

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION No. 2495
TO BE ANSWERED ON 20.12.2021

SAFE TRADE POLICY

2495. SHRI BHASKAR RAO NEKKANTI:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether any Safe Trade Policy is devised by Government for various sectors dependent on Chinese imports, if so, the details thereof and, if not, the reasons therefor;
- (b) whether the exclusion of benefits of merchant trade exports from benefits are specified for MSMEs and whether deprivation of these benefits to them has benefited any entity;
- (c) if so, the rationale for the exclusion; and
- (d) whether Government has devised any plans to incentivize sustainable business models, if so, the details thereof and, if not, the reasons therefor?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI NARAYAN RANE)

(a): Countries including India, party to the World Trade Organization (WTO) are obliged to follow the rules and regulations of international trade under WTO Agreements, including the Most-Favoured Nation (MFN) clause. WTO also provides scope to derogate under specific conditions including National Security provisions. Accordingly, the Export policy of Govt. of India is framed within such parameters.

(b) & (c): For exports from 01.01.2021, a new Scheme named Remission of Duties and Taxes on Exported Products (RoDTEP) has been implemented. The Scheme creates a mechanism for reimbursement of taxes/ duties/ levies, which are currently not being refunded under any other mechanism, at the central, state and local level, but which are incurred in the process of manufacture and distribution of exported products. All exporters, including MSME exporters are eligible to make a claim under RoDTEP as per the notified Schedule on eligible export items.

(d): The Ministry of Micro, Small and Medium Enterprises (MSMEs) is implementing various schemes for promotion and development of MSME sector in the country. These include International Cooperation Scheme (IC), Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Scheme of Fund for Regeneration of Traditional Industries (SFURTI), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), A Scheme for Promoting Innovation, Rural Industry & Entrepreneurship (ASPIRE), Procurement and Market Support Scheme (PMS) etc.

Government has taken a number of initiatives under Aatma Nirbhar Bharat Abhiyan to support the MSME Sector in the country especially in Covid-19 Pandemic. Some of them are:

- i. Rs 20,000 crore Subordinate Debt for MSMEs.
- ii. Rs 3 lakh crores Collateral free Automatic Loans for business, including MSMEs (existing overall guarantee limit under ECGLS has been enhanced from Rs. 3 lakh crore to Rs. 4.5 lakh crore).
- iii. Rs. 50,000 crore equity infusion through MSME Fund of Funds.
- iv. New revised criteria for classification of MSMEs.
- v. New Registration of MSMEs through 'Udyam Registration' for Ease of Doing Business.
- vi. No global tenders for procurement up to Rs. 200 crores, this will help MSME.

The Ministry of MSME has also opened 52 Export Facilitation Centres (EFC) in different parts of the country to provide assistance to MSME exporters.