

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

RAJYA SABHA
UNSTARRED QUESTION NO. 2594
ANSWERED ON 11/08/2023

IMPACT OF MINIMUM EXPORT PRICES ON EXPORTS

2594. SHRI AYODHYA RAMI REDDY ALLA:

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

- (a) the manner in which imposition of Minimum Export Prices (MEP) impact the volume and competitiveness of commodities for exports;
- (b) the details of factors considered in setting MEP and the manner in which these factors are assessed;
- (c) whether there are any exemptions or waivers granted for certain commodities from the applicability of MEP, if so, the conditions that are applicable for these exemptions; and
- (d) the manner in which Government strikes a balance between the interests of domestic producers and exporters while imposing MEP?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a) & (b) Minimum Export Prices (MEP) is imposed where exports are suspected to be unduly undervalued based on domestic and international price data of specific commodity. MEP may also be imposed to ensure that only premium products in a specific commodity is exported and general product is available to Indian public at a reasonable price. MEP is imposed to discourage exports of specific commodities for limited duration and the same is discontinued once the situation improves. The intention of MEP is to reduce the volume of exports and increase the availability of the commodity for domestic consumption.

(c) No, Sir.

(d) Government of India restricts the export below a certain value so that interest of domestic consumers are protected. The MEP also considers past export trends so that the purpose of allowing premium category of exports is not adversely affected.
