

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

LOK SABHA  
UNSTARRED QUESTION NO. 2462  
TO BE ANSWERED ON 09<sup>TH</sup> MAY, 2016

**EXPORT FROM MSME SECTOR**

**2462. SHRIMATI KAVITHA KALVAKUNTALA:**

**ADV. NARENDRA KESHAV SAWAIKAR:**

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

- (a) whether the Government proposes to extend or has already extended fiscal benefits to Micro, Small and Medium enterprises (MSME) sector to boost exports from the sector and if so, the details thereof;
- (b) whether the Government proposes to create an Export Development Fund to boost exports from the sector;
- (c) if so, the details thereof along with the contribution of MSME sector to the total exports of the country in the last three years;
- (d) whether the Federation of Indian Export Organisation (fieo) has expressed serious concern about the declining export and has demanded investment linked benefit for MSME sector; and
- (e) if so, the details thereof along with the reaction of the Government thereto?

**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)

- (a) The following are some of the measures Government has taken to promote exports:
  - i. The Merchandise Export from India Scheme (MEIS) was introduced in the Foreign Trade Policy (FTP) 2015-2020 on April 1, 2015. MEIS aims to incentivize merchandise exports, including exports from MSME Sector, which are produced/manufactured in India. The details of the scheme are available on website of DGFT: dgft.gov.in.
  - ii. The MSME sector products with large employment potential and products with large number of producers and / or exporters are included under MEIS as per details given below:

Sl.No	Commodity Group	Number of Tariff Lines included under MEIS
1	Auto Components/Parts	36
2	Auto Tyres and Tubes	26
3	Carpet (Excl. Silk) Handmade	54
4	Cereals preparation, Seeds, shellac, Essential Oils	57
5	Eco Friendly products that add value to waste	37
6	Finished Leather, Leather Garments, Goods, Saddlery items, footwear	81
7	Hand Tools, Cutting Tools and Implements made of Metals	43
8	Handicraft	206
9	Handloom, Coir, Jute Products and Technical Textiles	114
10	Industrial Machinery, Engineering items, IC Engine, Machine tools, Parts	556
11	Marine Products	130
12	Moulded and Extruded goods, Rubber, Ceramic and Glass	198
13	Processed foods, Cocoa products, beverages	64
14	Poultry & Dairy Products	14
15	Sports Goods	48
16	Tea , Coffee, Spices, Cashew	192
17	Textile and Garments (Ex Handloom, Technical Textiles, Carpets, Handicrafts etc)	433
18	Wood, Paper, Stationary	164

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

(b)&(c) There is already an Export Development Fund, created under the provisions of the Export –Import Bank of India Act, 1981.

As per the Directorate General of Commercial Intelligence and Statistics (DGCI&S) data, the estimated share/contribution of MSME in exports is as under:

S.No.	Year	% Share of MSME in India's Total Exports
1.	2012-13	43.00
2.	2013-14	42.40
3.	2014-15	44.70

(d) & (e). In the Board of Trade meeting held on 06.04.2016, FIEO had suggested investment linked tax benefits, particularly to MSME units.

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