

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

LOK SABHA
UNSTARRED QUESTION NO. 736(H)
TO BE ANSWERED ON 23rd JULY, 2018

ASSISTANCE TO STATES FOR EXPORT PROMOTION

736(H). SHRI ALOK SANJAR:

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

- (a) the details of schemes and the incentives being given to promote the exports;
- (b) whether the Government provides any assistance/facilities to States for development and promotion of export;
- (c) if so, the details thereof along with the assistance provided to States during each of the last three years and the current year including the details of State agencies implementing the same; and
- (d) whether the Government has paid attention towards the problems faced by the exporters in availing these facilities and if so, the details of complaints registered in this regard and the action taken thereon?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

- (a) Under the Foreign Trade Policy 2015-20, the Government of India has provisions under which incentives and schemes to promote exports. The Merchandise Exports from India Scheme (MEIS) incentivizes exporters in terms of Duty Credit Scrips at the rate 2, 3, 4, 5 and 7% of realized FOB value of exports. These scrips are transferable and can be used to pay certain Central Duties/taxes including customs duties, but not IGST/CGST/SGST. The Scheme covers approx 8052 tariff lines at 8 digits level. During the mid-term review of Foreign Trade Policy, export incentives under Merchandise Exports from India (MEIS) have been increased by 2% for labour intensive and MSME sectors leading to additional annual incentive of Rs 4,567 crore. This was in addition to already announced increase in MEIS incentives from 2% to 4% for Ready-made Garments and Made Ups in the labour intensive Textiles Sector with an additional annual incentive of Rs 2,743 crore. Recently, the rates for MEIS incentives for soya products, milk products and onions were enhanced and certain new products from the milk sector were added under the MEIS. Under the Service Exports from India Scheme (SEIS) rewards on Net foreign exchange earnings, to service providers of notified services who are providing service from India to the rest of the World, in the form of Duty Credit scrips are provided which are utilizable just like MEIS. In the Mid-term review of the FTP, the rates for all these services have

been further increased by 2% for exports from 01.11.2017, leading to additional annual incentive of Rs 1,140 crore. Under the Advance Authorization and related schemes, the importer of a raw material is provided the facility of importing raw materials without payment of duty, provided the imported material is used for manufacturing export products. Under the Export promotion Capital Goods Scheme (EPCG), the exporters are allowed to import duty free capital goods, which can be used for pre-production, production and post production stages of the manufacture of export product and services provided, they commit to fulfill an export obligation equal to six times of the duty saved in six years.

(b) & (c) The Regional Authorities of DGFT have been given additional mandate for enhanced engagement with State Governments on behalf of Department of Commerce. The Commerce Secretary has written to Chief Secretaries of all State Governments / UTs, requesting the State Governments to constitute a State Export Promotion Committee under the chairmanship of Chief Secretaries for focusing on export promotion. The Regional Authorities of DGFT are working with the State Governments in implementation/ monitoring of State Export Policy, identifying/addressing the gaps in trade related infrastructure and logistics and to facilitate the engagement of exporters with the State Governments.

Further, the Department of Commerce implements a scheme namely Trade Infrastructure for Export Scheme (TIES). The scheme was launched during BE 2017-18, for 3 years, with the objective to enhance export competitiveness by bridging gaps in export infrastructure, creating export focused infrastructure, inducing states to take up more export-oriented projects including those required for addressing quality and certification concerns. It provides financial assistance for setting up and up-gradation of infrastructure projects with overwhelming export linkages like the Border Haats, Land customs stations, quality testing and certification labs, cold chains, trade promotion centres, dry ports, export warehousing and packaging, SEZs and ports/airports cargo terminuses. In 2015-16 and 2016-17, ASIDE (Assistance to States for Infrastructure for Exports) was present under which such funds were granted. List of projects approved under TIES and ASIDE during last three years and the current year are in the Annexure I

(d) Yes Madam, the Government has multiple platforms on which the exporters can submit their problems for quick redressal. The contact us @DGFT service has been made functional wherein exporters are submitting their problems and a ticket is raised. This ticket is closed after resolution of the problem. Similarly, the Ministry has a Grievance cell, which monitors the effective disposal of such grievances. Additionally, in June 2018, all the major regional offices of DGFT has conducted Export obligation discharge camps to dispose pending applications and resolve issues of exporters.

Annexure-I

Project approved under TIES during FY 2017-18

S. No.	Name of Agency	Name of Project	Total Project Cost (in Rs. Crore)	TIES fund approved (in Rs. Crore)	1 st instalment released
1.	Karnataka Fisheries Development Corporation (KFDC), Govt. of Karnataka	Modernization of infrastructure facility for Marine Exports at Tadadi, Kumta Taluk, Uttara Kannada District, Karnataka	13.34	5.00	Rs. 2 Cr.
2.	Visvesvaraya Trade Promotion Centre (VTPC), Bengaluru, Govt. of Karnataka	Establishment of 'Coastal Cashew Research & Development Foundation, Kumta", District Uttara Kannada, Karnataka	9.55	3.31	Rs. 1 Cr.
3.	Cochin SEZ	Construction of SDF Building at Cochin SEZ, Kerala	61.63	20.00	Rs. 6.50 Cr.
4.	Airport Authority of India (AAI)	Establishment of Integrated Cargo Terminal (ICT) at Imphal International Airport, Imphal, Manipur	16.20	11.92	Rs. 6 Cr.
5.	Andhra Pradesh Medtech Zone Ltd (AMTZ)	Common Scientific Facilities in AMTZ, Andhra Pradesh	168.87	40.00	Rs. 4.0 Cr.
6.	HLL Medipark Ltd.	Setting up of EMI/EMC Lab for Medical Technology at Chengalpattu, Tamil Nadu	21.07	9.56	Rs. 4.78 Cr.
7.	Tamilnadu Trade Promotion Organisation (TNTPO)	Expansion of Chennai Trade Centre Tamil Nadu	288.16	20.00	Rs. 10.00 Cr.
8.(i)	M.P. State Tourism Development Corporation, Govt. of M.P	'Establishment of Trade Promotion Centre at Minto Hall, Bhopal'	49.39	17.67	Rs. 9.00 Cr. (1 st instal)
8(ii)		Madhya Pradesh			Rs. 8.67 Cr. (2 nd instal)
9.	Coffee Board	Establishment of 'Laboratory Infrastructure for Coffee Quality & Export Certification, Bangalore	11.40	5.70	Rs. 2.85 Cr.
10.	Noida SEZ Authority	Establishment of Solid Waste Management System at Noida SEZ	4.25	2.13	Rs. 1.07 Cr.

11	Export Inspection Council	Establishment the facility for analysis of origin and authenticity of various food products, Mumbai	8.10	3.04	Rs. 1.52 Cr
12.	Tripura Industrial Development Corporation Ltd.	Upgradation of Infrastructure at LCS Muhurighat, Belonia, South Tripura	16.85	12.29	Rs. 6.15 Cr
13	Export Inspection Council	<i>Construction of office cum laboratory complex of Export Inspection Agency at Vishakapatnam</i>	16.52	8.15	Rs. 4.15 Cr.
14.	M.P. Audyogik Kendra Vikas Nigam (Indore), Limited	establishment of Cold Chain at Pithampur, SEZ Phase II, Madhya Pradesh	32.16	16.08	Rs. 8.04 Cr.
15.	Land Ports Authority of India	Development of Integrated Check Post Petrapole: Proposal for construction of additional truck parking'	32.24	13.66	Rs. 4.27 Cr. (1 st tranche of 1 st instalment)
TOTAL					Rs. 80 Cr.

Project approved under TIES during FY 2018-19

S. No.	Name of Agency	Name of Project	Total Project Cost (in Rs. Crore)	TIES fund approved (in Rs. Crore)	1 st /2 nd instalment released
1.	Land Ports Authority of India	Development of Integrated Check Post Petrapole: Proposal for construction of additional truck parking'	32.24	13.66	Rs. 2.56 Cr. (2 nd tranche of 1 st instalment)
2.	Andhra Pradesh Med tech Zone Ltd (AMTZ)	Common Scientific Facilities in AMTZ, Andhra Pradesh	168.87	40.00	Rs. 9.0 Cr. (2 nd instalment)

TOTAL amount released under TIES during FY 2018-19 = Rs. 11.56cr.

ASIDE Central Component (F.Y. 2015-16)			
S. No.	Agency concerned	Name of the Project	(Rs. in Cr.) Fund Released
1	Chennai Port Trust	Development of Construction of Exim Godown at Chennai Port Trust, Tamil Nadu	3.75
2	Cochin Port Trust	Modification of Container Freight Station at CPT, Kerala	2.02
3	Cochin SEZ	Construction of New Warehouse, Kerala	2.38
4	Govt. of Manipur	Establishment of Trade cum Permanent Exhibition Centre at Lambai-Khongnangkhong, Imphal West District, Manipur	7.49
5	HLL Lifecare Ltd.	EMI/EMC Testing lab for medical equipments in HLL campus, Noida, Uttar Pradesh	2.00
6	Kandla SEZ	Dismantling and reconstruction of 16 CIB sheds, Gujarat	1.14
7	Kandla SEZ	Construction of One No. SDF Building Unit-VII, Gujarat	8.24
8	Kandla SEZ	Construction of One No. SDF Building Unit-VI, Gujarat	4.98
9	Mormugao Port Trust	Development of Storage Areas for Containers at Mormugao Port, Goa	3.00
10	New Mangalore Port Trust	Construction of Business Development Park, Karnataka	7.50
11	Spices Board, Kochi	Establishment of Quality Evaluation Laboratory for Spices at MIDC Area, Navi Mumbai. Maharashtra	7.50
		TOTAL	50.00

ASIDE-Central Component (F.Y. 2016-17)

(Rs. in Cr.)

S. No.	Agency	Name of the Project	Fund Released
1	VTPC, Karnataka	Export Infrastructure facility to exports of perishable cargo and cold chain at Kempegowda International Airport, Bangalore. Karnataka	5.00
2	HPSIDC, Himachal Pradesh	Container Parking Facility at BaddiBarotiwala, HP	3.33
3	CLE, Chennai	Creation of Additional Capacity of ZLD System in VISHTEC-CETP., Tamil Nadu	2.30
4	TIDC, Tripura	Upgradation of Manughat LCS, Tripura	3.30
5	SEEPZ	Electronic Surveillance System ... CCTV Camera, Maharashtra	1.05
6	SEEPZ	Security system , Control System with integration CCTV Cameras', Maharashtra	1.25
7	KSEZ	Dismantling and reconstruction of 16 CIB sheds', Gujarat	3.99
8	HPSIDC, Himachal Pradesh	Ware House Project for exporting units located in Baddi-Barotiwala, Nalagarh, HP.	4.50
9	Spices Board	Eliminating Export Rejections due to Microbiological Contamination in Indian Spice Export, Kerala	5.35
10	NICS	Development of System for online submission and processing of application	03089
11	HLL	EMI/EMC Testing lab for medical equipment's in HLL campus, Noida.	12.00
12	SEEPZ	Construction of a new SDF Tower in SEEPZ SEZ near Plot A-1, Maharashtra	9.945
13	Spices Board, Kochi	Setting up of Quality Evaluation Laboratory cum Training Centre, Kolkata, W.B.	2.1247
14	Cochin Port Trust	Construction of a barge berth for handling bunkers in Cochin Port, Kerala	0.8813
15	CLE	Establishment of Trade Centre at Agra (Uttar Pradesh)	1.3505
16	Mormugao Port Trust	Development of Storage Areas for Containers at Mormugao Port, Goa	4.00
17	IIPM	Establishing Spices Exporters Entrepreneurship facility, Bangalore, Karnataka	4.3196
		TOTAL	65.00
