

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:3623

ANSWERED ON:21.12.2015

Meeting of Exporters

Rajendran Shri S.

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

- a) whether the Government has held any meeting with the exporters to discuss various trade-related issues;
- b) if so, the details thereof along with the issues discussed therein;
- c) whether the Federation of Indian Export Organisation (FIEO) has raised any issue relating to the increased transactions cost for exporters and if so, the details thereof; and
- d) whether the Government has given any assurance to FIEO in this regard and if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)

(SMT. NIRMALA SITHARAMAN)

(a) & (b) Government regularly consults exporters on trade related issues. Before the announcement of Foreign Trade Policy 2015-20, government convened 41 meetings with the Organizations representing exporters from all sectors. Government also regularly engages with exporters through the open house meetings organized by Trade Organizations.

(c) Federation of Indian Export Organizations (FIEO) on Oct 7, 2015 raised transactions cost related issues. Major issues raised were: High cost of credit, need for upward revision of the rates under the Merchandise Exports from India Scheme (MEIS), delay in refunds of Service Tax/Central Excise Rebate claims, exempted from Service Tax etc.

(d) Government informed FIEO of its commitment to bring down the transactions cost of undertaking exports. Government has introduced the following measures to bring down the transactions/ other cost:

- i) Introduction of the Interest Equalisation Scheme with effect from 1.4.2015- This will reduce the interest burden of all MSME and other eligible exporters,
- ii) Consolidation of merchandise exports incentive schemes- Number of schemes has been reduced from 6 in the earlier Foreign Trade Policy to just one. The new scheme is known as the Merchandise Exports from India Scheme (MEIS).
- iii) Increase in rates and country coverage of important products under the Merchandise Exports from India Scheme (MEIS) has been done on 29.10.2015
- iv) Reduction in the number of mandatory documents to 3 each for export and import. Earlier 7 documents were required for exports and 10 for imports.
- v) Expansion of the facility of online filing of export application/payment of fees at the Directorate General of Foreign Trade.
- vi) Extension of 24x7 Customs Clearance facility for export and imports to cover 18 sea ports and 17 air cargo complexes for specified cargo.
- vii) Online message exchange facility for issuance of no objection certificates has been established between Customs [JNPT (Nhava Sheva), ICD, Tughlakabad and ICD, Patparganj] and the Food Safety and Standards Authority of India (FSSAI) and the Department of Plant Protection, Quarantine and Storage (PQIS). This will help in faster clearance of goods.
