

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

LOK SABHA
STARRED QUESTION NO. 343
TO BE ANSWERED ON 27th MARCH, 2017

EXPORT PERFORMANCE

***343. SHRI MALLIKARJUN KHARGE:**

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the value of Indian exports in terms of both rupees and US dollars, respectively in the financial years 2013-14, 2014-15, 2015-16 and in the current financial year, so far;
- (b) the details of commodities facing downtrend in exports and the reasons for slowdown; and
- (c) the steps taken or being taken by the Government to promote the exports?

ANSWER

वाणिज्य एवं उद्योग राज्य मंत्री (श्रीमती निर्मला सीतारमण) (स्वतंत्र प्रभार)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

a) to c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA
STARRED QUESTION NO. 343 FOR ANSWER ON 27th MARCH, 2017
REGARDING “EXPORT PERFORMANCE”

(a): The value of India’s merchandise exports in terms of both rupees and US dollars during last three years and the current year is as follows:

| Value of exports | | |
|-------------------------|-----------------------------|-----------------------------|
| Years | (In terms of Rupees crores) | (in terms of US\$ billions) |
| 2013-14 | 1905011.09 | 314.42 |
| 2014-15 | 1896445.47 | 310.35 |
| 2015-16 | 1716378.05 | 262.29 |
| 2016-17 (April-Feb)* | 1648743.26 | 245.41 |

Source: DGCI&S, Kolkata (* Provisional)

(b): The details of group of commodities facing downtrend exports during 2015-16 as compared to previous year is enclosed at **Annexure-I**. The reasons for slowdown in exports include the following:

- i. Fall in global demand and fall in commodity prices, impacting terms of trade for commodity exporters.
- ii. Fall in the prices of petroleum crude resulting in consequent decline in prices as well as export realizations for petroleum products, which are major items of exports for India.
- iii. EU countries that account for nearly 16% of India’s export are facing problems of stagnation and deflation. China is also experiencing a slowdown. The recovery in US has been moderate and uncertain in terms of sustainability.
- iv. Fall in demand of precious goods like Pearls, Precious and Semi-Precious stones, especially from oil producing countries.

(c): The Government has taken following steps to promote country’s exports:

- (i) The New **Foreign Trade Policy (2015-20)** was announced on 1st April, 2015 with a focus on supporting both manufacturing and services exports.
- (ii) The **Merchandise Exports from India Scheme (MEIS)** was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015 and is a major export promotion scheme implemented by the Ministry of Commerce and Industry. MEIS aims to incentivize export of merchandise which is produced/ manufactured in India. Rewards @ 2-5% under MEIS are payable as a percentage of realized FOB value of

covered exports, by way of the MEIS duty credit scrip, which are transferable and can also be used for payment of a number of duties including the basic customs duty. At present, 7914 tariff lines at 8 digit HS Codes are covered under MEIS scheme.

- (iii) The Government has also launched **Services Exports from India Scheme (SEIS)** in the FTP 2015-2020. The Scheme provided rewards to service providers of notified services who are providing service from India. The rate of reward under the scheme would be based on net foreign exchange earned. The present rates of reward are 3% and 5%.
- (iv) The Government is implementing the **Niryat Bandhu Scheme** with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counseling sessions, individual facilitation, etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.
- (v) As part of the “**Ease of Doing Business**” initiatives, the Government has launched **Single Window Interface for Facilitating Trade (SWIFT)** clearances project w.e.f 1st April, 2016. The scheme enables the importers/exporters to file a common electronic ‘Integrated Declaration’ on the Indian Customs Electronic Commerce/Electronic Data Interchange (EC/EDI) Gateway i.e. ICEGATE portal. The Integrated Declaration compiles the information requirements of Customs, FSSAI, Plant Quarantine, Animal Quarantine, Drug Controller, Wild Life Control Bureau and Textile Committee. It replaces nine separate forms required by these 6 different agencies and Customs.
- (vi) Interest Equalization Scheme on pre & post shipment credit launched to provide cheaper credit to exporters.
- (vii) Further, the Government continues to provide the facility of access to duty free raw materials and capital goods for exports through schemes like Advance Authorization, Duty Free Import Authorization (DFIA), Export Promotion Capital Goods (EPCG) and drawback / refund of duties.
- (viii) A new scheme called **Trade Infrastructure for Export Scheme (TIES)** has been announced by the Government with the objective to enhance export competitiveness by bridging gaps in export infrastructure, creating focused export infrastructure, first mile and last mile connectivity for export oriented projects and addressing quality and certification measures. The Central and State Agencies, including Export Promotion Councils, Commodities Boards, SEZ Authorities and Apex Trade Bodies recognised under the EXIM policy of Government of India are eligible for financial support under this scheme.
- (ix) The Government has approved the proposal for notification of commitments under the **Trade Facilitation Agreement (TFA)** of World Trade Organization (WTO), ratification and acceptance of the Instrument of Acceptance of Protocol of TFA to the WTO Secretariat and constitution of the National Committee on Trade Facilitation (NCTF). The Trade Facilitation Agreement (TFA) contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets

out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. These objectives are in consonance with India's "Ease of Doing Business" initiative. The Trade Facilitation Agreement shall enter into force for the notified members upon acceptance by two-third WTO Members.

Statement referred to in reply of part (b) of Lok Sabha Starred question no. 343 for answer on 27th March 2017.
(Figures in Rs. Crore)

| Commodities | 2014-15 | 2015-16 | % Growth in 2015-16 over 2014-15 |
|--|-----------|-----------|----------------------------------|
| Other meat | 2.67 | 0.00 | -100.00 |
| Raw hides and skins | 11.44 | 1.82 | -84.06 |
| Wheat | 4991.81 | 1061.77 | -78.73 |
| Other cereals | 5262.16 | 1702.50 | -67.65 |
| Guergam meal | 9478.26 | 3233.87 | -65.88 |
| Newsprint | 48.79 | 17.55 | -64.03 |
| Iron ore | 3142.81 | 1263.19 | -59.81 |
| Processed meat | 14.20 | 6.16 | -56.58 |
| Oil meals | 8129.18 | 3599.56 | -55.72 |
| Petroleum products | 346082.49 | 199638.27 | -42.31 |
| Nickel, product made of nickel | 5526.55 | 3210.56 | -41.91 |
| Ship, boat and floating structure | 32155.78 | 20027.42 | -37.72 |
| Sesame seeds | 4717.77 | 3012.31 | -36.15 |
| Aircraft, spacecraft and parts | 37747.83 | 24203.36 | -35.88 |
| Iron and steel | 53075.14 | 35830.23 | -32.49 |
| Natural silk yarn, fabrics, madeup | 762.91 | 548.24 | -28.14 |
| Project goods | 224.44 | 164.53 | -26.69 |
| Rice(other than basmati) | 20441.55 | 15483.39 | -24.26 |
| Shellac | 267.47 | 203.31 | -23.99 |
| Other crude minerals | 927.46 | 709.37 | -23.51 |
| Dairy products | 2169.03 | 1677.32 | -22.67 |
| Copper and products made of copper | 20938.58 | 16580.56 | -20.81 |
| Dye intermediates | 1460.80 | 1183.13 | -19.01 |
| Silk waste | 109.12 | 89.81 | -17.70 |
| Rice -basmati | 27586.71 | 22718.60 | -17.65 |
| Leather footwear component | 2209.09 | 1861.51 | -15.73 |
| Finished leather | 8129.49 | 6850.96 | -15.73 |
| Other oil seeds | 1135.36 | 964.47 | -15.05 |
| Jute yarn | 138.74 | 118.56 | -14.54 |
| Rmg silk | 1857.36 | 1587.56 | -14.53 |
| Consumer electronics | 4937.32 | 4274.61 | -13.42 |
| Products of iron and steel | 46266.00 | 40114.20 | -13.30 |
| Groundnut | 4675.37 | 4075.63 | -12.83 |
| Railway transport equipments, parts | 827.46 | 723.63 | -12.55 |
| Telecom instruments | 6550.79 | 5759.36 | -12.08 |
| Animal casings | 19.33 | 17.02 | -11.94 |
| Gold and other precious metal jewellery | 80892.15 | 71853.24 | -11.17 |
| Sports goods | 1674.08 | 1487.15 | -11.17 |
| Alcoholic beverages | 2264.89 | 2030.92 | -10.33 |
| Other textile yarn, fabric madeup articles | 2443.92 | 2196.32 | -10.13 |

| Commodities | 2014-15 | 2015-16 | % Growth in 2015-16 over 2014-15 |
|--------------------------------------|----------------|----------------|---|
| Auto tyres and tubes | 10070.94 | 9077.52 | -9.86 |
| Vegetable oils | 580.13 | 522.94 | -9.86 |
| Bicycle and parts | 2166.12 | 1955.60 | -9.72 |
| Cashew | 5565.85 | 5027.99 | -9.66 |
| Processed minerals | 6324.78 | 5720.51 | -9.55 |
| Hand tool, cutting tool of metals | 4620.64 | 4190.04 | -9.32 |
| Rmg wool | 1878.11 | 1707.84 | -9.07 |
| Buffalo meat | 29282.58 | 26684.22 | -8.87 |
| Zinc and products made of zinc | 3755.31 | 3434.57 | -8.54 |
| Other rubber product except footwear | 6543.36 | 6035.84 | -7.76 |
| Other non ferrous metal and product | 3060.63 | 2826.46 | -7.65 |
| Marine products | 33688.38 | 31219.43 | -7.33 |
| Floor covering of jute | 238.90 | 222.32 | -6.94 |
| Manmade yarn, fabrics, madeups | 32254.59 | 30219.03 | -6.31 |
| Prime mica and mica products | 119.26 | 112.10 | -6.00 |
| Ic engines and parts | 14669.67 | 13790.81 | -5.99 |
| Dyes | 12998.21 | 12255.52 | -5.71 |
| Other plastic items | 2567.79 | 2426.92 | -5.49 |
| Cement, clinker and asbestos cement | 2313.51 | 2201.11 | -4.86 |
| Paint, varnish and allied products | 4087.04 | 3893.16 | -4.74 |
| Jute, raw | 119.20 | 113.58 | -4.71 |
| Human hair, products thereof | 2057.74 | 1968.02 | -4.36 |
| Ac, refrigeration machinery etc | 7140.92 | 6860.49 | -3.93 |
| Saddlery and harness | 994.83 | 958.36 | -3.67 |
| Organic chemicals | 32970.90 | 31797.20 | -3.56 |
| Pearl, precious, semiprecious stones | 151292.94 | 146099.30 | -3.43 |
| Other miscellaneous chemicals | 4543.18 | 4403.80 | -3.07 |
| Granite, natural stone and product | 12336.05 | 11982.59 | -2.87 |
| Pumps of all types | 4731.05 | 4623.84 | -2.27 |
| Other construction machinery | 7197.56 | 7047.14 | -2.09 |
| Cotton yarn | 24103.19 | 23602.19 | -2.08 |
| Leather garments | 3695.21 | 3621.16 | -2.00 |
| Castor oil | 4710.42 | 4616.10 | -2.00 |
| Medical and scientific instrument | 6607.43 | 6478.64 | -1.95 |
| Inorganic chemicals | 4179.38 | 4116.56 | -1.50 |
| Processed vegetables | 1721.89 | 1697.21 | -1.43 |
| Aluminium, products of aluminium | 17535.53 | 17284.93 | -1.43 |
| Electric machinery and equipments | 24302.16 | 24148.97 | -0.63 |
| Coir and coir manufactures | 1724.74 | 1717.48 | -0.42 |