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Trade board to review export performance

Exports have shown a growth of 21% in 2011-12

NEW DELHI: The Board of Trade (BoT), chaired by Commerce & Industry Minister Anand Sharma, is meeting on Friday to review country's export performance in the wake of uncertain economic conditions in the western markets.

The BoT, top advisory body on external trade, consists of industry leaders, including Mahindra & Mahindra Group Vice-Chairman Anand Mahindra, Biocon Chief Kiran Mazumdar Shaw, TVS Motors Chairman Venu Srinivasan, Ashok Leyland Managing Director R Seshasayee, Apollo Tyres Chairman & Managing Director Onkar S Kanwar and Hero MotoCorp Managing Di-

rector Pawan Munjal. "The board would discuss issues like impact of rupee fluctuation, rising interest rates and uncertain economic conditions in western markets on the country's exports," an official said.

Exports to the US and Europe account for about 30 per cent of the country's total overseas shipments. The rupee touched a new all-time low of Rs 56.50 against the US dollar. Since early March, the rupee has depreciated by over 10 per cent.

The meeting is considered important as it provides a platform for direct interaction between the government and the industry.

"The views of the board will be included in the foreign trade policy (FTP) to be announced on June 5," the official added.

While exports have shown a growth of 21 per cent in 2011-12, the momentum is difficult to maintain in 2012-13 as the

situation in Europe is still not good. From a peak of 82 per cent in July, export growth has plunged sharply to 3.8 per cent in November, 2011.

Exports contracted in March by 5.7 per cent. While exports during the last fiscal aggregated US\$303.7 billion, imports increased to US\$488.6 billion, leaving a highest-ever trade deficit of US\$185 billion.

The government has fixed a target of doubling the country's exports to US\$500 billion by 2013-14.

The BoT also has representations from business chambers and trade bodies like the Engineering Export Promotion Council and Federation of Indian Export Organisations (FIEO).

"The main agenda for tomorrow's meeting will be rupee depreciation and high cost of credit," FIEO Director General & CEO Ajay Sahai said. **Press Trust of India**