

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

UNSTARRED QUESTION NO:1787

ANSWERED ON:07.03.2011

IMPACT OF UNEVEN GLOBAL RECOVERY

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

- (a) whether the Indian exporters are facing various problems due to uneven global recovery;
- (b) if so, the details thereof;
- (c) whether the Government has taken any steps to provide relief to the exporters;
- (d) if so, the details thereof alongwith products on which such relief is granted; and
- (e) the other steps being taken by the Government to provide assistance to boost the export?

Answer

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

(a)&(b): Indian merchandise exports have moved towards positive trajectory since October, 2009 and the growth is continuing since then. However, the fragile global economic recovery and consequent slower demand growth in the developed markets pose a challenge to Indian exporters in accessing overseas markets for their products.

(c)to(e): To boost performance of the export sectors, in particular, the products from labour intensive sectors like Handicrafts, Carpets, Handlooms, Toys & Sports goods, Textiles, Leather & Leather products, Engineering, Electronics, Chemicals, Agri-products etc, which have been hit in the wake of global slowdown, various measures have been taken by the Government and RBI. These measures are in the form of stimulus packages including the announcements made in the Budget 2009-10, 2010-11 & 2010-11; in the Foreign Trade Policy (FTP), 2009-14; thereafter in January / March 2010; in the Annual Supplement to FTP released on 23rd August, 2010; and in February, 2011. Some of the various measures undertaken include fiscal incentives, primarily for enhanced market access across the world and diversification of export markets; concessional export credit, interest subvention; procedural rationalization; and facilitation of technological upgradation.

The Government and RBI have been closely monitoring the economic developments in the country and internationally on a continuous basis, with special emphasis on monitoring the performance of labour intensive sectors. Support measures are undertaken, keeping in view the financial and overall economic implications thereof.