

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

UNSTARRED QUESTION NO:2886

ANSWERED ON:12.12.2011

DECLINE IN EXPORTS

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

- (a) the details of the impact of the depreciation in the value of rupee vis-à-vis dollar on the total exports and imports during the last three years alongwith the export-import during the same period;
- (b) whether there has been a decline in the imports due to the safeguard measures and import policies being followed by the Government which has been criticised by other countries and World Trade Organisation alike;
- (c) if so, the reaction of the Government thereto;
- (d) the details of the measures proposed, if any, to protect imports of major and essential goods; and
- (e) the details of the measures taken by the Government to increase the competitiveness in exports of labour intensive sectors?

Answer

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

(a) The details of India's export and import during the last three years are given below:-

(Values in Million USD)

Period	Export	Import	Rs./US\$
2008-09	185295.36	303696.25	45.9
2009-10	178751.43	288372.88	47.4
2010-11	251135.89	369769.13	45.6

Depreciation of rupee against hard currencies enhances the competitiveness of exports while imports become costlier. Given the fact that the value of Rupee has not fluctuated much during the last three years, there appears no unusual impact on exports and imports.

(b) to (d) India being a member of WTO has not taken any measure which is inconsistent with its obligations. Safeguard measures are WTO consistent. There is no evidence to suggest that there has been a decline in the imports due to the such measures initiated by the Government.

(e) Government has taken several policy measures to increase the competitiveness in exports of labour intensive sectors like giving duty free credits under VKGUY, Focus Product Scheme and support to apparel sector. Towns of Export Excellence have also been notified whereby assistance is provided for export promotion projects, capacity building and technological services.