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Institutional Infrastructure of Foreign Trade and Export Import Framework in India

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ABSTRACT: *To help an exporter in his work Government of India has set up several institutions. They are exports needs guidance and assistance at different stages of his export effort. It would be advisable for an exporter to acquaint himself with these institutions and the nature of help that they can render to him so that he can initially contact them and have a clear picture of what help he can expect of the organized sources in his export effort. Institutions engaged in export effort fall in six distinct tiers. At the top is the Department of Commerce of the Ministry of Commerce. This is a main organization to formulate and guide India's trade policy. At the second tier, there are deliberative and consultative organizations to ensure that export problems are comprehensively dealt with after mutual discussions between the Government and the Industry. At the third tier are the commodity specific organizations which deal with problems relating to consists of service institutions which facilitate and assist the exporters to expand their operations and reach out more effective to the world specifically set up to handle export/import of specified commodities and to promotion and import management. Agencies for export promotion at the State level constitute the sixth tier. Foreign Trade main task of the Trade Policy Division is to keep abreast of the developments in the international organizations like UNCTAD, WTO, the Economic Commissions for Europe, Africa, Latin America and Asia and Far East (ESCAP). It is also responsible for India's relations with the European Economic Community, European Free Trade Association, Latin American Free Trade Area, other regional groupings and commonwealth. The WTO deals with regulation of trade between participating countries by providing a framework for negotiating trade agreements and a dispute resolution process aimed at enforcing participants' adherence to WTO agreements, which are signed by representatives of member governments and ratified by their parliaments*

KEYWORDS: Foreign Trade, Export Promotion Council, Service Institutions (DGFT, IIFT, ECGC, ITPO), Export Import Bank, Export Inspection Council, Commodity Boards in India etc.

OBJECTIVES:

- To Study the Foreign Trade Institutional Infrastructure in India
- To Study Export Divisions which controls & promote Exports in India
- To study the various Export Service Institutions in India.
- To study various Export Commodity Boards which control in India

INTRODUCTION: Apart from the Finance and Administrative Divisions, the principal functional divisions of the Department of Commerce are Economic Division, Trade Policy Division, Foreign Trade Territorial Division, Export Products Division, Export Services Division and Export Industries Division. The Department of Commerce is the primary government agency responsible for evolving and directing foreign trade policy and programs, including commercial relations with other countries, State trading, various trade promotional measures and development and regulation of certain export oriented industries. The Foreign Trade Territorial Division is entrusted with the work relating to the development of trade with different countries and regions of the world. This Division also handles matters pertaining to State trading and barter deals, organization of trade fairs and exhibitions, commercial publicity abroad, etc. It also maintains contains contacts with Indian Trade Missions abroad and attends to the connected administrative work including the protocol functions. The United Nations Conference on Trade and Development (UNCTAD) was established in 1964 as a permanent intergovernmental body. UNCTAD is the principal organ of the United Nations General Assembly dealing with trade, investment, and development issues. The organization's goals are to: "maximize the trade, investment and development opportunities of developing countries and assist them in their efforts to integrate into the world economy on an equitable basis. The primary objective of UNCTAD is to formulate policies relating to all aspects of development including trade, aid, transport, finance and technology. One of the principal achievements of UNCTAD (1964) has been to conceive and implement the Generalized System of Preferences (GSP).GSP scheme under which manufacturers' exports and some agricultural goods from the developing countries enter duty-free or at reduced rates in the developed countries. Since imports of such items from other developed countries are subject to the normal rates of duties, imports of the same items from developing countries would enjoy a competitive advantage. The organization grew from the view that existing institutions like GATT (now replaced by the World Trade Organization, WTO), the International Monetary Fund (IMF), and World Bank were not properly organized to handle the particular problems of developing countries. Later, in the 1970s and 1980s, UNCTAD was closely associated with the idea of a New International Economic Order (NIEO).The first UNCTAD conference took place in Geneva in 1964, the second in New Delhi in 1968, the third in Santiago in 1972, fourth in Nairobi in 1976, the fifth in Manila in 1979, the sixth in Belgrade in 1983, the seventh in Geneva in 1987, the eighth in Cartagena in 1992, the ninth at Johannesburg (South Africa) in 1996, the tenth in Bangkok (Thailand) in 2000, the eleventh in São Paulo (Brazil) in 2004, the twelfth in Accra in 2008, the thirteenth in Doha (Qatar) in 2012 and the fourteenth in Nairobi (Kenya) in 2016.Currently, UNCTAD has 194 member states and is headquartered in Geneva, Switzerland. As of October 2012, 194 states are UNCTAD members: all UN members and the Holy See. UNCTAD members are divided into four lists, the division being based on United Nations Regional Groups with six members unassigned: Armenia, Kiribati, Nauru, South Sudan, Tajikistan, and Tuvalu.

PRINCIPAL FUNCTIONAL DIVISIONS OF DEPARTMENT OF COMMERCE:

EXPORT PRODUCT DIVISION:

The Export Products Division pays attention to the problems connected with production, generation of surplus and development of markets for the various products under its jurisdiction. These products include, inter alia, plantations, marine products, marine products, chemicals, plastics, leather and leather goods, sports goods, films, steel, metals, engineering products, minerals and ores, coal, petroleum products, mica, salt, etc. This Division is also responsible for the working of export organizations and corporations dealing with above commodities and products.

EXPORT INDUSTRY DIVISION:

The Export Industries Division is responsible for development and regulation of rubber, tobacco and cardamom. The division is also responsible for handling export promotion activities relating to textiles, woolens, handlooms, readymade garments, silk and cellulosic fibers, jute and jute products, handicrafts, coir and coir products.

EXPORT SERVICE DIVISION:

The Export Services Division deals with the problem of export assistance including import replenishment licensing, cash assistance, export credit, export houses, Marketing Development Assistance and grants therefore, transport, free trade zones, dry ports, quality control and pre-shipment inspection, joint ventures abroad and capacity creation in export – oriented industries including assistance to import capital goods essential raw materials.

EXPORT ECONOMIC DIVISION:

The Economic Division, headed by the Economic Adviser, is responsible for the formation of export strategies, export planning, periodic appraisal and review of policies as also for maintaining coordination and constant contacts with the other This Division also monitors work relating to technical assistance, management services for export and overseas investments by Indian entrepreneurs.

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DIRECTORATE GENERAL OF FOREIGN TRADE (DGFT):

Directorate General of Foreign Trade, New Delhi: The Import Export Trade Control Organization headed by the Director General of Foreign Trade is responsible for the execution of the import and export policies of the Government of India. Import and export licensing of iron and steel and ferroalloys is looked after by this organization. The Director General of Foreign Trade has subordinate offices, located at Ahmedabad, Amritsar, Bangalore, Bhopal, Bombay, Calcutta, Chandigarh, Cuttack, Ernakulam, Gandhidham, Guwahati, Hyderabad, Jaipur, Kanpur, Ludhiana, Madras, Moradabad, New Delhi, Panaji, Patna, Pondicherry, Rajkot, Shillong, Srinagar, Tuticorin, Varanasi, Viskahapatnam, Baroda, Coimbatore, Panipat and Pune. The Export Promotion Offices at Bombay, Calcutta, Madras, Cochin, Nagpur and Pune are also functioning under the administrative control of the Regional Joint Director General of Foreign Trade.

BOARD OF TRADE CONSULTATIVE AND DELIBERATIVE ORGANISATION:

The Board of Trade is the highest forum for Government for Government industry interface on trade policy issues. It has as its members Presidents of FICCI, ASCOCHAM, CII and FIEO, in addition to several other leading industrialists. It has also representatives from the Ministries of Finance, Industry and Textiles. The Board of Trade is presided over by the Commerce Minister. The board of Trade has been set up to ensure that the collective advice of the commercial interests is available to the Government of India for framing and formulating export promotion and import policies and for successful implementation thereof.

It deliberates on the policy and major bottlenecks faced by the trade and industry on foreign trade and make recommendations for Government’s consideration and implementation.

COMMODITY ORGANISATIONS:

A number of organizations have been established in the country with the objective of promoting and strengthening commodity specialization. More important among them are the Export Promotion Councils and the Commodity Boards.

EXPORT PROMOTION COUNCILS:

These Councils advise the government regarding current developments in the export sector and measures necessary to facilitate future growth in exports, assist manufactures and exporters to overcome the various constraints and extend to them the full range of services for the development of markets overseas. There are 19 Export Promotion Councils covering the products Apparels; Basic Chemicals, Pharmaceuticals and Cosmetics; Chemical and Allied Products; Carpet; Cashew; Cotton Textiles; Electronics & Computer Software; Engineering; Gems and Jewellery; Handicrafts; Handlooms; Leather; Overseas Construction; Plastics and Linolcums; Shellac; Silk; Synthetic and Rayon Textiles; Sports Goods and Wool and Woollens. These councils are non-profit-market limited companies registered under the companies Act. An idea of the functions of the Export Promotion Councils can be had from some of the important activities of the Export Promotion Council as mentioned below:

- to apprise the Government of the exporters’ problems;
- to keep its members posted with regard to trade enquiries and opportunities.
- to help in exploration of overseas problems confronting individual exporters.
- to render assistance on specific problems confronting individual exporters;
- to help resolve amicably disputes between exporters and importers of Indian engineering goods; and
- to offer various facilities to engineering exporters in line with other exporting countries.

The EPCs would have to, therefore, redefine their role and functions. Over the years, they have more or less functioned as liaison officer of the trade and industry in their dealings with the Government. Developmental activities were undertaken only by a few EPCs. In the changed scenario, they will have to reorient their services because with the procedural simplification of foreign trade, traditional liaison work has lost its importance. They will now have to offer concrete market has lost its importance. They will now have to offer concrete market promotional and consolidation programmes and services to their members.

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COMMODITY BOARDS:

There are 9 statutory Boards for the following commodities. Handicrafts and Handlooms, Silk, Powerloom, Coffee, Coir, Rubber, Tea, Tobacco and Spices. The Commodity Board deal with the entire range of problems of production, development, marketing, etc. In respect of the commodities concerned, they act themselves as if they were the Export Promotion Councils. Some of these Boards have opened their branch offices in foreign countries in order to promote the consumption of commodities under their jurisdiction. For example, the Tea Board has set up various promotional units in foreign countries with a view to organizing generic promotion programes. Similarly, some other boards have taken promotional measures by opening foreign offices abroad, participating in trade fairs and exhibitions, conducting market surveys, sponsoring trade delegations, etc.

1. MARINE PRODUCTS EXPORT DEVELOPMENT AUTHORITY (MPEDA):

The Marine Products Export Development Authority replaced the Marine Products Export Promotion Council and started functioning in September 1972. The Authority serves the seafood industry right from fishing to processing, packaging, storing, transporting and marketing to the different markets all over the world. The Authority is entrusted with the task of ensuring a healthy growth of the industry through judicious regulation, conservation and control. Importers and exporters can obtain any information relating to the markets and the products from the Marine Products Export Development Authority. The specific functions of the Authority are:

- Development of off-shore and deep-sea fishing in all its aspect and conservation and management of off-shore and deep-sea fisheries;
- Registration of fishing vessels, processing plants, storage premises and conveyances relating to the marine products industry and exports with a view to promote a healthy development.
- Rendering financial or other assistance and to act as an agency for extension of relief and subsidy as may be entrusted by the Government;
- Regulation of export of marine products;
- Improve the marketing of marine products overseas by providing market intelligence, market promotion activities.
- Arrange for training in different aspects connected with export with special reference to fishing, processing and marketing ; and
- Such other measures that will be of importance to the export industry.

2. AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORT DEVELOPMENT AUTHORITY (APEDA):

With a view to increase the exports from agricultural sector, the Processed Food Export Promotion Council has been upgraded as Agricultural & coordinate its activities with national bodies like Horticulture Board and State Governments for generating production for exports and with research institutes for development of value added products. it would also undertake quality certification and unify the existing inspection and quality control for products such as meat and meat products. The products covered by the Authority are:

- Fruits, vegetables and their products.
- Meat and meat products.
- Poultry and poultry products.
- Dairy products.
- Confectionery, biscuits and bakery products.
- Honey, Jaggery and sugar products.
- Cocoa and its products, chocolates of all kinds.
- Alcoholic and non-alcoholic beverages.
- Cereal products.

- Cashew nuts, groundnuts and papads.
- Guar gum.
- Horticulture and floriculture products.
- Herbal and medicinal plants.

The functions of APEDA are:

- The development of industries relating to the above products for export by way of providing financial assistance or otherwise for undertaking surveys and feasibility studies, participation in the equity capital through joint ventures and other reliefs and subsidy schemes:
- The registration of persons as exporters of the products concerned on payment of such fees as may be prescribed;
- The fixing of standards and specifications for these products for purposes of export;
- The carrying out of inspection of meat and meat products in any slaughter house, processing plant, storage premises.
- The improving of packaging of these products;
- The improving of the marketing of these products outside India;
- The promotion of export-oriented production and development of these products;
- The training in various aspects of the industries connected with these products.

INTERNATIONAL EXPORT SERVICE INSTITUTIONS

A number of institutions and organizations have been established to meet the requirements of industry and trade. The fields in which these institutions have been active include development of export management personnel, market research, export credit insurance, export publicity, organization of trade fairs and exhibitions, collection and dissemination of market information,, pre-shipment inspection and quality control, development in packing, etc. a brief review of the activities and functions of some of these institutions is given below:

INDIAN INSTITUTE OF FOREIGN TRADE (IIFT):

Some of the principal activities of the Institute are the following:

- It provides training of a high standard, short-term and long-term, for executives and personnel employed in trade and industry, export houses, export organizations, government departments, government trading corporations and Indian embassies and consulates abroad.
- It sponsors candidates selected from industry and trade, export houses, government departments, trading corporations, etc. for higher training abroad in export management and export techniques and for acquiring firsthand knowledge of the techniques and procedures adopted by advanced countries in export marketing.
- The Institute undertakes and sponsors practical as well as fundamental research on various problem of international trade. Besides its own research programmes, the Institute undertakes research into problems referred to it by industry and trade and the government.
- It provides consultancy to business firms in matters relating to foreign trade.

INDIAN TRADE PROMOTION ORGANIZATION (ITPO):

The India Trade Promotion Organization (ITPO) has come into effect from 1992 with the main objective of promoting exports and imports, and upgradeation of technology through the medium of fairs to be held in India and abroad, to undertake publicity though the print and electronic media, to assist Indian companies in product development, to organize programmes, buyer-seller meets, contact promotion programmes for specific products in specific markets. The The India Trade promotion Organisation is a service organization and has close and periodical interaction with the trade, industry and Government. It serves the industry by entering into comparatively less explored markets, provides information and support for participation in fairs, for developing exports of new items, and gathers and disseminates improved trade related services.

EXPORT CREDIT GUARANTEE CORPORATION (ECGC):

For minimizing the risk element in export business and to facilitate the flow of finance from the banks to exporters, there is an Export Credit Guarantee Corporation. In addition to the normal risk policies, the Corporation assists the exporters through special schemes such as packing credit guarantee post-shipment credit guarantee and export production finance guarantee, is wholly owned by the Government of India and works on 'no-profit no-loss' basis. To suit varying needs of the exporters, the Corporation provides different types of cover which may be divided into the following three broad groups:

- Standard policies issued to exporters to protect them against the risks of trading with overseas buyers on credit terms.
- Financial guarantee issued to banks against the risks involved in providing credit to exporters; and
- Special Policies.

Under its policies intended to protect the exporters against overseas credit risks, ECGC bears the main brunt of the risk and pays the exporter 90 per cent of his loss on account of 'commercial' risks and 'political' risks. The functions and policies of the Corporation are discussed in greater detail later in the book.

EXPORT-IMPORT BANK OF INDIA (EXIM BANK):

Established by the Government of India, we commenced operations in 1982 under the Export-Import Bank of India Act, 1981 as a purveyor of export credit, mirroring global Export Credit Agencies. Key roles are fulfilled by three directors nominated by the Reserve Bank of India (RBI), Industrial Development Bank of India (IDBI) and ECGC Ltd. Export-import Bank of India is led at the Board level by a team of eminent personnel including senior policy makers, expert bankers, leading players in industry and international trade and professionals in exports, imports or financing. It extends finance to exporters of capital and manufactured goods, exporters of software and consultancy services and to overseas joint ventures and turnkey/construction projects abroad. The Bank is the principal financial institution in India for coordinating the work of institutions engaged in financing export and import trade. Flagship programs of exim bank include:

- Buyer's Credit under NEIA
- Corporate Banking
- Line of Credit
- Overseas Investment Finance
- Project Finance

EXPORT INSPECTION COUNCIL (EIC):

In consonance with the need for constant improvement in the quality of Indian manufactures and products, and for lending confidence to the importers abroad in respect of the quality of Indian exports, the Government had enacted the Quality Control and Pre-shipment Inspection Act. Eighty-eight per cent of export commodities covering 1,055 items have already been brought with in the purview of this Act and are subject to compulsory pre-shipment inspection. It sis envisaged that barring a few items, all the commodities will in the near future be covered by quality control and compulsory pre-shipment inspection. The Export Inspection Council established under the Act administers the various schemes of quality control and pre-shipment inspection. The Council is also charged with the responsibility of establishing laboratories and test houses throughout the country for the provision of inspection facilities in regard to the commodities thus modified. It has established inspection agencies under which the network of quality inspection officials operate in various parts of the country. The volume growth of imports during the Sixth Plan was much lower at 6.9 per cent as compared with the target rate of 9.5 per cent. The subdued growth in import volume to a large measure reflected the success of the import substitution effort in the petroleum sector. In contrast, import volume growth during the first four years of Seventh Plan at 9.8 per cent was substantially higher than the growth of 5.8 per cent envisaged for the Plan period as a whole. This to a large measure was the outcome of a near-stagnation in domestic crude oil production necessitating substantial volume of POL imports.

TRADE POLICY OF INDIA:

The Foreign Trade Policy of India is guided by the Export Import is known as in short EXIM Policy of the Indian Government and is regulated by the Foreign Trade Development and Regulation Act, 1992. DGFT (Directorate General of Foreign Trade) is the main governing body in matters related to EXIM Policy.India's trade policy has been undergoing rapid and drastic changes since 1991. Some of these changes are the result of economic reforms initiated by the Government while some others are also influenced by the requirements of the World Bank and the IMF from whom India has received structural adjustment loans. The most important element of the new policy is the increasing use of exchange rate. Rupee was adjusted downwards by 18 per cent in July 1991 to make the rupee's external value more realistic. Simultaneously, the system of cash compensatory support which has so far been the most important instrument of export promotion was abolished. These steps were supposed to improve export incentives and make them uniform. Few months later, in March, 1992, Rupee was made partly convertible, under a system known as Liberalised exchange Rate Management System (LERMS). In March 1993, the rupee was made fully convertible on trade account.What does Darjeeling Tea, Basmathi Rice, Indian Carpet, Kancheepuram Silk, Mysore Sandalwood Oil, Indian Garments, Indian Software, Surat Diamonds to name a few have in common. They represent the modern symbols of Indian foreign trade.On 1st April 2015, the new Foreign Trade Policy (FTP) for the period 2015-20 was announced which replaces the 2009-14 FTP which expired on 31st March 2014. With the announcement of new policy, exporters' one-year wait for new FTP has come to end.India's Foreign Trade Policy also known as Export Import Policy (EXIM) in general, aims at developing export potential, improving export performance, encouraging foreign trade and creating favorable balance of payments position. Foreign Trade Policy is prepared and announced by the Central Government (Ministry of Commerce). Foreign Trade Policy or EXIM Policy is a set of guidelines and instructions established by the DGFT (Directorate General of Foreign Trade) in matters related to the import and export of goods in India.The foreign trade policy, has offered more incentives to exporters to help them tide over the effects of a likely demand slump in their major markets such as the US and Europe.Foreign trade is exchange of capital, goods, and services across international borders or territories. In most countries, it represents a significant share of gross domestic product (GDP). While international trade has been present throughout much of history, its economic, social, and political importance has been on the rise in recent centuries.The Foreign Trade Policy of India is guided by the Export Import in known as in short EXIM Policy of the Indian Government and is regulated by the Foreign Trade Development and Regulation Act, 1992.DGFT (Directorate General of Foreign Trade) is the main governing body in matters related to EXIM Policy. The main objective of the Foreign Trade (Development and Regulation) Act is to provide the development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Foreign Trade Act has replaced the earlier law known as the imports and Exports (Control) Act 1947.

OBJECTIVES OF THE FOREIGNTRADE POLICY (EXIM) POLICY: -

- To accelerate the economy from low level of economic activities to high level of economic activities by making it a globally oriented vibrant economy and to derive maximum benefits from expanding global market opportunities.
- To stimulate sustained economic growth by providing access to essential raw materials, intermediates, components,' consumables and capital goods required for augmenting production.
- To enhance the techno local strength and efficiency of Indian agriculture, industry and services, thereby, improving their competitiveness.
- To generate employment opportunities and encourage the attainment of internationally accepted standards of quality. To provide quality consumer products at reasonable prices.

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FOREIGN TRADE POLICY 2015-2020:

Commerce Minister announced two new schemes in Foreign Trade Policy 2015-2020Two New Schemes announced in FTP Are MEIS & SEIS. FTP 2015-20 introduces two new schemes, namely "Merchandise Exports from India Scheme (MEIS)" and "Services Exports from India Scheme (SEIS)". These schemes (MEIS and SEIS) replace multiple schemes earlier in place, each with different conditions for eligibility and usage. Merchandize exports from India (MEIS) to promote specific services for specific Markets Foreign Trade Policy. For services, all schemes have been replaced by a 'Services Export from India Scheme'(SEIS), which will benefit all services exporters in India.FTP would reduce export obligations by 25% and give boost to domestic manufacturing. Incentives (MEIS & SEIS) to be available for SEZs also. FTP benefits from both MEIS & SEIS will be extended to units located in SEZs. Both MEIS and SEIS firms and service providers can now get subsidized office spaces in SEZ (Special Economic Zones), along with other benefits. With a view to boost the Special Economic Zones, Government has decided to extend both the incentive schemes for export of goods and services to units in SEZs. e-Commerce of handicrafts, handlooms, books etc., eligible for benefits of MEIS. e-Commerce exports up to Rs.25000 per consignment will get SFIS benefits. e-Commerce Exports Eligible for Services Exports From India Scheme. As part of Digital India vision, mobile apps would be created to ease filing of taxes and stamp duty, automatic money transfer using Internet Banking have been proposed. Online procedure to upload digitally signed document by Chartered Accountant/Company Secretary/Cost Accountant to be developed. Agricultural and village industry products to be supported across the globe at rates of 3% and 5% under MEIS. Higher level of support to be provided to processed and packaged agricultural and food items under MEIS. Industrial products to be supported in major markets at rates ranging from 2% to 3%.Branding campaigns planned to promote exports in sectors where India has traditional Strength. Business services, hotel and restaurants to get rewards scrips under SEIS at 3% and other specified services at 5%.Duty credit scrips to be freely transferable and usable for payment of customs duty, excise duty and service tax. Debits against scrips would be eligible for CENVAT credit or drawback also. Nomenclature of Export House, Star Export House, Trading House, Premier Trading House certificate changed to 1,2,3,4,5 Star Export House. – Some major overhauling of nomenclature and naming have been done. For instance, Export House, Star Export House, Trading House, Star Trading House, Premier Trading House certificate has been changed to One, Two, Three, Four, Five Star Export House. The allocation of the status will now be based on US dollars, instead of Indian Rupees. The criteria for export performance for recognition of status holder have been changed from Rupees to US dollar earnings. – A new position called ‘Status Holder’ have been formulated, which will recognize and reward those entrepreneurs who have helped India to become a major export player.Tax and duty on Indian manufacturers have been reduced, to boost Make in India vision. Reduced Export Obligation (EO) (75%) for domestic procurement under EPCG scheme. Inter-ministerial consultations to be held online for issue of various licenses. Now no need to repeatedly submit physical copies of documents available on Exporter Importer Profile. Validity period of SCOMET export authorisation extended from present 12 months to 24 months. Export obligation period for export items related to defense, military store, aerospace and nuclear energy to be 24 months instead of 18 months. Calicut Airport, Kerala and Arakonam ICDs (Inland Container Depots), Tamil Nadu notified as registered ports for import and export. Vishakhapatnam and Bhimavarm added as Towns of Export Excellence. Certificate from independent chartered engineer for redemption of EPCG authorization no longer required.

CONCLUSION:

India’s total international trade is dependent upon export finance and export insurance. Due to the global financial Economic crisis but the world, as a whole, registered a twenty-five percent decline in trade. Economy in India has witnessed only a slight decline in its international trade the lack of credit despite the availability of high liquidity and low interest rates is a major reason for the global trade to register a steep decline in 2009. The economic stimulus provided by many governments is expected to help exporters worldwide recover fully. It have affirmed the success of both the export promotion institutions in India. Notwithstanding the increase in productivity, a country may be successful in exporting only if it ensures a steady devaluation of its currency [Krugman, 1994]. For developing economies, a weakening currency is a boost to the profitability of the exporters. However, the exports promoted by the ECGC and EXIM Bank of India equip the policy makers to provide for enhanced infrastructure development and modernization of technology. As propose to compare the effectiveness of similar institutions from other countries to explain the cumulative benefits of global trade. In India Regional studies also would be helpful for future research in this context to understand the impact of specific free trade agreements and regional trade agreements. India has added twenty-seven countries more to its list of Focus Market Scheme (MFS) and also has broadened its Market Linked Focus Product Scheme (MLFPS) by the inclusion of a large number of products linked to their markets. The role of these two institutions is certain to be more significant with the proposed trade policy reforms. In India SEZ's could drastically improve the economic activity in the country, make the country's export competitive and globally noticeable, be net foreign exchange earner and provide immense employment opportunity. The rules should not be implemented at the cost of bringing down the agricultural activities. As compared to china where majority of the SEZ's were setup by the government, similar should be adopted in India, if not fully it should be a public-private partnership and regulatory bodies should be properly managed to weed out fallacies.

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