

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

RAJYA SABHA
UNSTARRED QUESTION NO. 1180
TO BE ANSWERED ON 16th DECEMBER, 2022

BALANCING OF TRADE DEFICIT

1180 SHRI KARTIKEYA SHARMA:

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

- (a) the details of gap between exports and imports since the last five years, year-wise;
- (b) the reasons for the highest trade deficit;
- (c) whether it is a fact that the present trade deficit is 172 per cent higher than the last year;
- (d) if so, the details thereof;
- (e) the steps taken by Government to keep the balance in trade deficit;
- (f) whether the widening gap between the exports and imports would affect the fall in the value of Indian Rupee; and
- (g) if so, the details thereof?

ANSWER

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

(a) to (d): Year-wise value of overall (merchandise plus services) exports, imports and trade deficit in the last five years are as follows:

Values in USD Billion		
Years	Overall Export	Overall Import
2017-18	498.61	583.11
2018-19	538.08	640.09
2019-20	526.55	602.98
2020-21	497.90	511.12
2021-22	676.53	760.06
2021-22 (Apr- Oct)	371.99	406.03
2022-23 (Apr- Oct)*	441.46	541.37

Source: RBI and DGCI&S. * provisional

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.

(e): The Government has taken the following measures to boost exports and reduce 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.

(f) & (g): The exchange rate of the rupee is largely determined by the market forces, and moves in both direction on a day to day basis depending upon the demand and supply conditions in the foreign exchange market.
