

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

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1008**  
ANSWERED ON 28/07/2023

**TRADE DEFICIT**

1008. DR. C.M. RAMESH:

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

- (a) whether India's trade deficit have increased over the years due to imposition of customs and non-tariff barriers;
- (b) if so, the details of India's trade deficit with other countries during the last three years, country-wise; and
- (c) the details of steps taken by Government to boost India's trade with friendly countries?

**ANSWER**

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

(a) & (b) 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, GDP growth of domestic and foreign countries, currency fluctuations, international prices, etc. The Government keeps a watch on the overall deficit and takes measures periodically to address it. The details of India's merchandise trade deficits with major 10 countries during last three years are given in **Annexure-I**.

(c) The Government has taken the following measures to boost India's export and curb trade deficit:

- (i) New Foreign Trade Policy has been launched on 31<sup>st</sup> March, 2023 and came in to effect from 1st April, 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 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) Regular monitoring of export performance with Commercial Missions abroad, Export Promotion Councils, Commodity Boards/ Authorities and Industry Associations and taking corrective measures from time to time.
- (xi) India has signed a free trade agreement with UAE and Australia. India has also allowed rupee trading in special Rupee Vostro Account with friendly countries to facilitate trade.

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The details of India's merchandise trade deficits with 10 major countries during last three years

<b>Value in US \$ Million</b>				
<b>Sl. No.</b>	<b>Country</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
1	China P Rp	-44024	-73306	-83174
2	Russia	-2830	-6615	-43066
3	Iraq	-12788	-29524	-31689
4	Saudi Arab	-10330	-25342	-31308
5	U Arab Emts	-9945	-16789	-21624
6	Indonesia	-7444	-9229	-18794
7	Qatar	-6645	-11356	-14841
8	Korea Rp	-8088	-9392	-14572
9	Switzerland	-16969	-22043	-14446
10	Australia	-4203	-8473	-12060

Source: DGCI&S

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