



The Directorate General Foreign Trade

DGFT in 'overhaul' mode to address trade issues

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Background

- The development comes after the government earlier this year had to block exports of crucial devices like ventilators when it was found that there was not enough domestic capacity for these products to allow the industry to meet foreign commitments
- The DGFT recently lifted the ban on exports after sufficient capacity had been created and seeing as the case fatality rate in the country was low, which meant less people needed to be on ventilators

Augmenting manufacturing

- The DGFT, in consultation with industry bodies, is focusing on creating more capacities within the country to produce items in the electronics and hardware sector, including ventilators, which can reduce the country's import dependence and augment exports
- In the case of ventilators, there were shortages earlier and now the focus would be more on creating manufacturing capacities and exporting them
- The DGFT also stressed the need to develop an electronic component sector in order to build strong backward and forward linkages

References:

1. <https://indianexpress.com/article/business/dgft-in-overhaul-mode-to-address-trade-issues-6541414/>
2. https://www.business-standard.com/article/economy-policy/dgft-undergoing-an-overhaul-to-boost-trade-post-covid-pandemic-120080600064_1.html