GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:926 ANSWERED ON:12.08.2013 IDENTIFICATION OF EXPORT SECTOR Shivanagouda Shri Shivaramagouda

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

- (a) whether India's dependence on imports has increased during the last three years and the current year and if so, the details thereof and the reasons therefor;
- (b) whether the Government prepared any strategy to double the exports from the country during the next three years and if so, the details thereof along with the action taken by the Government in this regard;
- (c) whether the Government is making any serious effort to increase the domestic capacity in production and export of goods where India's dependence of import has increased in the recent past and if so, the details thereof and the reasons therefor;
- (d) whether the Government has identified areas and sectors to boost for increase of exports from the country; and
- (e) if so, the specific steps being taken/incentive provided by the Government to boost the production and exports from these areas/sectors?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

a) The value of imports has increased during the last three years and current year as per the details given below:

```
Value in US $ Billion
YEAR Import
2010-11 369.8
2011-12 489.3
2012-13 491.9
2012-13 (April-June) 115.4
2013-14 (April-June) 122.70
```

@: 2013-14 (April-June) are provisional Source: DGCI&S

Petroleum Products (including Crude), Gold and Electronic Goods contribute around 50 % to the total imports. The international prices of petroleum and gold have increased during the period. Their demand has also increased, which lead to a higher value of imports.

- b) Department of Commerce has prepared a strategy paper in 2011 for doubling Merchandise Exports in three years from US\$ 246 billion in 2010-11 to US\$ 500 billion in 2013-14. Subsequently, in view the global slowdown of economy, export Target for the year 2013-14 has been revised to US\$ 325 billion. An aggressive product promotion strategy for high value items that have a strong manufacturing base is the main focus of the overall growth strategy. The core of the market strategy is to retain presence and increase market share in traditional markets, move up the value chain in providing export products in the developed country markets; and open up new vistas, both in terms of markets and new products in these new markets. It is a constant endeavour of the Government to enhance trade with our trade partners for mutual benefit. India has been taking various initiatives like Comprehensive Economic Cooperation Agreements (CECA), Free Trade Agreements (FTA), Preferential Trade Agreements (PTA). with different countries.
- c) The Government has taken a number of steps to accelerate growth of the manufacturing sector. These, inter-alia, include announcement of National Manufacturing Policy (NMP), 2011, simplification and rationalization of the Foreign Direct Investment (FDI) Policy, implementation of Delhi Mumbai Industrial Corridor (DMIC) project, launching of the e-biz Mission Mode Project under the National e-Governance Plan, and creating a joint venture 'Invest India' in association with FICCI. Besides, incentives are given for helping industries in difficult areas through Plan Schemes of Transport Subsidy, special package of incentives for Special Category States, North-East Industrial & Investment Promotion Policy, 2007 and specific programmes like Industrial Infrastructure Up gradation Scheme, Indian Leather Development Programmes etc.
- d) & e) The Strategy paper of 2011 had a product Strategy. It had identified certain products like, engineering goods, drugs, pharmaceuticals, chemicals, electronic, leather products and textiles etc. to boost exports. In addition several measures were taken to increase exports as part of the Annual Supplement to the Foreign Trade Policy (2009-14) on 18.4.2013. As part of product

diversification and market diversification strategy, Government has added Norway to Focus Market Scheme (FMS). Venezuela has been added to Special Focus Market Scheme (Special FMS). 47 new items have been added to Market Linked Focus Product Scheme (MLFPS) and 122 new items have been added to the Focus Product Scheme (FPS). Subsequently, Government has notified 153 hi-tech products on 10.7.2013. Government has enhanced the rate of Interest Subvention from 2% to 3 % with effect from 1.8.2013.