

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

LOK SABHA
UNSTARRED QUESTION NO. 518
TO BE ANSWERED ON 05th FEBRUARY, 2020

INDIA'S EXPORT GROWTH

518. SHRI DIBYENDU ADHIKARI:

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

- (a) whether in almost all sectors the Government has failed to catch up with export growth and foreign currency in comparison to 2003-11 and 2012-17 period of business performance;
- (b) if so, whether exports of goods in 2012-17 has showed the deepest fall and all trade average has dipped by almost 34 per cent in 2012-17 when compared to 2003-11 period;
- (c) if so, the details of export performance in respect of GDP growth, Real Exchange Rate, Agriculture, Manufacturing, Goods export, services and financial sectors thereof; and
- (d) the details of restructuring and reform plan of the Government to compete the global trade thereto?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) to (c): India's merchandise exports and total merchandise trade (export plus import) along with growth during the block of 8 years, 2011-12 to 2018-19 over the previous block of 8 years, 2003-04 to 2010-11 are given in the following table, which reflects that India's merchandise export has increased by 108.19 % during the block of 8 years, 2011-12 to 2018-19, over the block of previous 8 years, 2003-04 to 2010-11, while India's total merchandise trade (both exports and imports) has increased by 108.38% during the same period.

(Value in US\$ Billion)

Year	Merchandise Exports			Total Merchandise Trade (Export plus Import)		
	Exports	Total 2003-11 and 2012-19	Growth in 2012-19 over 2003-11	Total Trade	Total 2003-11 and 2012-19	Growth in 2012-19 over 2003-11
2003-04	63.98	1154.18	108.19%	141.99	2891.94	108.38%
2004-05	83.75			195.05		
2005-06	103.04			252.26		
2006-07	126.41			312.15		
2007-08	163.13			414.79		
2008-09	185.3			488.99		
2009-10	178.75			467.12		
2010-11	249.82			619.59		
2011-12	305.96	795.28	795.28	6026.12		
2012-13	300.4	791.14				
2013-14	314.42	764.61				
2014-15	310.35	758.37				
2015-16	262.29	643.30				
2016-17	275.85	660.21				
2017-18	303.53	769.11				
2018-19	330.08	844.10				
		2402.88				

Source: DGCI&S, Kolkata

(d): India's rank in global merchandise export has improved in the last three years from 21 in 2015 to 19 in 2018 as per WTO. In order to boost India's exports and compete with the global trade, Government has taken following steps in last five years:

- (i) A new Foreign Trade Policy (FTP) 2015-20 was launched on 1st April 2015. The policy, inter alia, rationalized 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) Based on Mid-term Review of the FTP 2015-20 undertaken on 5th December, 2017, incentives for labour intensive / MSME sectors were increased by 2%.
- (iii) A new Logistics Division was created in the Department of Commerce for 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) For improving ease of doing business, online issuance of Importer Exporter Codes (IEC), has been started. India's rank in World Bank 'Ease of Doing Business' ranking improved from 142 in 2014 to 63 in 2019 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) has been launched for mitigating disadvantage of higher cost of transportation for export of specified agriculture products.

Further, Government's restructuring and reform plan in this direction include:

- (a) A new Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme has been proposed in the Budget 2020-21 that would provide a long term WTO compliant framework under which the industry would be able to claim re-imbursement of duties and taxes. The new RoDTEP Scheme would refund, currently un-refunded:
 - (i) Duties/ taxes / levies, at the Central, State and local level, borne on the exported product, including prior stage cumulative indirect taxes on goods and services used in the production of the exported product and
 - (ii) Such indirect Duties/ taxes / levies in respect of distribution of exported product.
- (b) A new Rebate of State and Central Taxes and Levies (RoSCTL) Scheme has been notified by the Ministry of Textiles for the apparel and made-ups sector on 07.03.2019 after approval of the Cabinet, under which rates of rebate as present in the earlier Rebate of State Levies scheme (ROSL) were revised and revised rates were also notified on 08.03.2019. The rebates under this scheme are notified to be issued in the form of MEIS type scrips, from the Department of Commerce/DGFT.
- (c) A new Scheme, NIRVIK Yojana, has been designed, which is a supplementary cover to existing ECIB cover of ECGC under the stimulus package of the Government, to catalyze flow of export credit to all exporters.
