

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

**LOK SABHA**  
**STARRED QUESTION NO. 185**  
**TO BE ANSWERED ON 24<sup>th</sup> DECEMBER,2018**

**DECLINE IN EXPORT CREDIT**

\*185. SHRIMATI POONAMBEN MAADAM:  
DR. KIRIT SOMAIYA:

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

- (a) whether the export sector is experiencing credit flow issue and if so, the details thereof and the reaction of the Government thereto;
- (b) whether the export credit provided by banks fell sharply during the last year and the current year;
- (c) if so, the details thereof, both in rupee and percentage terms, along with the factors responsible for this;
- (d) whether his Ministry is closely working with the Ministry of Finance to ease credit flow to the export sector; and
- (e) if so, the details thereof along with the other steps taken by the Government to maintain the flow of export finance as per anticipation?

**ANSWER**

वाणिज्य एवं उद्योग मंत्री ( श्री सुरेश प्रभु )

**THE MINISTER OF COMMERCE AND INDUSTRY**  
**(SHRI SURESH PRABHU)**

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

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**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA  
STARRED QUESTION NO. 185 FOR ANSWER ON 24<sup>th</sup> DECEMBER, 2018  
REGARDING “DECLINE IN EXPORT CREDIT”.**

**(a) to (c)** Export Credit extended by Scheduled Commercial Banks continues to reflect a steady increase. As per data compiled by Reserve Bank of India (RBI), the balance outstanding for export credit by all Scheduled Commercial Banks increased from Rs.2,43,505 crore as on 31.03.2017 to Rs.2,43,890 crore as on 31.03.2018 and further to Rs.2,53,676 crore as on 30.09.2018.

**(d) to (e)** Yes, Madam. The Interest Equalization Scheme on Pre and Post Shipment Rupee Export Credit has been introduced from 1.4.2015 for a period of 5 years to help exporters in accessing credit at reduced rates. Under the scheme, interest equalization @3% per annum has been made available to all exports under identified 416 tariff lines [at ITC(HS) code of 4 digit], and to exports made by Micro, Small and Medium Enterprises (MSMEs) across all ITC(HS) codes. To further support credit-off take by MSME exporters, the interest equalization under Interest Equalization Scheme has been raised from 3% to 5% w.e.f. 02.11.2018 for exports made by MSMEs across all ITC(HS) codes. The benefit of the scheme is not available to merchant exporters.

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