

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

UNSTARRED QUESTION NO:5290

ANSWERED ON:05.09.2011

EXPORT OF LABOUR INTENSIVE GOODS .

Maadam Shri Vikrambhai Arjanbhai;Viswanathan Shri P.

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

- (a) whether the Government has any proposal to provide sops to job oriented export sectors and labour intensive engineering goods;
- (b) if so, the details thereof;
- (c) the time by which the above proposal is likely to be implemented and the number of units likely to be benefited under the scheme;
- (d) whether it is proposed to expand the scheme to other industries as well; and
- (e) if so, the details thereof and if not, the reasons therefor?

Answer

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

(a) & (b) The Government of India has announced incentives for various labour intensive sectors including handloom, handicrafts, leather, engineering from time to time under the Foreign Trade Policy, to improve export performance of these sectors, and also to arrest and reverse the decline in exports in the wake of the recent global economic slowdown. The incentives are granted to exporters in the form of Duty Credit Scrip at the rate of 2% (leather), 5% (handmade carpets, handicrafts and handloom sector), 2% (textiles and engineering sector). Additional benefit @2% is given as bonus benefit to handmade carpets, handicrafts, leather sector and certain specified engineering products. Status Holders belonging to specified sectors including textiles, handicrafts, leather and certain engineering products are eligible for Status Holders Incentive Scrip @ 1% of FOB value of exports.

(c) to (e) The expansion and deepening of products and markets under the Foreign Trade Policy is an ongoing process of the Government. The Government regularly considers requests of industry which is showing a decline in export growth and need based measures are taken from time to time, keeping in view the financial and overall economic implications. The schemes under the Foreign Trade Policy are implemented at the national level and all the exporters of products and markets notified in the Foreign Trade Policy are entitled to claim benefits.