IMPORT OF RUBBER CUP LUMPS

*123. SHRI JOSE K. MANI:

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

(a) whether the Government has received any representation from the manufacturing industry seeking green signal for the import of rubber cup lumps in the country;
(b) if so, the details thereof and the response of the Government thereto;
(c) whether the Government has conducted or plans to conduct a comprehensive study to understand the possible impact of import of rubber cup lumps on the domestic rubber plantation industry and the price of natural rubber in the country;
(d) if so, the details and the findings thereof; and
(e) the steps taken by the Government to provide respite to the natural rubber industry which is passing through a period of crisis on account of the continuing slump in price?

ANSWER

वाणिज्य एवं उद्योग मंत्री ( श्री सुरेश प्रभु )

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI SURESH PRABHU)

a) to e): A Statement is laid on the Table of the House.

*****
[a] & [b] Rubber manufacturing industry have requested for allowing import of rubber cup lump. At present, as per Government order dated 12.12.2001, for ensuring quality standards, the natural rubber imported into India has to be in conformity with the standards specified by the Bureau of Indian Standards (BIS) Act. No standards have been prescribed for the rubber cup lump by the BIS so far. Therefore, at present import of rubber cup lump is not permitted.

[c] & [d] At present, there is no proposal for conducting a comprehensive study to understand the possible impact of import of rubber cup lumps on the domestic rubber plantation industry and the price of natural rubber in the country.

[e] Government has taken following steps to regulate the import of natural rubber in the interest of natural rubber growers.

i. **Reduction in export obligation period** – Export obligation period for utilizing duty free imported natural rubber for exports under Advance Authorisation / Duty Free Import Authorisation Schemes has been reduced from 12 months to 6 months from the date of clearance of each consignment. This will prevent possible diversion of cheaper imported natural rubber to domestic market.

ii. **Enhancement of basic import duty** – Import duty on dry forms of Natural Rubber has been raised from “20% or Rs 30 per kg whichever is lower” to “25% or Rs 30 a kg whichever is lower” with effect from 30 April 2015.

iii. **Port restriction** - Import of Natural Rubber is allowed only through sea ports of Chennai and Jawaharlal Nehru Port at Nhava Sheva, Mumbai.

*****
NEW RUBBER POLICY

*128. ADV. JOICE GEORGE:
SHRI MULLAPPALLY RAMACHANDRAN:
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) whether the Government is planning a new Rubber Policy which will ensure remunerative prices for natural rubber and if so, the details thereof;
(b) whether the Government has prepared draft of the proposal and invited comments thereon and if so, the details thereof;
(c) whether the Government has recently conducted any meeting in this regard;
(d) if so, the details thereof indicating the venue of the meeting, the number of participants and discussions held therein; and
(e) whether the proposed new Rubber policy is likely to address the price fall issues faced by the rubber farmers and if so, the details thereof along with the steps being considered to ensure Minimum Support Price for Rubber thereunder?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI SURESH PRABHU)

a) to e): A Statement is laid on the Table of the House.

*****
(a) to (d): A Stakeholders Meeting was held on 11\textsuperscript{th} February, 2018 at Rubber Board, Kottayam presided over by Hon’ble Minister of State for Tourism for discussing several issues pertaining to the Natural Rubber (NR) Sector. Two Members of Parliament from Kerala, 2 officials from the Department of Commerce, Representatives of 16 stakeholder Associations, Board Members and officials of Rubber Board participated in the meeting. Several issues were discussed which inter-alia includes, Minimum Support Price for NR, restrictions on import of NR, Minimum Import Price of NR, categorisation of NR as an agricultural product, issue of import of cup lumps, safeguard duty on NR import, formulation of Rubber policy, increased budget allocation to the Rubber Board etc.

With a view to address the concerns expressed by various stakeholders in the rubber sector including the formulation of National Policy on Rubber, the Government has decided to constitute a Task Force on Rubber comprising representatives of the State and Central Government for finding out short term solutions and formulating long term strategies to tackle the problems faced in rubber sector and the effort will be to work towards a Rubber Policy in consultation with the State Government.

(e): The Natural Rubber prices are determined by market fundamentals and a range of factors which inter-alia include trends in economic growth in major consuming countries, oil/synthetic rubber prices, weather conditions and developments in future markets. Domestic NR market generally follows the trends in world market with occasional divergences due to region specific and seasonal factors. To regulate the import of NR, the Government has increased the duty on import of dry rubber from “20% or Rs. 30 per kg whichever is lower” to “25% or Rs. 30 per kg whichever is lower” w.e.f 30.4.2015 in order to create demand for locally produced rubber. The Government has also reduced the period of utilization of imported dry rubber under advance licensing scheme from 18 months to 6 months. Director General of Foreign Trade (DGFT) has imposed port restriction on the import of Natural Rubber by restricting the port of entry to Chennai and Nhava Sheva (Jawaharlal Nehru Port) since 20\textsuperscript{th} January, 2016.

Moreover, “Rubber Production Incentive Scheme” is under implementation in the major rubber growing State of Kerala for providing financial support to rubber growers under which the difference between the Scheme Reference Price of Rs 150 per kg and the daily market price is credited to the bank account of the farmer directly on the basis of purchase bills.

The Commission of Agricultural Costs and Prices (CACP) under the Ministry of Agriculture & Farmers Welfare is mandated to recommend Minimum Support Price (MSP) for certain agricultural commodities. Natural Rubber is currently not under the purview of CACP.

*****
SEZ POLICY

*132(H). SHRI RAM CHARAN BOHRA:

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

(a) the salient features of the current Special Economic Zones (SEZs) policy;
(b) whether shortcomings have been reported in the said policy, resulting in huge revenue losses to the Government and if so, the details thereof;
(c) whether the Government proposes to review SEZ policy including amendments in the related laws and/or procedures thereon; and
(d) if so, the details and the present status thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री सुरेश प्रभु)

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI SURESH PRABHU)

a) to d): A Statement is laid on the Table of the House.
STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 132(H) FOR ANSWER ON 05th MARCH, 2018 REGARDING “SEZ POLICY”.

(a): The Special Economic Zones (SEZs) policy was launched in April, 2000. The Special Economic Zones Act, 2005, was passed by Parliament in May, 2005 which received Presidential assent on the 23rd of June, 2005. The SEZs Rules, 2006 came into effect on 10th February, 2006. The salient features of the SEZ scheme are:-

(i) A designated duty free enclave to be treated as a territory outside the customs territory of India for the purpose of authorised operations in the SEZ;
(ii) No licence required for import;
(iii) Manufacturing or service activities allowed;
(iv) The Unit shall achieve Positive Net Foreign Exchange to be calculated cumulatively for a period of five years from the commencement of production;
(v) Domestic sales subject to full customs duty and import policy in force;
(vi) Full freedom for subcontracting;
(vii) No routine examination by customs authorities of export/import cargo;
(viii) SEZ Developers /Co-Developers and Units enjoy Direct Tax and Indirect Tax benefits as prescribed in the SEZs Act, 2005.

(b): The fiscal concessions and duty benefits allowed to SEZs are inbuilt into the SEZs Act, 2005. These exemptions are in the nature of incentives for export and are consistent with the principles that guide export promotion initiatives of the Government in general. Incentives provided are conscious public policy actions and cannot be termed as revenue loss.

(c) & (d): The Government is in the process of constituting a group to study necessary changes in the SEZ policy.

*****
BILATERAL TRADE AGREEMENTS

1389. SHRIMATI SUPRIYA SULE:
SHRI MOHITE PATIL VIJAYSINH SHANKARRAO:
SHRI SATAV RAJEEV:
DR. J. JAYAVARDHAN:
DR. HEENA VIJAYKUMAR GAVIT:
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) whether India has signed bilateral trade agreements with various countries;
(b) if so, the details and the salient features of the agreements signed during the last three years;
(c) whether India and Bangladesh have recently held detailed discussions in Dhaka to boost bilateral trade and investments and if so, the details and the outcome thereof;
(d) whether both the countries have also deliberated upon expansion of border haats, identification and resolution of nontariff issues affecting bilateral trade and ease of investment and if so, the outcome thereof; and
(e) the other steps taken by the Government to boost trade between India and Bangladesh?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a)&(b) The details of the Free Trade Agreements (FTAs), including Comprehensive Economic Cooperation Agreements (CECAs) and Comprehensive Economic Partnership Agreements (CEPA) and Preferential Trade Agreements (PTAs) entered into by India is given in Annexure-I and Annexure-II respectively. India has not entered into any new Free Trade Agreement (FTA) or Preferential Trade Agreement (PTA) in the last three years. However, India expanded the scope of the India-ASEAN Trade in Goods Agreement in November, 2014 to cover both Services and Investment which got implemented on 1st July 2015. The Agreement on Investment aims to create a liberal, facilitative and competitive investment
regime in the region among the participating countries to support and contribute to economic
growth, development and regional integration. The agreement on Services provide business
certainty to service providers from both India and ASEAN countries and is expected to
strengthen the business and commercial relations between the two. In addition, India and
Chile expanded the existing PTA to include new additional lines of interest to each other. The
India-Chile Expanded PTA came into force on 16 May, 2017.

(c)&(d)Commerce Secretary level meeting between India and Bangladesh was held on 7th-8th
February 2018 at Dhaka. In the meeting, both sides had extensive discussions on a variety of
issues concerning bilateral trade and economic relations, including, inter-alia, up-gradation of
infrastructure at border trading points, non-tariff issues affecting bilateral trade such as
mutual recognition of test certificates, removal of port restrictions, the operation of existing
Border Haats and the vision for their future development, establishment of an institutional
mechanism for inputs on trade and investment, etc.

(e) For increasing bilateral trade with Bangladesh, the Government has taken various steps to
improve the trade infrastructure which, inter-alia, include upgradation of Land Customs
Stations, establishment of Integrated Check Posts/Border Haats, facilitation of bilateral and
sub-regional connectivity, etc. The Government continues to engage pro-actively with
Bangladesh to strengthen trade and economic relations. Further, assistance is provided under
Market Access Initiative (MAI) to Indian exporters, Export Promotion Councils, apex trade
bodies etc., for participation in events in foreign countries, including Bangladesh.

****
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Agreement</th>
<th>Date of Signing of the Agreement</th>
<th>Date of Implementation of the Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>India - Sri Lanka FTA</td>
<td>28th December, 1998</td>
<td>1st March, 2000</td>
</tr>
<tr>
<td>2</td>
<td>Agreement on SAFTA</td>
<td>4th January, 2004</td>
<td>1st January, 2006</td>
</tr>
<tr>
<td></td>
<td>(India, Pakistan, Nepal, Sri Lanka, Bangladesh, Bhutan, the Maldives and Afghanistan)</td>
<td></td>
<td>(Tariff concessions implemented from 1st July, 2006)</td>
</tr>
<tr>
<td>3</td>
<td>India Nepal Treaty of Trade</td>
<td>27th October 2009</td>
<td>The Treaty has been extended for a further period of 7 years and is currently in force till 26th October 2023.</td>
</tr>
<tr>
<td>4</td>
<td>India - Bhutan Agreement on Trade Commerce and Transit</td>
<td>17th January, 1972</td>
<td>Renewed periodically, with mutually agreed modifications. Agreement dated 29th July 2006 was valid for 10 years. With mutual consent, the validity was extended for a period of one year or the period till the proposed new Agreement comes into force. The renewed Agreement has been signed on 12.11.2016 and came into force with effect from 29 July 2017.</td>
</tr>
<tr>
<td>5</td>
<td>India - Thailand FTA - Early Harvest Scheme (EHS)</td>
<td>9th October, 2003</td>
<td>1st September, 2004</td>
</tr>
<tr>
<td>6</td>
<td>India - Singapore CECA</td>
<td>29th June, 2005</td>
<td>1st August, 2005</td>
</tr>
</tbody>
</table>
- 1st January 2010 in respect of India and Malaysia, Singapore, Thailand.
- 1st June 2010 in respect of India and Vietnam.
- 1st September 2010 in respect of India and Myanmar.
- 1st October 2010 in respect of India and Indonesia.
- 1st November 2010 in respect of India and Brunei.
- 1st June 2011 in respect of India and the Philippines.
- 1st August, 2011 in respect of India and Cambodia. |
<table>
<thead>
<tr>
<th>Sl. No.</th>
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<th>Date of Implementation of the Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>India - South Korea CEPA</td>
<td>7th August 2009</td>
<td>1st January, 2010</td>
</tr>
<tr>
<td>9</td>
<td>India - Japan CEPA</td>
<td>16th February, 2011</td>
<td>1st August, 2011</td>
</tr>
<tr>
<td>10</td>
<td>India - Malaysia CECA</td>
<td>18th February, 2011</td>
<td>1st July, 2011</td>
</tr>
</tbody>
</table>
PTAs already in force:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Agreement</th>
<th>Date of Signing of the Agreement</th>
<th>Date of Implementation of the Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Asia Pacific Trade Agreement (APTA) (Bangladesh, China, India, Republic of Korea, Lao People's Democratic Republic and Sri Lanka)</td>
<td>July, 1975 (revised on 2nd November, 2005)</td>
<td>1st Nov, 1976</td>
</tr>
<tr>
<td>2</td>
<td>Global System of Trade Preferences (GSTP) (Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Colombia, Cuba, Democratic People's Republic of Korea, Ecuador, Egypt, Ghana, Guinea, Guyana, India, Indonesia, Iran, Iraq, Libya, Malaysia, Mexico, Morocco, Mozambique, Myanmar, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Republic of Korea, Romania, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, Tanzania, Venezuela, Viet Nam, Yugoslavia, Zimbabwe)</td>
<td>13th April, 1988</td>
<td>19th April, 1989</td>
</tr>
<tr>
<td>3</td>
<td>SAARC Preferential Trading Agreement (SAPTA) (Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka)</td>
<td>11 April, 1993</td>
<td>7 December, 1995</td>
</tr>
<tr>
<td>5</td>
<td>India - MERCOSUR</td>
<td>25th January, 2004</td>
<td>1st June, 2009</td>
</tr>
<tr>
<td>6</td>
<td>India – Chile</td>
<td>8th March, 2006</td>
<td>11th September, 2007. The agreement has been expanded on 6th September, 2016 and came into force w.e.f. 16th May, 2017.</td>
</tr>
</tbody>
</table>
LOK SABHA
UNSTARRED QUESTION NO. 1411
TO BE ANSWERED ON 05th MARCH, 2018

CLOSURE OF DGS&D

1411. SHRI A. ARUNMOZHITHEVAN:
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री ) be pleased to state:

(a) whether the Government has started the process of shutting down the nearly 100 year old procurement arm of the Government, the Directorate General of Supplies and Disposals (DGS&D);
(b) if so, the details thereof along with the reasons therefor;
(c) whether the public procurement is being managed by the Government’s e-market platform since last year and if so, the details thereof;
(d) whether the Government has to decide upon issues relating to manpower, land and office spaces of the said Directorate before its closure; and
(e) if so, the steps taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a)&(b): Yes, Madam. Directorate General of Supplies & Disposals (DGS&D) Headquarter including its regional offices & its field offices have been closed on 31.10.2017 in accordance with the Cabinet decision dated 12.4.2017.

(c): Yes Madam. GeM was launched on 9th August, 2016 as a end-to-end electronic market place for procurement of goods & service by Government organizations.

(d)&(e): The process of closure of DGS&D has been completed. DGS&D owned land and office spaces have been handed over to Land & Development Officer, Government of India and DGFT & the rented premises surrendered to landlords. Grade A, B & C officials of erstwhile DGS&D have been declared surplus. A large number of officials have already been redeployed.

*****
LOK SABHA
UNSTARRED QUESTION NO.1441
TO BE ANSWERED ON 05\textsuperscript{th} MARCH, 2018

ESTABLISHMENT OF SPICES PARKS

1441. SHRI GUTHA SUKENDER REDDY:
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) whether the Government has received any proposal from the State Government of Telangana requesting for establishment of Spices parks in the State;
(b) if so, the details thereof; and
(c) the response of the Government thereon?

ANSWER

अवाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) to (c): Yes Madam. Central Government has received proposal from the State Government of Telangana for establishing a Spice Park at Nizamabad for Turmeric, which has been examined. Trade Infrastructure for Export Scheme (TIES) is under implementation by Department of Commerce wherein assistance of 50% of the total equity in the project subject to a maximum of Rs. 20 crores is available for establishing trade infrastructure, including Spice Parks. It has been intimated to the State Government that any proposal from that conforms to the Scheme guidelines would be considered for assistance under the Scheme. Spices Board would extend all technical support for establishing the Spice Park.

Central Government has also approved the setting up of a Spice Development Agency (SDA) for Telangana having headquarters at Warangal for co-coordinating with the State / Central Agencies implementing programmes for research, production, marketing, quality improvement and export of spices, including turmeric.

******
TRADE BETWEEN INDIA AND USA

1467. SHRI B. SENGUTTUVAN:
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) the details of two-way trade between India and the United State of America (USA) during the last year;
(b) whether the trade balance is in favour of India and if so, the details thereof;
(c) whether the USA has asked India to provide a trading relation that is fair and reciprocal; and
(d) if so, whether the Government has any specific proposal to address the USA concerns and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) The bilateral trade in Goods and Services between India and USA during 2016 was US $114 billion and in 2017 it was US $113 billion (excluding 4th Quarter Services trade figures in 2017).

(b) Yes. The details are as below –

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Exports</td>
<td>Imports</td>
</tr>
<tr>
<td>Trade in Goods</td>
<td>46.03</td>
<td>21.65</td>
</tr>
<tr>
<td>Trade in Services [The figures of only first 3 quarters included for 2017]</td>
<td>25.81</td>
<td>20.63</td>
</tr>
<tr>
<td>Total</td>
<td>71.84</td>
<td>42.28</td>
</tr>
</tbody>
</table>

(c) Both India and United States resolved to pursue increased commercial engagement in a manner that advances the principles of free and fair trade.

(d) India being a member of World Trade Organisation is carrying out the trade in a free and fair manner with all the nations. Two institutional mechanisms to address the trade concerns of each other - India-USA Trade Policy Forum and India-USA Commercial Dialogue are platform in which India & US have regular bilateral interaction.

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PROBLEMS FACED BY SEZ DEVELOPERS

1487. SHRI ADHALRAO PATIL SHIVAJIRAO:  
DR. PRITAM GOPINATH MUNDE:  
DR. SHRIKANT EKNATH SHINDE:  
SHRI VINAYAK BHaurao Raut:  
ADV. NARENDRA KESHAV SAWAIKAR:  
SHRI ANANDRAO ADSUL:  
SHRI DHARMENDRA YADAV:  
SHRI SHRIRANG APPA BARNE:  

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

(a) whether the Special Economic Zone (SEZ) Developers are facing certain issues/problems including some complaints about the misuse of the policy which create hindrance for development of SEZs and if so, the details thereof;

(b) whether the industry has time and again requested the Ministry of Finance to consider restoring tax benefits to these zones for supporting the sector and generating jobs and if so, the response of the Government in this regard;

(c) whether the SEZs which emerged as major export hubs in the country has started losing sheen after the imposition of minimum alternate tax and introduction of sunset clause and if so, the reaction of the Government thereto;

(d) whether the Government has approved 423 SEZs till December, 2017 and if so, the number of SEZs out of that made operational so far; and

(e) whether the quantum of exports from these zones grew during April September 2017-18 and if so, the details thereof along with the steps taken by the Government to resolve the issues/problems being faced by the SEZ promoters?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY  
(SHRI C. R. CHAUDHARY)  

(a): The Government, on the basis of inputs/suggestions received from stakeholders on the policy and operational framework of the SEZ Scheme, periodically reviews the policy and operational framework of SEZs and takes necessary measures so as to facilitate speedy and effective implementation of SEZs.

(b): Yes Madam, Ministry of Commerce and Industry had recommended the restoration of original exemption from MAT and withdrawal of Sunset Clause for SEZ Developers and Units to Ministry of Finance.
(c): The SEZs Act, 2005 was enacted on 23rd June, 2005. In the initial 5 years (i.e. 2007-2008 to 2011-2012) there was 186% increase in the new units in SEZs. However, post imposition of MAT there has been only 131% increase in the new units in the next 5 years (i.e. 2012-2013 to 2016-2017) in SEZs.

(d): In addition to Seven Central Government Special Economic Zones (SEZs) and 11 State/Private Sector SEZs set-up prior to the enactment of the SEZs Act, 2005, approvals have been accorded to 423 proposals for setting up of SEZs in the country. Presently, out of 357 notified SEZs a total of 221 SEZs are operational.

(e): The total exports from SEZs as on 30th September, 2017 i.e. in the second quarter of the current financial year 2017-18, has been to the tune of Rs. 2,66,773 crore approximately, registering a growth of 13.09% over the exports of corresponding period of the previous financial year.

*****
LAND ACQUIRED FOR SEZs

1504. SHRI MD. BADARUDDOZA KHAN:

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

(a) whether over 60 per cent of total notified area for Special Economic Zones (SEZs) is lying vacant;
(b) if so, the details thereof along with the total land acquired under SEZs indicating the details of agricultural and nonagricultural land separately;
(c) the total area of this acquired land for SEZs which is being actually utilised for the special purpose; and
(d) the details of the problems in making SEZs operational alongwith the amount spent on SEZs, employment generated and the amount of exports by SEZ units during the last three years?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) to (c): Madam, 52% of the Notified Special Economic Zones (SEZs) land is presently vacant. Out of total notified area of 45,629.43 hectares in respect of 375 notified SEZs, 21872.71 hectares of land have been utilized and 23779.19 hectares land are lying vacant in these SEZs. In respect of 375 notified SEZs, 93.47% of land is waste/barren/dry/industrial, 5.28% of land is single crop and 1.25% of land is double crop.

(d): Setting up of Special Economic Zones (SEZs) is a long term process and delay in commencement of commercial operations of the SEZs may be due to various reasons which include time taken in getting approvals from statutory/State Government bodies, adverse business climate due to changed global economic situation, changes in fiscal incentives, etc. No funds have been spent by the Central Government for setting up of SEZs after the enactment of SEZ Act, 2005. The details of export and employment in SEZs during the last three years is as under:

<table>
<thead>
<tr>
<th>Year</th>
<th>Export (in Rs. Crores)</th>
<th>Employment* (in persons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-2016</td>
<td>4,67,337</td>
<td>15,91,381</td>
</tr>
<tr>
<td>2016-2017</td>
<td>5,23,637</td>
<td>17,31,641</td>
</tr>
<tr>
<td>2017-2018</td>
<td>2,66,773</td>
<td>18,23,451</td>
</tr>
<tr>
<td>(as on 30.09.2017)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Calculated on cumulative basis

****
CASHEW INDUSTRY

1513. SHRI N.K. PREMACHANDRAN:

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

(a) whether it has come to the notice of the Government that the banks are initiating coercive steps against the cashew industries under the SARFAESI Act, for realization of dues on account of loan taken for cashew industry;
(b) if so, the action taken by the Government to protect the industry;
(c) whether it has come to the notice of the Government that the cashew industries are in loss due to the import export policy of the Government and non-availability of raw cashew nuts;
(d) if so, the action taken by the Government to make available the raw nuts at a reasonable price and withdraw the import duty; and
(e) whether the Government proposes to direct the banks to stop the action under SARFAESI Act and if not, the reasons therefor?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) (b) & (c): The Ministry of Finance has informed that Section 31(i) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act says that provisions of the Act shall not apply to “any security interest created in Agriculture land and does not differentiate on the basis of any specific industries / commodities. The SARFAESI Act empowers Banks to take action to recover debts due and does not include any provisions for intervention by Central Government in such action. Aggrieved debtors/ borrowers have recourse to DRTs through filling of securitisation Applications SAS, for which appeal lies before Debt Recovery Appellate Tribunals (DRAT).

(c) & (d) It has come to the notice of the Government that due to non-availability of sufficient quantity of raw cashew nut and higher price for raw cashew nut in the international market, the cashew industry is facing the prospect of a demand - supply gap.

..contd..
Considering the challenges being faced by the cashew industry and to promote trade, the Government has taken following steps to ameliorate the loss/crisis of cashew industry:

i) Basic Custom Duty on import of raw cashew nut has been reduced from 5% to 2.5% in the current budget session.

ii) The rate of Goods and Service Tax (GST) has also been reduced to 5% from 12% for Cashew nuts.

iii) Under Mid Term Review of Foreign Trade Policy (FTP), MEIS for cashew has been revised to 5% for cashew kernel and 7% for cashew nut salted/roasted respectively, vide DGFT PN No.44/2015-20 dated 05.12.2017.

iv) On the request of the Cashew Industry, the Government of India has revised SION norms of export of Cashew Kernel, from import of Raw Cashew Nut under Advance Authorisation Scheme, to 5.04 kg from earlier 4 kg vide PN no.12/2015-2020,DGFT, Department of Commerce.

v) Department of Commerce has approved the Medium Term Framework (2017-2020) Scheme of CEPCI viz Process Mechanization and Automation of Cashew Processing Units with financial outlay of Rs. 60 crore.

vi) With regard to availability of raw cashew nut, the Government of India has drawn up strategies to increase domestic production by massive area expansion of cashew and replacing of senile cashew plantations with high yielding varieties in traditional and non-traditional states under National Horticulture Mission(NHM) through State Horticulture Mission(SHM) and State owned corporations. As such, the production of raw cashew nuts in India during 2016-17 has registered 16% increase to 7,79,335 Metric Tons compared to previous production of 6,70,300 Metric Tons.

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1514(H). SHRI DHARMENDRA YADAV:  
SHRI VINAYAK BHAURAO RAUT:  
SHRI ADHALRAO PATIL SHIVAJIRAO:  
SHRI ANANDRAO ADSUL:  
DR. SHRIKANT EKNATH SHINDE:  
DR. PRITAM GOPINATH MUNDE:  
SHRI SHRIRANG APPA BARNE: 

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

(a) whether the Indian Paper Manufacturers Association (IPMA) on behalf of M/s BILT Graphics Paper Products Ltd. has filed an application before the Directorate General of Anti-Dumping & Allied Duties (DGAD) to initiate anti-dumping investigation concerning imports of ‘coated paper’ originating in or exported from China, the European Union (EU), the United States of America (USA), Indonesia and Korea;
(b) if so, the details thereof;
(c) whether the Government has initiated at least two anti-dumping investigations concerning import of paper originating in countries such as Indonesia, Thailand, Singapore, China, the EU and the USA for second anti-dumping probe on paper imports;
(d) if so, the details and the outcome thereof; and
(e) the corrective action taken by the Government against the companies/ countries in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) to (e): An anti-dumping case has been initiated vide notification No. 06/42/2017-DGAD dated 23/01/2018 on the basis of an application filed by Indian Paper Manufacturers Association on behalf of M/s BILT Graphics Paper Products Ltd. against import of coated paper exported from/originating in China PR, European Union and USA. In addition to above case, another anti-dumping case has also been initiated vide notification No. 06/32/2017-DGAD dated 02/11/2017 against import of uncoated paper exported from/originating in Indonesia, Thailand and Singapore.
Directorate General of Anti-Dumping and Allied Duties (DGAD) conducts anti-dumping investigations on the basis of a duly substantiated application filed by the domestic industry alleging dumping of goods into the country causing injury to the domestic industry. The basic intent of the anti-dumping measures is to eliminate injury caused to the domestic industry by the unfair trade practices of dumping and to create a level playing field for the domestic industry.

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1517. SHRI M.B. RAJESH:

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

(a) whether the Government has set any export target for 2025;
(b) if so, the details thereof along with the current and the required rate of growth of exports;
(c) whether India has started losing out traditional labour intensive exports and if so, the details thereof and the reasons therefor; and
(d) the details of the strategy proposed to be adopted by the Government to achieve the said export target?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) and (b) International Trade including exports depend upon a multitude of international and domestic factors such as international demand, exchange rates, commodity prices, competitiveness of domestic industry, etc. Therefore, it is difficult to arrive at a realistic target for exports. In the Foreign Trade Policy 2015-20 announced in April 2015, it was indicated that the Government would aim to increase India’s export of merchandise and services from US$ 465.9 billion in 2013-14 to approximately US$ 900 billion by 2019-20 and to raise India’s share in world exports (Goods and Services) from 2% to 3.5%. However, due to shrinkage in global demand and lower commodity prices, there has been a decline in growth of export since 2015-16. But exports have started showing positive trend from the second half of 2016-17. The details of current rate of growth of exports for the period April-November 2017 and during the last three years are as follows:
## India’s exports

<table>
<thead>
<tr>
<th></th>
<th>Export Growth</th>
<th>Total Exports</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Merchandise</td>
<td>Services</td>
<td></td>
</tr>
<tr>
<td>2013-14</td>
<td>314.41</td>
<td>151.80</td>
<td>466.21</td>
</tr>
<tr>
<td>2014-15</td>
<td>310.34</td>
<td>158.10</td>
<td>468.44</td>
</tr>
<tr>
<td>2015-16</td>
<td>262.29</td>
<td>155.14</td>
<td>417.43</td>
</tr>
<tr>
<td>2016-17</td>
<td>275.85</td>
<td>160.68</td>
<td>436.53</td>
</tr>
<tr>
<td>2016-17 (Apr-Nov)</td>
<td>175.41</td>
<td>106.07</td>
<td>281.48</td>
</tr>
<tr>
<td>2017-18 (Apr- Nov)*</td>
<td>194.75</td>
<td>109.88</td>
<td>304.62</td>
</tr>
</tbody>
</table>

*Source: DGCI&S*

With world trade expected to grow at 4.2% and 4% in 2017 and 2018 respectively, the prospects for exports in this and coming year look bright.

(c) Export Growth in 2016-17 was fairly broad based except textiles and allied products and leather and products thereof. In 2017-18 (April-December), the merchandise export growth has picked up further to 11.31%. Among the major sectors, engineering goods, petroleum crude and products showed fair growth; chemical and related products, textiles and allied products showed moderate growth; but gems and jewellery registered negative growth. While there has been slight decline in growth of exports in some of the labour intensive sectors, namely, leather and textiles during the last three years, the sectors like agriculture and sports goods have shown some positive growth during the same period. One of the reasons for decline is that some of India’s competitive countries enjoy competitive advantages in terms of lower tariff in these sectors.

(d) In order to promote exports, while on one hand Government is improving trade related infrastructure and ease of doing business in the country including trading across borders, it is also implementing a number of export promotion schemes including Advanced Authorisation, Export Promotion Capital Goods, Merchandise Exports From India Scheme (MEIS), Services Exports From India Scheme (SEIS), Interest Equalisation Scheme, Duty Drawback Scheme, Market Access Initiatives Scheme (MAIS), etc. to mitigate the disadvantages faced by exporters due to higher cost of capital, insufficient infrastructure and high logistics costs. During the time of Mid Term Review of Foreign Trade Policy (FTP) 2015-20 in December 2017, additional annual incentives of Rs 2,743 Cr for Ready-made garments and made-up sector, Rs 4,567 Cr for other labour intensive and MSME sectors have been provided under the Merchandise Exports from India Scheme (MEIS).
SPECIAL ECONOMIC ZONES

1530. SHRI BHOLA SINGH:
    PROF. PREM SINGH CHANDUMAJRA:
    SHRI KUNDARIYA MOHAN Bhai KALYANJI Bhai:
    SHRI HARISHCHANDRA CHAVAN:
    SHRI K.C. VENUGOPAL:
    SHRI MULLAPPALLY RAMACHANDRAN:
    SHRIMATI RAMA DEVI:

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

(a) the details of the Special Economic Zones (SEZs) in various States/UTs of the country, State/UT-wise along with the share of SEZs in total export from the country during the last three years;
(b) whether the Government has set up any SEZ exclusively for Micro, Small and Medium Enterprises (MSMEs) products in Uttar Pradesh, Punjab and Gujarat and if so, the details and the locations thereof;
(c) whether the Government has any proposal/request for setting up of new SEZs for MSMEs in these States and if so, the details thereof;
(d) whether the SEZs have benefited from ‘SEZ India’ mobile app and if so, the details thereof and the extent to which success has been achieved by SEZs in increasing export from the said mobile app along with the reaction of the Government in this regard; and
(e) whether the Government appointed Panel for this purpose, has suggested any change in the SEZ rules and if so, the details thereof along with the decision, if any, taken by the Government in this regard?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(Shri C. R. CHAUDHARY)

(a): In addition to Seven Central Government Special Economic Zones (SEZs) and 11 State/Private Sector SEZs set-up prior to the enactment of the SEZs Act, 2005, approvals have been accorded to 423 proposals for setting up of SEZs in the country. Presently, out of 375 notified SEZs a total of 221 SEZs are operational. States/UTs-wise details of SEZs is at Annexure-I. The export data of country vis-à-vis SEZs during the last three years is as under:
<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Total exports of the Country (INR-Crs)</th>
<th>Total export of the SEZs (INR-Crs)</th>
<th>% share of the SEZs exports in the total export of the country</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-2016</td>
<td>2746636</td>
<td>467337</td>
<td>17.01</td>
</tr>
<tr>
<td>2016-2017</td>
<td>2930041</td>
<td>523637</td>
<td>17.87</td>
</tr>
<tr>
<td>2017-2018 (as on 30.09.2017)</td>
<td>1021714</td>
<td>266773</td>
<td>26.11</td>
</tr>
</tbody>
</table>

(b) and (c): No Madam. Setting up of SEZs is private investment driven.

(d): A Mobile app named “SEZ India” has been launched on 06.01.2017 by the Department of Commerce. App is intended for ease of checking status of the transaction and quick reference to important information. The total exports from SEZs as on 30th September, 2017 i.e. in the second quarter of the current financial year 2017-18, has been to the tune of Rs. 2,66,773 crore approximately, registering a growth of 13.09% over the exports of corresponding period of the previous financial year.

(e): Yes Madam. A Committee was constituted by the Government for review of SEZs Rules, 2006. The Committee has submitted its recommendations and decision has not been taken on the same.

*****
### State-wise distribution of SEZs

(As on 26.02.2018)

<table>
<thead>
<tr>
<th>States/UTs</th>
<th>Central Government SEZs set up prior to the enactment of SEZs Act, 2005</th>
<th>State Government/Private Sector SEZs set up prior to the enactment of SEZs Act, 2005</th>
<th>Formal Approvals granted under the SEZs Act, 2005</th>
<th>Total SEZs (Including prior to SEZs Act + under the SEZs Act)</th>
<th>Notified SEZs under the SEZ Act, 2005</th>
<th>Total Notified SEZs (Including prior to SEZs Act + under the SEZs Act)</th>
<th>Total Operational SEZs (Including prior to SEZs Act + under the SEZs Act)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>1</td>
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<td>30</td>
<td>31</td>
<td>25</td>
<td>26</td>
<td>19</td>
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<tr>
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<td>0</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
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<tr>
<td>Chhattisgarh</td>
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<td>0</td>
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<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
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<td>Goa</td>
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<td>7</td>
<td>7</td>
<td>3</td>
<td>3</td>
<td>0</td>
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<tr>
<td>Gujarat</td>
<td>1</td>
<td>2</td>
<td>28</td>
<td>31</td>
<td>24</td>
<td>27</td>
<td>19</td>
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<td>Haryana</td>
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<td>Jharkhand</td>
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<td>Karnataka</td>
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<td>11</td>
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<td>Maharashtra</td>
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<td>Tamil Nadu</td>
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<td>55</td>
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<tr>
<td>Telangana</td>
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<td>64</td>
<td>64</td>
<td>58</td>
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<td>30</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
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<td>1</td>
<td>24</td>
<td>26</td>
<td>21</td>
<td>23</td>
<td>12</td>
</tr>
<tr>
<td>West Bengal</td>
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<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>7</strong></td>
<td><strong>11</strong></td>
<td><strong>423</strong></td>
<td><strong>441</strong></td>
<td><strong>357</strong></td>
<td><strong>375</strong></td>
<td><strong>221</strong></td>
</tr>
</tbody>
</table>

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REDUCTION IN LOGISTIC COST

1531. SHRIMATI KAVITHA KALVAKUNTLA:

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

(a) whether the Government has decided to reduce the logistics cost in the country from the present 14 percent of GDP to less than 10 percent by 2022;
(b) if so, the details thereof;
(c) whether the Government has signed an MoU with the Confederation of Indian Industry (CII) for achieving this target; and
(d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) & (b): Reduction of logistics cost is a continuous and ongoing effort by all stakeholders including Government Departments & Organisations.

(c) & (d): MoU with CII was signed on 16th January, 2018. The MoU is for setting up institutional mechanism for Department of Commerce to interact with various stakeholders in logistics sector.

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ASIDE SCHEME

1552(H). SHRI NAND KUMAR SINGH CHOUHAN:

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

(a) whether the ASIDE scheme has been stopped by the Government;
(b) if so, the details of the Central assistance to be provided to the under construction projects out of the projects sanctioned under the said scheme in the country including Madhya Pradesh, Statewise; and
(c) the time by which the said amount is likely to be sanctioned, State-wise?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a): Yes, Madam.
(b): The Assistance to States for Development of Export Infrastructure and Allied Activities (ASIDE) Scheme was delinked from the Central support w.e.f. BE 2015-16 as Union tax devolution to States was enhanced from 32% to 42% as per the recommendations of 14th Finance Commission. Consequently, all the State Govts. including Madhya Pradesh were requested to complete their ongoing projects by allocating funds from their enhanced devolution of union taxes to the States.

(c): Does not arise in view of above.

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1554. SHRI RAJIV PRATAP RUDY:

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

(a) whether the Government has identified the products from Bihar which are having export potential;
(b) if so, the details thereof;
(c) the details of major products from Bihar that are being exported and the total earnings made as a result thereof during the last three years and the current year so far; and
(d) the measures taken by the Government to boost the exports from Bihar in particular and India in general along with strengthening of the exports infrastructure in the State?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) & (b): Madam. The State Government of Bihar has been urged to prepare an export strategy duly identifying the products/services having export potential from the State. The Department has sanctioned financial assistance to support the State Government in preparation of their export strategy.

(c) : The export of major commodities from Bihar during the last three years and current year (upto December 2017) as per Director General of Commercial Intelligence and Statistics (DGCIS) data is annexed.

(d) : The measures taken by the Government of India for boosting exports are under the framework of the Merchandise Exports from India Scheme (MEIS), which was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015 with the objective to offset infrastructural inefficiencies and associated costs involved in exporting goods/products which are produced/manufactured in India and boost exports of such goods/products. The Scheme incentivizes exporters in terms of Duty Credit Scrips at the rate 2, 3, 4, 5 and 7% of Free on Board (FOB) value of exports realized. These scrips are transferable and can be used to pay certain Central Duties/taxes including customs duties. The Scheme covers exports under 7950 tariff lines at 8 digits level to all countries. The benefits under MEIS are granted based on HS
Codes only (except a few items) and the process of grant of MEIS benefits has been simplified recently thereby reducing the transaction cost of the exporter community. At the midterm review of Foreign Trade Policy, the rates for MEIS were enhanced for key labour intensive sectors such as ready-made garments, made-ups, leather items, handloom and handicraft items, sports goods and Agricultural items, carpets etc.

Similarly, under Service Exports from India Scheme (SEIS) of the Foreign Trade Policy 2015-20, there are rewards on Net foreign exchange earnings, to service providers of notified services who are providing service from India to the rest of the World, in the form of Duty Credit scrips which are transferable and can be used to pay certain Central Duties/taxes including customs duties. In the Mid-term review of the FTP, the rates for all these services have been further increased by 2% with an additional annual incentive of approximately Rs 1,140 Cr.

Government has also launched a new scheme Trade Infrastructure for Export Scheme (TIES) w.e.f. F.Y. 2017-18 with the objective to provide financial assistance for creation of export infrastructure in the states.
Export of major commodities from Bihar during last three years and current year (upto December 2017)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PETROLEUM PRODUCTS</td>
<td>743131433</td>
<td>335730717</td>
<td>552881830</td>
<td>601420624</td>
</tr>
<tr>
<td>RICE (OTHER THAN BASMATI)</td>
<td>80966205</td>
<td>48720259</td>
<td>55471638</td>
<td>39311894</td>
</tr>
<tr>
<td>DRUG FORMULATIONS, BIOLOGICALS</td>
<td>35033404</td>
<td>30380410</td>
<td>43700444</td>
<td>37991516</td>
</tr>
<tr>
<td>BUFFALO MEAT</td>
<td>26671679</td>
<td>42951618</td>
<td>63829673</td>
<td></td>
</tr>
<tr>
<td>OTHER CEREALS</td>
<td>68396352</td>
<td>35989167</td>
<td>42509388</td>
<td>54094675</td>
</tr>
<tr>
<td>WHEAT</td>
<td>11748947</td>
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<td>FRESH VEGETABLES</td>
<td>19265569</td>
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<td>4127135</td>
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<tr>
<td>Others</td>
<td>2493032</td>
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<td>COSMETICS AND TOILETRIES</td>
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<td>3780690</td>
<td>2579261</td>
</tr>
<tr>
<td>PAPER, PAPER BOARD AND PRODUCT</td>
<td>1737784</td>
<td>1733286</td>
<td>3726492</td>
<td>2976579</td>
</tr>
<tr>
<td>PROCESSED FRUITS AND JUICES</td>
<td>4108900</td>
<td>2941246</td>
<td>3290073</td>
<td>3129319</td>
</tr>
<tr>
<td>OIL MEALS</td>
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<tr>
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<td>6072533</td>
<td>2658286</td>
<td>2458788</td>
<td>2241057</td>
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<tr>
<td>DAIRY PRODUCTS</td>
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<td>3042340</td>
</tr>
<tr>
<td>CMNT, CLINKR AND ASBESTOS CMNT</td>
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<td>1706774</td>
<td>1052421</td>
</tr>
<tr>
<td>INDL. MACHNRY FOR DAIRY ETC</td>
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<td>560882</td>
<td>1662819</td>
<td>2504229</td>
</tr>
<tr>
<td>OTHER CONSTRUCTION MACHINERY</td>
<td>1586482</td>
<td>1775859</td>
<td>1477850</td>
<td>1220117</td>
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<td>COTTON FABRICS, MADEUPS ETC.</td>
<td>4568162</td>
<td>2006215</td>
<td>1328841</td>
<td>1277546</td>
</tr>
</tbody>
</table>

* Source Director General of Commercial Intelligence and Statistics (DGCIS)

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TRADE RELATIONS WITH BANGLADESH AND MYANMAR

1564. KUNWAR BHARATENDRA:
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) the details of India’s trade relations with Bangladesh and Myanmar;
(b) the quantum of India’s trade with these countries during the last three years; and
(c) the number of approved and functional inland container depots and land customs stations at India-
Bangladesh and India-Myanmar border areas?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(Shri C. R. Chaudhary)

(a) and (b): India’s trade relations with Bangladesh are governed by the Trade Agreement between India and Bangladesh, last renewed in June 2015, which is a facilitative mechanism for expansion of bilateral trade and economic cooperation but does not prescribe any preferential tariffs for the import of products between the two countries. The preferential trade between India and Bangladesh is governed by relevant multilateral trade agreements which, inter-alia include Agreement on SAARC Preferential Trading Arrangement (SAPTA), Agreement on South Asian Free Trade Area (SAFTA), Asia Pacific Trade Agreement (APTA) etc.

There is no bilateral trade agreement between India and Myanmar. The bilateral trade relations are governed by India-ASEAN multilateral trade agreements viz India-ASEAN Trade in Goods Agreement, India-ASEAN Trade in Services Agreement and India-ASEAN Agreement on Investment.

The value of India’s trade (exports and imports) with Bangladesh and Myanmar from 2014-15 to 2016-2017 and for the current year i.e. 2017-18, as available upto November, 2017, is given below:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Exports</td>
<td>Imports</td>
<td>Exports</td>
<td>Imports</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>6,451.47</td>
<td>621.37</td>
<td>6,034.94</td>
<td>727.15</td>
</tr>
<tr>
<td>Myanmar</td>
<td>773.24</td>
<td>1,231.54</td>
<td>1,070.65</td>
<td>984.27</td>
</tr>
</tbody>
</table>

Data Source: DGCIS
(c) There are 57 Land Custom Stations along the India-Bangladesh border. Out of these, regular trade takes place through 37 Land Custom Stations.

There are 3 Land Custom Stations on the India-Myanmar border, out of which regular trade takes place through 2 Land Custom Stations.

There are no Inland Container Depots along the India-Bangladesh and India-Myanmar border.
LOK SABHA
UNSTARRED QUESTION NO.1575
TO BE ANSWERED ON 05th MARCH,2018

PREMIUM TAG FOR COFFEE GROWN BY TRIBALS

1575.  SHRI J.C. DIVAKAR REDDY:
SHRIMATI KOTHAPALLI GEETHA
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) whether the Government proposes premium tag for coffee grown by tribals in the country including Araku Coffee in Andhra Pradesh and if so, the details thereof along with the steps taken/being taken in this regard;

(b) whether the Government proposes upwards of coffee per kg an acre for planters and if so, the details thereof and the steps being taken in this regard;

(c) whether Araku tribal coffee from Visakhapatnam is now sold at premium stores in Paris and other parts of the world and if so, the details thereof along with the steps being taken to give more publicity to Araku coffee in the country and abroad also; and

(d) whether the Coffee Board has signed an MoU with the Social Welfare Departments and with others for promoting/selling Araku coffee to catch the demand and supply to increase its sale and if so, the details thereof along with the results yielded so far?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) The Coffee Board has applied for registration of Araku coffee under the Geographical Indications to protect the unique identity of the coffee grown by tribal growers of Araku Valley region.

(b) The Central Government, through Coffee Board, is promoting production by implementing “Integrated Coffee Development Project”. The scheme, inter alia, includes extending financial support for replantation/expansion, creation of water harvesting and irrigation infrastructures and mechanization of coffee estate operations. In the non-traditional areas financial support is extended for consolidation of existing coffee plantations through gap filling, application of compost etc. Technical assistance is also provided by organising capacity building programmes, field demonstrations etc.

(c) Arabica coffee from Araku Valley area has gained popularity as a high quality specialty coffee internationally. The Coffee Board has developed exclusive logos for coffee grown in the country based on their geographic distinctiveness, including Araku Valley. Besides, the Coffee Board encourages the coffee growers to participate in the "Flavour of India- The Fine Cup Award" competition organized by Coffee Board every year.
(d) The Coffee Board has not signed an MoU with the Social Welfare Departments and with others for promoting/selling Araku coffee. However, the Coffee Board is facilitating collective marketing of Araku coffee by providing incentives @ Rs.10 per kg for the SHGs/grower collectives.
1582. PROF. SAUGATA ROY

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

(a) whether the tea industry in the country is facing low production due to climate changes;
(b) if so, the details thereof;
(c) whether the Government has taken or proposes to take any steps to help the tea growers who are suffering the low output due to climate changes; and
(d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI C. R. CHAUDHARY)

(a) to (d): No, Madam. In fact, the overall production of tea in the country has increased in the last five years from 1135.07 M.Kgs. in 2012-13 to 1250.49 M.Kgs. in 2016-17. However, to mitigate the negative effects of climate change, financial assistance is being extended by the Tea Board for setting up irrigation systems. The Pradhan Mantri Krishi SinchayeeYojana (PMKSY) has also been extended to small tea growers in the country.
1600. SHRI RAJENDRA AGRAWAL:

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

(a) whether the export of gems and jewellery shrank during the last year and the current year;
(b) if so, the details thereof and the reasons therefor;
(c) the steps taken by the Government in this regard;
(d) whether the gems and jewellery sector is also facing several issues related to the compliance of GST; and
(e) if so, the details thereof and the steps taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) & (b) As per DGIC&S data, the gems and jewellery export has increased by 10.51% during last year (2016-17) to USD 43.41 Billion as compared to USD 39.28 Billion in 2015-16. However, during the current year (upto December 2017), gems and jewellery export was USD 31.24 Billion showing a decline by 3.25% over the corresponding period last year. The slow demand in consuming market such as USA and Europe and slowdown in the industry are main reason for decline for a short period in gems and jewellery export during the current year.

(c) With a view to promote the Gems and Jewellery sector, Government has taken a number of steps such as setting up of Common Facility Centres for gems and jewellery sector; amendment of wastage and value addition norms for gems and jewellery items; and providing financial assistance for participation in international fairs, organizing buyer-seller meets, creation of export related infrastructure, etc. under various schemes of the Department of Commerce.
(d) & (e) The gems and jewellery sector, which primarily comprises of the unorganized and smaller segments, is gearing up for successful transition from the traditional documentation to new statutory forms and procedures under GST. The representations made by Gem & Jewellery Export Promotion Council (GJEPC) for changes in GST to give relief to the sector has been taken up with Ministry of Finance and the same has been addressed by the GST Council, such as reduction in GST rate on job work, treating industrial rough diamond at par with non-industrial rough diamond, exempting nominated agencies/banks from payment of IGST on import of gold and reduction in GST rate of cut and polished diamonds, coloured gemstones and synthetic stones from 3% to 0.25%.
LOK SABHA
UNSTARRED QUESTION NO. 1606
TO BE ANSWERED ON 05th MARCH, 2018

IMPORT OF AGARBATTIS

1606. SHRI PRAHLAD SINGH PATEL:
Will the Minister of COMMERCE & INDUSTRY (वाणिज्य एवं उद्योग मंत्री) be pleased to state:
(a) the details of raw agarbattis imported by India in the last three years along with the duty slapped thereon during the said period; and
(b) the details of total revenue generated by import of raw agarbattis in the last three years?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) to (b) India’s import under HS code 33074100 [Agarbatti and other odoriferous preparations which operate by burning], Customs Duty levied thereon and revenue generated during the last three years are as under:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>Qty [Ton]</th>
<th>Val [Rs. in crore]</th>
<th>Customs basic duty (MFN Rate)</th>
<th>Revenue generated under Exim code 3307 (Rs. in Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>61865</td>
<td>384.92</td>
<td>10%</td>
<td>24.82</td>
</tr>
<tr>
<td>2015-16</td>
<td>86931</td>
<td>440.82</td>
<td>10%</td>
<td>28.53</td>
</tr>
<tr>
<td>2016-17</td>
<td>113156</td>
<td>496.90</td>
<td>10%</td>
<td>31.82</td>
</tr>
</tbody>
</table>

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