

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

UNSTARRED QUESTION NO:3883  
ANSWERED ON:17.12.2012  
TRADITIONAL EXPORT MARKET  
Mishra Shri Govind Prasad

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

- (a) whether India`s dependence on its traditional export markets has declined during the last three years;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether, despite physical proximity, the contribution of the trade with countries in the South Asian Association for Regional Cooperation to the total trade is negligible;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the efforts being made by the Government to boost the trade with the SAARC countries?

**Answer**

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

- (a) & (b) The percentage share of exports to traditional market (U.S.A & Europe) during 2009-10, 2010-11 and 2011-12 has been 32.48 %, 29.95 % and 30.23 % respectively. The global economic crisis, the sovereign debt crisis in Europe and the economic slowdown in developed economies have adversely impacted demand for our exports in India`s traditional markets.
- (c) & (d) The share of India`s trade with SAARC countries to the total trade is 2.07 %.
- (e) India has signed four Free Trade Agreements with SAARC countries, namely South Asian Free Trade Area (S AFTA), Indo Nepal Treaty of Trade and Transit, Treaty with Bhutan and a Free Trade Agreement with Sri Lanka. Under SAFTA (Agreement on South Asia Free Trade Area) India has extended unilateral concessions to least Developed Countries of SAARC namely Bangladesh, Afghanistan, Nepal and Bhutan and allowed Zero Duty imports on all items except for alcohol and tobacco related items.