

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2409
ANSWERED ON:25.07.2014
CURRENT ACCOUNT DEFICIT
Suresh Shri Doddaalahalli Kempegowda

Will the Minister of FINANCE be pleased to state:

- (a) whether India`s Current Account Deficit has dropped sharply to 1.7% of GDP growth;
- (b) if so, the details thereof;
- (c) whether the Government proposes to cut taxes on gold to ease norms for bullion imports to boost supplies and jewellery exports; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SMT. NIRMALA SITHARAMAN)

(a) & (b) India's Current Account deficit (CAD) has narrowed sharply to 1.7 per cent of the Gross domestic Product (GDP) in 2013-14 after being well over 4 per cent of GDP in the previous two years. The CAD in absolute terms and as a per cent of GDP during the last three years is as follows:

Year	CAD (US\$)	CAD as per cent of GDP
2011-12	78.2	4.2
2012-13	88.2	4.7
2013-14	32.4	1.7

(c) & (d) Currently, there is no proposal to reduce the customs duty on gold.