

Increase in trade deficit

2657. DR. JANARDHAN WAGHMARE :

SHRIN.K. SINGH :

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

(a) whether there has been an increase in the trade deficit during the last three years;

(b) if so, the reasons therefor, and the details of the major commodities exported in the last three years along with the country's rank in the total global trade; and

(c) whether Government has made any appraisal of the performance of various sectors and assessed the impact of the trade deficit on the national economy, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN) : (a) and (b) There is rise in the trade deficit in each of the last three years. However, during 2013-14 (Apr-Jan) in comparison to 2012-13 (Apr-Jan), the trade deficit has come down. The details are given below:

(Value in US \$ Billion)			
Year	Export (A)	Import (B)	Trade deficit (= A-B)
2010-11	251.1	369.8	118.7
2011-12	306.0	489.3	183.3
2012-13	300.4	490.7	190.3
20 12-13(Apr-Jan)	243.2	409.0	165.8
2013-14 (Apr-Jan)*	257.0	377.0	120.0

*Figures for 2013-14 (Apr.-Jan.) are provisional.

Source: DGCI&S

The details of export commodity-wise during last three years is available in the DGCI&S publication in CD from namely 'Monthly Statistics of foreign Trade of India' Vol. I (Exports). Such CD's are regularly sent to Parliament Library by DGCI&S, Kolkata. India is ranked 19 in export and 10 in imports in the World Trade during 2012.

(c) The Government continuously monitors the export performance of different sectors and need-based corrective measures to boost export taken from time to time keeping in view the financial and over all economic implications. During the year 2013-14, (April-Dec) there is negative export growth in gems & jewellery, manufacture of metals and electronic goods, iron ore, machine tools compared to the same period of previous year. The sectors

like Agriculture, Marine products, Leather, Chemicals & related products, Engineering goods, Textiles, Handicrafts & Carpets have registered positive export growth during the 2013-14 (April-Dec) period of the current financial year compare to the same period of previous year. Petroleum, electronic goods, gold, pearls precious and semi-precious stones, machinery except electrical & electronic, coal and organic chemicals, contribute about 68 % of total import and hence are major contributors of trade deficit. The import containment measures include raising of import duty on items such as gold, platinum and silver, LCD TV etc. These along with increase in the exports contributed to containment of trade deficit.

Increase in import of cheap products

2658. SHRI PARVEZ HASHMI : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government is aware of the fact that import of goods like household and electrical appliances toys, is alarming;
- (b) whether the National Security Council of India has expressed its concern over the increasing volume of such imports;
- (c) if so, the measures being taken to enhance domestic industries to get rid of dependency upon China; and
- (d) the percentage of export and import between India and China and the profit earned by China annually out of the difference for last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. E.M. SUDARSANA NATCHIAPPAN) : (a) to (c) The National Security Council had convened an Inter-Ministerial Workshop in August 2011. This workshop also considered factors that had contributed to the rapid increase in the Chinese presence in the Indian economy. Measures to reduce trade deficit are undertaken by the Government on a continuous basis depending on changing dynamics of bilateral and global competitiveness. Market access issues are being pursued to tackle non-tariff barriers in the Chinese market at different fora. Trade related issues are taken up regularly at India-China Joint Group on Economic Relations, Trade, Science and Technology (JEG) and Indian exporters are encouraged to participate in major trade fairs in China to showcase Indian products in the Chinese market and increase engagement with Chinese companies.

As regard import of goods from China, all imported goods in India are subject to domestic laws, rules, orders, regulations, technical specifications, environment and safety norms. These regulations are notified from time to time. The Government takes appropriate