



Doubling India's Exports

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The high-level panel constituted by Commerce and Industry Ministry has recommended a host of measures for **doubling India's exports** of goods and services to over USD 1,000 billion by 2025. The panel was headed by economist Surjit Bhalla.

Recommendations

- It has suggested issuance of '**Elephant Bonds**' wherein people declaring undisclosed income will have to mandatorily invest half of that amount in these securities.
 - "**Elephant Bond**" is a 25-year sovereign bond in which people declaring undisclosed income will be bound to invest 50 per cent.
 - The fund will be utilised only for infrastructure projects
- **Tax rates:** Lowering effective corporate tax rate, bringing down cost of capital and simplifying regulatory and tax framework for foreign investment funds.
- Increasing capital base of **EXIM Bank** by another Rs 20,000 crore by 2022.
- **Free trade agreements:** Seeking inputs from industry and MSMEs before signing free trade agreements (FTAs) and sensitising them of its benefits.
 - There is a need for an in-depth assessment of the existing agreements and their impact on the competitiveness of the Indian industry;
 - Remedial measures, to be considered for future FTA negotiations and maintaining a database based on such assessment.
- **WTO measures:** state governments need to be closely involved in improving the competitiveness of exports by providing support measures in a WTO (World Trade Organisation) consistent manner.
- **Tariff structure:** building a comprehensive export strategy and rationalise tariff structure.
- **Industry-specific suggestion includes:**
 - **Textiles and garments sector:** modification in labour laws (like the Industrial Disputes Act, 1947) to remove the limitation on firm size and allow manufacturing firms to grow.
 - **Medical tourism:** Setting up of a pan-India tourism board to promote medical

- value tourism. Simplification in the medical visa regime.
- **Agriculture exports:** abolishing Essential Commodities Act and the APMC (Agricultural Produce Market Committee) to promote agricultural export.
 - **Medical sector:** a single ministry for medical devices and separate regulation for this sector.
- **Benefits:** Promoting exports helps a country to create jobs, boost manufacturing and earn more foreign exchange.