

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

UNSTARRED QUESTION NO:555

ANSWERED ON:13.08.2012

INCENTIVE TO EXPORTERS

Annayyagari Shri Sai Prathap; Das Gupta Shri Gurudas; Dubey Shri Nishikant ; Owaisi Shri Asaduddin; Tandon Annu; Tarai Shri Bibhu Prasad; Thakor Shri Jagdish

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

- (a) whether India's share in the world trade has declined during the last three years;
- (b) if so, the details thereof and the reasons therefor;
- (c) the details of various incentives provided to the exporters along with the Supplementary Foreign Trade Policy announced by the Government with a view to boost the diminishing exports from the country;
- (d) the extent to which these new concessions allowed to exporters have helped to increase the volume of exports from the country;
- (e) whether the Government has taken any step to create market for Indian goods abroad particularly in the United States of America and European countries that are currently going through serious slumps; and
- (f) if so, the details thereof along with the steps taken by the Government to increase exports particularly labour intensive sector?

**Answer**

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

(a) No, Madam.

(b) Does not arise.

(c) The Government reviews performance of export sectors at regular intervals and takes remedial measures for providing incentives whenever needed to boost export. Incentives are provided in the form of duty credit scrip under the Foreign Trade Policy schemes such as Focus Product Scheme, Focus Market Scheme and Vishesh Krishi & Gram Udyog Yojana. Details of these Schemes are available in the website of DGFT at [www.dgft.gov.in](http://www.dgft.gov.in).

(d) Exports have increased every year from 2004-05 onwards except 2009-10 when there was a decline. Incentives take time to show effect. Last such incentives were announced on 5th June, 2012.

(e) & (f) Market Linked Focus Product Scheme (MLFPS) has been extended till 31st March 2013 for export to USA and EU in respect of all garments falling in Chapter 61 and Chapter 62 of ITC HS Classification of Export and Import. Recognizing the role of labour intensive sectors like handlooms, handicrafts, leather, textiles and engineering goods etc. in India's exports, these sectors are incentivised under Focus Product Scheme by granting incentive @ 2 % to 7% of the free on board (FOB) value of exports.