

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 1838
TO BE ANSWERED ON 06th MARCH, 2020

INCENTIVES ON EXPORT OF LABOUR - INTENSIVE MERCHANDISE

1838. SHRI SAMBHAJI CHHATRAPATI:

Will the Minister of **COMMERCE & INDUSTRY** be pleased to state:

- (a) whether Government has formulated any concrete plan to give a boost to labourintensive merchandise other than garment and apparel and give incentives on them for export;
- (b) whether there is any plan to do branding of such products; and
- (c) if not, the reasons therefor, duly considering that the step would help encourage employment generation?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

- (a) In order to boost the exports of labour-intensive merchandise some of the measures being taken under the Foreign Trade Policy, 2015-20 are:
 - i. Merchandise Exports from India Scheme (MEIS) benefits in the form of transferable duty credit scrips is provided to sectors such as leather, handicrafts, fisheries and agricultural products, which are labour-intensive in nature.
 - ii. Interest Equalization Scheme on pre and post-shipment rupee export credit provides interest equalization at 3%. For Medium, Small and Micro Enterprises (MSME) which are largely labour-intensive, a higher rate of 5% is provided.
 - iii. Exemption from maintenance of average export obligation to certain sectors such as handicraft, handlooms, handicrafts, cottage and tiny industries, carpets, coir and jute, which are largely labour-intensive, has been provided under the Exports Promotion Capital Goods (EPCG) Scheme.
 - iv. Transport and Marketing Assistance (TMA) Scheme to mitigate disadvantage of higher cost of transportation due to trans-shipment on export of specified agriculture products, such as fruits, vegetables and processed food, and to promote brand recognition in specified overseas markets for these products.

(b) & (c) India Brand equity Foundation, a trust established by Department of Commerce, promotes and creates international awareness of Indian products and services in overseas markets through branding campaigns. Such campaigns have been undertaken around international events for select export sectors including engineering, pharmaceuticals, plantations (tea, coffee and spices), textiles, leather etc. to highlight their strength and achievements in major target markets. The branding strategy is reviewed regularly, in consultation with concerned stakeholders.
