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

LOK SABHA UNSTARRED QUESTION NO.143 TO BE ANSWERED ON 17th JULY, 2017

NEW MARKETS FOR EXPORTS

143. SHRI GAJANAN KIRTIKAR:

SHRI S.R. VIJAYAKUMAR:

SHRI SUDHEER GUPTA:

SHRI BIDYUT BARAN MAHATO:

SHRI T. RADHAKRISHNAN:

SHRI ASHOK SHANKARRAO CHAVAN:

KUNWAR HARIBANSH SINGH:

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

- (a) the details of annual average share of India in global trade;
- (b) whether India has lost global market share in the past five years in a large number of export items;
- (c) if so, the details thereof and the reasons therefor, item-wise;
- (d) whether the Federation of Indian Export Organisations has requested the Government to revisit the strategy for export of these items;
- (e) if so, the details and the outcome thereof; and
- (f) the steps taken/being taken by the Government to increase the global market share and boost the export?

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): The details of annual average share of India in global trade are as follows:

Years	India's Share in World Merchandise Plus Services Exports	India's Share in World Merchandise Plus Services Imports
2012	1.9	2.7
2013	2.0	2.5
2014	2.0	2.5
2015	2.0	2.4
2016	2.0	2.4

Source: WTO database

- **(b) & (c):** As per information received from Federation of Indian Export Organisations (FIEO), of the 5800 tariff lines at 6 digit level (ITC-HS), 200 such lines contribute about 50% of India's exports. Of these 200 lines, in respect of 61 lines India's share of exports has fallen in Global imports between 2011 and 2016. These 61 lines are listed in **Annexure-I.**
- **(d) to (f):** Suggestions for reform of trade strategy are received from stakeholders, including FIEO, from time to time, which are taken into consideration as part of the regular ongoing process of review and reform of trade policy. As part of this process Government has taken the following steps to increase the competitiveness of India'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) has been introduced in the Foreign Trade Policy (FTP) 2015-20 on 01.04.2015 with the objective to offset infrastructural inefficiencies and associated costs involved in exporting goods/products which are produced/ manufactured in India and to provide a level playing field to Indian exporters, especially those having high export intensity and employment potential. The Scheme incentivizes exporters in terms of freely transferable Duty Credit Scrips which are transferable and can be used to pay certain Central duties/taxes including customs duties. The Scheme covers exports of 7914 tariff lines at 8 digit levels to all countries.
 - (iii) The **Services Exports from India Scheme (SEIS)** has been introduced in the Foreign Trade Policy (FTP) 2015-20 on 01.04.2015. The Scheme provides rewards at the rate of 3 to 5% on Net Foreign Exchange earnings, to service providers of notified services from India to rest of the world, in the form of Duty Credit Scrips which are transferable and can be used to pay certain Central duties/taxes including customs duties.
 - (iv) The Government has implemented 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 was launched to provide cheaper credit to exporters.
- (vii) A new scheme called Special Advance Authorisation Scheme for export of articles of Apparel and Clothing Accessories was introduced w.e.f. 1st September 2016 wherein exporters are entitled for an authorisation for fabrics including inter lining on preimport basis and all industry rate of Duty Drawback for non-fabric inputs on the exports.
- (viii) 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.
- (ix) The Government launched a new scheme called **Trade Infrastructure for Export Scheme (TIES)** w.e.f. 15th March, 2017 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.
- (x) 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.

Annexure-I Statement referred to in reply of part (b) & (c) of Lok Sabha Unstarred question no. 143 for answer on 17th July 2017.

S. No.	Product code	Commodities	India's Share of Exports in World Imports 2011	India's Share of Exports in World Imports 2016
1	710239	Diamonds, worked, but not mounted or set (excluding industrial diamonds)	31.36%	30.79%
2	711319	Articles of jewellery and parts thereof, of precious metal other than silver	22.10%	14.44%
3	870321	Motor cars and other motor vehicles principally designed for the transport of persons	8.84%	5.77%
4	290243	P-Xylene P-Xylene	4.29%	3.37%
5	420221	Handbags, whether or not with shoulder straps, incl. those without handles, with outer surface	3.46%	2.97%
6	390210	Polypropylene, in primary forms	4.13%	2.53%
7	880330	Parts of aeroplanes or helicopters, n.e.s. (excluding those for gliders)	3.21%	2.00%
8	401120	New pneumatic tyres, of rubber, of a kind used for buses and lorries (excluding typres	2.14%	1.92%
9	620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton	2.02%	1.68%
10	870210	Motor vehicles for the transport of >= 10 persons, incl. driver, with compression-ignition	1.77%	1.57%
11	392190	Plates, sheets, film, foil and strip, of plastics, reinforced, laminated, supported or similarly	1.81%	1.55%
12	841480	Air pumps, air or other gas compressors and ventilating or recycling hoods incorporating	1.84%	1.29%
13	850300	Parts suitable for use solely or principally with electric motors and generators, electric	1.91%	1.29%
14	230400	Oilcake and other solid residues, whether or not ground or in the form of pellets	8.31%	1.20%
15	620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton	1.56%	0.93%
16	890190	Vessels for the transport of goods and vessels for the transport of both persons and goods	1.02%	0.86%
17	640399	Footwear with outer soles of rubber, plastics or composition leather, with uppers of leather	0.90%	0.84%
18	847990	Parts of machines and mechanical appliances, n.e.s.	1.52%	0.81%
19	260111	Non-agglomerated iron ores and concentrates (excluding roasted iron pyrites)	2.65%	0.72%
20	611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted	0.59%	0.56%
21	853690	Electrical apparatus for switching electrical circuits, or for making connections to	0.59%	0.55%
22	330499	Beauty or make-up preparations and preparations for the care of the skin (other than medicaments)	0.63%	0.46%
23	390120	Polyethylene with a specific gravity of >= 0,94, in primary forms	1.20%	0.44%
24	100590	Maize (excluding seed for sowing)	3.31%	0.39%
25	851770	Parts of telephone sets, telephones for cellular networks or for other wireless networks	0.95%	0.36%
26	853400	Printed circuits	0.30%	0.29%
27	841810	Combined refrigerator-freezers, with separate external doors	0.65%	0.26%
28	300439	Medicaments containing hormones or steroids used as hormones but not antibiotics	0.33%	0.24%

S. No.	Product code	Commodities	India's Share of Exports in World Imports 2011	India's Share of Exports in World Imports 2016
29	841199	Parts of gas turbines, n.e.s.	0.51%	0.23%
30	401110	New pneumatic tyres, of rubber, of a kind used for motor cars, incl. station wagons and racing	0.33%	0.22%
31	854140	Photosensitive semiconductor devices, incl. photovoltaic cells whether or not assembled	0.44%	0.22%
32	490199	Printed books, brochures and similar printed matter (excluding those in single sheets; dictionaries	0.26%	0.21%
33	270119	Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal)	0.79%	0.20%
34	999999	Commodities not elsewhere specified	2.87%	0.16%
35	847330	Parts and accessories of automatic data-processing machines or for other machines	0.13%	0.13%
36	940540	Electric lamps and lighting fittings, n.e.s.	0.17%	0.12%
37	851712	Telephones for cellular networks "mobile telephones" or for other wireless networks	1.71%	0.09%
38	740400	Waste and scrap, of copper (excluding ingots or other similar unwrought shapes, of remelted	0.17%	0.09%
39	847180	Units for automatic data-processing machines (excluding processing units, input or output units	0.12%	0.09%
40	890120	Tankers	0.16%	0.08%
41	847160	Input or output units for automatic data-processing machines, whether or not containing storage	0.08%	0.07%
42	852872	Reception apparatus for television, colour, whether or not incorporating radio-broadcast receivers	0.07%	0.06%
43	340220	Surface-active preparations, washing preparations, auxiliary washing preparations and cleaning	0.11%	0.06%
44	852351	Solid-state, non-volatile data storage devices for recording data from an external source	0.35%	0.04%
45	847170	Storage units for automatic data-processing machines	0.13%	0.04%
46	847150	Processing units for automatic data-processing machines, whether or not containing in the same	0.22%	0.04%
47	854129	Transistors with a dissipation rate >= 1 W (excluding photosensitive transistors)	0.03%	0.02%
48	848690	Parts and accessories for machines and apparatus of a kind used solely or principally for the	0.07%	0.02%
49	847130	Data-processing machines, automatic, portable, weighing <= 10 kg	0.03%	0.01%
50	854290	Parts of electronic integrated circuits, n.e.s.	0.05%	0.01%
51	854231	Electronic integrated circuits as processors and controllers, whether or not combined	0.013%	0.008%
52	854233	Electronic integrated circuits as amplifiers	0.007%	0.006%
53	710813	Gold, incl. gold plated with platinum, in semi- manufactured forms, for non-monetary purposes	0.008%	0.005%
54	854232	Electronic integrated circuits as memories	0.021%	0.005%
55	710691	Silver, incl. silver plated with gold or platinum, unwrought (excluding silver in powder form)	0.007%	0.002%
56	848620	Machines and apparatus for the manufacture of semiconductor devices or of electronic integrated	0.0019%	0.0009%
57	151190	Palm oil and its fractions, whether or not refined (excluding chemically modified and crude)	0.0068%	0.0007%
58	440710	Coniferous wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded	0.0016%	0.0005%
59	271112	Propane, liquefied	0.01207%	0.00001%
60	270112	Bituminous coal, whether or not pulverised, non-agglomerated	0.00131%	0.00001%
61	270900	Petroleum oils and oils obtained from bituminous minerals, crude	0.00094%	0.00000%

Source: Federation of Indian Export Organization (FIEO)