

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4954  
ANSWERED ON:02.09.2011  
SURGE IN CURRENT ACCOUNT DEFICIT  
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**Will the Minister of FINANCE be pleased to state:**

- (a) whether India's current account deficit, representing net flow of income out of the country barring capital movements, surged three-fold in the April-June quarter over the same period last year;
- (b) if so, the complete and comparative details thereof during the last five years;
- (c) the actual reasons therefor; and
- (d) the steps being taken to avoid such situation in future?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (d) The Balance of payment numbers are disseminated on a quarterly basis, with a lag of one quarter. The latest current account deficit figure is for the quarter January – March 2011, which indicates a deficit of US\$ 5.4 billion, as compared to US\$ 13.0 billion during the corresponding period of fiscal 2009-10.

The current account deficit and capital account surplus during the last five years are given below:

Year Current Account Deficit Capital Account Surplus

US\$ Billion As per cent of US\$ Billion As per cent of  
GDP GDP

2006-07	9.6	1.0	45.2	4.8
2007-08	15.7	1.3	106.6	8.7
2008-09	27.9	2.3	6.8	0.6
2009-10	38.4	2.8	53.4	3.9
2010-11	44.3	2.6	59.7	3.5

As indicated above, the current account deficit, as a per cent of GDP, has remained within manageable limits and the capital account surplus has essentially been financing the current account deficit during the last five years, except during the crisis year of 2008-09.