

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

UNSTARRED QUESTION NO:3756

ANSWERED ON:17.12.2012

EXPORT AS BASIS OF ECONOMIC DEVELOPMENT

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

- (a) whether the Government has taken a decision to make exports the basis of economic development in the country;
- (b) if so, the details thereof and the reasons therefor along with the existing share/percentage of Indian exports in the global trade market;
- (c) whether the growing difference between the import and export prices has adversely affected the economy of the country;
- (d) if so, the reaction of the Government thereto;
- (e) whether the said difference between the prices has rapidly increased up to 3.5 percent of the total gross domestic product of the country during the last one year; and
- (f) if so, the details thereof along with the difference between the import and the export prices during the last three years and the current year?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

(a) & (b) Exports have always played an important role in the economic development of most countries. This is evident even in Indian case from the continuous upward movement of percentage share of merchandise exports in the overall GDP of India from 13.9 percent in 2009-10 to 16.0 percent in 2010-11 and 17.7 percent in 2011-12. As per the WTO trade statistics India's share in the total global exports has been measured at 1.07% during 2007, 1.21% during 2008, 1.31% during 2009, 1.48% during 2010 and 1.67% during 2011.

(c) to (f) The difference between imports and exports is the measure of Trade Balance, which contributes to Current Account Balance stability of a country. Macro Economic growth and stability of a country has a very close correlation with Current Account Balance of that country. Hence, Government and policy makers keep a close watch on Trade Balance and Current Account Balance.

The table below gives the figures of Exports and Imports and Trade Balance for the last three years as also for April - October of the current year:

Rs. Crore

Year	Exports	Imports	Trade balance	Trade balance as % of GDP
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2009-10	845534	1363736	-518202	8.5
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2010-11	1142922	1683467	-540545	7.6
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2011-12#	1459281	2344772	-885492	10.8
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2012-13#	908340	1507203	-598862	
(Apr-Oct.)				

Provisional.

Source: DGC&S, Kolkata.