

Study FTAs, Identify Areas of Competitive Edge: Goyal to Industry

Our Bureau

New Delhi: Commerce and industry minister Piyush Goyal on Friday asked industry to study India's free trade agreements (FTA), identify the areas which have competitive advantage and be ready to take on global competition, at a meeting with export promotion councils.

Exporters raised the issue of losing out the benefit of Generalised System of Preferences (GSP) for export of plastics, leather, stones and machinery to the EU from January 1, 2023, along with high inventory in developed markets and low off-take by buyers that could lead to further slowdown in exports especially November onwards.

"The minister stated that the ball is in our court and we have to be ready to take on global competition. He said the government is doing its best through various measures to support Indian exporters to compete globally," the commerce and industry ministry said in a statement quoting Goyal.

The government is also negotiating to sign more FTAs with important trade partners and this will have a direct impact in providing a level playing field in international markets, Goyal added.

"He emphasized that everybody will have to work hard to achieve true potential of India in terms of global trade," the ministry said.

As per a government official who attended the meeting, the minister asked industry to become competitive and not depend on the crutches of subsidies.

"The minister said the government would consider industry's demand to restore higher benefits under interest equalisation scheme and that work is ongoing to trade with Russia in rupees," said an industry representative who attended the meeting.

The meeting came in the wake of India's exports dipping in July, the trade deficit touching a record high and exporters raising concerns at the global slowdown impacting India's outbound shipments in the next two quarters.