

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

RAJYA SABHA
UNSTARRED QUESTION NO. 1183
TO BE ANSWERED ON 16th DECEMBER, 2022

EXPORT PUSH BY SMALL AND MEDIUM ENTERPRISES

1183 SHRI K.R. SURESH REDDY:

Will the Minister of **COMMERCE & INDUSTRY** be pleased to state:

- (a) whether Government has taken note that small and medium enterprises (SMEs) need to get better organized to push exports; and
- (b) if so, the steps that are being taken or proposed to be taken by Government, keeping in view the fact that the two main challenges for Indian exports are competition and product composition?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

- (a) Exporters of Small and Medium Enterprises (SMEs) are well organized into various Export Promotion Councils (EPCs).
- (b) Various steps taken by the government to push exports including by SME sector are as follows:
 - i. Under Foreign Trade Policy, Advance Authorisation scheme is provided for import of duty free inputs for export production.
 - ii. Under Foreign Trade Policy, Export Promotion Capital Goods Scheme (EPCG) is provided for duty free import of capital goods for export production.
 - iii. The Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) provides a mechanism for re-imbursement 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, to the exporting industries in India. RoDTEP Scheme currently supports 10,342 eligible export items (HS lines at 8 digit levels) with funds allocation of Rs 12,454 Crore in FY 21-22 and Rs 13,699 Crore for FY 22-23. All exporters including MSME are eligible for the benefit.

- iv. Scheme for Rebate of State and Central Taxes and Levies on Export of Garments and Made-ups (RoSCTL) has been introduced to rebate all embedded State and Central Taxes and Levies on garments and made-ups to enhance competitiveness of these sectors. All exporters including MSME are eligible for the benefit.
- v. Interest Equalisation Scheme was extended for 3 years till 31.3.2024. RBI has issued necessary guidelines for the extension of the scheme w.e.f 01.10.2021 to 31.03.2024 vide RBI circular dated 08.03.2022. While extending the scheme of 3 more years, from 01.10.2021 onwards, subvention rates have also been modified. Henceforth, modified rates of 3% subvention to MSME Manufacture exporters and 2 % is applicable to Merchant and other manufacturer exporters exporting along 410 HS lines.
- vi. The interests of Indian MSME sector are duly considered in the negotiation of Free Trade Agreements.
- vii. DGFT is implementing the Niryat Bandhu Scheme for mentoring new and potential exporter on the intricacies of foreign trade through counseling, training and outreach programmes.
- viii. Micro, Small & Medium Enterprises (MSME) as defined in Micro, Small & Medium Enterprises Development (MSMED) Act 2006 get double weightage for calculation of export performance for grant of One Star Export House status under Foreign Trade Policy.
- ix. Ministry of MSME is implementing International Cooperation Scheme (IC) Scheme, under which financial assistance is provided on reimbursement basis to the eligible Central/State Government organizations and Industry Associations to facilitate visit/participation of MSMEs in the international exhibitions/fairs/buyer-seller meets held abroad and for organizing international conference/seminar/workshops in India with the aim of technology upgradation, modernization, joint venture etc., which supports the MSME sector in exports.
- x. Spices Board's is implementing the Scheme titled 'Integrated Scheme for Export Promotion & Quality Improvement in Spices and Research & Development of Cardamom', for promoting the exports of spices and value-added spice products from India. The benefits under the scheme component for Export Development & Promotion can be availed by all the registered exporters of spices, including the MSME exporters.
- xi. The Spices Board, to support MSME exporters in closing export orders, is operating the program 'Assistance for exporters for sending business samples abroad' exclusively for the MSME exporters. Under the scheme, assistance is provided to MSME exporters @ 50 % of the cost of courier charges subject to a maximum of Rs.1.50 lakh for general category per annum. Further, an increased assistance of 75% of the courier charges subject to a maximum of Rs. 2.25 lakhs is provided to MSME exporters belonging to SC/ST category, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J& K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep), per annum.
