURASOLI MARAN)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (e) OF L . S. STARRED QUESTION NO. 375 TO BE ANSWERED C 18.8.2000 REGARDING EXPORT/IMPORT

(a) to (c) : No, Sir. Exports declined only in 1998-99 while it was positive at 11.6% in US dollar terms which was above the target figure of 11.3% for 1999-2000. Import growth rate was low in 1998-99 and around 10% in 1999-2000 in US dollar terms. The following table gives the details of export and imports and percentage changes in the growth rate.

(in US\$ million)

Year	Exports (%change)	Import(%change)
1998-99	33219 (-5.1)	42389 (2.2)
1999-2000+	37538 (11.6)	46154 (10.2)

+ Provisional

The decline in exports in 1998-99 was due to international factors such as recession in the global market, economic crisis in South East Asian countries, Russia and some of the Latin American countries infrastructural constraints, other impediments like low unit value realization and lower production. With the change in world trade scenario and the policies taken by the Government, exports have picked up in 1999-2000 and for the first quarter of 2000-01, the export growth rate in US dollar terms is 27.65% over the corresponding period last year. Major commodity groups which registered negative export growth during last two years were plantation, agriculture and allied products, iron ore, processed minerals, leather & manufactures, sports goods, project goods, etc.

(d) : Export Promotion is a continuous process. Various measures to increase our exports include simplification of procedures and other measures as enumerated in Exim Policy, multilateral and bilateral initiatives and identification of thrust sectors and focus regions. Imports are made to meet the essential demands of the domestic industry for raw material, fuels and capital goods.

(e): The foreign exchange balance affected due to exports-imports situation is reflected in the trade deficit. The trade deficit figures for 1998-99 & 1999-2000 are as follows:

Year	Balance of Trade
(In US \$ Million)	

1998-99	-9170
1999-2000	-8616