

Initiatives taken to boost exports

203. SHRI RAJMANI PATEL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what are the latest initiatives that have been taken by Government for revival and boosting of exports of the country as well as to generate employment through export industries of the country; and

(b) if so, the details thereof along with the achievement made by Government in this regard, till date?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY): (a) and (b) Sir, in order to boost India's exports, the Government has taken several measures through the new Foreign Trade Policy (FTP) 2015-20 launched on 1st April 2015, its mid-term review released on December 5, 2017 and other policy measures taken from time to time. The key measures include:

- (i) FTP 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the 'Make in India', 'Digital India', 'Skills India', 'Startup India' and 'Ease of doing business' initiatives. The main policy objective is to enable India to respond to the challenges of the external environment keeping in view the rapidly evolving international trading architecture and make trade a major contributor to the country's economic growth and development.
- (ii) The policy provides a framework for promotion of exports through duty remission/exemption on inputs for export production. The Government announced a major relief package for exporters in October 2017 by extending the Advance Authorization (AA)/Export Promotion Capital Goods (EPCG)/100% EOU schemes to sourcing inputs etc. from abroad as well as domestic suppliers. Holders of AA/EPCG and EOUs would not have to pay Integrated Goods and Services Tax (IGST), Cess etc. on imports. Also, domestic supplies to holders of AA/EPCG and EOUs would be treated as deemed exports.
- (iii) The policy introduced two new schemes, namely 'Merchandise Exports from India Scheme (MEIS)' for improving export of specified goods by merging five earlier schemes for better coherence and 'Services Exports from India Scheme (SEIS)' for increasing exports of notified services. Duty credit scrips

issued under MEIS and SEIS and the goods imported against these scrips are fully transferable. The MEIS scheme now covers 8057 tariff lines at 8 digits level to all countries. At the time of mid-term review of the FTP in Dec. 2017, export incentives under MEIS were increased by 2% across the board for labor intensive, MSME sectors, ready-made garments and made ups, leading to additional annual incentive of Rs 7,310 Cr. In addition, incentives under SEIS were also increased at the time of mid-term review of FTP by 2% leading to additional annual incentive of Rs 1,140 cr. Later, rewards to some agricultural products such as Bengal Gram, Milk and Milk Products, Soya de-oiled cake and Non Basmati rice have been provided/enhanced under MEIS for a limited period in the year 2018-19 to boost the exports of these agriculture sector items. Further, in order to enhance the ease of doing business, an online module to process MEIS benefit without any manual intervention under a system authenticated mechanism for most HS Codes of the MEIS schedule was launched in Sept 2018, with a facility to track the dispatch of the authorization.

- (iv) The policy includes measures to nudge procurement of capital goods from indigenous manufacturers under the EPCG scheme by reducing specific export obligation from 90 percent to 75 percent of the normal export obligation. Provisions under the EPCG scheme have been recently relaxed on matters related to installation certificate and Export obligation and validity period of EPCG authorisation has been increased from earlier 18 months to 24 months.
- (v) Under the Interest Equalization Scheme (IES) pre and post Shipment Rupee Export Credit @ 3% per annum was made available to all exports under 416 tariff lines [at ITC (HS) code of 4 digits] and exports made by Micro, Small & Medium Enterprises (MSMEs) across all ITC (HS) codes from 01.04.2015. However the Interest Equalization rates have been increased w.e.f. November 02, 2018 from 3% to 5% in respect of exports by the Micro, Small & Medium Enterprises (MSME) sector manufacturers.
- (vi) 'Niryat Bandhu Scheme' has been galvanised and repositioned to achieve the objectives of 'Skill India' and trade promotion/awareness.
- (vii) To boost exports of gems and jewellery sector, suitable amendments in FTP has been made to allow export of gold findings with gold content of 3k and above (earlier minimum purity level for gold content was 8k). Further, export

of religious gold idols of gold content above 22k has been allowed subject to certain conditions. The job-work period for SEZ units has been increased from 28 days to 45 days for studded/silver/imitation jewellery.

(viii) Trade facilitation and enhancing the ease of doing business measures have been taken with special focus on moving towards paperless working. The Government has launched a Single Window Interface for Facilitating Trade (SWIFT) clearances project with effect from 1st 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. India also ratified the WTO Agreement on Trade Facilitation (TFA) in April 2016 for enhancing trade facilitation.

(ix) A new scheme called "Trade Infrastructure for Export Scheme (TIES)" has been launched from 1st April 2017 to address the export infrastructure gaps in the country.

India's overall exports (merchandise and services) have increased since 2016-17. During the current period 2018-19 (Apr-Sept), India's overall exports registered a high positive growth of 17.01% as compared to the corresponding period of previous year. The details of India's overall exports for last three years and the current year are as follows:

Years	Value of Exports (US\$ billions)	% Change
2015-16	416.60	—
2016-17	440.05	5.63
2017-18	498.63	13.31
2017-18 (Apr-Sept)	226.08	—
2018-19 (Apr-Sept)*	264.54	17.01

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

Royalty payments on technology transfer and trademark usages

204. SHRI NARESH GUJRAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is planning to cap the royalty payments on sales and