

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1517**  
**TO BE ANSWERED ON 05<sup>th</sup> MARCH, 2018**

**EXPORT TARGET**

1517. SHRI M.B. RAJESH:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has set any export target for 2025;
- (b) if so, the details thereof along with the current and the required rate of growth of exports;
- (c) whether India has started losing out traditional labour intensive exports and if so, the details thereof and the reasons therefor; and
- (d) the details of the strategy proposed to be adopted by the Government to achieve the said export target?

**ANSWER**

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SHRI C. R. CHAUDHARY)

- (a) and (b) International Trade including exports depend upon a multitude of international and domestic factors such as international demand, exchange rates, commodity prices, competitiveness of domestic industry, etc. Therefore, it is difficult to arrive at a realistic target for exports. In the Foreign Trade Policy 2015-20 announced in April 2015, it was indicated that the Government would aim to increase India's export of merchandise and services from US\$ 465.9 billion in 2013-14 to approximately US\$ 900 billion by 2019-20 and to raise India's share in world exports (Goods and Services) from 2% to 3.5%. However, due to shrinkage in global demand and lower commodity prices, there has been a decline in growth of export since 2015-16. But exports have started showing positive trend from the second half of 2016-17. The details of current rate of growth of exports for the period April-November 2017 and during the last three years are as follows:

## India's exports

	Exports (in USD Billion)		Total Exports	% Change
	Merchandise	Services		
2013-14	314.41	151.80	466.21	--
2014-15	310.34	158.10	468.44	0.48
2015-16	262.29	155.14	417.43	-10.89
2016-17	275.85	160.68	436.53	4.58
2016-17 (Apr-Nov)	175.41	106.07	281.48	--
2017-18 (Apr- Nov)*	194.75	109.88	304.62	8.22

Source: DGCI&S

With world trade expected to grow at 4.2% and 4% in 2017 and 2018 respectively, the prospects for exports in this and coming year look bright.

(c) Export Growth in 2016-17 was fairly broad based except textiles and allied products and leather and products thereof. In 2017-18 (April-December), the merchandise export growth has picked up further to 11.31%. Among the major sectors, engineering goods, petroleum crude and products showed fair growth; chemical and related products, textiles and allied products showed moderate growth; but gems and jewellery registered negative growth. While there has been slight decline in growth of exports in some of the labour intensive sectors, namely, leather and textiles during the last three years, the sectors like agriculture and sports goods have shown some positive growth during the same period. One of the reasons for decline is that some of India's competitive countries enjoy competitive advantages in terms of lower tariff in these sectors.

(d) In order to promote exports, while on one hand Government is improving trade related infrastructure and ease of doing business in the country including trading across borders, it is also implementing a number of export promotion schemes including Advanced Authorisation, Export Promotion Capital Goods, Merchandise Exports From India Scheme (MEIS), Services Exports From India Scheme (SEIS), Interest Equalisation Scheme, Duty Drawback Scheme, Market Access Initiatives Scheme (MAIS), etc. to mitigate the disadvantages faced by exporters due to higher cost of capital,

insufficient infrastructure and high logistics costs. During the time of Mid Term Review of Foreign Trade Policy (FTP) 2015-20 in December 2017, additional annual incentives of Rs 2,743 Cr for Ready-made garments and made-up sector, Rs 4,567 Cr for other labour intensive and MSME sectors have been provided under the Merchandise Exports from India Scheme (MEIS).

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