

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3567
ANSWERED ON:14.12.2012
CURRENT ACCOUNT DEFICIT WITH BANKS
Singh Chaudhary Lal

Will the Minister of FINANCE be pleased to state:

- (a) the details of current account deficit with foreign banks for the last three years;
- (b) whether the Government has fixed any target to reduce the rate of current account deficit; and
- (c) if so, the details of target fixed and achievement made therein so far for the current financial year?

Answer

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

(a) India's Current Account Deficit (CAD) as per cent of Gross Domestic Product (GDP) during the last three years is as follows:

Sl	Years	CAD as per cent of GDP
1	2009-10	2.8
2	2010-11	2.7
3	2011-12	4.2

(b) & (c) No target has been fixed to reduce CAD. However, Government has taken a number of initiatives to boost exports and reduce imports to lower trade deficit and CAD. At the same time, steps have been taken to encourage capital flows to facilitate financing of CAD.