

# EXIM POLICY



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- The primary objective of the EXIM Policy or FTP is not only to regulate the exports and imports, but to spur economic growth
- The Handbook of Procedures is published as a supplement to the Import/ Export Policy of the Government

# OBJECTIVES OF EXIM POLICY



- To strengthen the base for export production and thereby to create sound and favorable situation for export promotion through diversification
- To facilitate technological up gradation and modernization of domestic production
- To reduce imports to conserve foreign exchange

- To simplify and streamline foreign trade procedures



- To impart stability and continuity to enable exporters to draw long term export plans and strategies
- To provide institutional support to export initiatives
- To offer different types of export incentives, concessions and facilities to encourage exporters

# Reasons for increase in imports



- Shortage of food grains
- Import of capital goods & technical know-how, plant & machinery.
- War with neighboring countries increased defence needs.

# Reasons for slower growth of exports



- Failure of crops
- Synthetic substitute
- Fierce competition
- Policy of protection followed by developed and developing countries
- Reduction in export prices
- Reduction in exportable surplus
- Increased consumption of manufactured goods
- Inflation

# Composition of India's Foreign Trade



## **1. Import structure**

- capital goods
- raw materials and intermediate goods
- consumer goods and food grains

## **2. Major items of imports**

- food grains
- machinery & transport equipments
- mineral oil
- metals
- medicines and chemicals
- fertilizers



### **3. Export structure**

- food, beverages and tobacco
- raw materials
- manufactured goods

### **4. Major export items**

- jute
- cotton
- leather
- iron ores
- engineering goods
- handlooms and handicrafts
- chemical products
- fruits, vegetables, sugar, unmanufactured tobacco, mica, etc.



**Thank You**