

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

UNSTARRED QUESTION NO:2951

ANSWERED ON:12.12.2011

INCREASE IN TRADE DEFICIT

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

- (a) whether there has been a continuous rise in the country's trade deficit during each of the last three years and the current year;
- (b) if so, the details thereof, year-wise and the reasons therefor;
- (c) the details of the targets for import and export fixed and achieved during each of the last three years and the current year, commodity-wise, value-wise and country-wise;
- (d) the details of the countries with which India's trade deficit is widening every year; and
- (e) the steps taken or being contemplated by the Government to reverse the trend of declining export growth rate and increasing trade deficit?

Answer

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

(a)&(b) Details on trade deficit for the last three years and current year are given as under :

Value in US \$ billion

Year	Trade Deficit
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2008-09	118
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2009-10	110
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2010-11	119
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2011-12 (April- October (Provisional)	94
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Global slowdown and recession, particularly in the developed countries, leading to erosion in demand, is a significant factor for trade deficit.

(c) No targets are fixed for import. The export target fixed for FY 2009, FY 2011 and FY2012 is US \$ 175, 200 and 300 billion respectively. No target is fixed for FY 2010. The export achieved during FY2009, FY2010, FY2011 and FY2012 (April-October) (Provisional) is US \$ 185, 179, 251 and 180 billion respectively. Commodity and country wise targets are not fixed.

(d) A Statement showing trade deficit for the last three years and current year (April-July) is Annexed.

(e) To boost performance of the export sectors and to reduce trade deficit, various measures have been taken by the Government and

RBI in the form of stimulus packages including the announcements made in the Budget 2009-10 and 2010-11; in the Foreign Trade Policy (FTP), 2009-14; thereafter in January / March 2010; in the Annual Supplement to FTP released on 23rd August, 2010; and in announcements made in February, 2011. To increase our share in various export markets and to diversify our markets and products, incentives have been provided under schemes, viz. Focus Product Scheme, Focus Market Scheme, Market linked Focus Product Scheme and Vishesh Krishi and Gram Udyog Yojana.