

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 1174
TO BE ANSWERED ON 16th DECEMBER, 2022

EXPORT COMPETITIVENESS OF INDIA

1174 SMT. PRIYANKA CHATURVEDI:

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

- (a) whether it is a fact that India's merchandise exports shrunk to 16.7 per cent in October;
- (b) whether it is also a fact that imports grew by 5.7 per cent year-on-year to \$56.7 billion;
- (c) the details of the month-wise trade deficit; and
- (d) the reasons for reduction in exports and widening of trade deficit, and the steps taken in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a) & (b): India's merchandise exports declined by 12.12% from USD 35.73 billion in October 2021 to USD 31.40 billion in October 2022. India's merchandise imports grew by 9.98% from USD 53.64 billion in October 2021 to USD 58.99 billion in October 2022.

(c) : Month-wise overall (merchandise plus services) trade deficit are as follows:

Values in USD Billion	
Months	Overall Trade Deficit
April, 2022	-8.36
May, 2022	-12.21
June, 2022	-11.15
July, 2022	-18.64
August, 2022	-16.52
September, 2022	-17.32
October, 2022	-15.71

(d): The reasons for the decline in merchandise exports include slowdown in some developed economies due to COVID and Russia-Ukraine conflict and the consequential slowdown in demands and certain measures to contain domestic inflation. Trade deficit depends upon relative fluctuations in the import and export of different commodities and services due to global and domestic factors such as demand and supply in domestic and international markets, currency fluctuations, international prices, etc. The Government has taken the following measures to boost exports and reduce the overall trade deficit:

- (i) Foreign Trade Policy (2015-20) extended upto 31-03-2023.
- (ii) Interest Equalization Scheme on pre and post shipment rupee export credit has also been extended upto 31-03-2024.
- (iii) Assistance provided through several schemes to promote exports, namely, Trade Infrastructure for Export Scheme (TIES) and Market Access Initiatives (MAI) Scheme.
- (iv) Rebate of State and Central Levies and Taxes (RoSCTL) Scheme to promote labour oriented textile export has been implemented since 07.03.2019.
- (v) Remission of Duties and Taxes on Exported Products (RoDTEP) scheme has been implemented since 01.01.2021.
- (vi) Common Digital Platform for Certificate of Origin has been launched to facilitate trade and increase Free Trade Agreement (FTA) utilization by exporters.
- (vii) 12 Champion Services Sectors have been identified for promoting and diversifying services exports by pursuing specific action plans.
- (viii) Districts as Export Hubs has been launched by identifying products with export potential in each district, addressing bottlenecks for exporting these products and supporting local exporters/manufacturers to generate employment in the district.
- (ix) Active role of Indian missions abroad towards promoting India's trade, tourism, technology and investment goals has been enhanced.
- (x) Package announced in light of the COVID pandemic to support domestic industry through various banking and financial sector relief measures, especially for MSMEs, which constitute a major share in exports.
