

## Govt may give sops to exporters in FTP

**NEW DELHI:** The government, on Friday, hinted at giving export incentives to some sectors to cushion them from the slowdown in western markets, in the forthcoming foreign trade policy (FTP).

Commerce and Industry Minister Anand Sharma said that on May 17 he will take stock of the exporting sectors with all export promotion councils.

"A meeting of the Board of Trade will be convened on June 1. After the stock taking exercise is complete, the government will intervene in sectors which require support," an official statement quoting Sharma said.

The FTP will be announced in the first week of June, he said.

In April, exports of gems and jewellery and readymade garments contracted by 25.7 per cent and 9.7 per cent to \$2.6 billion and \$1 billion respectively.

In the last FTP, which was announced in October 2011, the government had extended export incentives worth Rs

1,700 crore. The economic crisis in the US and Europe is hitting India's exports. Both these markets account for about one-third of country's total shipments.

The expansion in country's merchandise exports, which grew by as much as 82 per cent in July 2011, came down to 3.2 per cent in April 2012 due to the demand slowdown in the western markets.

"Slow down in exports growth in April in the backdrop of economic crisis in eurozone is also a worrisome development," Sharma said.

Sharma expressed "deep concern" over decline in index of industrial production (IIP) and urged the Reserve Bank for a differential rate of credit for manufacturing. "... there is a huge social dimension attached with the manufacturing sector since it supports millions of jobs."

The industrial production grew by just 2.8 per cent in 2011-12 compared to 8.2 per cent expansion in previous fiscal.

**PTI**