

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

LOK SABHA
UNSTARRED QUESTION NO. 1180
ANSWERED ON 03/12/2024

MERCHANDISE EXPORTS

1180. SHRI YADUVEER WADIYAR:

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

- (a) the details of steps taken to achieve a 2.55 percent increase in merchandise exports to \$35.2 billion, sector- wise;
- (b) the details of measures taken to tackle challenges posed by the 5 percent rise in imports to \$56.2 billion;
- (c) the details of measures taken to diversify and strengthen country's export sectors amidst global economic fluctuations; and
- (d) the details of the strategic initiatives planned to reduce the trade deficit and enhance competitiveness at World Trade Organization (WTO)?

ANSWER

वाणिज्य और उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) India's merchandise exports, as per the latest data available, have increased from USD 33.4 billion in October 2023 to USD 39.2 billion in October 2024, registering a growth of 17.2 percent. The non-petroleum merchandise exports were USD 34.6 billion in October 2024 as compared to USD 27.5 billion in October 2023, registering a growth of 25.6 percent. India's export promotion efforts are diverse and multifaceted, targeting various focused sectors and markets, particularly countries of significance, to enhance and to diversify exports. The Government's support through financial incentives / schemes, trade agreements, trade infrastructure development, and continuously easing trade processes through digital platforms coupled with new and dynamic Foreign Trade Policy, aims to create a more robust exports ecosystem and to position India as a stronger player in international trade. The sector wise merchandise export details are available at the following web link <https://www.commerce.gov.in/trade-statistics/latest-trade-figures/>.

(b) India's merchandise imports were USD 66.3 billion in October 2024 as compared to USD 63.9 billion in October 2023, registering a growth of 3.9 percent. It needs to be understood that imports also consist of crucial inputs which contributed to domestic manufacturing and exports. This is becoming especially critical as India is increasingly integrating with Global Value Chains (GVCs). For instance, capital goods and crude oils import forms key inputs into domestic manufacturing and also contributes to exports. Moreover, India's economic growth, which is highest among major economies, has also contributed to increase in imports. The Department of Commerce has been regularly monitoring and sensitizing line Ministries /

Departments and other stakeholders from time to time and at various levels on the issue of imports on the following broad strategy: (i) Addressing domestic supply rigidities and looking at domestic production opportunities /enhancement of capacity; (ii) Timely use of trade remedy options; (iii) Quality Controls; (iv) Enforcing rules of origin; (v) Tariff measures /inverted duty correction; and (vi) Import surge monitoring. Moreover, through Government active initiatives such as Atmanirbhar Bharat, Make in India, and PLI schemes, the country aims to reduce its import dependence while significantly increasing the global competitiveness of its industries.

(c) Several strategic initiatives have been undertaken for export diversification focusing on building competitiveness and resilience, reducing dependence on traditional export products and markets, and tapping into high-value sectors and services. Through robust Government policies, stronger trade agreements, better trade infrastructure development, and a push towards sustainability, India has managed to significantly increase its global export footprint. In terms of merchandise exports, India has steadily increased its share in global exports from 1.66% in 2013 to 1.81% in 2023. In commercial services trade, India continues to be a global leader, with its share in world exports rising significantly from 3.08% in 2013 to 4.31% in 2023. This growth is a testament to the country's expertise in IT services, digital innovation, and knowledge-driven sectors. Together, these trends underline India's dynamic contribution to global trade, showcasing the success of its economic reforms and positioning the nation as a key player in international trade.

(d) India's merchandise trade deficit declined from USD 264.9 billion in 2022-23 to USD 241.1 billion in 2023-24. In case of services, India's trade surplus has increased from USD 143.2 billion in 2022-23 to USD 162.7 billion in 2023-24. India's overall trade deficit declined from USD 121.6 billion in 2022-23 to USD 78.4 billion in 2023-24. This shows a trend of improving trade balance in recent years. Moreover, the foreign exchange reserves were at USD 675.7 billion on November 8, 2024. At the current level, reserves cover more than 11 months of imports (Source: RBI Bulletin, November 2024). India is engaging in both multilateral and bilateral forums, including WTO, to increase market access for exports and to enhance competitiveness for its product in international markets while also recognizing that a rules-based, non-discriminatory, fair, open, inclusive, equitable and transparent multilateral trading system, with WTO at its core, is indispensable for inclusive growth.
