EARNINGS THROUGH EXPORTS

*79(H). SHRI LAL SINH VADODIA:

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

(a) the amount of earnings made through exports during the years 2013-14, 2014-15 and 2015-16; and

(b) the amount spent on imports in each of the above years?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

a) & b): A Statement is laid on the Table of the House.

*****
(a) The amount of earnings made through exports during the years 2013-14 to 2015-16 are given as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Earnings through Merchandise Exports</th>
<th>Earnings through Service Exports</th>
<th>Total Earnings through Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>314.41</td>
<td>151.81</td>
<td>466.22</td>
</tr>
<tr>
<td>2014-15</td>
<td>310.35</td>
<td>158.11</td>
<td>468.46</td>
</tr>
<tr>
<td>2015-16</td>
<td>262.29</td>
<td>154.31</td>
<td>416.60</td>
</tr>
</tbody>
</table>

Source: (i) Directorate General of Commercial Intelligence & Statistics  
(ii) Handbook of Statistics on the Indian Economy, RBI

(b) The amount spent on imports during the years 2013-14 to 2015-16 are given as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Amount spent on Merchandise Imports</th>
<th>Amount spent on Service Imports</th>
<th>Total Amount spent on Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>450.21</td>
<td>78.75</td>
<td>528.96</td>
</tr>
<tr>
<td>2014-15</td>
<td>448.03</td>
<td>81.59</td>
<td>529.62</td>
</tr>
<tr>
<td>2015-16</td>
<td>381.01</td>
<td>84.63</td>
<td>465.64</td>
</tr>
</tbody>
</table>

Source: (i) Directorate General of Commercial Intelligence & Statistics  
(ii) Handbook of Statistics on the Indian Economy, RBI

***
801. SHRI ANIL DESAI:

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

(a) whether India has reviewed/will review Most Favoured Nation (MFN) status it extended unilaterally to Pakistan two decades ago in response to the recent attacks on the Uri military camp;
(b) whether New Delhi will be flouting WTO norms if it withdraws MFN status from Pakistan;
(c) whether trade ban could hit Indian interests more than Pakistan;
(d) whether a ban on LoC trade could create a lot of unemployment across both sides of the border which could add to the unrest; and
(e) if so, what pragmatic steps India is taking in the matter?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) (b) & (e): Article 1 of General Agreement on Tariffs and Trade (GATT), 1994 requires every WTO member country to accord MFN status to all other member countries.

No decision has been taken to review the Most Favoured Nation (MFN) status provided to Pakistan.

(c) &(d): No such ban is under consideration, at present

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802. SHRI DEREK O' BRIEN:

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

(a) whether there has been any impact on India’s existing Free Trade Agreements on employment generation and domestic economy;

(b) if so, the data regarding employment being generated per sector per annum; and

(c) the data regarding balance of trade and its impact on the valuation of the rupee?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

***

(a) Our internal analysis of trade with India’s free trade agreement (FTA) partners prior to and after the signing of the FTA indicates an increase in share of India’s imports of raw materials, intermediate goods and capital goods. There has also been a corresponding increase in India’s exports of intermediate and capital goods after implementation of FTAs. This could be attributed to value added domestic production which presumably had a positive effect on employment generation.

(b) & (c) The employment generation in the country can be attributable to many other factors and external trade is one of them. Similarly, the valuation of the rupee is contingent on many factors including balance of trade.

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803. SHRI D. KUPENDRA REDDY:

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

(a) whether it is a fact that there is a continuous slowdown in exports of the country;
(b) if so, the details thereof and the reasons therefor;
(c) whether Government is planning for a better exchange rate policy to ensure the rupee-
dollar exchange rate reflects the realistic value of the rupee; and
(d) if so, the details thereof and what are the other steps taken/being taken to boost exports as
well as for increasing competitiveness of our products?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b) There is an increase in India’s exports in the year 2014-15 as compared to the year
2013-14. However, there is slowdown in India’s exports in the year 2015-16 as
compared to the previous year as per the details given below:

<table>
<thead>
<tr>
<th>Years</th>
<th>Exports</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>466.22</td>
<td>-</td>
</tr>
<tr>
<td>2014-15</td>
<td>468.46</td>
<td>0.48</td>
</tr>
<tr>
<td>2015-16</td>
<td>416.60</td>
<td>-11.07</td>
</tr>
<tr>
<td>2015-16 (Apr-Sept)</td>
<td>210.76</td>
<td></td>
</tr>
<tr>
<td>2016-17 (Apr-Sept)*</td>
<td>211.65</td>
<td>0.42</td>
</tr>
</tbody>
</table>

Source: Directorate General of Commercial Intelligence & Statistics (* Provisional)

The above table reveals that export in the current year has a positive growth of 0.42% as
compared to the previous year.
Since the initiation of reforms in the 1990s, India has moved gradually towards a market determined exchange rate of the rupee. The primary objective of the exchange rate management continues to be the maintenance of orderly conditions in the foreign exchange market, meeting temporary demand-supply gaps which may arise due to uncertainties or other reasons, and curbing destabilising and self-fulfilling speculative activities. In the recent years, as articulated in the various Monetary Policy Statements, the broad principles that have guided exchange rate management are:

i. Careful monitoring and management of exchange rates without a fixed target or a pre-announced target or a band.

ii. Flexibility in the exchange rate together with ability to intervene, if and when necessary.

iii. A policy to maintain a level of foreign exchange reserves which takes into account not only anticipated current account deficits but also ‘liquidity at risk’ arising from unanticipated capital movements.

iv. A judicious policy for management of the capital account.

The Government has launched several schemes and measures for promotion of exports and increasing competitiveness of Indian products at global market, which are as follows:

(i) The Merchandise Exports from India Scheme (MEIS) was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015 with 4914 tariff lines at 8 digit levels. The Government has extended the market coverage to all countries in respect of 7914 tariff lines. The revenue forgone under the scheme (MEIS) has increased from Rs. 22000 Crore to Rs. 23500 Crore per annum.

(ii) The Government launched Services Exports from India Scheme (SEIS) in the FTP 2015-2020. The Scheme provided rewards to service providers of notified services who are providing service from India.

(iii) The Government is implementing the Niryat Bandhu Scheme with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counselling sessions, individual facilitation, etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.

(iv) By way of trade facilitation and enhancing the ease of doing business, Government reduced the number of mandatory documents required for exports and imports to three each, which is comparable with international benchmarks. The trade community can file applications online for various trade related schemes. Online payment of application fees through Credit/Debit cards and electronic funds transfer from 53 Banks has been put in place.

(v) Interest Equalization Scheme on pre & post shipment credit launched to provide cheaper credit to exporters.

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

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RAJYA SABHA
UNSTARRED QUESTION NO. 804
TO BE ANSWERED ON 23rd NOVEMBER, 2016

IMPACT OF WTO DELIBERATIONS ON SERVICES

804. SHRI PALVAI GOVARDHAN REDDY:
SHRI C.M. RAMESH:

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

(a) the details of World Trade Organisation (WTO) deliberations that have taken place last month at Oslo;
(b) what are the reasons that India is not able to push hard Trade Facilitation Agreement on services at the WTO; and
(c) what are the constraints that India is facing and how it is planning to overcome the same and get the support from other countries

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

***

(a) A two-day informal mini-Ministerial meeting of Trade Ministers was organized by Norway in Oslo on 21-22 October 2016. Ministers and officials from 25 member countries of the World Trade Organisation (WTO) and the Director General of the WTO attended the meeting. The meeting was convened to discuss the way forward in the WTO, including possible issues for the Eleventh Ministerial Conference of the WTO to be held in Buenos Aires, Argentina in December 2017.

At the meeting, India highlighted the centrality of the development dimension of the Doha Round of trade negotiations in the WTO, the need to work on issues of special interest to developing countries and to prioritize the implementation of Ministerial Decisions adopted at the previous WTO Ministerial Conferences held in Bali and Nairobi, in 2013 and 2015 respectively. India stressed the importance of ensuring adequate policy space for developing countries in the negotiations and underlined, inter alia, the need for creating a level playing field for developing countries in agricultural trade by addressing inequities and distortions which are threatening the livelihood of millions of poor farmers across the world.
The Ministers also discussed potential issues on which outcomes could be achieved by the next Ministerial Conference in 2017 and beyond, and the ways to develop convergence on such outcomes. They reaffirmed the importance of implementing the outcomes of the Ministerial Conferences held in Bali and Nairobi. They agreed that it is important that the WTO’s negotiating function continue to deliver meaningful outcomes and discussed the need to maintain the relevance of the multilateral trading system and to find ways to update the system in line with developments in the global economy. Ministers put development at the centre of discussions and also highlighted the need to view issues in light of the interests and concerns of Small and Medium-sized Enterprises.

(b) & (c) Given the increasing importance of trade in services for the world as a whole and for India in particular, India has taken the initiative to launch discussions on a Trade Facilitation in Services (TFS) Agreement at the WTO, as a services counterpart of the goods-specific Trade Facilitation Agreement (TFA). A TFS Agreement will address the key issues that are pertinent to facilitating trade in services.

India circulated a communication titled 'Concept Note for an Initiative on Trade Facilitation in Services' at the WTO, which was discussed by the WTO Members on 6 October 2016. India’s initial submission on the Concept Note was followed by a more detailed communication on ‘Possible Elements of a TFS Agreement’ to WTO members on 14 November 2016. The submissions by India detail the rationale behind the initiative for a TFS Agreement and the possible constituent elements of a TFS Agreement.

***
RAJYA SABHA
UNSTARRED QUESTION NO. 805(H)
TO BE ANSWERED ON 23rd NOVEMBER, 2016

IMPORT OF ARTIFICIAL DIAMONDS FROM CHINA

805(H). SHRI MOTILAL VORA:

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

(a) whether Government is aware that artificial diamonds are being imported from China in large numbers which look like real ones but have no resale value;
(b) whether Government is also aware that Indian consumers are being cheated due to lack of identification of genuineness of imported artificial diamonds from China;
(c) if so, the steps taken by Government to save the Indian consumers from cheating; and
(d) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) to (c): Artificial diamonds are also known as “man-made”, “synthetic”, “lab-created” or “lab-grown” diamonds. These are artificially created stones that are made in specialized laboratory conditions. These diamonds have the same physical and chemical properties and are identical to diamonds of natural origin. China is one of the major producing countries of synthetic diamonds. Synthetic Diamonds are relatively easy to distinguish from natural Diamonds in rough form; however it is extremely difficult to distinguish between Natural and Synthetic Diamonds in polished form. This has led to the potential threat of players mixing these man-made diamonds with diamonds of natural origin without any disclosure in an attempt to defraud their customers and the end-consumer. Gems and Jewellery Export Promotion Council (GJEPC) and Bharat Diamond Bourse have set up a joint Grievance Redressal Committee to hear complaints of undisclosed mixing. The Committee has received complaints from within the trade regarding mixing of natural diamond parcels with synthetic diamonds. In 3 cases the Committee has found parties guilty of mixing and were penalised in accordance with the defined framework of the committee.
To ensure consumer confidence and growth of the industry, a framework has been created and actions identified to ensure that natural and lab grown diamonds co-exist in a clearly differentiated and therefore healthy, transparent and fair manner each with its own ecosystem.

Separate Harmonised Systems Code (HS Code) of 7104-9010 for Synthetic Diamonds & 7104-9090 for synthetic stones have been created in Finance Bill, 2016 establishing a clear differentiation from natural Diamonds which fall under HS Code Heading:7102.

(d): In view of the above, question does not arise.
PROMOTION OF EXPORT OF SPICES

808. SHRI ANUBHAV MOHANTY:

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

(a) whether it is a fact that the export of spices has not shown considerable improvement in the country despite having good demand abroad;
(b) whether it is a fact that Government is proposing to constitute additional Boards for promotion of spices; and
(c) what is the total earning of the country from exports and what is the percentage of earnings in it from export of spices?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): The export of spices from the country has shown a steady increase in terms of value. The export of spices & spice products from the country for the last 3 years are given below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Quantity of Spices Export (Tonne)</th>
<th>Value of Spices Export (Rs. in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>895914</td>
<td>15146</td>
</tr>
<tr>
<td>2014-15</td>
<td>939008</td>
<td>14847</td>
</tr>
<tr>
<td>2015-16</td>
<td>831681</td>
<td>16630</td>
</tr>
</tbody>
</table>

During 2015-16, the export of spices from the country has registered an increase of 12% in rupee terms compare to 2014-15.

Presently, there is no proposal for constituting additional Boards for the promotion of spices. However, the Government has notified eleven Spice Development Agencies for addressing issues related to production, quality, domestic marketing and export of Spices in major spice growing States/Regions of the country.

(c): During 2015-16, the total export earning from the country is Rs. 1716378 Crore in which export earnings from Spices is around 0.97%.

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809. SHRI K.K. RAGESH:

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

(a) whether Government has the details about the total number of jobs created by Special Economic Zones (SEZs) over the last three years; and
(b) if so, the State-wise and year-wise details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)
***

(a) to (b): Employment generation by Special Economic Zones (SEZs) during the last three years State-wise and year-wise are at Annexure.

*****
States-wise details of Employment from SEZs during the last three years State-wise and year-wise

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>States/UTs</th>
<th>2013-14 (as on 31.03.2014)</th>
<th>2014-15 (as on 31.03.2015)</th>
<th>2015-16 (as on 31.03.2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Maharashtra</td>
<td>339919</td>
<td>360543</td>
<td>363760</td>
</tr>
<tr>
<td>2</td>
<td>Tamil Nadu</td>
<td>268405</td>
<td>287275</td>
<td>326569</td>
</tr>
<tr>
<td>3</td>
<td>Karnataka</td>
<td>193686</td>
<td>237138</td>
<td>237138</td>
</tr>
<tr>
<td>4</td>
<td>Andhra Pradesh</td>
<td>157280^#</td>
<td>47506</td>
<td>56456</td>
</tr>
<tr>
<td>5</td>
<td>Telangana</td>
<td>0</td>
<td>154784</td>
<td>188607</td>
</tr>
<tr>
<td>6</td>
<td>Uttar Pradesh</td>
<td>83970</td>
<td>96591</td>
<td>105609</td>
</tr>
<tr>
<td>7</td>
<td>Gujarat</td>
<td>75586</td>
<td>63475</td>
<td>68224</td>
</tr>
<tr>
<td>8</td>
<td>Haryana</td>
<td>50208</td>
<td>55256</td>
<td>84812</td>
</tr>
<tr>
<td>9</td>
<td>West Bengal</td>
<td>48112</td>
<td>51241</td>
<td>63160</td>
</tr>
<tr>
<td>10</td>
<td>Kerala</td>
<td>32311</td>
<td>49652</td>
<td>49652</td>
</tr>
<tr>
<td>11</td>
<td>Rajasthan</td>
<td>14574</td>
<td>16321</td>
<td>17723</td>
</tr>
<tr>
<td>12</td>
<td>Madhya Pradesh</td>
<td>10308</td>
<td>10828</td>
<td>15624</td>
</tr>
<tr>
<td>13</td>
<td>Chandigarh</td>
<td>5927</td>
<td>7297</td>
<td>8295</td>
</tr>
<tr>
<td>14</td>
<td>Odisha</td>
<td>1577</td>
<td>2347</td>
<td>3322</td>
</tr>
<tr>
<td>15</td>
<td>Punjab</td>
<td>1299</td>
<td>1993</td>
<td>2283</td>
</tr>
<tr>
<td>16</td>
<td>Chhattisgarh</td>
<td>119</td>
<td>41</td>
<td>119</td>
</tr>
<tr>
<td>17</td>
<td>Goa</td>
<td>28</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1283309</strong></td>
<td><strong>1442316</strong></td>
<td><strong>1591381</strong></td>
<td></td>
</tr>
</tbody>
</table>

^# Including Telangana.
810. SHRI VIVEK GUPTA:

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

(a) the country-wise list of the trade agreements and pacts signed during last three years by India with other countries;
(b) the details of the trade carried out by India with the above mentioned countries including the revenue generated from the same during last three years, yearwise, country-wise and the details regarding the change in quantum of trade before and after signing the above agreements; and
(c) the details of steps taken for promotion and facilitation of trade with foreign countries during the last 18 months, country-wise?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) India has not signed any new Free Trade Agreement (FTA) or Preferential Trade Agreement (PTA) during the last three years. However, under the India-ASEAN Framework Agreement, the Trade in Goods Agreement was signed in August, 2009 and as a continuation, the Agreements on Trade in Services and Investments were signed in November, 2014 which became effective from 1st July, 2015.
(b) Does not arise.
(c) The government has taken many steps for promotion and facilitation of trade with foreign countries. Some of these important measures taken over the last 18 months to enhance trade with all partners are the following:
   i. reduction in the number of documents required for exports and imports to three each.
   ii. online filing of import and export declarations and manifests with the provision of digital signatures.
   iii. electronic messaging system between shipping lines and custodians for electronic delivery order has been introduced.
iv. replacement of the Terminal handling receipts with a web-based e-Form 13 at JNPT, Gateway Terminals India and Nhava Sheva International Container Terminal.

v. implementation of the Single Window Interface for Facilitating Trade (SWIFT) by Customs by integrating Food Safety and Standards Authority of India (FSSAI), Animal Quarantine, Plant Quarantine, Drug Controller and Wildlife Control Bureau with Customs portal.

vi. extension of 24x7 Customs clearance facilities to 19 seaports and 17 air cargo complexes.

vii. setting up of a Customs Clearance Facilitation Committee at every major customs seaport and airport for speedy clearance of import and export of goods

viii. enhanced coverage of the Merchandise Exports from India Scheme (MEIS) to all regions for notified products;

ix. provision of the facility of duty free import of inputs and machinery for export production;

x. reduction in cost of capital through interest equalization of 3% on all exports from the MSME sector and notified exports from other sectors;

xi. promotion of product standards, packaging and branding of Indian products

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811. SHRI K.R. ARJUNAN:

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

(a) whether it is a fact that India's goods exports have contracted regularly since December, 2014, barring a marginal expansion in June this year;

(b) whether it is also a fact that India's export slowdown may have bottomed out and the recovery in outbound shipments is expected to be slow but steady in the coming months; and

(c) whether it is also a fact that a slump in commodity prices, economic slowdown in key markets and an appreciation of the real exchange rate of the rupee have been the reasons for the slowdown of India's exports along with lack of competitiveness in certain segments for the export debacle?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)


(b). Even though the goods exports have registered positive growth in last 2 consecutive months of September and October 2016, it is not possible to predict if the export slowdown has bottomed out as the future exports will depend on a large number of factors related to the global economy.

(c). Sharp fall in prices of major commodities like crude and petroleum products, gold, copper, and iron ore etc.; economic slowdown in developed and emerging economies; depreciation of Euro, Rouble, Brazilian Real, and Yuan etc. against rupee and increase in competition in sectors like textile and clothing, leather, engineering are major reasons for decline in exports.

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812. **SHRI C.M. RAMESH:**

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

(a) whether it is a fact that the Ministry is losing revenue under Merchandise Exports from India Scheme (MEIS) to the tune of ₹23,500 crores annually;

(b) what are the reasons that in spite of MEIS, exports are not going up as expected;

(c) whether it is also a fact that sluggish exports are also due to failure to bring in reforms in labour laws and non implementation of ₹6,000 crore package to garment sector; and

(d) if so, how much time will Government take to notify the package and bring in labour reforms to push exports?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY**

(INDEPENDENT CHARGE)

(SMT. NIRMALA SITHARAMAN)

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(a). Under the Foreign Trade Policy (FTP) 2015-2020, the objective of Merchandise Exports from India Scheme (MEIS) is to offset infrastructural inefficiencies and associated costs involved in exporting goods from India and to provide a level playing field to Indian exporters, especially those having high export intensity and employment potential. The Scheme incentivizes exporters in terms of freely transferable Duty Credit Scrips which can be used to pay Central duties/taxes including customs duties, excise duty and service tax. The quantum of incentive is regulated under the framework of allocations and incentive to exporters is a revenue impact of export promotion concession, not a loss. At present Rs. 23,500 Cr has been allocated for MEIS incentive for the fiscal 2016-17.

(b). Some of the factors for negative growth in exports include the following:

i. The world GDP growth is not encouraging and there has been shrinkage in over all global demand and hence, slow down in world trade. Three destinations
account for major portion of our exports. The EU countries are facing problems of stagnation and deflation. The recovery in the US has been moderate. China is also experiencing a slowdown for some time.

ii. Fall in commodity prices impacting terms of trade for commodity exporters. Fall in the prices of crude petroleum resulting in decline in unit prices of downstream products (a major exports sector for India) thereby impacting export realizations.

iii. Fall in demand of precious goods like Pearls, Precious and Semi-Precious Stones, especially from Oil Producing countries.

(c) & (d): The Government has brought out a special package for Textile sector. It has, inter alia, three components namely: (i) refund of state levies, (ii) duty free import of fabrics and (iii) All-Industry rate of drawback for other inputs sourced indigenously under Advance Authorisation. (i) The CBEC Circular No.43/2016-Cus 20th September 2016 has operationalized Rebate Of State Levies (RoSL Scheme). (ii) Duty free import of fabrics under Advance Authorisation was implemented by the DGFT, Department of Commerce vide Notification No. 21/ dated 11th August, 2016 read with CBEC Notification No.45/ dated 13th August 2016. (iii) The All Industry duty drawback for indigenously sourced inputs under Advance Authorisation was notified by CBEC vide Notification No.131/ dated 31 October, 2016.

Further, in so far as labour reform is concerned, the Government has recently taken steps for drafting four Labour Codes on Wages, Industrial Relations, Social Security and Welfare and Safety & Working Conditions for labour by simplifying, amalgamating and rationalising the relevant provisions of the Central labour laws.

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CONDITIONS FOR PORTS ON IMPORT OF METALLIC SCRAP

814. SHRI A.K. SELVARAJ:

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

(a) whether it is a fact that Government has made it mandatory that any sea port to be designated for import of unshredded metallic scrap will have to install radiation portal monitors and container scanners by March, 2017;
(b) whether it is also a fact that only entry sea ports will be designated and notified for imports of these scraps; and
(c) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): Yes, Sir.

(c): Vide Public Notice No.38 dated 6.10.2016 it has been notified that any sea port to be designated for import of un-shredded metallic scrap will be required to install Radiation Portal Monitors and Container Scanner with adequate security. The sea port having completed the above shall approach jurisdictional Customs for inspection and certification. Customs may give necessary clearance on receipt of certification from Atomic Energy Regulatory Board (AERB). On getting clearance from Customs, DGFT will notify such a port as designated port for import of un-shredded scrap.

The existing 14 designated sea ports namely Chennai, Cochin, Ennore, JNPT, Kandla, Mormugao, Mumbai, New Mangalore, Paradip, Tuticorin, Vishakhapatnam, Pipava, Mundra and Kolkata will be allowed to import un-shredded scrap till 31st March, 2017 by which time they are required to install operationalize Radiation Portal Monitors and Container Scanner. Such sea ports which fail to meet the deadline will be derecognized for the purpose of import of un-shredded metallic scrap w.e.f. 1.4.2017.

Further, any Inland Container Deport (ICD) can handle clearance of un-shredded metallic scrap provided the same passes through any of the designated sea ports or any new ports to be notified/designated from time to time, where Radiation Portal Monitors and Container Scanner are in operation and the consignment is subjected to risk based scanning/monitoring as per the protocol laid down by Customs.

Notwithstanding the above, import consignments shall be subject to pre-inspection certificate from the country of origin.
817. SHRI B.K. HARIPRASAD:

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

(a) whether exports have fallen in last two years;
(b) if so, the reasons therefor and its impact on our revenue; and
(c) steps taken to improve the situation and details of identified products and affected persons?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b) The India’s merchandise exports have fallen in last two years as per the details given below:

<table>
<thead>
<tr>
<th>Years</th>
<th>Exports value (in US$ Billions)</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>310.34</td>
<td>-1.29</td>
</tr>
<tr>
<td>2015-16</td>
<td>262.29</td>
<td>-15.48</td>
</tr>
<tr>
<td>2015-16 (Apr-Oct)</td>
<td>155.18</td>
<td>-</td>
</tr>
<tr>
<td>2016-17 (Apr-Oct)*</td>
<td>154.91</td>
<td>-0.17</td>
</tr>
</tbody>
</table>

Source: Directorate General of Commercial Intelligence & Statistics (* Provisional)

The decline has been very less in the current year as compared to corresponding period of the previous year and accordingly the impact on revenue has been reduced. The key reasons for the decline are as follows:

i. Slowdown in developed and emerging economies.
ii. Sharp fall in Crude and petroleum product prices.

(c) The Government has taken following measures to improve the situation in respect of certain identified products and affected persons:

(i) The Merchandise Exports from India Scheme (MEIS) was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015 with 4914 tariff lines (products) at 8 digit levels. The Government has extended the market coverage to all countries in
respect of 7914 tariff lines. The revenue forgone under the scheme (MEIS) has increased from Rs. 22000 Crore to Rs. 23500 Crore per annum to compensate the affected persons.

(ii) The Government is implementing the Niryat Bandhu Scheme with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counselling sessions, individual facilitation, etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.

(iii) By way of trade facilitation and enhancing the ease of doing business, Government reduced the number of mandatory documents required for exports and imports to three each, which is comparable with international benchmarks. The trade community can file applications online for various trade related schemes. Online payment of application fees through Credit/Debit cards and electronic funds transfer from 53 Banks has been put in place.

(iv) Interest Equalization Scheme on pre & post shipment credit launched to provide cheaper credit to exporters.

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

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819. SHRI RAJEEV SHUKLA:

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

(a) whether there is any proposal to review the Most Favoured Nation (MFN) status given to Pakistan;
(b) if so, the details thereof and the present status of any such proposal; and
(c) the trade details including volume of trade between India and Pakistan during the last three years, import-wise and export-wise?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

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(a) and (b): No decision has been taken on review of the MFN status provided to Pakistan.

(c) The volume of imports, exports and total trade between India and Pakistan during the last three years are as under:

<table>
<thead>
<tr>
<th>Year</th>
<th>Import</th>
<th>Export</th>
<th>Total Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>426.88</td>
<td>2274.26</td>
<td>2701.15</td>
</tr>
<tr>
<td>2014-15</td>
<td>497.31</td>
<td>1857.18</td>
<td>2354.49</td>
</tr>
<tr>
<td>2015-16</td>
<td>441.03</td>
<td>2171.14</td>
<td>2612.16</td>
</tr>
</tbody>
</table>

Source: DGCI&S Database

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820. SHRI MAJEED MEMON:

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

(a) whether any decision with regard to razing of India Trade Promotion Organisation's (ITPO's) Hall of Nations and Nehru Pavilion has been taken;
(b) whether international organisations have written to the Ministry to save these two buildings claiming they represented 20th century iconic structures; and
(c) if so, Government's decision to this effect?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) : The re-development of Pragati Maidan Complex entails a comprehensive and integrated approach to setting up of a much needed world class State-of-the Art and Iconic Integrated Exhibition-cum-Convention Centre. This is proposed to be developed in two Phases by dismantling 23 State Pavilions and 5 Central Ministry Pavilions, Halls No. 1, 2, 3, 4, 5, 6, 14, 15, 16, 17, 18, 19 and 20 and other building structures coming in the area. The Hall of Nations and the Nehru Pavilion are also included in this list.

(b) & (c) : Representations have been received amongst others from some international organisations with a request to save the Hall of Nations and the Nehru Pavilion, stating that these buildings are heritage buildings in nature. ITPO has examined the representations and after due consideration informed that neither the Hall of Nations nor the Nehru Pavilion in the premises of Pragati Maidan is notified a Heritage building by the Delhi Urban Art Commission (DUAC) or the Archaeological Survey of India (ASI).
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 821
TO BE ANSWERED ON 23rd NOVEMBER, 2016

TREND IN EXPORTS

821. SHRI AJAY SANCHETI:

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

(a) whether the country has been able to arrest the declining trend in exports;
(b) if so, trends in exports during first six months of 2016-17; and
(c) the details of measures taken by Government to increase exports?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b) The trend in merchandise exports during first six months of 2016-17 is as follows:

<table>
<thead>
<tr>
<th>Months</th>
<th>2015-16</th>
<th>2016-17 *</th>
<th>% Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>22.14</td>
<td>20.57</td>
<td>-7.09</td>
</tr>
<tr>
<td>May</td>
<td>22.53</td>
<td>22.17</td>
<td>-1.6</td>
</tr>
<tr>
<td>June</td>
<td>22.32</td>
<td>22.57</td>
<td>1.12</td>
</tr>
<tr>
<td>July</td>
<td>23.28</td>
<td>21.69</td>
<td>-6.83</td>
</tr>
<tr>
<td>August</td>
<td>21.58</td>
<td>21.52</td>
<td>-0.28</td>
</tr>
<tr>
<td>September</td>
<td>21.87</td>
<td>22.88</td>
<td>4.62</td>
</tr>
<tr>
<td><strong>India's Total Merchandise exports</strong></td>
<td><strong>133.72</strong></td>
<td><strong>132.03</strong></td>
<td><strong>-1.26</strong></td>
</tr>
</tbody>
</table>

Source: Directorate General of Commercial Intelligence & Statistics (* Provisional)

(c) The Government has taken following measures to increase the country’s exports:

(vi) The New Foreign Trade Policy (2015-20) was announced on 1st April, 2015 with a focus on supporting both manufacturing and services exports.

(vii) The Merchandise Exports from India Scheme (MEIS) was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015 with 4914 tariff lines at 8 digit levels. The Government has extended the market coverage to all countries in respect of 7914 tariff lines. The revenue forgone under the scheme (MEIS) has increased from Rs. 22000 Crore to Rs. 23500 Crore per annum to compensate the affected persons.
The Government launched Services Exports from India Scheme (SEIS) in the FTP 2015-2020. The Scheme provided rewards to service providers of notified services who are providing service from India.

The Government is implementing the Niryat Bandhu Scheme with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counselling sessions, individual facilitation, etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.

By way of trade facilitation and enhancing the ease of doing business, Government reduced the number of mandatory documents required for exports and imports to three each, which is comparable with international benchmarks. The trade community can file applications online for various trade related schemes. Online payment of application fees through Credit/Debit cards and electronic funds transfer from 53 Banks has been put in place.

Interest Equalization Scheme on pre & post shipment credit launched to provide cheaper credit to exporters.

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

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822. SHRI SUKHENDU SEKHAR ROY:

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

(a) what was the year-wise Balance of Trade position in 2014-15 and 2015-16;
(b) what was the quantum of exports in 2014-15 and 2015-16;
(c) what was the quantum of imports in 2014-15 and 2015-16;
(d) what are the factors responsible for rise/decline in the aforesaid fields; and
(e) remedial measures, if any, adopted in these respect?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) to (c) The value of exports, imports and Balance of Trade position of India for the years 2014-15 and 2015-16 are as follows:

<table>
<thead>
<tr>
<th>Years</th>
<th>Export</th>
<th>Import</th>
<th>Balance of Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>468.46</td>
<td>529.62</td>
<td>-61.16</td>
</tr>
<tr>
<td>2015-16</td>
<td>416.60</td>
<td>465.64</td>
<td>-49.04</td>
</tr>
</tbody>
</table>

Due to different units of measurement, the quantum of exports and imports are not additive and hence total quantum of exports and imports are not available.

(d) The above data reveals that there is decline in exports and imports during the period 2015-16 over 2014-15. The key reasons for the decline are as follows:

(i) Fall in global demand and fall in commodity prices, impacting terms of trade for commodity exporters.

(ii) Fall in the prices of petroleum crude resulting in consequent decline in prices as well as export realizations for petroleum products, which are major terms of exports for India.
(iii) EU countries that account for nearly 16% of India’s export are facing problems of stagnation and deflation. China is also experiencing a slowdown. The recovery in US has been moderate and uncertain in terms of sustainability.

(iv) Fall in demand of precious goods like Pearls, Precious and Semi-Precious stones, especially from oil producing countries.

(e) The Government has taken following remedial measures to increase the country’s exports:

i) The New **Foreign Trade Policy (2015-20)** was announced on 1st April, 2015 with a focus on supporting both manufacturing and services exports.

ii) The Merchandise Exports from India Scheme (MEIS) was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015 with 4914 tariff lines at 8 digit levels. The Government has extended the market coverage to all countries in respect of 7914 tariff lines. The revenue forgone under the scheme (MEIS) has increased from Rs. 22000 Crore to Rs. 23500 Crore per annum.

iii) The Government launched Services Exports from India Scheme (SEIS) in the FTP 2015-2020. The Scheme provided rewards to service providers of notified services who are providing service from India.

iv) The Government is implementing the Niryat Bandhu Scheme with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counselling sessions, individual facilitation, etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.

v) By way of trade facilitation and enhancing the ease of doing business, Government reduced the number of mandatory documents required for exports and imports to three each, which is comparable with international benchmarks. The trade community can file applications online for various trade related schemes. Online payment of application fees through Credit/Debit cards and electronic funds transfer from 53 Banks has been put in place.

vi) Interest Equalization Scheme on pre & post shipment credit launched to provide cheaper credit to exporters.

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

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