

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:739

ANSWERED ON:05.12.2003

CHALLENGES BEFORE EXPORTERS

A. VENKATESH NAIK;ASHOK NAMDEORAO MOHOL;M.H. AMBAREESH;RAMSHETH THAKUR;V. VETRISILVAN

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

- (a) whether Indian exporters are facing lot of challenges and stiff competition in the world market;
- (b) if so, whether the aim of achieving one percent share in the world trade by the year 2007 has become difficult;
- (c) if so, the main challenges before our exporters;
- (d) the details of specific incentives/assistance proposed to be provided to exporters apart from those which have already been specified in the EXIM Policy to make our exports more competitive in the world market;
- (e) whether the Government have also received any suggestions from Federation of Indian Exports Organisations in this regard;
- (f) if so, the details of suggestions made therein; and
- (g) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI S. B. MOOKHERJEE)

(a) to (d): One of the principle objectives of the Export & Import Policy for the period 1st April, 2002 to 31st March, 2007 is to facilitate sustained growth in export to attain a share of at least 1% of global merchandised trade. It has been estimated that India's export have to grow at the minimum rate of 12% in dollar terms every year in order to achieve this objective by the end of the Policy period. Exports had registered a growth of 20.3% during 2002-03. The growth rate in exports over this expanded base, as per provisional estimates, has been 8.44% during the period April-October, 2003 over the same period in the previous year. It is certainly a challenge to achieve a high rate of growth of exports from India on a sustained basis for which Government has been taking a number of initiatives as well as facilitation measures in the EXIM Policy. Such initiatives are complimented through various other measures such as fiscal through the budgetary process.

(e) to (g): In finalizing EXIM Policy and Procedures, Ministry of Commerce & Industry has detailed interaction with the Indian exporters through various trade bodies including FIEO. The suggestions received during such interactions or otherwise are given due consideration while formulating annual EXIM Policies within the broad framework of the five year EXIM Policy.