

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 872**  
**TO BE ANSWERED ON 23<sup>rd</sup> JULY, 2018**

**DECLINE IN EXPORTS**

872. SHRI NALIN KUMAR KATEEL:  
SHRI RAHUL KASWAN:  
SHRIMATI VASANTHI M.:  
SHRI VENKATESH BABU T.G.:  
SHRI RAMESH CHANDER KAUSHIK:  
SHRI PRALHAD JOSHI:  
SHRI B.N. CHANDRAPPA:  
SHRI D.K. SURESH:

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

- (a) whether the exports from the country have registered low growth/all time low during the recent years and if so, the details thereof and the reasons therefor, sector-wise along with the total export of various commodities during the last three years and the current year, country and commodity-wise indicating rate of export;
- (b) whether the Union Government has recently convened a meeting with the State Governments and industry representatives to discuss ways and means to boost the country's exports;
- (c) if so, the details and the outcome thereof along with the incentives/facilities proposed to various sectors and the targets for exports fixed for the next three years and if not, the reasons therefor;
- (d) whether the small and the medium exporters are experiencing many difficulties and if so, the details thereof along with the measures taken by the Government to address the same; and
- (e) the steps taken by the Government to boost the country's export including the steps taken to make processes relating to trade simpler?

**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):** India's merchandise exports have increased since 2016-17. During the current period 2018-19 (Apr-June), India's exports registered a high positive growth of 14.21% as compared

to the corresponding period of previous year. The details of India's exports for last three years and the current year are as follows:

Years	Value of Export (in US\$ billions)	% Change
2015-16	262.29	-15.49
2016-17	275.85	5.17
2017-18	303.38	9.98
2017-18 (Apr-June)	72.21	--
2018-19 (Apr-June)*	82.47	14.21

Source: DGCI&S, Kolkata (\*: Quick Estimates)

The details of India's export to top 25 countries/SAR for last three years and the current year are given as follows:

(Value in US\$ millions)

S.No.	Country	2015-16	2016-17	2017-18	2017-18 (Apr-May)	2018-19 (Apr-May)*	% Growth rate in 2018-19 (Apr-May) over 2017-18 (Apr-May)
1	U S A	40340.03	42216.48	47882.55	7,762.82	8,737.00	12.55
2	U Arab Emts	30316.50	31175.50	28145.64	5,966.78	6,116.79	2.51
3	China P RP	9014.55	10172.41	13337.67	1,737.97	2,644.77	52.18
4	Hong Kong	12092.28	14047.24	14690.27	2,885.63	1,875.23	-35.01
5	Singapore	7719.97	9564.67	10202.24	1,420.73	1,831.69	28.93
6	Netherland	4727.39	5071.22	6263.27	702.82	1,556.32	121.44
7	Germany	7094.55	7183.86	8689.24	1,310.48	1,468.17	12.03
8	U K	8857.77	8551.14	9712.59	1,462.31	1,453.40	-0.61
9	Bangladesh PR	6034.96	6820.13	8460.34	1,279.47	1,419.49	10.94
10	Nepal	3902.70	5453.59	6597.09	964.72	1,297.21	34.46
11	Belgium	5027.65	5656.92	6206.92	939.32	1,244.88	32.53
12	Vietnam Soc Rep	5265.99	6786.56	7813.08	974.43	1,220.98	25.30
13	Turkey	4140.01	4626.59	5090.70	807.06	1,077.12	33.46
14	Saudi Arab	6381.72	5110.28	5410.70	860.53	971.79	12.93
15	Italy	4218.21	4902.70	5710.27	1,020.58	933.77	-8.51
16	Malaysia	3706.88	5224.88	5700.12	752.18	921.05	22.45
17	South Africa	3588.08	3545.97	3825.22	627.74	873.12	39.09
18	France	4633.77	5250.27	4901.61	811.71	844.17	4.00
19	Korea Rp	3524.51	4242.56	4462.14	868.45	811.08	-6.61
20	Japan	4663.09	3845.82	4734.75	663.87	726.80	9.48
21	Indonesia	2819.49	3488.16	3965.56	568.77	713.38	25.43
22	Mexico	2865.13	3460.98	3782.79	651.66	706.82	8.46
23	Thailand	2987.86	3133.44	3653.66	550.51	685.37	24.50
24	Spain	3237.46	3426.13	3996.15	676.69	684.62	1.17
25	Sri Lanka DSR	5310.75	3913.15	4476.33	612.58	676.27	10.40
<b>Total export to above</b>		<b>192471.27</b>	<b>206870.66</b>	<b>227710.90</b>	<b>36,879.81</b>	<b>41521.57</b>	<b>12.59</b>

<b>% Share of above</b>	<b>73.38</b>	<b>74.99</b>	<b>75.06</b>	<b>76.00</b>	<b>75.71</b>	<b>--</b>
<b>India's total export</b>	<b>262291.09</b>	<b>275852.43</b>	<b>303376.22</b>	<b>48,524.60</b>	<b>54841.29</b>	<b>13.02</b>

Source: DGCI&S, Kolkata (\*: Provisional)

The sector-wise India's export for last three years and the current year are given as follows:

(Value in US\$ millions)

<b>S. No.</b>	<b>Sectors</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2017-18 (Apr-May)</b>	<b>2018-19 (Apr-May)*</b>	<b>% Growth rate in 2018-19 (Apr-May) over 2017-18 (Apr-May)</b>
1	Engineering Goods	61949.53	67216.12	78706.35	12297.66	14368.75	16.84
2	Petroleum Products	30582.64	31545.26	37456.65	5274.95	8112.03	53.78
3	Gems And Jewellery	39284.27	43412.76	41544.45	7910.19	6972.77	-11.85
4	Organic & Inorganic Chemicals	13696.98	14476.86	18497.62	2542.03	3521.96	38.55
5	Drugs And Pharmaceuticals	16909.49	16785.00	17282.44	2502.48	2988.42	19.42
6	RMG of all Textiles	16964.36	17368.15	16706.75	3353.18	2686.69	-19.88
7	Cotton Yarn/Fabs./Madeups, Handloom Products Etc.	10119.36	9862.20	10257.65	1533.28	1841.11	20.08
8	Rice	5846.62	5733.79	7733.87	1222.48	1420.45	16.19
9	Plastic And Linoleum	5764.18	5796.46	6850.86	1015.96	1358.74	33.74
10	Electronic Goods	5959.52	5962.93	6393.93	1014.31	1159.88	14.35
11	Marine Products	4767.51	5903.06	7387.72	1032.66	1062.23	2.86
12	Man-Made Yarn/Fabs./Madeups	4621.66	4557.08	4826.35	781.01	837.28	7.21
13	Leather And Leather Manufactures	5407.84	5165.60	5288.93	821.92	816.78	-0.63
14	Meat, Dairy & Poultry Products	4575.47	4368.79	4610.08	616.60	707.18	14.69
15	Mica, Coal And Other Ores, Minerals Including Process	3656.04	3578.16	3775.04	663.64	700.86	5.61
16	Spices	2541.46	2851.95	3105.93	534.71	556.71	4.11
17	Fruits And Vegetables	2268.81	2454.72	2450.00	418.03	399.68	-4.39
18	Ceramic Products & Glassware	1712.05	1856.63	2131.35	346.34	392.66	13.37
19	Handicrafts Excl. Hand Made Carpet	1648.00	1926.75	1822.54	295.99	286.00	-3.38
20	Cereal Preparations And Miscellaneous Processed Item	1319.75	1270.85	1416.81	221.96	241.60	8.85
21	Carpet	1440.07	1490.19	1429.76	241.36	233.47	-3.27
22	Oil Seeds	1246.89	1355.23	1174.34	171.09	183.42	7.21
23	Oil Meals	553.01	805.45	1089.88	173.25	176.42	1.83
24	Iron Ore	191.46	1533.53	1471.06	279.38	171.72	-38.54
25	Coffee	783.87	842.84	968.57	179.01	169.31	-5.41
26	Tobacco	982.01	958.69	934.23	155.78	153.83	-1.25
27	Tea	720.03	731.26	837.33	99.36	104.51	5.18
28	Cashew	768.55	786.93	922.41	160.59	98.14	-38.89
29	Other Cereals	261.18	212.30	248.26	28.25	74.92	165.23
30	Jute Mfg. Including Floor Covering	295.36	309.95	335.08	51.32	49.20	-4.12
31	Others	15453.12	14732.96	15719.96	2585.84	2994.53	15.80

<b>India's total export</b>	<b>262291.09</b>	<b>275852.43</b>	<b>303376.22</b>	<b>48524.60</b>	<b>54841.29</b>	<b>13.02</b>
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*Source: DGCI&S, Kolkata (\*: Provisional)*

**(b) & (c):** The 3<sup>rd</sup> meeting of Council for Trade Development & Promotion was held on 8<sup>th</sup> January, 2018 in New Delhi under the Chairmanship of Hon'ble Commerce & Industry Minister in which representative from 28 states and 4 UTs participated, including 13 Ministers. The State/UT representatives articulated their perspective on the trade policy, the need for creating more awareness about export related issues and resolved to jointly address impediments in trade which affect India's exports. The major issues discussed were promoting services exports, organic farming, value addition to agricultural products including facilitation for branding, promotion, packing and developing post-harvest infrastructure for agri-horticultural product exports, facilitation to exporters and creation of export infrastructure at the borders. As per Foreign Trade Policy 2015-20, the Government aims to increase India's exports of merchandise and services from US\$ 465.9 billions to approximately US\$ 900 billions by 2019-20 and to raise India's share in world exports (Goods and Services) from 2% to 3.5%.

**(d):** Small and medium exporters are experiencing teething problems while coping up with the new tax regime i.e. GST. Further, limited exposure of the MSMEs to the seminar/workshops in small cities adds to the problem. The Government has taken several measures to address the problems. Specialized training programme on packaging for exports for MSE units are organized through its field offices i.e. MSME-DIs, in collaboration with Indian Institute of Packaging (IIP), Mumbai and other such institutions. The main objective of the programme is to impart training to MSMEs/Exporters on packaging technology, scientific packaging techniques, latest designs of packaging, improving their packaging standards and overall appearance, durability, value of products and highlighting the importance of packaging in marketing. 17 MSEs have been nominated to participate in various International Trade Fairs in different countries and provide subsidies to the tune of around Rs. 24 lakhs during the year 2017-18 to explore export opportunities of their products. 75 SME export-units have been trained in GST in association with O/o the Commissioner of Commercial Taxes, Govt. of West Bengal to make them aware of the GST obligations in exporting their products.

**(e):** In order to boost India's exports, the Government announced a major relief package for exporters in October 2017 by extending the Advance Authorization (AA)/ Export Promotion of Capital Goods (EPCG)/ 100% EOU schemes to sourcing inputs etc. from abroad as well as domestic suppliers. During the mid-term review of Foreign Trade Policy in December 2017, export incentives under Merchandise Exports from India Scheme (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. Further, incentives under Services Exports from India Scheme (SEIS) have also been increased by 2% leading to additional annual incentive of Rs 1,140 crore.

The following steps have been taken to make the process of availing the benefits of these schemes simpler:

- a) Processing of MEIS applications has been made based on HS Codes only, except for a few items.
- b) The MEIS schedule has been harmonized with the ITC HS 2017.
- c) The free of cost exports value limit has been increased to Rs 1 Crore and for pharma exports, the limit has been raised to 8% of total exports, if supplied to certain organizations such as Pan American Health Organization (PAHO) etc.
- d) The validity of scrips under Chapter 3 has been increased to 24 months from 18 months.
- e) 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 1<sup>st</sup> 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.

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