

# Support for export promotion schemes to cross ₹1 lakh crore this fiscal: Prabhu

Commerce Minister seeks increase in interest subvention rates for exporters

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Financial support for exporters through various export promotion schemes is likely to cross ₹1,00,000 crore in 2017-18, Commerce and Industry Minister Suresh Prabhu said.

The Commerce Ministry has also sought an increase in the rate of support under the interest subvention scheme for exporters to 5 per cent from the existing 3 per cent, according to Alok Chaturvedi, Director General of Foreign Trade (DGFT). Interest subvention is the interest subsidy that exporters are given

by banks on loans which are in turn reimbursed by the government.

Support to exporters under various schemes such as the popular Merchandise/Services Export from India Schemes, the Advance Authorisation Scheme and the Export Promotion Capital Goods Scheme would cross ₹1,00,000 crore and touch ₹1,20,000 crore or even more depending on the performance of exports in the last two months of the fiscal, Prabhu said addressing a press conference on Thursday.

"You heard our Finance Minis-



Suresh Prabhu,  
Commerce Minister

ter say (in his Budget speech) that exports this year could have a growth of 15 per cent over the previous year. A good export performance means more outgo on export promotion schemes," he said.

The DGFT said in 2016-17, the outgo on export promotion

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schemes was ₹76,980 crore.

Elaborating on his earlier comment of foreign trade increasing to \$1 trillion in the next seven-eight years, the Minister said about half of it would come from merchandise exports and the other half from services exports.

The multi-pronged strategy for export growth will have a strong focus on increase in services exports, which was rising at a rate faster than merchandise exports, Prabhu said.