

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

UNSTARRED QUESTION NO:1289
ANSWERED ON:18.07.2014
PERFORMANCE OF EXPORT SECTORS
Yadav Shri Dharmendra;Yeddyurappa Shri B. S.

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

- (a) whether Director General of Foreign Trade (DGFT) has conducted any performance appraisal of the various export sectors;
- (b) if so, the details and the findings thereof indicating the under-performing sectors during the recent years;
- (c) whether labour intensive export sectors have been recorded as the worst performers during the last financial year and if so, the facts thereof; and
- (d) the measures taken/being taken by the Government to provide fillip to export sectors including sops to exporters based on DGFT study and inclusion of more sectors under Interest Subvention Scheme?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) & (b) The Government continuously monitors the export performance of different sectors and need-based corrective measures to boost export are taken from time to time, keeping in view the financial and overall economic implications. During the year 2012-13, there was decline in exports of Engineering Goods, Handicraft, Readymade Garments, Electronics Goods, Textiles, Ores & Minerals, Cotton Raw including waste, Gems & Jewellery, Plantation, Project goods, etc. in comparison to 2011-12. Under performing sectors in 2013-14 in comparison to 2012-13 were Ores and Minerals, Cotton raw including wastes, Silk Carpets, Gems and Jewellery, Plantation, Electronic goods and Project goods.

(c) No Madam. Labour intensive sectors like Leather & Manufacture, Sports Goods, Textiles, Handicrafts, Marine and Carpet have shown increase in exports during 2013-14 over 2012-13.

(d) In order to boost Exports, various measures were taken to increase exports as part of the Annual Supplement to the Foreign Trade Policy (2009-14) announced on 18.04.2013. Apart from this Government took a number of other measures, which, inter alia, include the following:

(i) As part of product diversification and market diversification strategy, 47 new items were added to Market Linked Focus Product Scheme (MLFPS) and 122 new items were added to the Focus Product Scheme (FPS). Government also notified 153 hi-tech products on 10.7.2013 under Focus Product Scheme making them eligible for duty scrips at the rate of 2 %.

(ii) Two percent Interest Subvention Scheme, which was available for certain export sectors viz. Handicrafts, Carpet, Handlooms, SMEs, Readymade Garments, Processed Agriculture Products and Toys, was widened to include 134 tariff lines of Engineering Sector w.e.f 1st January, 2013. Government also enhanced the rate of Interest Subvention under Interest Subvention Scheme from 2% to 3 % with effect from 1.8.2013.