

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
(DEPARTMENT OF COMMERCE)  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 730 (H)**  
**TO BE ANSWERED ON 26<sup>th</sup> JUNE, 2019**

**INDIA'S GLOBAL TRADE**

730(H). SHRI PANKAJ CHAUDHARY

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

- (a) the steps taken by the Government to increase India's share in global business;
- (b) the details of difficulties being faced by the Government on trade front in foreign countries;
- (c) whether the Government is likely to prepare an action plan to overcome those difficulties; and
- (d) if so, the details thereof?

**ANSWER**

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

**THE MINISTER OF COMMERCE AND INDUSTRY**  
**(SHRI PIYUSH GOYAL)**

- (a) India's share in global trade (merchandise and services) was 2.1% (481.74 USD Bn out of total 23,044 USD Bn) for exports and 2.6% (600.62 USD Bn out of total 23,112 USD Bn) for imports in 2017. Exports have been growing on a regular basis since 2016-17 for almost three years and total exports reached a new peak of more than half a trillion dollars, for the first time in 2018-19. Government has taken following key measures for promotion of exports:
  - i. A new Foreign Trade Policy (FTP) 2015-20 was launched on 1st April 2015. The policy, inter alia, rationalised the earlier export promotion schemes and introduced two new schemes, namely Merchandise Exports from India Scheme (MEIS) for improving export of goods and 'Services Exports from India Scheme (SEIS)' for increasing exports of services. Duty credit scrips issued under these schemes were made fully transferable.
  - ii. The Mid-term Review of the FTP 2015-20 was undertaken on 5th December, 2017. Incentive rates for labour intensive / MSME sectors were increased by 2% with a financial implication of Rs 8,450 cr per year.
  - iii. A new Logistics Division was created in the Department of Commerce to co-ordinate integrated development of the logistics sector. India's rank in World Bank's Logistics Performance Index moved up from 54 in 2014 to 44 in 2018.

- iv. Interest Equalization Scheme on pre and post shipment rupee export credit was introduced from 1.4.2015 providing interest equalisation at 3% for labour intensive / MSME sectors. The rate was increased to 5% for MSME sectors with effect from 2.11.2018 and merchant exporters were covered under the scheme with effect from 2.1.2019.
- v. Various measures for improving ease of doing business were taken. India's rank in World Bank 'Ease of doing business' ranking improved from 142 in 2014 to 77 in 2018 with the rank in 'trading across borders' moving up from 122 to 80.
- vi. A new scheme called "Trade Infrastructure for Export Scheme (TIES)" was launched with effect from 1st April 2017 to address the export infrastructure gaps in the country.
- vii. A comprehensive "Agriculture Export Policy" was launched on 6th December, 2018 with an aim to double farmers' income by 2022 and provide an impetus to agricultural exports.
- viii. A new scheme called "Transport and Marketing Assistance" (TMA) scheme has been launched for mitigating disadvantage of higher cost of transportation for export of specified agriculture products.
- ix. A new scheme called Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) covering export of garments and made-ups was notified on 7.3.2019 providing refund of duties/taxes at higher rates.

(b) Key difficulties faced by the exporters are as follows:

- i Technical and non-technical barriers to trade such as Sanitary and Phyto-Sanitary (SPS) standards imposed on agricultural items and quality standards on manufactured goods.
- ii Tariff advantages to the exporters of competing countries in key export markets due to trade agreements between their countries and destination countries/regions.
- iii Higher logistics and financing costs for Indian exporters.

(c) & (d) Government has formulated a detailed action plan which is updated regularly based on the feedback from the exporting community, the Export Promotion Councils and other industry associations. State Governments have also been requested to develop an Export Strategy for the State keeping in view the State Specific opportunities and challenges. The Board of Trade and the Council for Trade Development and Promotion provide a platform for all the stakeholders, including State governments to discuss the issues impacting exports.

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