

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

UNSTARRED QUESTION NO:4143

ANSWERED ON:03.08.2009

TRADE DEFICIT

Agarwal Shri Jai Prakash;Rawat Shri Ashok Kumar

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

- (a) whether the trade deficit has increased during the current year;
- (b) if so, the details thereof and the reasons therefor;
- (c) the targets fixed for import and export during the last three years and the achievements made thereon;
- (d) whether the demand for engineering goods, gems and jewellery is increasing in the foreign markets;
- (e) if so, the details thereof and the response of the Government in this regard; and
- (f) the steps taken/proposed to be taken to reduce the trade deficit and increase exports?

Answer

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

(a) to (f): Preliminary estimates of Merchandise export and import for 2007-08, 2008-09 and for the period April-June 2009, are given in Annexure-I. Global slowdown and recession, particularly in the developed countries, leading to erosion in demand, is a significant factor for the recent decline in exports. There was no specific target fixed for imports. The merchandise export targets fixed and achievement thereof during the last three financial years are given in Annexure-I. Global recession has impacted India's merchandise exports including engineering and gems and Jewellery sectors.

Government closely monitors the different export sectors and need based measures are taken, keeping in view the financial implications. Measures announced in the form of stimulus packages and in the Budget 2009-10, particularly for exporting sector, is given in Annexure-II.