

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

LOK SABHA
UNSTARRED QUESTION NO. 1339
TO BE ANSWERED ON 14th DECEMBER, 2022

SHRUNKING OF EXPORTS

1339. SHRI LAVU SRI KRISHNA DEVARAYALU:
SHRI BALASHOWRY VALLABHANENI:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether India's exports shrunk in October 2022, bringing the outbound shipments under the \$30 billion mark;
- (b) if so, the details thereof and the reasons for the decline in exports in almost all sectors;
- (c) whether India's trade deficit expanded by more than 50% in October 2022 and if so, the details thereof;
- (d) whether it is a fact that India's trade with Russia touched an all-time high of US \$18.2 billion between April and August 2022;
- (e) if so, whether it is also true that Russia has now become the largest exporter of oil to India;
- (f) if so, the reasons for decline in exports thereof;
- (g) whether India's exports to Russia reduced by 24% in August 2022; and
- (h) Is thereof including the steps taken to reduce the overall trade deficit?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

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

(a) to (c): India's merchandise exports in October 2021 to USD 31.40 billion in October 2022 was USD 31.40 billion. In spite of global headwinds, India's merchandise exports grew by 12.52% during April – October 2022-23 vis-à-vis corresponding period of the previous year. Sectors like Electronic Goods (54.2%), Readymade garments (6.7%), Petroleum products (69%), rice (16.4%), etc. have grown in October 2022 vis-à-vis last year. The reasons for the decline in merchandise exports in some sectors include slowdown in some developed economies due to

COVID, Russia-Ukraine conflict and the consequential slowdown in demands. India's merchandise trade deficit expanded by 54.06% from USD 17.91 billion in October 2021 to USD 27.59 billion in October 2022.

(d) to (g): India's merchandise trade (export plus import) with Russia was US \$16.46 billion during April -August 2022. Russia became the 3rd largest exporter of crude petroleum to India during this period.

(h): 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.
