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

LOK SABHA STARRED QUESTION NO. 102 TO BE ANSWERED ON 11th FEBRUARY, 2019

PROMOTION OF EXPORTS

*102. SHRI SATAV RAJEEV: SHRIMATI SUPRIYA SULE:

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

- (a) whether the Government has any scheme to assist the States in promotion of exports and if so, the details thereof;
- (b) the details of total funds allocated to various States for export promotion, sector and State-wise during each of the last three years and the current year along with the steps taken by the Government to engage the States in export promotion;
- (c) the measures taken by the Government to improve the logistic constraints to achieve the export target of the country;
- (d) whether the Government has also made provisions for tax rebate for promotion of exports and if so, the details thereof; and
- (e) the value of rebate provided during the last three years along with the role of the said rebate in increasing the exports and the monitoring system in place to ensure proper utilisation of the said rebate?

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.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO. 102 FOR ANSWER ON 11th FEBRUARY, 2019 REGARDING "PROMOTION OF EXPORTS".

(a) & (b) The Government of India has recently launched a scheme namely 'Trade Infrastructure for Export Scheme (TIES)' w.e.f. FY 2017-18 with the objective to assist Central and State Government agencies in creation of appropriate infrastructure for growth of exports from the States. The scheme provides financial assistance to Central/State Government owned agencies (or their Joint Ventures with major stakeholding by them) for setting up or up-grading export infrastructure, subject to the project being compliant of the scheme guidelines. The scheme guidelines are available at https://commerce.gov.in.The Scheme can be availed by the States through their agencies, for export infrastructure projects with overwhelming export linkages like the Border Haats, Land customs stations, quality testing and certification labs, cold chains, trade promotion centres, dry ports, export warehousing and packaging, SEZs and ports/airports cargo terminuses.

Under the TIES Scheme, so far in total 24 export infrastructure projects have been provided financial assistance during FY 2017-18 and 2018-19. The state-wise and Year-wise details of projects, located in various States/UTs, is given at **Annexure-I & II.**

Also with the objective to engage with the State Governments on measures for promoting exports and create a trade enabling environment in the State, a Council for Trade Development and Promotion has been constituted under the chairmanship of the Union Commerce and Industry Minister, in which the Trade & Commerce Ministers of all the states are members. Regular annual meetings of the Council have been conducted to enable the States to articulate their views on the Foreign Trade Policy.

- (c) Improving logistics is an ongoing and continuous process. The Government reviews and removes the bottlenecks to make the logistics more efficient. Some of the recent measures taken have been:
 - (i) In May, 2018, the Ministry of Shipping lifted restriction on foreign registered vessels for transportation of loaded or empty containers between Indian ports. This can lead to increase in container trade volumes in the country.
 - (ii) Implementation of 'Sagar Mala' and 'Bharat Mala' programmes are also expected to bring down logistics cost and improve export competitiveness.
 - (iii) Further cold chains, multi-modal logistics parks etc. have been included in the Harmonized Master List of Infrastructure sub-sectors' and has been granted infrastructure status in November 2017. This would enable the sector to avail infrastructure lending at terms with enhanced limits, access larger volume of funds as External Commercial Borrowings (ECB) and access longer tenure funds from insurance companies.

(d) & (e): Yes Madam, provisions have been made under the Central Excise Act 1944 and rules made there under to provide rebate to exporters. To ensure that the provisions for the rebate are not misused, suitable safeguards have been built in the law. The purpose of rebate of duty to exporters is to make our exports zero rated and therefore the exports become more competitive in the international markets.

The value of rebate during the last three years is given below.

SI No	Year	Rebate of duty sanctioned (Rs. in Lakhs)
1	2015-16	24,39,441
2	2016-17	21,28,806
3	2017-18	16,54,488

Source: CBIC, Department of Revenue.

Project approved under TIES during FY 2017-18

(in Rs. Crore)

No.	State	Name of Agency	Name of Project	Total Project Cost	TIES fund approved	Amount released
1.	Karnataka	Karnataka Fisheries Development Corporation (KFDC), Govt. of Karnataka	Modernization of infrastructure facility for Marine Exports at Tadadi, Kumta Taluk, Uttara Kannada District, Karnataka	13.34	5.00	2.00
2.		Visvesvaraya Trade Promotion Centre (VTPC), Bengaluru, Govt. of Karnataka	Establishment of 'Coastal Cashew Research & Development Foundation, Kumta", District Uttara Kannada, Karnataka	9.55	3.31	1.00
3.		Coffee Board	Establishment of 'Laboratory Infrastructure for Coffee Quality & Export Certification, Bangalore, Karnataka	11.40	5.70	2.85
			TOTAL (Karnataka)			5.85
4.	Kerala	Cochin SEZ	Construction of SDF Building at Cochin SEZ, Kerala	61.63	20.00	6.50
			TOTAL (Kerala)			6.50
5.	Manipur	Airport Authority of India (AAI)	Establishment of Integrated Cargo Terminal (ICT) at Imphal International Airport, Imphal, Manipur	16.20	11.92	6.00
			TOTAL (Manipur)			6.00
6.	Andhra Pradesh	Andhra Pradesh Med tech Zone Ltd (AMTZ)	Common Scientific Facilities in AMTZ, Andhra Pradesh	168.87	40.00	4.00
7.		Export Inspection Council	Construction of office cum laboratory complex of Export Inspection Agency at Vishakapatnam, AndhraPradesh	16.52	8.15	4.15
<u> </u>			TOTAL (Andhra Pradesh)			8.15
8.	Tamil Nadu	HLL Medipark Ltd.	Setting up of EMI/EMC Lab for Medical Technology at Chengalpattu, Tamil Nadu	21.07	9.56	4.78
9.		Tamilnadu Trade Promotion Organisation (TNTPO)	Expansion of Chennai Trade Centre, Tamil Nadu	288.16	20.00	10.00
			TOTAL (Tamil Nadu)			14.78
10.(i)	Madhya	M.P. State Tourism	'Establishment of Trade	49.39	17.67	9.00

		of M.P	Madhya Pradesh			(2 nd instal)
11.		M.P. Audyogik Kendra Vikas Nigam (Indore), Limited	establishment of Cold Chain at Pithampur, SEZ Phase II, Madhya Pradesh	32.16	16.08	8.04.
			TOTAL (Madhya Pradesh)			25.71
12.	Uttar Pradesh	Noida SEZ Authority	Establishment of Solid Waste Management System at Noida SEZ, Uttar Pradesh	4.25	2.13	1.07
			TOTAL (Uttar Pradesh)			1.07
13	Maharashtra	Export Inspection Council	Establishment the facility for analysis of origin and authenticity of various food products, Mumbai	8.10	3.04	1.52
			TOTAL (Maharashtra)			1.52
14.	Tripura	Tripura Industrial Development Corporation Ltd.	Upgradation of Infrastructure at LCS Muhurighat, Belonia, South Tripura	16.85	12.29	6.15
			TOTAL (Tripura)			6.15
15.	West Bengal	Land Ports Authority of India	Development of Integrated Check Post Petrapole: Proposal for construction of additional truck parking', West Bengal	32.24	13.66	4.27 (1 st tranche of 1 st instalment)
			TOTAL (West Bengal)			4.27
TOTAL (FY 2017-18)					Rs. 80 Cr.	

Project approved under TIES during FY 2018-19 (as on 11.02.2019)

(Amt. in Rs. Crore)

S. No.	State/UT	Name of Agency	Name of Project	Total Project Cost	TIES fund approved	Amount released/ Sanctioned
1.	West Bengal	Land Ports Authority of India	Development of Integrated Check Post Petrapole: Proposal for construction of additional truck parking',West Bengal	32.24	13.66	2.56 (2 nd tranche of 1 st instalment)
			TOTAL (West Bengal)			2.56
2.	Andhra Pradesh	Andhra Pradesh Med tech Zone Ltd (AMTZ)	Common Scientific Facilities in AMTZ, Andhra Pradesh	168.87	40.00	9.0 (2 nd instalment) 9.0 (3 rd instalment)
			TOTAL (Andhra Pradesh)			18.00
3.	Tamil Nadu	Madras EPZ SEZ	Revamping of 1 MLD Sewerage Treatment Plant (STP) at Madras EPZ SEZ	2.81	1.25	0.63
4.		Madras EPZ SEZ	Construction of 2.5 MLD Sewerage Treatment Plant (STP) at Madras EPZ SEZ	11.63	5.17	2.59
5.		Council for Leather Exports	Upgradation of Ranitec CETP project, Tamil Nadu	17.73	4.43	4.43
6.		ARSTPS- CIPET	Common Facilities Centre for Design, Prototype & Tool Room for Automobile, Aerospace and Engineering Clusters', Chennai	32.00	16.00	8.00
			TOTAL (Tamil Nadu)			15.65
7.	Kerala	Cochin SEZ	Construction of SDF Building at Cochin SEZ, Kerala	61.63	20.00	6.50 (2 nd instal)
			TOTAL (Kerala)			6.50
8.	Delhi	CSIR-NPL	Production of Certified Reference Materials – Bharatiya Nirdeshak Dravya (BND), Delhi	32.55	16.27	8.00
			TOTAL (Delhi)			8.00
9.	Manipur	MANIDCO, Govt. of Manipur	Establishment of Main Exhibition Building (Phase II) at Trade cum Permanent Exhibition Centre, Imphal, Manipur	15.86	11.26	5.63
			TOTAL (Manipur)			5.63
10.	Rajasthan	Gems & Jewellery Export Promotion Council (GJEPC)	Establishing Advance Testing Facilities for Gemstones, Pearls and Diamonds in Jaipur	5.44	2.72	2.72
11.		RSIC, Govt. of Rajasthan	Upgradation/Modernization of Air Cargo Complex, Jaipur	0.6962	0.3481	0.3481
			TOTAL (Rajasthan)			3.0681
12.	Chandigarh	CHIAL, Chandigarh	Setting up of Centre for Perishable Cargo at Chandigarh International Airport	11.99	5.63	2.81

			TOTAL (Chandigarh)			2.81
13.	Karnataka	Coffee Board	Establishment of 'Laboratory Infrastructure for Coffee Quality & Export Certification, Bangalore, Karnataka	11.40	5.70	2.85 (2 nd instalment)
			TOTAL (Karnataka)			2.85
			PMA expenses			0.767
			TOTAL (FY 2018-19 till			Rs.
			date)			65.8351 cr.
