

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

UNSTARRED QUESTION NO:2928

ANSWERED ON:15.03.2010

INCENTIVES FOR EXPORTS

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

- (a) whether the country's exports have declined considerably during the last few years;
- (b) if so, the details thereof along with the reasons therefor during the last three years, item-wise;
- (c) whether the Government proposes to offer new incentives and expand the scope of the existing packages to select export sectors that are yet to recover from global meltdown;
- (d) if so, the details thereof along with the names of items/sectors identified for the purpose;
- (f) the extent to which these relief measures will boost exports and the time by which they are likely to be announced/availed by the export sector; and
- (g) the details of steps being taken to bring transparency, accountability, simplifications and correcting anomalies in legislation for exports?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b): No Madam, India's merchandise exports have consistently increased during the last few years. Merchandise exports of principal commodities from India during the last 3 years are given in Annexure I. However, during the current financial year 2009-10, there has been a decline in exports as compared to last year 2008-09.

(c) to (f): The Government and RBI closely monitor the economic developments in the country and internationally on a continuous basis and need based measures are taken, from time to time, keeping in view the financial and overall economic implications. Some of the steps taken by Government and RBI are given in Annexure II. Further, subsequent to announcement of Foreign Trade Policy (FTP), 2009-14, Government had carried out a sectoral performance review of export product groups in the wake of continued impact of global economic slowdown. Accordingly, additional support measures were announced in January / February, 2010, primarily for those sectors which still continue to show significant decline in exports. This is with a view to enhance export competitiveness of these products and provide support for market diversification. The complete details of the products and countries / markets for which incentives have been announced are in public domain and can be downloaded / seen from the website <http://dgft.gov.in>.

There has been progressive reduction in the rate of decline in export growth in dollar terms from May, 2009 to October, 2009, and monthly exports have turned positive since November, 2009, which clearly indicates that all the measures and initiatives taken by the Government and RBI have had a significant impact on effecting a turnaround in our exports.

(g): Government monitors and reviews the policy and the procedure laid there-under, for simplification and transparency in its operation, on a continuous basis.