

Prabhu promises to resolve credit issue of exporters

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Union commerce and industry minister Suresh Prabhu today said he has taken up the issue of declining credit to exporters with the finance ministry to ensure adequate availability of funds to them.

Mr Prabhu said exports are growing and the ministry is taking steps to further accelerate the growth rate.

"One of the main challenges for export is finance. There is a decline in (export) finance, so we have taken up the issue with the finance ministry...I think, the finance minister is also looking into this (as in) how we can improve the credit flow into the export sector," the minister told reporters here.

Federation of Indian Export Organisations (Fieo)

president Ganesh Gupta has time and again demanded augmentation of credit flow to the export sector, as a sharp decline in credit would impact exports growth.

The minister has earlier suggested that loans to exporters should be considered as priority sector lending by the banks.

As per estimates, outstanding export credit which stood at Rs 28,300 crore as on 30 March has come down to Rs 22,300 crore as on 22 June this year.

Mr Prabhu also said that to boost shipments, exporters should explore new markets including in Africa, Latin America, east Asia, south Asia, and the Middle East.

He said the logistics sector will play a key role in enhancing the competitiveness of Indian goods in the global markets.

The ministry along with Fieo is organising "Logix India" from 31 January to 2 February 2019 here.

Speaking on this, Mr Gupta said over 20 countries are sending their delegations to explore logistics partnerships with India in this function.

He said the organisation is focussing on logistics solutions for "difficult to reach markets" and over 100 international delegates are expected to attend Logix India. Since financial year 2011-12, India's exports have been hovering at around \$300 billion.

During financial year 2017-18, the shipments grew to \$303 billion.

Promoting exports helps a country to create jobs, boost manufacturing and earn more foreign exchange.