

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

STARRED QUESTION NO:198
ANSWERED ON:06.12.2005
EXPORT OF INDUSTRIAL GOODS
Mandal Shri Sanat Kumar

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

- (a) the details of growth in exports of industrial goods achieved during each of the last three years, sector-wise;;
- (b) the effect on the employment opportunities, year-wise and sector-wise; and
- (c) the steps taken/proposed to be taken by the government to support the export-oriented industries to achieve and sustain a higher growth rate on both exports and creation of employment opportunities?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (c) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO.198 FOR ANSWER ON 6.12.2005 REGARDING EXPORT OF INDUSTRIAL GOODS

(a) The Directorate General of Commercial Intelligence & Statistics (DGCI&S) compiles trade data on the basis of Indian Trade Classification (ITC) Harmonised System (HS) Codes for different commodities. There is no separate classification of industrial goods under this system. However, going by the description of goods, a significant share of exports consist of industrial products.

The details of value and percentage growth in exports of major sectors for the last three years is given below.

(Value in US \$ Million) (Percentage Change)

Commodities	2002-03	2003-04	2004-05	2002-03	2003-04	2004-05
Plantation	547	593	621	-7.30	8.41	4.72
Agri & Allied Products	4721	5407	6034	16.13	14.53	11.60
Marine Products	1432	1329	1268	15.79	-7.19	-4.59
Ores & Minerals	1996	2369	4193	58.11	18.69	76.99
Leather & Mfrs.	1848	2163	2289	-3.25	17.05	5.83
Gems & Jewellery	9030	10573	13705	23.59	17.09	29.62
Sports goods	73	99	98	6.26	35.62	-1.01
Chem. & Related prdts.	7858	9960	12677	23.33	26.75	27.28
Engineering goods	7689	10516	14587	33.80	36.77	38.71
Electronic goods	1295	1805	1804	8.59	39.38	-0.06
Projects goods	49	84	49	165.49	71.43	-41.67
Textiles	11081	12205	12017	14.37	10.14	-1.54
Handicrafts	785	500	343	43.00	-36.31	-31.40
Carpets	533	586	596	4.46	9.94	1.71
Cotton raw incl. waste	10	205	81	8.80	2004.72	-60.49
Petroleum Products.	2577	3568	6792	21.61	38.46	90.36
TOTAL EXPORTS	52719	63843	80540	20.29	21.10	26.15

(b) There is no final sector-wise estimate of employment created through exports. However, preliminary findings of a study conducted by the Research & Information System for Non-Alligned Countries (RIS) on employment generation through exports indicate that the total employment generated through exports in 2004-05 was almost 16 million of which 9 million was direct employment and 7 million was indirect employment.

(c) The Government has taken a number of initiatives to promote exports and employment as part of the Foreign Trade Policy (FTP). In order to expand employment opportunities, certain special focus initiatives have been identified for the agriculture, handlooms, handicraft, gems and jewellery and leather sectors. Other measures to promote exports include the enactment of the SEZ Act 2005 to trigger a larger flow of foreign and domestic investment in infrastructure and productive capacity; setting up Free Trade Warehousing Zones (FTWZs) which would get all the benefits available to SEZs; giving a major thrust to procedural simplification to reduce

transaction cost of exporters and signing regional trade agreements to leverage exports in line with India's comparative advantage.