

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

LOK SABHA  
UNSTARRED QUESTION NO. 1311  
TO BE ANSWERED ON 02<sup>nd</sup> MAY, 2016

**TRADE PROMOTION ACTIVITIES**

**1311. SHRI KESINENI NANI:**

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

- (a) the details of trade promotion activities undertaken by the Department of Foreign Trade and Export Promotion during the last three years;
- (b) the details of markets which have been developed for Indian exports by the said Department;
- (c) whether this Department has been successful in showcasing Andhra Pradesh as a trade and investment destination and if so, the details thereof;
- (d) the details of the institutions which have received grants from the Department for Promotion of Indian Exports; and
- (e) the quantum of grants given to these institutions for export promotion and the results from the promotion campaigns of these institutions?

**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)

(i) A department by the name of the Department of Foreign Trade and Export Promotion does not exist in Government of India. However, the following are some of the measures taken by Department of Commerce to promote foreign trade :

i. Earlier there were 5 different schemes [Focus Product Scheme, Market Linked Focus Product Scheme, Focus Market Scheme, Agri. Infrastructure Incentive Scrip, Vishesh Krishi and Gram Udyog Yojana (VKGUY) ] for rewarding merchandise exports with different kinds of duty Scrips with varying conditions attached to their use. Now all these schemes have been merged into a single scheme, namely Merchandise Export from India Scheme (MEIS) with simplified conditionality. The MEIS was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015. MEIS aims to incentivize export of merchandise which are produced/manufactured in India. At the time of introduction of MEIS on April 1,

2015, the scheme covered 4914 tariff lines at 8 digit level. Countries of the globe were grouped into 3 market categories (Country Group A, Country Group B & Country Group C) for grant of incentives under MEIS. Slight changes in lines covered etc. were made on 14.07.2015 and 15.7.2015. Thereafter on 29.10.2015, 110 new Tariff Lines at 8 digit level were added under the scheme. The rates/country coverage for 2228 lines at 8 digit level were enhanced. As on date, 5012 Tariff Lines at 8 digit level are eligible for rewards under MEIS. The annual resource allocation under MEIS was enhanced from Rs. 18000 crore to Rs. 21000 crore in October 2015.

ii. The Government has introduced the Interest Equalisation Scheme on Pre & Post Shipment Rupee Export Credit with effect from 1.4.2015. The scheme is available to all exports under 416 tariff lines [at ITC (HS) code of 4 digit] and exports made by Micro, Small & Medium Enterprises (MSMEs) across all ITC (HS) codes. The rate of interest equalisation is 3% per annum.

iii. In addition the Government continues to provide the facility of access to duty free raw materials and capital goods for exports through schemes like Advance Authorisation, Duty Free Import Authorisation (DFIA), Export Promotion Capital Goods (EPCG) and drawback/refund of duties.

iv. In last three years ,the details of authorizations/ scrips issued under various schemes are as under

Scrip/Authorisation value (Rs. In crore)

Sl. No.	Scheme	2013-14	2014-15	2015-16
1	Export Promotion Capital Goods (EPCG)	14080	15150	13366
2	Advance Authorisation	160620	157785	166436
3	Advance Authorisation for Annual Requirements	14283	14079	6686
4	Duty Entitlement Pass Book Scheme (DEPB)	225	54	102
5	Duty Free Import Authorisation (DFIA)	27915	31258	388
6	Focus Market Scheme	2721	3080	2369
7	Focus Product Scheme	8733	10495	6380
8	Import Licence for restricted list of import items	33514	85892	94069
9	Incremental Export Incentivisation Scheme	14	81	455

10	Served From India Scheme	1420	1300	1125
11	Status Holder Incentive Scrip	2290	783	383
12	VisheshKrishi and Gram Udyog Yojana	2748	3291	1441
13	Merchandise Exports From India Scheme (MEIS)	Scheme started on 1/4/2015	Scheme started on 1/4/2015	4103

(v). The Government Export

Promotion Councils (EPCs), Trade Bodies, etc. in their export promotion activities under the Marketing Development Assistance (MDA) Scheme and the Market Access Initiative (MAI) Scheme. The number of projects/studies approved under the MAI Scheme during the last three years and the current year to promote India's exports is as under:

Year	Number of projects approved
2013-14	170
2014-15	239
2015-16	205
2016-17	200

(b) Under MEIS Markets/countries of the globe are grouped into 3 categories for grant of incentives under MEIS :-

**Category A:** Traditional Markets (34)

Include European Union (28), European Free Trade Association(EFTA) (Switzerland, Norway, Iceland and Lichtenstein-4), USA and Canada(2).

**Category B:** Emerging & Focus Markets (140)

Include Africa (55), Latin America and Mexico (45), CIS countries (12), Turkey and West Asian countries (13), ASEAN countries (10), Japan, South Korea, China, Hongkong and Taiwan(5).

**Category C:** Other Markets (64).

Indian Exports covers large number of markets. The commodity-wise and country-wise data on quantum and value of exports and imports of the country for the last three years is available in the CDs of DGCI&S publication 'Monthly Statistics of Foreign Trade of India' Vol. 1 (Exports) and Vol.II (Imports) for March 2014, March 2015 and January 2016 (latest available CD). These CDs are also regularly sent to Parliament Library by DGCI&S, Kolkata

for reference. During 2015-16, India exported to 227 countries and imported from 213 countries.

- (a) Government schemes and efforts are country wide in nature and support export promotion activities across States including in Andhra Pradesh. The direction of trade flows and the underlying trade potential across countries and commodities is a dynamic phenomenon. The schemes like MDA and MAI enable exporters to identify export opportunities and pursue them.

The Export figure for Andhra Pradesh for last three financial years is as follows:

<b>YEAR</b>	<b>VALUE(RS.Cr.)</b>
2013-14	93860.35
2014-15	97162.41
2015-16	79459.97*

[\*Note: The data on state of Origin has certain limitations . Prior to the allotment of state code to Telengana, the entire exports were included under Andhra Pradesh. In December 2014, a separate state code was allotted to Telengana].

- (b) & (e). The details of funds released to Andhra under State Component of the Assistance to States for Infrastructure Development of Exports Scheme during the last three years is as follows:

(Rs. In crore)

<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
36.44	39.09	20.38

The details of Export Promotion Council which received MAI and MDA grants is annexed.

**GRANTS RELEASED TO EXPORT PROMOTION COUNCILS DURING LAST THREE FINANCIAL YEARS (2013-14, 2014-15 & 2015-16)**

Grant (In Rs.)

S.no	Name of organisation/ Council	2013-14		2014-15		
		MDA	MAI	MDA	MAI	
1	APPAREL EXPORT PROMOTION COUNCIL	155,00,000	1300,38,881	58,10,000	1288,84,384	75,00,000
2	CHEMICALS & ALLIED PRODUCTS EXPORT PROMOTION COUNCIL	246,92,000	171,19,558	245,00,000	60,03,041	200,00,000
3	CARPET EXPORT PROMOTION COUNCIL	181,60,000	1155,57,564	180,00,000	735,36,243	183,30,000
4	CASHEW EXPORT PROMOTION COUNCIL	69,90,000	60,00,000	97,60,000	40,50,000	18,41,000
5	BASIC CHEMICALS, PHARMACEUTICALS & COSMETICS EXPORT PROMOTION COUNCIL	540,00,000	1057,57,455	545,11,000	449,82,097	546,00,000
6	COUNCIL FOR LEATHER EXPORTS	226,50,000	689,91,490	207,95,000	521,06,462	240,00,000
7	ENGINEERING EXPORT PROMOTION COUNCIL	420,00,000	1490,30,686	510,00,000	2967,02,058	500,00,000
8	EXPORT PROMOTION COUNCIL FOR EOU&SEZ	30,00,000	-	26,25,000	-	-
9	EXPORT PROMOTION COUNCIL FOR HANDICRAFTS	475,00,000	683,88,796	437,25,000	797,31,742	300,00,000
10	ELECTRONICS & COMPUTER SOFTWARE EXPORT PROMOTION COUNCIL	185,50,000	732,82,053	210,00,000	572,92,169	200,00,000
11	GEM & JEWELLERY EXPORT PROMOTION COUNCIL	312,78,000	1470,62,068	284,40,000	1484,35,649	-
12	HANDLOOM EXPORT PROMOTION COUNCIL	70,00,000	408,98,633	80,00,000	365,90,432	103,00,000
13	INDIAN OILSEEDS & PRODUCE EXPORTERS ASSOCIATION	60,00,000	-	60,00,000	-	100,00,000
14	INDIAN SILK EXPORT PROMOTION COUNCIL	98,14,000	86,94,200	100,00,000	278,09,011	-

15	POWERLOOM DEVELOPMENT EXPORT PROMOTION COUNCIL	35,00,000	84,33,018	40,00,000	100,69,671	-
16	PHARMACEUTICALS EXPORT PROMOTION COUNCIL	600,00,000	1562,21,680	625,00,000	1479,62,157	900,0
17	PLASTIC EXPORT PROMOTION COUNCIL	157,86,000	172,25,426	200,00,000	241,09,267	200,0
18	SERVICES EXPORT PROMOTION COUNCIL	17,50,000	-	18,75,000	-	-
19	SPORTS GOODS EXPORT PROMOTION COUNCIL	49,00,000	283,40,000	70,10,000	215,00,000	82,22
20	SHELLAC EXPORT PROMOTION COUNCIL	35,00,000	-	15,00,000	-	-
21	SYNTHETIC & RAYON TEXTILE EXPORT PROMOTION COUNCIL	156,30,000	169,37,700	140,43,000	80,00,000	182,9
22	TELECOM EQUIPMENT & SERVICES EXPORT PROMOTION COUNCIL	200,00,000	32,00,000	220,00,000	55,40,075	198,0
23	COTTON TEXTILES EXPORT PROMOTION COUNCIL	135,00,000	753,47,056	111,05,000	354,02,358	200,0
	<b>TOTAL</b>	<b>4457,00,000</b>	<b>12365,26,264</b>	<b>4481,99,000</b>	<b>12087,06,816</b>	<b>4229</b>