CHAPTER VII

SUMMARY OF FINDINGS AND SUGGESTIONS
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7.1 Introduction
7.2 Findings of the Study
7.3 Suggestions
7.4 Conclusion
7.5 Scope for further Research
7.1 INTRODUCTION

Export incentives are essential to Indian exporters to meet international competition and to make their prices competitive globally. Export incentive schemes motivate exporters and they should utilise export incentive schemes for increasing India's share in global trade. In this study, the researcher has attempted to investigate utilisation of the export incentive schemes by the sample exporters in Tamilnadu and to study the extent of motivation provided by the incentive schemes to exporters. The researcher has analysed the opinions of exporters on procedural aspects involved in utilising export incentive schemes and the problems thereof.

The present research study is a descriptive and analytical one. The researcher has used the judgement sampling method to identify respondents of the study and the sample size is 170 exporters in Tamilnadu and for the purpose of analysis they are classified into four categories viz.; garment exporters, leather exporters, engineering exporters and plastic exporters. Both primary and secondary data are used. A comprehensive questionnaire was designed by the researcher with the assistance of executives of Export Promotion Councils and selected exporters and it was duly pre-tested. The researcher collected primary data through the questionnaire in person and met all the 170 exporters. He utilised the offices of the apex bodies of foreign trade in India such as, Export Promotion Councils, the Indian Institute of Foreign Trade, the Federation of Indian Chamber of Commerce and Industry.
the Union Ministry of Commerce, and the Reserve Bank of India to collect relevant secondary data required for the study. Library services available in the Indian Institute of Technology, Chennai, the Institute of Financial Management and Research, Chennai, the Sri Venkateswara university, Andhra Pradesh and the other universities were utilised by the researcher for collecting secondary data. The researcher approached the embassies of various countries to gather the data regarding export incentives offered by them. Statistical tools such as mean, co-efficient of variation, correlation, Chi-square test and Z test are used to interpret the processed data. Likert's Five Point Scale is used in the questionnaire to collect primary data. The Five Point Scale is used for analysis also. The present research study is organised into seven chapters. The important findings of the study and the suggestions to overcome the issues of export incentives are presented in this chapter.

7.2 FINDINGS OF THE STUDY

7.2.1. The Government of India provided export incentives under the Export Promotion Capital Goods was Rs.766 crore, and Duty Drawback Rs.3,680 crore during the period from April 1999 to November 2000.

7.2.2. Ninety percent of the sample exporters utilised pre-shipment finance. Among them, 127 are small scale exporters and 26 large scale exporters. The Chi-square test results revealed that there is a significant relationship between the size of exporters and the utilisation of pre-shipment
finance. It is concluded that the size of exporters and the utilisation of pre-shipment finance are dependent.

7.2.3. The majority of the merchant exporters (84%) and manufacturer exporters (94%) utilised pre-shipment finance. Chi-square test showed that there is a significant relationship between the utilisation of pre-shipment finance and the type of exporters. It is concluded that the utilisation of pre-shipment finance and the type of exporters are dependent.

7.2.4. The average amount of pre-shipment finance utilised by the majority of the (80%) exporters is below Rs. 200 lakhs during the review period. There is a significant relationship between the utilisation of pre-shipment finance and the categories of exporters. Majority of the small scale exporters (77%) and majority of the large scale exporters (73%) utilised an average amount of pre-shipment finance below Rs. 100 lakhs during the review period. There is no significant relationship between the average amount of pre-shipment finance utilised and the size of exporters. It is revealed in this study that 76% of the garment exporters, 67% of the leather exporters, 69% of the engineering exporters and 96% of the plastic exporters utilised an average amount of pre-shipment finance, below Rs. 100 lakhs, during the review period.

7.2.5. A majority of the merchant exporters (75%) and a majority of the manufacturer exporters (77%) have utilised, an average amount of pre-shipment finance below Rs. 100 lakhs during the review period and it was
observed that there is no significant relationship between the average amount of pre-shipment finance utilised and the type of exporters. The average amount of pre-shipment finance utilised and the type of exporters are independent.

7.2.6. It is interesting to note that there is a significant relationship between experience in export business and the average amount of pre-shipment finance utilised by exporters.

7.2.7. A majority of the large scale exporters (96%) and a majority of the small scale exporters (98%) obtained export finance from public sector banks.

7.2.8. It is shown in this study that 76% of the garment exporters, 67% of the leather exporters, 69% of the engineering exporters and 96% of the plastic exporters utilised below Rs.100 lakhs as the average amount of post-shipment finance during the review period.

7.2.9. The sample exporters are highly motivated by the export finance and the percentage of motivation is 95. The percentage of utilisation of export finance is 86%. The level of motivation of the sample exporters is high. The level of utilisation of export finance is high to the sample exporters.

7.2.10. There is a perfect positive correlation (+8102) between motivation and utilisation of export finance.
7.2.11. The sample exporters are satisfied with the amount of export finance provided by banks and the percentage of agreement with the sample exporters with the statement "Export finance provided by Banks is sufficient" is 77. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'Bank Provides Pre-shipment Credit which is Sufficient'.

7.2.12. A majority of the exporters do not support the suggestion that the pre-shipment finance period should be extended from 180 days to 270 days and the percentage of agreement of sample exporters to the statement 'Pre-shipment finance period should be extended to 270 days' is 73. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'Pre-shipment Finance Period should be Extended to 270 days'.

7.2.13. The sample exporters are not fully satisfied with the present interest rate charged on pre-shipment finance. The percentage of agreement of the sample exporters with the statement 'Rate of interest charged on export finance is reasonable' is 71. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'Rate of Interest Charged to Export Finance is Reasonable'.
7.2.14. The percentage of agreement of the sample exporters with the statement 'Delay in sanctioning pre-shipment credit makes exporters borrow from other financial institutions at high rate of interest' is 71. They are of the opinion that they borrow from other financial institutions at a high rate of interest due to delayed sanction of pre-shipment credit by the bankers. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'Delay in Sanctioning Pre-shipment Credit makes the Exporters Borrow from other Financial Institutions at High Rate of Interest'.

7.2.15. The percentage of agreement of the sample exporters to the statement 'ECGC Guarantee is essential for pre-shipment credit' is 71. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'ECGC Guarantee is Essential for Pre-shipment Credit'.

7.2.16. A majority of the sample exporters (85%) utilised the duty drawback scheme and utilised the All Industry Rate. Minimum number of exporters utilised the Brand Rate and the Special Brand Rate.

7.2.17. A majority of the sample exporters (55%) have utilised the average amount of below Rs.3 lakhs for duty drawback during the review
period. It is found in this study that 34% of the garment exporters, 30% of the engineering exporters, 24% of the plastic exporters utilised an average amount of duty drawback of above Rs. 4 lakhs during the review period.

7.2.18. A majority of the small scale exporters and large scale exporters utilised an average amount of above Rs.3 lakhs for Duty Drawback during the review period.

7.2.19. 54% the of merchant exporters and 42% of the manufacturer exporters have utilised an average amount of Duty Drawback above Rs.3,00,000 during the review period.

7.2.20. The sample exporters are highly motivated by the Duty Drawback Scheme. The percentage of motivation is 77. The percentage of the utilisation of the drawback is 73 and the level of utilisation is moderate. It is found that the garment exporters are motivated to 84 percent by duty drawback to increase exports and it is interesting to note that the percentage of motivation to garment exporters is higher than that of the other categories of exporters. It is found that the percentage of utilisation (82%) of duty drawback by the garment exporters is more than that of the other categories of exporters.

7.2.21. There is a perfect positive correlation (+0.9657) between motivation and utilisation of Duty Drawback.

7.2.22. The sample exporters are moderately satisfied with the All Industry Rate prescribed by the Government under the Duty Drawback
Scheme. Their percentage level of agreement with the statement 'Present All Industry Rate is satisfactory' is 72%. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'The Present All Industry Rate is Satisfactory'.

7.2.23. The sample exporters are highly satisfied with the Brand Rate prescribed by the Government under Duty Drawback Scheme. The percentage level of agreement to the statement 'Present Brand Rate is satisfactory' is 76%. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'The Present Brand Rate is Satisfactory'.

7.2.24. The sample exporters are moderately satisfied with the Special Brand Rate. Their percentage level of agreement with the statement, 'Present Special Brand Rate' is 74%. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'The Present Special Brand Rate is satisfactory'.

7.2.25. The sample exporters are of the opinion that the document procedure for getting the Duty Drawback is to be simplified. Their percentage level of agreement with the simplification of document procedure is
79%. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement 'Document Procedure for Getting Duty Drawback is to be Simplified'.

7.2.26. The percentage level of agreement of the sample exporters with the statement 'Delay in Duty Drawback settlement can be managed' is 45% and their agreement level is low. They are of the opinion that they cannot manage the delay in Duty Drawback settlement. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement 'Delay in Drawback Settlement can be Managed'.

7.2.27. The percentage of agreement of the sample exporters with the statement 'There is undue delay in customs office in settling the drawback claim' is 79% and their agreement level is high. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement 'There is Undue Delay in Customs Office in settling the Drawback Claim'.

7.2.28. The percentage level of agreement of the sample exporters with the statement 'Duty Drawback Rates are announced by the
government in time' is 75% and their agreement level is moderate. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'Duty Drawback Rates are Announced by the Government in Time'.

7.2.29. A majority of the sample exporters (85%) utilised MDA scheme. 38% of the sample exporters have utilised an average amount of MDA grant below Rs.2 Lakhs. The Chi-square test showed that there is no significant relationship between the amount of utilisation of the MDA and the categories of exporters. It is concluded that the amount of utilisation of the MDA and the categories of exporters are independent.

7.2.30. A majority of the small scale exporters (95%) utilised MDA and a majority of the large scale exporters (55%) did not.

7.2.31. A majority of the manufacturer exporters (92%) and a majority of the merchant exporters (74%) have utilised the MDA scheme. The Chi-square test showed that there is a significant relationship between the utilisation of the MDA and the type of exporters. It is concluded that the utilisation of the MDA and the type of exporters are dependent.

7.2.32. 42% of the sample exporters who utilised the MDA, were below 5 years of experience in export business during the review period. Chi-square test showed that there is no significant relationship between experience
in export business and utilisation of MDA. Experience in export business and utilisation of MDA are independent.

7.2.33. Sales-cum-study team abroad is the most preferred MDA scheme with the sample exporters.

7.2.34. The sample exporters are moderately motivated by the MDA scheme. The percentage of motivation is 69. The percentage of utilisation of MDA is 75 and the level of utilisation is moderate. It is found that garment exporters are motivated to 82% by the MDA to increase exports and it is interesting to note that the percentage of motivation to garment exporters is higher than to the other categories of exporters. It is found that the percentage of utilisation of the MDA by the garment exporters is more than that of the other categories of exporters.

7.2.35. There is a perfect positive correlation (+0.9514) between motivation and utilisation of the MDA.

7.2.36. The percentage level of agreement of the sample exporters with the statement 'The grant given under MDA is sufficient' is 47%. The sample exporters have a low level of agreement. It is proved that the grant given by the Government of India under the MDA scheme is not sufficient for them. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample
exporters do not reflect the opinions of the population about the statement 'The Grant Given Under MDA is Sufficient'.

7.2.37. The sample exporters are moderately satisfied with the document procedure for claiming the MDA through the FIEO. The percentage level of agreement of the sample exporters with the statement 'Document procedure for claiming MDA through FIEO is satisfactory' is 75%. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement 'Document Procedure for Claiming MDA Through FIEO is Satisfactory'.

7.2.38. The percentage level of agreement of the sample exporters with the statement 'There is delay in getting approval for claim from FIEO' is 60%. The sample exporters do not fully support this statement and they moderately agreed with the statement. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflects the opinions of the population about the statement 'There is a Delay in Getting Approval for MDA claim from FIEO'.

7.2.39. The sample exporters agreed moderately with the statement 'Time limit given to claim MDA by the government is not sufficient' and their agreement score is 65%. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions
of the sample exporters reflects the opinions of the population about the statement 'Time Limit Given to Claim MDA by the Government is not Sufficient'. The sample exporters are of the opinion that the time limit of three months to claim MDA from the Government can be extended to five months.

7.2.40. A majority of the exporters (65%) utilised the EPCG scheme. The Chi-square test showed that there is no significant relationship among the categories of exporters in the utilisation of EPCG scheme.

7.2.41. A majority of the exporters (64%) have fully fulfilled their export obligations and 36% of the exporters have partially fulfilled of them.

7.2.42. A majority of the exporters (64%) fulfilled their export obligations above 80 percent. 13(12%) fulfilled them between 60 and 80 percent, 10(9%) fulfilled them between 40 and 60 percent, 10 (9%) fulfilled them between 20 and 40 percent, and 7(6%) fulfilled them below 20 percent.

7.2.43. 46 percent of the exporters imported under the EPCG scheme capital goods below Rs.4 crore. 31% between Rs.4 and 8 crore, 23% above Rs.8 crore during the review period.

7.2.44. The sample exporters are moderately motivated by the EPCG scheme. The percentage of motivation is 73%. The percentage of utilisation is 63 and the level of utilisation is moderate. It is found that the leather exporters are motivated to 77% by the EPCG to increase exports and it is interesting to note that the percentage of motivation to leather exporters is
higher than that of the other categories of exporters. It is found that the percentage of utilisation (70%) of the EPCG by the Garment exporters is more than that of the other categories of exporters.

7.2.45. There is a perfect positive correlation (+0.9336) between motivation and utilisation of EPCG.

7.2.46. The percentage level of agreement of the respondents with the statement, 'The Period of Export Obligation should be Raised' is 71%. The sample exporters have a moderate level of agreement. The sample exporters are of the opinion that the period of export obligation can be raised from 5 years to 7 years. Z test result shows that the sample means of this statement is significant to the grand mean and it is found that the opinions of the sample exporters reflect the opinions of the population about the statement 'The Period of Export Obligation should be Raised'.

7.2.47. The sample exporters are highly satisfied with the document procedure followed for the EPCG scheme. The agreement score of the sample exporters for the statement 'Document procedure should be simplified for the EPCG scheme' is 77% and their agreement level is high. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement 'Document Procedures Should be Simplified for EPCG Scheme'.
7.2.48. The percentage level of agreement of the sample exporters with the statement 'The validity period of the EPCG licence should be reduced from 24 months to 12 months' is 40% and their agreement level is low. The sample exporters are of the opinion that the validity period of the EPCG licence should not be reduced. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement. 'The Validity Period of the EPCG Licence Should be Reduced from Existing 24 Months to 12 Months'.

7.2.49. The sample exporters are moderately satisfied with the statement 'Export obligation should start from the date of machinery imported and not from the date of license acquired'. The agreement score with the statement is 72% and their agreement level is moderate. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement. 'Export Obligation Should Start from the Date of Machinery Imported and Not from the Date of License Acquired'.

7.2.50. The percentage level of agreement with the statement 'Threshold limit for the EPCG scheme is satisfactory' is 69% and their agreement level is moderate. The sample exporters do not fully support this statement. Z test result shows that the sample mean of this statement is significant to the grand mean and it is found that the opinions of the sample
exporters reflect the opinions of the population about the statement 'Threshold Limit for EPCG Scheme is Satisfactory'.

7.2.51. The sample exporters are highly satisfied with the import duty charged under the EPCG scheme. The agreement score for the statement 'Import duty under EPCG scheme is satisfactory' is 82% and their agreement level is high. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement 'Import Duty Under EPCG Scheme is Satisfactory'.

7.2.52. The sample exporters moderately agree with the statement 'Bank Guarantee is Redundant for the EPCG Scheme'. The agreement score on the statement is 64% and their level of agreement is moderate. It is proved that the majority of the exporters do not opine that bank guarantee is redundant. Z test result shows that the sample mean of this statement is not significant to the grand mean and it is found that the opinions of the sample exporters do not reflect the opinions of the population about the statement 'Bank Guarantee is Redundant for the EPCG Scheme'.
7.3 SUGGESTIONS

The following suggestions are made based on the findings of the present study:-

7.3.1 The Bankers should provide pre-shipment credit under studied and standard norms irrespective of the size of exporters, (large scale or small scale) because there is a relationship between the size of exporters and the utilisation of pre-shipment finance. Banks should make small scale and large scale exporters make utilise pre-shipment credit in an equitable manner. So with the various categories of exporters.

7.3.2 Bankers should ensure equitable utilisation of packing credit by all types of exporters (merchant exporters and manufacturer exporters) as there is a relationship between the type of exporters and the utilisation of pre-shipment finance.

7.3.3 Bankers should charge less than the normal rate of interest to those exporters applying for export credit below Rs.100 lakhs, as a majority of the exporters utilised pre-shipment finance below Rs.100 lakhs.

7.3.4 The study shows that there is a significant relationship between experience in export business and the average amount of pre-shipment finance. So bankers should encourage less experienced exporters to utilise export credit.
7.3.5 Export incentives should be a motivating force to the exporters. Such motivation will increase the utilisation level of the export incentives. Increase in the level of utilisation of export incentives will contribute to export price competitiveness and increase in exports. The present study shows that there is a positive correlation between motivation and utilisation of export incentives. Procedures relating to utilisation of export incentives should be simplified. Delay in sanctioning incentives should be minimised and the rate of interest charged on export credit should be at par with the prevailing interest rate in the global financial market.

7.3.6 The sample exporters are not fully satisfied with the present interest charged on pre-shipment finance. The Z test result shows that the sample mean is significant to the grand mean. The opinions of the sample exporters reflect the opinions of the population. Therefore the Reserve Bank of India should take steps to reduce the rate of interest charged on export finance.

7.3.7 Exporters felt that the delay in sanctioning pre-shipment credit makes them borrow from other financial institutions at higher rates of interest. The process of sanctioning pre-shipment credit should be speeded up and packing credit should be sanctioned within a week. A separate bank branch should be established in selected export centres exclusively for providing export credit.
7.3.8 The sample exporters opined that the ECGC guarantee is not essential for pre-shipment credit. Bankers should, therefore, not insist on ECGC guarantee for sanctioning pre-shipment credit.

7.3.9 A majority of the sample exporters utilised the duty drawback scheme and utilised the All Industry Rate. As they are moderately satisfied with the All Industry Rate, the Government should take steps to increase the All Industry Rate every year.

7.3.10 Sample exporters are highly motivated by the duty drawback scheme. But the percentage of motivation is only 77. The percentage of utilisation of duty drawback is 73. Exporters can be better motivated only by increasing the rate of duty drawback. If the rate is increased and if they are able to reduce the price and meet the international competition, their export earnings will be increased. Their utilisation of this incentive will also increase.

7.3.11 The sample exporters are of the opinion that the document procedure for getting duty drawback has to be simplified. The score on the agreement is 79%. It is suggested that the Government of India should simplify the document procedure in order to facilitate the exporters' claiming the duty drawback as early as possible. The sample exporters say that delay in duty drawback settlement cannot be managed.
7.3.12 Sample exporters are of the opinion that the Duty Drawback Rates are announced by the Government in time. The Government should continue the practice of announcing the duty drawback rate in time and not allow any delay in announcing it.

7.3.13 A majority of the small scale exporters (95%) utilise the MDA and a majority (55%) of the large scale exporters do not. Only 45% of the large scale exporters utilise the MDA. It shows that the grant given under the MDA is very low. So large scale exporters are not taking active interest in utilising the MDA.

7.3.14 The Government of India should increase the amount of grant per year under the MDA scheme. Large scale exporters can be motivated and they will utilise this assistance and participate in the trade fairs/exhibitions abroad, sending their sales representatives abroad in order to increase their exports. This will lead to further increase in export earnings and foreign exchange.

7.3.15 “Sales-cum-study team abroad” scheme is the most preferred MDA scheme for the sample exporters. The Government of India should increase the grant under this scheme and also increase the number of times these representatives could go abroad to get foreign orders.

7.3.16 The sample exporters are moderately motivated by the MDA scheme. The percentage of motivation is 69% and they have only a low
level of agreement with the statement 'The grant given under MDA is sufficient'.

It means that the grant given under the scheme is not sufficient. The amount of
grant given by the Government on various schemes of the MDA should be
enhanced so as to better motivate exporters.

7.3.17 The Government of India should form a committee with
representatives of the Export Promotion Council and the FIEO, to revise the
amount of grant to be provided to the exporters under the various schemes of
the MDA scheme. Further the Export Promotion Councils and the Federation of
Indian Export Organisations should approve the MDA claim submitted by
exporters as early as possible.

7.3.18 The sample exporters are of the opinion that Time limit
given to claim the MDA by the Government is not sufficient for them. The
Government should raise the period of filing the MDA claim. The present
period is three months from the date of completion of the activity. It should be
increased to five months.

7.3.19 Only 65% of the sample exporters utilised EPCG scheme.
The utilisation of the EPCG scheme should reach at least 90%. This incentive
scheme is meant for the modernisation of the export oriented industries. This
scheme paves the way for the modernisation for improving the quality of the
products. That will help exporters to compete in the world market. The
Government should modify the Export Promotion Capital Goods scheme
suitably to better motivate exporters. The level of export obligation should be reduced from the present level of 8 times to 6 times. Similarly the export obligation period should be changed from 5 years to 6 years.

7.3.20 The percentage level of agreement of the sample exporters with the statement ‘The validity period of EPCG licence should be reduced from 24 months to 12 months’ is 40% and their agreement level is low. The present EPCG licence period should be continued for the benefit of the exporters.

7.3.21 The sample exporters moderately agreed with the statement ‘Export obligation should start from the date of licence acquired’. They felt that manufacturing work starts only after the machinery is installed in the factory. Therefore, export obligation should start from the date of machinery imported and not be from the date of licence.

7.3.22 The sample exporters moderately agreed with the statement ‘Threshold limit for EPCG scheme is satisfactory’. The Government of India should fix should take steps to reduce the threshold limit for import under the EPCG scheme to make the exporters fully agree with this scheme.

7.3.23 The present import duty should be continued for the EPCG scheme, as exporters are highly agreed with the duty. Steps should be taken by the Government to reduce the import duty further in the years to come to motivate exporters to utilise this scheme for modernisation of their export units.
7.3.24 Sample exporters moderately agreed with the statement ‘Bank guarantee is redundant for the EPCG scheme’. The agreement score is 64 percent. It is suggested that the government should insist bank guarantee for the EPCG licence.

7.3.25 State Governments should create a separate Ministry known as Ministry of Export Promotion which enlightened in the Export Import Policy, 2001. This Ministry should take care of all activities related to export promotion and be actively involved in designing strategies for export promotion.

7.4 CONCLUSION

The present research study analyses the export incentive schemes and their utilisation by exporters in Tamilnadu state. It also analyses the motivation value and utilisation of the export incentive schemes such as Duty Drawback, Export Finance, EPCG, and MDA provided by the Government of India for the benefit of exporters. It assesses the extent to which by these exporters are motivated by the export incentive schemes. It is designed to find the percentage and level of motivation and utilisation of export incentive schemes by the exporters. The researcher studies in detail the procedural aspects involved in the utilisation of the selected export incentive schemes. In this research study the researcher finds the level of agreement of the exporters on the various procedural aspects of export incentive schemes.
The researcher hopes that the present research study will be useful to the policy makers to make incentive schemes exporters friendly and to assess the utilisation of these schemes by the exporters. It may help the Government to identify the defects in the procedural aspects of the schemes, and pave the way for rectifying them. That will increase in the days to come the number of exporters who utilise these schemes.

7.5 SCOPE FOR FUTURE RESEARCH

(i) A detailed research study may be undertaken to investigate the contribution of the export incentive schemes augmenting India's exports,

(ii) A research study may be attempted to review the procedural and documentation aspects involved in selected export incentive schemes,

(iii) A research study may be undertaken to study the cost-benefit analysis of the export incentive schemes,

(iv) A research study may be attempted to study the problems of exporters in utilising the export incentive schemes.

(v) A Study on the Utilisation of Export Incentives – Industry-wise Analysis may be undertaken by the researchers in future to highlight the importance of export incentives for the growth of the export sector.