

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

RAJYA SABHA
UNSTARRED QUESTION NO. 2748
TO BE ANSWERED ON 24th MARCH, 2023

INDIA'S TRADE BALANCE

2748 SHRI JAWHAR SIRCAR:

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

- (a) the latest statistics and estimates of merchandise and services exports and imports as compared to last year;
- (b) the estimated trade deficit at the end of Financial Year 2022-23 and how much has been the BoT in the last five years;
- (c) in what manner Government plan to tackle its ever increasing deficits without endangering foreign exchange reserves; and
- (d) the sectors where exports can be ramped up and imports lowered in the short run and the efforts being made in this regard?

ANSWER

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

(a): The value of merchandise and services export and import during 2022-23 (April-February) as compared to same period of last year are as follows:

(Value in US\$ billion)

Years	Merchandise Export	Merchandise Import	Services Export	Services Import
2021-22 (Apr- Feb)	377.43	549.96	227.58	131.66
2022-23 (Apr- Feb)	405.94	653.47	296.94	164.00

Source: DGCI&S and RBI

(b): The value of overall (merchandise plus services) balance of trade during last five years and current year 2022-23 (April-February) are as follows:

(Value in US\$ Billion)

Years	Balance of Trade
2017-18	-84.49
2018-19	-102.02
2019-20	-76.43
2020-21	-13.22
2021-22	-83.53
2022-23 (Apr- Feb)	-114.58

(c) and (d): 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 gap in domestic and international markets, currency fluctuations, international prices, etc. The Government keeps a watch on the overall deficit and takes measures periodically to address it. As a result, major sectors such as Petroleum Products, Organic and Inorganic Chemical, Drugs and Pharmaceuticals, Electronic Goods, Readymade garments of all Textiles, Rice and Marine Products have positive export growth during 2022-23 (April-Feb) as compared to the same period of the previous year. Major sectors such as Gold, Medicinal & Pharmaceutical products, Dyeing/tanning/colouring materials, Pulses, Sulphur & Unroasted Iron Pyrts have negative import growth during 2022-23 (April-Feb) as compared to the same period of the previous year. The Government has taken the following measures to enhance the export and reduce the import:

- (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 Taxes and Levies (RoSCTL) Scheme to promote labour oriented sector 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. With effect from 15.12.2022, uncovered sectors like pharmaceuticals, organic and inorganic chemicals and article of iron and steel has been covered under RoDTEP. Similarly, anomalies in 432 tariff lines have been addressed and the corrected rates have been implemented with effect from 16.01.2023.
- (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) Production Linked Incentive (PLI) Scheme in 14 sectors have been introduced to encourage domestic production and reduce import.
