

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

RAJYA SABHA
UNSTARRED QUESTION NO. 2764
TO BE ANSWERED ON 24th MARCH, 2023

INDIA'S TRADE DEFICIT

2764 SHRI DIGVIJAYA SINGH:

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

- (a) whether India's trade deficit has hit a record \$26 billion in October, higher than the preliminary estimates released earlier in the month that put the trade deficit at \$25.7 billion;
- (b) if so, the reasons therefor;
- (c) whether there has been a sharp fall in merchandise exports to \$29.78 billion in October from \$35.45 billion in September; and
- (d) if so, the reasons therefor?

ANSWER

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

(a) and (b): India's merchandise trade deficit was US\$ 27.37 billion in October, 2022 and US\$ 28.04 billion in September, 2022. 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.

(c) and (d): India's merchandise export was US\$ 31.60 billion in October, 2022 and US\$ 35.6 billion in September, 2022. 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 demand and certain measures to contain domestic inflation.
