

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

STARRED QUESTION NO:96
ANSWERED ON:28.11.2011
INCENTIVES FOR EXPORT PROMOTION
Sivasami Shri C.;Sugumar Shri K.

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

- (a) whether the Government has recently announced certain incentives for the exporters who are suffering due to the recent economic slowdown in the United States of America and the European Union;
- (b) if so, the details of the incentives to be incorporated in the Annual Supplement of the Foreign Trade Policy 2009â€”2014 along with the details of the proposed interest subsidy, duty credit and special bonus to be provided to the exporters of various products in order to maintain the country's competitiveness in the global market;
- (c) whether the Government has added certain new products in the Focus Product Scheme (FPS) and Market Linked Focus Product Scheme (MLFPS);
- (d) if so, the details thereof; and
- (e) the further steps taken by the Government to arrest the declining trend of country's exports?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a) to e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 96 FOR ANSWER ON 28TH NOVEMBER 2011 REGARDING "INCENTIVES FOR EXPORT PROMOTION"

(a) to e): The Government periodically reviews the export performance of various sectors and where necessary appropriate measures are taken from time to time. Government has announced certain measures on 13th October 2011, details of which are available on our website www.dgft.gov.in. The salient features of this announcements are:

- (i) Export of Readymade Garments covered under Chapter 61 and Chapter 62 of ITC HS Classification of Export and Import Items, included under the Market Linked Focus Product Scheme (MLFPS).
- (ii) Special Bonus Benefit Scheme has been introduced to provide special assistance @ 1% to 49 products in Engineering, Pharmaceutical and Chemical sectors for 6 months.
- (iii) Special Focus Market Scheme (SFMS) has been announced for providing additional 1% duty credit when exports are made to these 41 countries (12 countries from Latin American region, 22 countries from African region, and 7 countries from CISregion).
- (iv) Interest Subvention has been extended for the period 1.4.2011 to 31.3.2012 for the handicrafts, handlooms, carpets, and SMEs sectors.
- (v) The list of items under Focus Product Scheme (FPS) has been expanded to include 130 additional items.
- (vi) Government has also expanded the list of items under Market Linked Focus Product Scheme (MLFPS) to cover export of new items to specified countries.