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CMAs' INDUSTRY BULLETIN

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
(Statutory body under an Act of Parliament)

Behind every successful business decision, there is always a CMA

MISSION STATEMENT

The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting.

VISION STATEMENT

The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally.

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MESSAGE

CMA Balwinder Singh
President
The Institute of Cost Accountants of India

Greetings!!!

This Bulletin is indeed an effort to make the members and other stakeholders aware of the recent development in various Industries and other business domains. This edition is covering latest developments taking place in Automobile Industry and Overview of Spices & Carpet Exports from India. It also includes article from Industry experts on 'Leveraging productivity improvement tools or Cost Optimisation', 'Strategical Strike by the Banks towards non-performing assets in India' and 'Challenges of Woman Entrepreneurship in India'. I hope the members and other stakeholders will be immensely benefited with this publication.

I am thankful to the Members in Industry Committee of the Institute for the efforts. I also acknowledge the contribution of resource persons who have contributed their valuable knowledge in this Bulletin.

My best wishes to Members in Industry Committee for its all future endeavours.

With warm regards,

CMA Balwinder Singh
President
The Institute of Cost Accountants of India

MESSAGE

CMA Biswarup Basu
Vice President &
Chairman, Members in Industry Committee
The Institute of Cost Accountants of India

Greetings!!!

I am glad to place before you this issue of "CMAs' Industry Bulletin". In this issue, we have incorporated statistical and analyzed information from the automobile sector. This sector is undergoing rapid developments that needs cognizance of our readers and members. The automotive industry is a term that covers a wide range of companies and organisations involved in the design, development, manufacture, marketing, and selling of motor vehicles, towed vehicles, motorcycles and mopeds. It is one of the world's most important economic sectors by revenue. As per reports, the automobile sales in India witnessed its sharpest decline in nearly 19 years last July, dropping 18.71 per cent, rendering almost 15,000 workers jobless over the past few months. In addition to the industry focus, we have also incorporated three valuable articles for the readers and export overview on Spices and Carpet Exports from India.

The e-bulletin would continue to publish high quality articles from industry experts, provide columns on industry focus and economy updates for our beloved readers. I thank our submitting authors who, through their valuable articles, are discussing significant and current matters of the industries. Thank you all for your effort and contribution as we work towards our goal together.

With Warm Regards

CMA Biswarup Basu
Vice President &
Chairman, Members in Industry Committee
The Institute of Cost Accountants of India

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LEVERAGING PRODUCTIVITY IMPROVEMENT TOOLS FOR COST OPTIMIZATION

CMA (Dr.) S K Gupta
MD & CEO
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Today, companies face the constant challenge of providing competitive products in a dynamic marketplace and are exposed to a relentless struggle to optimize their costs in an effort to become more attractive to their customers. In many cases there is ongoing pressure to deliver the same product or an enhanced version of the same product at a reduced cost progressively.

In today's increasingly competitive world, it is important to constantly improve, be it a manufacturing or service industry. **Quality with quantity** is a main characteristic which helps a company stay in the competition. The term productivity can be used to examine efficiency and effectiveness of any activity involved in a business. Productivity is the combination of intelligent planning and focused efforts. In a formal sense, productivity refers to how well an organization converts input (such as labor, materials, machines and capital) into goods and services or output. But today it is no longer limited to measuring ratios of inputs and outputs. Basically, increasing productivity just means working smarter.

The profitability of the industry is constantly in a state of flux. While many emerging markets continue to see dramatic increases in the demand for their products, the instability of inputs and operations costs can cause a great deal of variability in profits. It benefits companies to look for ways to increase their productivity and efficiency while optimizing costs. Being able to achieve this goal allows these companies to maintain their profitability in the VUCA (Volatile, uncertain, complex, Ambiguous) business scenario.

Tools for Improving Productivity and Optimizing Costs

A) Improve Business Processes via PDCA: Companies can drastically improve their overall business profile by reviewing their current business processes to find areas that can be redefined, improved or reorganized. By eliminating redundant, out-of-date or unnecessary business practices, companies can improve productivity. Continuous Improvement follows the quality cycle, called the Deming Cycle, or PDCA cycle, which comprises of 4 phases that the product or process needs to go through. They are as follows:

- **Plan** – In this phase an opportunity for change is identified and the planning is carried out to bring about this change within the system.
- **Do** – Once the planning is completed and verified, the plan is then executed for the change to be implemented within the system.
- **Check** – In this stage, data is collected and viewed to check the success of the change, which was implemented. The results are analyzed with a view to determine whether the change brought about was successful.
- **Act** – Once the change is determined to be successful, the plan is implemented on a much wider scale and continuous assessment takes place. Again, the check stage is followed after large-scale implementation.

B) Value Chain Analysis: Value chain analysis it involves examining the various processes in a company which translates its inputs into outputs. Through value chain analyses, companies can find ways to streamline processes and reduce the number of steps, time, effort or costs needed to complete a specific task in the chain.

C) Five-S: is a simple, yet powerful, Japanese tool that is used for the purpose of organizing a workplace in a very systematic, clean, and safe manner. This organizing enhances productivity, work standardization efforts, and helps in visual management. The 5S tool works methodically in 5 phases. These 5 phases are termed in Japanese and are transliterated in English to form 5 "S" terms. They are as follows:

- **Seiri– or, Sort**, is the first step of the 5S and involves sorting of the all the mess and clutter within the workplace while keeping only the important and extremely useful items within the work area.
- **5S Seiton– or, Straighten**, dictates the process of arranging the decluttered items in an efficient manner using the principles of ergonomics. This step ensures that every single item has its place and those items go back to their place after use
- **Seiso– or, Sweep**, is the step that involves a thorough cleaning of the work area, the tools, machines and equipment to be used in the manufacturing unit of the company.
- **Seiketsu – or, Standardize**, ensures that whatever work was performed in the first 3 steps is now standardized. Standardization is a key component within Lean Manufacturing, thus, this becomes a crucial phase
- **Shitsuke– or, Sustain**, is the final stage that ensures that the company keeps up to the standards adhered and conformed to. This stage involves housekeeping and auditing of the processes and tools and equipment continuously. It is during this stage that the 5S work routine becomes a culture.

D) Total Quality Management: This is a continuous quality program aimed at bringing about teamwork among departments and ensure a self-reliant workflow, outputting optimum quality of products. TQM promotes participative management and focuses on the customer needs and demands, accordingly aligning the process of production and timelines.

E) JIDOKA: Jidoka is a Toyota concept aimed at describing the man-machine interface such that people remain free to exercise judgment while machines serve their purpose. The jidoka system shows faith in the worker as a thinker and allows all workers the right to stop the line on which they are working. Jidoka is often referred to as 'automation with a human mind'. The jidoka way of working consists of following three principles- Do not make defects, Do not pass on defects, Do not accept defects.

F) HEIJUNKA: **Heijunka** focuses on achieving consistent levels of production. It is defined as distributing the production of different [body types] evenly over the course of a day. It incorporates the principles of line balancing by attempting to equate workloads, leveling demand out by creating an inventory buffer and replenishing that buffer. It focuses on providing even work load for all employees. Heijunka has the capability of reducing lead times by minimizing time losses due to frequent process changeovers.

G) KAIZEN Techniques: Kaizen (Continuous improvement) is a management supported employee driven process where, employees constantly make a number of continuous improvement efforts. Kai = Change, Zen = better.

- **Poka-Yoke:** It is a powerful and comprehensive method of "error proofing". It helps in defect prevention and defect detection. It is a mechanism in a lean manufacturing process that helps an equipment operator avoid (yokeru) mistakes (poka). It helps in eliminating product defects by preventing, correcting, or drawing attention to human errors as they occur
- **SMED:** Single Minute Exchange of Die (SMED) is a technique of performing a set up operation in lesser amount of time.It helps in reduced Work-in-progress, better average daily production, increased capacity and faster delivery to customers.
- **Total Productive maintenance (TPM):** TPM is keeping machines in good working condition through systematic maintenance of equipment so that they fail less frequently and production process continues without interruption.
- **Just-In-Time:** JIT is a management philosophy aimed at producing only what is needed, when it is needed and in needed quantity hence reducing waste of overproduction.
- **Kanban:** Kanban is a manual production scheduling technique controlled by a process or machine operator. Production is controlled through demand originating from external customer.
- **Process Oriented Management (POM):** Traditional management focuses mainly on results and individuals on their ultimate achievement. Kaizen management emphases on process of achieving the results. Managers in POM are judged by people centered skills as time management, education and training, inter-team participation, communication and morale boosting.
- **Visual management:** Visual management is the method of providing, in a clearly visible manner, to both workforce and management, information on the current status including target of the various operations performed as well as various work pieces found at the work place.
- **Work Standards:** Work standards represent the best way of doing a job and it consists of a set of documented policies, rules, directives and procedures established by the management for all major operations to enable employees to perform their jobs without errors and to enable management to minimize variations in output, quality, work-in-progress and cost. .
- **Statistical Process Control (SPC):** Statistical

Process Control is the application of statistical techniques to control a process and eliminate process variations due to assignable causes.

- **Suggestion Systems:** Suggestion Systems- the fundamental to the Kaizen philosophy is the process owned by employees which is designed to benefit the company, inviting employees to suggest / implement any idea, large or small, novel or mundane concerning any aspect of the company life.

H) Lean Six Sigma - DMAIC: Define, Measure, Analyze, Improve and Control was made popular by the Lean Six Sigma community, but stands on its own as a versatile and complete problem-solving roadmap.

- **Define** - The customer needs are stated and the processes and problems to be solved/improved are identified.
- **Measure** - Baselines and targets are set, boundaries are drawn and the measurement system is validated.
- **Analyze** - Data is examined to explore and prioritize possible solutions.
- **Improve** - Identifies the improvements to optimize the goals and eliminate/reduce defects
- **Control** - Documents, monitors, and assigns the accountability for sustaining the gains made by the process improvements.

I) Cost of Poor Quality (COPQ): Another way to determine where roadblocks may occur is to manage the Cost of Poor Quality. This is defined as the cost of NOT creating quality products or services. The cost of poor quality can be divided into four categories of costs, namely:

- **External Failure Cost–** Associated with product or service defects found by the customer, e.g. customer complaints, returned merchandise, warranty claims, recalls
- **Internal Failure Cost –** Associated with defects that are discovered before delivery to the customer, e.g. rework, scrap, product faults, re-inspection, re-testing
- **Inspection (appraisal) Cost –** Needed to determine the degree of conformance to quality requirements (measuring, evaluating or auditing), eg inspection, testing, audits.
- **Prevention Cost –** To reduce or eliminate poor quality by reducing the failure or inspection costs. It includes product reviews, quality planning, surveys of suppliers, work improvement teams, education and training.

J) Address the causes of waste: Companies that examine and address the various causes of waste can significantly improve their productivity. Taken from Toyota's lean methodologies, the 7 Wastes (or *Muda* in Japanese) can be represented by the acronym TIMWOOD, i.e.:

- **Transportation** – Increases risk of damage or loss, as well as unnecessary costs in time and resources;
- **Inventory** – Represents capital outlay that does not yield a direct value and may in fact incur lost opportunity cost;
- **Motion** – Wear and tear to products/equipment or injury to workers;
- **Waiting** – Time spent waiting is unproductive and wasteful;
- **Over-processing** – When too much engineering or features are needlessly introduced;
- **Over-production** – Excess material or products are being made; and
- **Defects** – Costs incurred in rework, rejects and rescheduling

K) Green Productivity: is one such way of utilizing the waste materials with a multi-dimensional, holistic strategy that aims at improving overall quality of life while leading development in a sustainable direction. In Green Productivity practices, the main objective is to identify ways to prevent pollution or waste at its source (increasing output and improving quality), as well as reduce the level of resource inputs through rationalization and optimization (decreasing input). GP practices and techniques do not require a new set of skills to be learned; rather, it is the application of productivity and management tools to a new set of priority.

Conclusion

Productivity is above all a state of mind-set. It is an attitude that seeks continuous improvement in the existing systems and processes. Productivity should not be viewed merely as a narrow technical concept. It is also a social concept. It is based on the belief that one can do things better today than yesterday and better tomorrow than today. Productivity, in a broad sense, is a measure of how efficiently and effectively resources are used as inputs to produce products and services needed by society. Productivity improvement means improvement in QCDMS: **Q=Quality** (Higher quality that meets or exceeds customer requirements. **C=Cost** (Lower Cost) **D=Delivery** (Timely delivery as desired by the customer) **M=Morale** (Boosting morale of all concerned) **S=Safety** (Improving the safety of every aspect of the product and process).

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STRATEGICAL STRIKE BY THE BANKS TOWARDS NON-PERFORMING ASSETS IN INDIA

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Banking sector plays an important role in the economic development of a country. In India Reserve Bank of India(RBI) Regulates all banks but the individual banks at the Boards own interest while approving loans side-lines the guidelines and put the rules in the sack and which results in huge Non-Performing Assets (NPA's) and later on puts the banks in the trouble which creates a negative impact on the mind of the stakeholders. The present study has been made to find out the amount of Non-Performing Assets (NPA's) of various banks written off in the country during the last five years, Strategies adopted by the banks and RBI guidelines to banks with regard to recovery of loans. RBI has to take bold steps towards the banks whose NPA are high .RBI have to dostrategical strike on the banks by putting new harsh guidelines and adopt new strategies to control plentiful and fulsome loans.

Introduction

The Banking Sector in India is a most governing sector of the financial system. Bank Supervisory agencies are responsible for monitoring the financial state of affairs of all the Banks and enforcing related legislation and regulatory policy, RBI, being the apex institution looks after the financial health and overall stability of the banking sector in India. A sizeable amount of Non-performing loans must exit before declaring a bank as bankrupt, and the Non-Performing Assets are considered as the main cause of economic stagnation The assessment is done by RBI based on various parameters in the recent year RBI had taken a bold steps towards the banks with regards to Non Performing assets because this NPA had made the life of the bank miserable. RBI have to do a strategicalstrike on the banks to bring the Banks on the right track and to set a precedents for further regulatory control and action for better financial environment.

Literature Review

Reddy (2006) Suggested that banks are not only reacting the new Basel regulations,but are also making changes in their strategies to reduce their credit risk.He studied the trend of NPA of public sector banks in India and the study revealed that the gross and net NPA's have gone down gradually and quality of portfolio of the PSB's has improved.

Kwan and Eisenbeis,(1996); Haslem (1968) Examined that there are two sets of factors that have bearing on the performance of Banks namely Internal and External Factors. Internal Factors emerge from Balance sheet and profit and loss account of the bank that are often termed a bankspecific determinants of profitability whereas external determinants are economic forces(inflation,interest rates etc.,) which condition the operations and performance of financial institutions.

Singh (2013) observed that the NPA's of public sector banks are increasing year by year. On the contrary,the NPA'S of private sector banks decrease year by year. the main reason for decreasing NPA's is credit appraisal process of private sector banks,which they have strengthened over the years.

Shingjergji (2013) examined the impact of macroeconomics variables such as GDP,Inflation rate,exchange rate and base interest rate on non performing loans.The study highlighted that the fast increase in non-performing loans not only increased vulnerability of banks to further shocks,but also limited their lending operations with broader repercussions for economic activity.

Mittal and suneja (2017) described that the size of NPA is the most important factors that measures the health of the banking industry.The study compares the performance of both public and private sector banks and shows that the magnitude of NPA's is more in public sector banks and the banks should take some control measures to increase their profitability and efficiency.

Objectives of the study:

- To find out the strategy Adopted by the RBI towards Non-Performing Assets of the Banks
- To know the amount of Non-Performing Assets (NPA's) of various banks written off in the country during the last five years.

Data and Methodology

Data of Scheduled Commercial Banks from 2014-15 to 2018-19 has been collected from the annual reports published by the banks and from RBI Report.

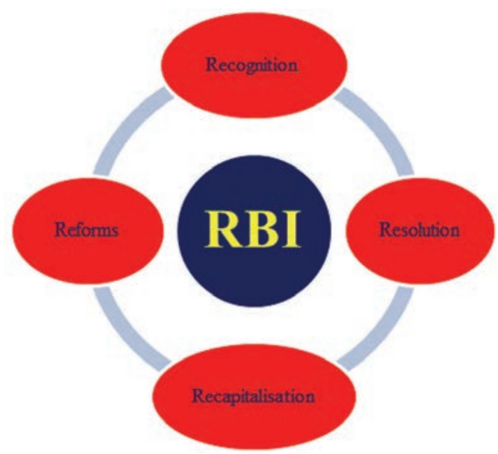
The present study is based on secondary data that has been collected from the annual reports and websitesof the respective banks, magazines,journals, documents and other published information.

Non-Performing Assets (NPAs) of various banks written off

As per data of the Reserve Bank of India (RBI), aggregate gross advances of Scheduled Commercial Banks (SCBs) in their global operations increased from Rs. 25,03,431 crore as on 31.3.2008 to Rs. 68,75,748 crore as on 31.3.2014. The primary reasons for the spurt in stressed assets have been observed to be, *inter-alia*,

- Aggressive lending practices,
- Willful default
- Loan frauds
- Corruption in some cases, and
- Economic slowdown.

Asset Quality Review (AQR) initiated in 2015 for clean and fully provisioned bank balance sheets revealed high incidence of Non Performing Assets (NPAs). As a result of AQR and subsequent transparent recognition by banks, stressed accounts were reclassified as NPAs and expected losses on stressed loans, not provided for earlier under flexibility given to restructured loans, were provided for. Further, all such schemes for restructuring stressed loans were withdrawn. Primarily as a result of transparent recognition of stressed assets as NPAs, gross NPAs of SCBs, as per RBI data on global operations, rose from Rs. 3,23,464crore as on 31.3.2015, to Rs. 10,36,187 crore as on 31.3.2018, and as a result of Government's 4R's strategy



By adopting the strategy ofRecognition, Resolution,Recapitalisation and Reforms, resulted in

Decline of Rs. 97,996 crore to Rs. 9,38,191 crore as on 30.6.2019.As per RBI guidelines and policy approved by bank Boards, non-performing loans, including, *inter-alia*, those in respect of which full provisioning has been made on completion of four years, are removed from the balance-sheet of the bank concerned by way of write-off. Banks evaluate/ consider the impact of write-offs as part of their regular exercise to clean up their balance-sheet, avail of tax benefit and optimise capital, in accordance with RBI guidelines and policy approved by their Boards. As borrowers of written-off loans continue to be liable for repayment and the process of recovery of dues from the borrower in written-off loan accounts continues, write-off does not benefit the borrower.

Table No. 1. Showing Bank-wise details of NPAs written-off by SCBs for the last five financial years are:

Amounts in crore Rs.

Bank	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
AB Bank Limited	-	-	-	-	9
Abu Dhabi Commercial Bank Pjsc	-	-	-	-	22
Allahabad Bank	2105	2097	2374	3578	3931
American Express Banking Corp.	47	82	106	101	
Andhra Bank	1124	814	1623	1666	2280
AU Small Finance Bank Limited				10	20
Australia and New Zealand Banking Group Limited	19	-	-	-	-
Axis Bank Limited	1210	3012	1710	8120	7164
Bandhan Bank Limited			31	51	277
Bank of America , National Association	13	-	-	11	-
Bank of Bahrain & Kuwait B.S.C.	18	37	5	58	0
Bank of Baroda	1014	1426	4281	4614	11725
Bank of Ceylon	-	-	0	-	-
Bank of India	802	2244	7265	8957	5601
Bank of Maharashtra	264	903	1374	2460	5127
Bank of Nova Scotia	-	30	101	160	26
Barclays Bank Plc	143	120	173	3	-
Canara Bank	1458	3271	5528	8299	13849
Catholic Syrian Bank Ltd.	111	142	139	9	301
Central Bank of India	1386	1334	2396	2924	10375
Citibank N.A	971	359	365	460	505
City Union Bank Limited	148	125	163	195	264
CooperatieveRabobank U.A.	-	-	-	206	80
Corporation Bank	779	2495	3574	8228	5989
Credit Agricole Corporate and Investment Bank	-	-	263	72	251
CTBC Bank Co. Ltd.	-	4	-	60	-
DBS Bank Ltd.	867	135	945	144	17
DCB Bank Limited	47	60	44	32	67
Dena Bank	515	760	833	661	4672
Deutsche Bank AG	81	15	16	30	169
Equitas Small Finance Bank Limited			27	179	61
Federal Bank Ltd.	233	452	236	212	186
Firstrand Bank Ltd.	34	-	42	14	-
HDFC Bank Ltd.	1840	1854	2323	3266	4513
Hongkong and Shanghai Banking Corpn. Ltd.	143	87	139	66	359
ICICI Bank Limited	1524	2635	10993	5840	5464
IDBI Bank Limited	1609	5459	2868	10990	14166
IDFC First Bank Limited		-	1371	998	1272
Indian Bank	550	926	27	1541	2872
Indian Overseas Bank	2083	2067	1902	5449	6751
IndusInd Bank Ltd.	602	281	466	783	1923

ING Vysya Bank Ltd.	393				
Jammu & Kashmir Bank Ltd.	25	12	76	1564	923
JPMorgan Chase Bank National Association	5	-	65	-	-
Karnataka Bank Ltd.	219	305	458	712	808
KarurVysya Bank Ltd.	151	943	264	362	447
KBC Bank NV	38	-			
Kotak Mahindra Bank Ltd.	99	289	422	407	220
Lakshmi Vilas Bank Ltd.	15	160	92	272	261
MUFJ Bank Ltd.	-	-	98	-	-
Nainital Bank Ltd.	0	0	1	13	1
Oriental Bank of Commerce	925	1668	2308	6357	6457
Punjab and Sind Bank	263	355	491	460	1635
Punjab National Bank	5920	6456	9156	7407	11238
RBL Bank Limited	5	73	69	159	320
SBM Bank (Mauritius) Ltd.	44	17	13	57	-
Shinhan Bank	-	6	-	-	-
South Indian Bank Ltd.	43	321	609	629	287
Standard Chartered Bank	185	201	2813	604	2309
State Bank of India	20766	15659	19611	38895	56481
State Bank of Bikaner and Jaipur	363	643	1560		
State Bank of Hyderabad	355	1204	1430		
State Bank of Mysore	740	588	161		
State Bank of Patiala	755	1156	3528	**Merged into SBI**	
State Bank of Travancore	456	398	556		
Suryoday Small Finance Bank Limited				43	34
Syndicate Bank	1055	1428	1271	2400	6497
Tamilnad Mercantile Bank Ltd.	55	99	244	594	264
The Dhanalakshmi Bank Ltd.	180	112	189	2	3
The Royal Bank of Scotland Plc	34	61	-	49	115
UCO Bank	-	1572	1929	2721	3740
Ujjivan Small Finance Bank Limited				176	178
Union Bank of India	820	785	1219	3261	6362
United Bank of India	761	649	714	1867	5365
Utkarsh Small Finance Bank Limited				-	30
Vijaya Bank	791	510	1068	1539	1518
Yes Bank Ltd.	53	258	142	709	469

Source: RBI

The Gross Domestic Product for the Indian economy has grown at an average annual growth rate of 7.5% over the last five years, with growth rate of 6.8% (provisional estimates) in the financial year 2018-19, enabled by growth in gross advances of SCBs of an average of 9.3% over the last five years and growth of 13.3% in the financial year 2018-19. Details in this respect are

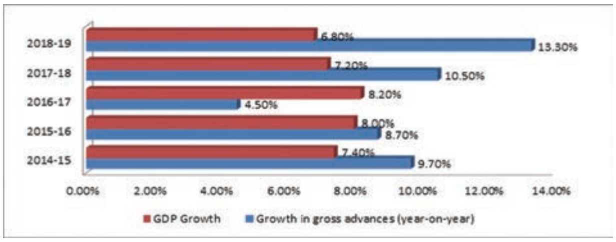
Table No.2 Showing Growth of India's Gross Domestic Product (GDP) and of the gross advances of Scheduled Commercial Banks in their global operations

Financial year	**Growth in gross advances (year-on-year)**	**GDP Growth**
2014-15	9.7%	7.4%
2015-16	8.7%	8.0%
2016-17	4.5%	8.2%
2017-18	10.5%	7.2%

2018-19	13.3%	6.8%

Source: RBI (growth in gross advances of SCBs) and Ministry of Statistics and Programme Implementation (GDP)

Chart No.1 Showing Growth of India's Gross Domestic Product (GDP) and of the gross advances of Scheduled Commercial Banks in their global operations



Loans of SCBs in their global operations that were written-offand pertain to "Agriculture and allied activities" and "Services—Trade"

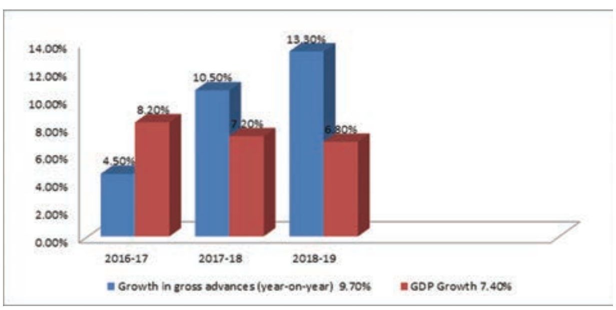
Table No.3 Showing Details of loans pertaining to "Agriculture and allied activities" and "Services—Trade",written-off by Scheduled Commercial Banks

Amount in crore Rs.

Financial year	Agriculture and allied activities	Services Trade
2014-15	3,420	20,891
2015-16	6,845	30,463
2016-17	7,548	33,300
2017-18	11,502	41,540
2018-19	13,744	40,175

Source: RBI

Chart No.2 Showing Details of loans pertaining to "Agriculture and allied activities" and "Services—Trade",written-off by Scheduled Commercial Banks



The value of property taken over/confiscated in the cases related to recovery of NPAs during the last three years and the number of such cases in which property has not been taken over or confiscated with regard to the recovery of NPAs during the last three years.

Public Sector Banks (PSBs) for the last three financial years (FY) *i.e.* 2016-17, 2017-18 and 2018-19, 1,73,210 properties having market value of Rs. 2,30,517 crore in respect of 1,45,493 number of NPA accounts has been taken over or confiscated through Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, Debts Recovery Tribunals (DRTs), National Company Law Tribunal, etc. The properties in respect of 64,394 number of NPA accounts have not been taken over or confiscated during the last three financial years which, *inter-alia*, depends on nature/quantum of loan, nature of security, stage of judicial process, etc. *(Figures cited above for PSBs include those for IDBI Bank Limited, which was recategorised as a private sector bank by RBI with effect from 21.1.2019.)*

PSBs have also effected record recovery of Rs. 3,35,770 crore over the last four financial years and the first quarter of the current financial year, including record recovery of Rs. 1,27,987 crore during the financial year 2018-19.

Government has implemented a comprehensive 4R's strategy, consisting of

- Recognition of NPAs transparently,
- Resolution and recovery of value from stressed accounts,
- Recapitalising of PSBs, and
- Reforms in PSBs and the wider financial ecosystem for a responsible and clean system.

Comprehensive steps have been taken under the 4R's strategy to reduce NPAs of PSBs, including, *inter-alia*, the following:

i. Change in credit culture has been effected, with the Insolvency and Bankruptcy Code (IBC) fundamentally changing the creditor-borrower relationship, taking away control of the defaulting company from promoters/owners and debarring willful defaulters from the resolution process and debarring them from raising funds from the market.

ii. The SARFAESI Act, 2002 has been amended to make it more effective, with provision for three months' imprisonment in case the borrower does not provide asset details, and for the lender to get possession of mortgaged property within 30 days.

iii. Suits for recovery of dues are also filed by banks before DRTs. Six new DRTs have been established to expedite recovery.

iv. Over the last five financial years including the current financial year till date, PSBs have been recapitalised to the extent of Rs.3.89 lakh crore, with infusion of Rs. 3.13 lakh crore by the Government and mobilisation of over Rs. 0.76 lakh crore by PSBs themselves enabling PSBs to pursue timely resolution of NPAs.

v. Key reforms have been instituted in PSBs as part of the PSBs Reforms Agenda, including the following:

a. Board-approved Loan Policies of PSBs now mandate tying up necessary clearances/approvals and linkages before disbursement, scrutiny of group balance-sheet and ring-fencing of cash flows, non-fund and tail risk appraisal in project financing.

b. Use of third-party data sources for comprehensive due diligence across data sources has been instituted, thus mitigating risk on account of misrepresentation and fraud.

c. Monitoring has been strictly segregated from sanctioning roles in high-value loans, and specialised monitoring agencies combining financial and domain knowledge have been deployed for effective monitoring of loans above Rs. 250 crore.

d. To ensure timely and better realisation in one-time settlements (OTSs), online end-to-end OTS platforms have been set up.

The Government has issued guidelines to banks with regard to recovery of loans;

Reserve Bank of India (RBI) regulates and supervises banking companies under the provisions of Banking Regulation Act, 1949. As per RBI guidelines, banks are required to have a loan recovery policy, duly vetted by their Boards that set down the manner of recovery of dues, period-wise targeted level of reduction in non-performing assets, etc. A number of recovery mechanism are available to banks to effect recovery, such as filing of a suit in civil courts or in Debts Recovery Tribunals, action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, filing of cases in the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, through negotiated settlement/ compromise, and through sale of non-performing assets. Banks decide upon the best possible recovery mechanism to be adopted in individual cases depending on the merits of each case. Banks have improved their recovery efforts and Scheduled Commercial Banks have recovered an amount of Rs. 4,01,393 crore over the last four financial years, including record recovery of Rs. 1,56,702 crore during FY 2018-19.

The action taken by the Reserve Bank of India against these banks along with the outcome of the said action

With regard to action taken by RBI against banks found non-compliant with RBI's guidelines, RBI has informed that compliance to RBI guidelines is examined on sample basis during supervisory assessment of banks by RBI and any non-compliance observed is taken up with the banks for rectification apart from initiation of supervisory/enforcement action against the bank by RBI, as it deems fit.

Conclusion

Banks has adopted the best possible recovery mechanism and improved their recovery efforts

Comprehensive steps have been taken under the 4R's strategy to reduce NPAs. Banks evaluate/consider the impact of write-offs as part of their regular exercise to clean up their balance-sheet, avail of tax benefit and optimise capital, in accordance with RBI guidelines and policy approved by their Boards. Number of NPA accounts has been taken over or confiscated through Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, Debts Recovery Tribunals (DRTs), National Company Law Tribunal, etc. Strategies adopted by the banks and RBI guidelines to banks with regard to recovery of loans. RBI has to take bold steps towards the banks whose NPA are high .RBI have to do strategical strike on the banks by putting new harsh guidelines and adopt new strategies to control plentiful and fulsome loans.

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CHALLENGES OF WOMEN ENTREPRENEURSHIP IN INDIA

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Introduction:

INTERESTING FACTS:

1. A survey shows that women constitute only 13.76% of the total entrepreneurs, i.e., 8.05 million out of the 58.5 million entrepreneurs.

   These establishments in total, owned by females, provide employment to 13.45 million people.
2. Another revelation is that out of these entrepreneurs, 2.76 million women (34.3% of the total entrepreneurs) work in agriculture sector whereas 5.29 million females (65.7% of the total entrepreneurs) work in non-agricultural sectors.
3. In the agriculture, livestock dominates (with a share of 31.6 %) among all other farming activities.
4. Among the non-agricultural activities owned by women entrepreneurs, manufacturing and retail trade are dominant ones with corresponding percentages being 29.8% and 17.8% respectively.
5. Among the states, the largest share in number of establishments under women entrepreneurship is of Tamil Nadu (13.51%) followed by Kerala (11.35%), Andhra Pradesh (10.56%), West Bengal (10.33%) and Maharashtra (8.25%).
6. Average employment per establishment for women owned establishments is 1.67.

Challenges of women entrepreneurship in India

In India, entrepreneur is a term which is mostly associated with men than women. In this patriarchal society, women has been confined to home, more particularly kitchen where alone she has her say. But slowly its changing. Women are trying hard to break their boundaries, but still there is a long way to go. Women entrepreneurship, in India, is still at its developing stage with many challenges still existing to be rooted out . This article intends to highlight some of the major challenges that women face in their business.

Before going into the challenges first let's get an idea as to who is a woman entrepreneur ?

Women entrepreneur may be defined as a woman or group of women who initiate, organize, and run a business enterprise. In terms of Schumpeterian concept of innovative entrepreneurs, women who innovate, imitate or adopt a business activity are called "women entrepreneurs".

Kamal Singh who is a woman entrepreneur from Rajasthan, has defined woman entrepreneur as "a confident, innovative and creative woman capable of achieving self-economic independence individually or in collaboration, generates employment opportunities for others through initiating, establishing and running the enterprise by keeping pace with her personal, family and social life."

The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Accordingly, the Government of India (GOI2006) has defined women entrepreneur as "an enterprise owned and controlled by a women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women."

In nutshell, women entrepreneurs are those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise.

Functions of Women Entrepreneurs:

As an entrepreneur, a woman also has to perform all the functions involved in establishing an enterprise. These include

a. idea generation and screening,
b. determination of objectives,
c. project preparation,
d. product analysis,
e. determination of forms of business organization,
f. completion of promotional formalities,
g. raising funds,
h. procuring men, machine and materials, and
i. operation of business.

Frederick Harbison (1956) has enumerated the following five functions of a woman entrepreneur:

1. Exploration of the prospects of starting a new business enterprise.
2. Undertaking of risks and the handling of economic uncertainties involved in business.
3. Introduction of innovations or imitation of innovations.
4. Coordination, administration and control.
5. Supervision and leadership.

The fact remains that, like the definition of the term 'entrepreneur', different scholars have identified different sets of functions performed by an entrepreneur whether man or women.

All these entrepreneurial functions can be classified broadly into three categories:

(i) Risk-bearing

(ii) Organisation

(iii) Innovations

Thus, these are some of the functions that are expected to be performed by a woman entrepreneur.

Now, let us see some of the contributions made by the women entrepreneurs to the Indian economy.

Economic contributions by women entrepreneurs :

Women's economic activities contribute directly to the growth and efficiency of the Indian economy. Some of the ways through which they are done are as follows :

1) Capital formation:

Entrepreneurs mobilise the idle savings of the public through the issue of industrial securities . Investment of public savings in industry results in productive utilisation of national resources. The rate of capital formation increases, which is essential for rapid economic growth.

2) Improvement in Per capita Income:

Women entrepreneurs in India have also been exploiting the opportunities. They convert the latent and idle resources like land, labour and capital in to national income and wealth in the form of goods and services. They help increase the country's net national product and per capita which are important yardsticks for measuring the economic growth.

3) Generation of employment:

Women entrepreneur in India are playing an important role in generating employment both directly and indirectly. By setting up small scale industries, start upsetc.,.they offer jobs to people.

4) Social Contribution:

Women entrepreneurs are also contributing towards improving the balanced regional development and improvement of living standards in the country. They are also diligent towards their corporate social standards and responsibilities.

5) Balanced Regional Development:

Women entrepreneurs in India to remove regional disparities in economic development set up industries in backward areas to avail of the resources concessions and subsidies offered by government. Thereby strategically improving the scope of their business and at the same time contribute towards balanced regional development.

6) Improvement in living standards:

With the setting up of small scale industries, reduction of scarcity of essential commodities and by introducing new products living standards of common people can be improved. Thus, Women entrepreneurs of today, are producing a variety of goods on a large scale and offering them at low rates, as a result, achieving improvement in the standard of life.

7) Innovation

Innovation is the key to entrepreneurship. It implies the commercial application of an invention. As an innovator, the entrepreneur assumes the role of a pioneer and an industrial leader.

Women Entrepreneurs have and are pioneering many ideas, start-ups, innovations and technologies in the developing new products and also improving the existing products and services. All these have resulted in economic growth and development, progress etc.,

8) Inspiration generators

Women entrepreneurs are the main actresses in charging the culture of the society. In our country, women are workaholics and participate outside the house and develop the sense of independence and the like.

Women entrepreneurs in our country are thus directly or indirectly playing an important role in environmental protection, back ward and forward integration and are acting as inspiration generators, thus contributing to the economic growth of the country.

Thus, these are some of the important areas where women entrepreneurs have contributed and thus enabled the Indian economy to achieve economic progress.

Now that we've known as to who is a woman entrepreneur and what are her functions and contributions to the Indian economy, next we are going to try to know about the challenges she has to face in starting her career as an entrepreneur and her struggles throughout her life as an entrepreneur.

Challenges faced by Indian women entrepreneurs

1. Problem of Finance:

Finance is regarded as "life-blood" for any enterprise, be it big or small. However, women entrepreneurs suffer from shortage of finance mainly because, women do not generally have property on their names to use them as collateral or for obtaining funds from external sources,majorly blocking their access to the external sources of funds.

Given such situation, women entrepreneurs are bound to rely on their own savings, if any and loans from friends and relative that are expectedly meager and negligible. Thus, women enterprises fail due to the shortage of finance.

2. Stereotypical views of banks:

The banks consider women less credit-worthy and discourage women borrowers on the belief that they can at any time leave their business.

3. Lack of proper contacts for timely procurement of raw materials :

Most of the women enterprises are plagued by the scarcity of raw material and necessary inputs. Added to this are the high prices of raw material, on the one hand, and getting raw material at the minimum of discount, on the other.

4. Stiff Competition:

Women entrepreneurs do not have organizational set-up to pump in a lot of money for canvassing and advertisement. Thus, they have to face a stiff competition for marketing their products with both organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women enterprises.

5. Undue pressure and stress :

InIndia, unlike other countries, women are given much pressure and stress for unlikely reasons. A solowoman trip is still looked up with suspicion. Cumbersome exercise involved in starting an enterprise coupled with the officials humiliating attitude towards women compels them to give up idea of starting an enterprise.

6. Family Ties:

In India, it is mainly a women's duty to look after the children and other members of the family. In case of married women, she has to strike a fine balance between her business and family. Her total involvement in family leaves little or no energy and time to devote for business.

Support and approval of husbands seem necessary condition for women's entry into business. Accordingly, the educational level and family background of husbands can also positively influence women's entry into business activities.

7. Poor literacy rate :

In India, around three-fifths (60%) of women are still illiterate. Illiteracy is the root cause of socio-economic problems. Due to the lack of education and that too qualitative education, women are not aware of business, technology and market. Also, lack of education causes low achievement motivation among women. Thus, lack of education creates one type or other problems for women in the setting up and running of business enterprise.

8. Gender inequality :

The Constitution of India speaks of equality between genders . But, in practice, women are looked upon as weak. Women suffer from male reservations about a women's role, ability and capacity and are treated accordingly. In nutshell, in the male-dominated Indian society, women are not treated equal to men. This, in turn, serves as a barrier to women entry into business.

9. Low Risk-Bearing Ability:

Women in India are mostly not economically and financially independent. All these reduce their ability to bear risk involved in running an enterprise. Risk-bearing is an essential requisite of a successful entrepreneur.

10. Women's entrepreneurial competency not taken seriously:

At one time or another, most women CEOs find themselves in a male dominated industry or workplace that does not want to acknowledge their leadership role. In India, women are still not taken seriously when they share their ideas of business, nor are they acknowledged or given the appreciation they deserve when they achieve and make a mark in their respective businesses.

11. The conventional societal framework in India

Our typical Indian societal framework, where girls are constantly brushed off as homemakers and boys as the bread earners, creates a sort of low self esteem in the minds of girls creating a sense of self doubt about their own capabilities and skills, thus hindering them to take their own decisions and steps to start a new business. Even today, the mountain size achievement of a woman gets unnoticed under the pea size achievement of a man.

12. Difficulty in building a support network

Having a robust support network is essential for entrepreneurial success. Thus, it's no surprise that female entrepreneurs report lack of available advisers and mentors thereby limiting their business growth.

Knowing where to find the right support network isn't always easy, especially in a male dominated business world.

13. Work - life balance :

In India, especially married woman entrepreneurs have dual responsibilities, i. e., to their businessand to their families. Finding ways to devote time for both is the key to achieve success.

14. Coping with the fear of failure:

Failure is a very real possibility in any business venture, but the road to success is paved with losses, mishaps and mistakes, but it still can lead to where you want to go as long as you don't lose sight of your ultimate destination.

But, in our country, its sadly the opposite. If a woman entrepreneur fails even once then its the end of the road for her. To make things worse, if she is married, then she will have to bear the burden of that failure for as long as she lives.

15. Lack of Exposure :

Women entrepreneurs lack the proper guidance andmentoring as compared to men, who can easily avail it from their father, or friends who may be in business. Even if a girl comes from a family doing business, she is always kept away from business matters. Womenhavecomparatively less idea about the opportunities in the field of business. They do not have exposure to latest technology. Lack of exposure and information lowers their morale and motivation . It restricts them from testing their true potential as an entrepreneur.

16. Lack of Self-Confidence:

Be it illiteracy, lack of skills or no family/society support whatsoever, all this leads to lack of self-confidence. Every time a woman is forced to prove her abilities, her self-confidence decreases. A women is continuously grilled for her ideas, funding, working methods, managerial skills, etc. All this de-motivates her. Instead of boosting her confidence, she is constantly given a reality check that she is a woman and she is inferior in her skills. This reduces her self confidence to such a level that she herself doubts her skills as a women entrepreneur.

17. Lack of experience in decision making :

In India, from their childhood women see money matters and decisions to be handled by male heads of the family. They are accustomed to men taking the decisions be it financial or otherwise. Women thus are socialized to being more soft-spoken and reserved. Thus, investors find men to have more decision making and leadership traits as compared to women.

18. Lack of personal safety :

Women entrepreneurs' biggest challenge is their safety. Crime rates have increased alarmingly. They face the decision of possibly risking their lives while working late hours. When they attend a seminar, there are very few women entrepreneurs in the hall. This less number scares a lady and she is threatened of her security. And shockingly women prefer to rather not work.

19. Other problems :

In addition to above problems, inadequate infrastructural facilities, shortage of power, high cost of production, low need for achievement and socioeconomiceconomic constraints also hold the women back from entering into business.

Thus, these are some of the problems that women entrepreneurs face during their venture into the world of entrepreneurship in India. A common thing that can be found in all the above stated problems is 'the perspective of the family and thus the society' . A society is made up of the people living in it and, in our Indian society, there is still the stereotypic view amongst the people being passed on from generations that a woman is a home maker. Though we can't root out the whole ideology in a single stroke, individually everyone should try to open up their minds at least to one fact at a time, the primary one being that, 'every girl is a unique individual who has her own goals and that no one has the right to intrude in her dreams'. So let's take a step forward by opening up our minds to that truth, because only when individuals change, can the society which consists of those individuals will also change and thereby slowly eradicate the challenges that women face in any field, particularly, entrepreneurship.

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Industry Focus - Automobile Industry

Introduction

India became the fourth largest auto market in 2018 with sales increasing 8.3 per cent year-on-year to 3.99 million units. It was the seventh largest manufacturer of commercial vehicles in 2018.

The Two Wheelers segment dominates the market in terms of volume owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector.

India is also a prominent auto exporter and has strong export growth expectations for the near future. Automobile exports grew 14.50 per cent during FY19. It is expected to grow at a CAGR of 3.05 per cent during 2016-2026. In addition, several initiatives by the Government of India and the major automobile players in the Indian market are expected to make India a leader in the two-wheeler and four-wheeler market in the world by 2020.

Market Size

Overall domestic automobiles sales increased at 6.71 per cent CAGR between FY13-19 with 26.27 million vehicles getting sold in FY19. Domestic automobile production increased at 6.96 per cent CAGR between FY13-19 with 30.92 million vehicles manufactured in the country in FY19.

In FY19, year-on-year growth in domestic sales among all the categories was recorded in commercial vehicles at 17.55 per cent followed by 10.27 per cent year-on-year growth in the sales of three-wheelers.

Premium motorbike sales in India crossed one million units in FY18. During January-September 2018, BMW registered a growth of 11 per cent year-on-year in its sales in India at 7,915 units. Mercedes Benz ranked first in sales satisfaction in the luxury vehicles segment according to J D Power 2018 India sales satisfaction index (luxury).

Sales of electric two-wheelers are estimated to have crossed 55,000 vehicles in 2017-18.

Investments

In order to keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months. The industry has attracted Foreign Direct Investment (FDI) worth US$ 22.35 billion during the period April 2000 to June 2019, according to data released by Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- Audi India plans to launch nine all-new models including Sedans and SUVs along with futuristic e-tron electric vehicle (EV) by the end to 2019.
- MG Motor India to launch MG ZS EV electric SUV in early 2020 and plans to launch affordable EV in next 3-4 years.
- BYD-Olectra, Tata Motors, Ashok Leyland to supply 5,500 electric buses for different state departments.
- Premium motorbike sales in India recorded seven-fold jump in domestic sales reaching 13,982 units during April-September 2019. The sale of luxury cars stood between 15,000 to 17,000 in first six months of 2019.
- In H1 2019, automobile manufacturers invested US$ 501 million in India's auto-tech companies start-ups, according to Venture intelligence.
- For self-driving and robotic technology start-ups, Toyota plans to invest US$100 million.
- In India, 7 Series face lift launched by BMW and the new X7 SUV has been introduced at Rs 98.90 lakh (US$ 0.14 million).
- Ashok Leyland has planned a capital expenditure of Rs 1,000 crore (US$ 155.20 million) to launch 20-25 new models across various commercial vehicle categories in 2018-19.
- Hyundai is planning to invest US$ 1 billion in India by 2020. SAIC Motor has also announced to invest US$ 310 million in India.
- Mercedes Benz has increased the manufacturing capacity of its Chakan Plant to 20,000 units per year, highest for any luxury car manufacturing in India.
- As of October 2018, Honda Motors Company is planning to set up its third factory in India for launching hybrid and electric vehicles with the cost of Rs 9,200 crore (US$ 1.31 billion), its largest investment in India so far.
- In November 2018, Mahindra Electric Mobility opened its electric technology manufacturing hub in Bangalore with an investment of Rs 100 crore (US$ 14.25 million) which will increase its annual manufacturing capacity to 25,000 units.

Government Initiatives

The Government of India encourages foreign investment in the automobile sector and allows 100 per cent FDI under the automatic route.

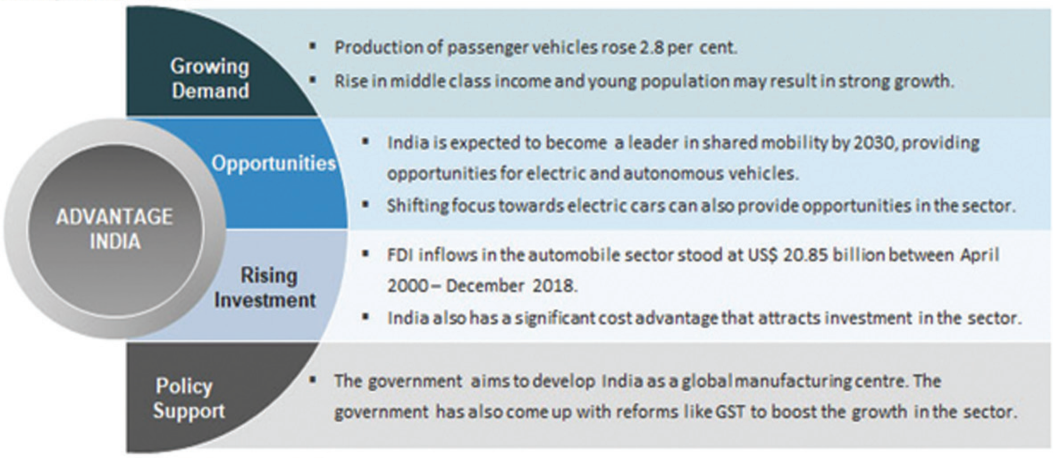
Some of the recent initiatives taken by the Government of India are -

- Under Union Budget 2019-20, government announced to provide additional income tax deduction of Rs 1.5 lakh (US$ 2,146) on the interest paid on the loans taken to purchase EVs.
- The government aims to develop India as a global manufacturing centre and an R&D hub.
- Under NATRiP, the Government of India is planning

to set up R&D centres at a total cost of US$ 388.5 million to enable the industry to be on par with global standards.

- The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of electric vehicles (EVs) in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The government will also set up incubation centre for start-ups working in electric vehicles space.
- In February 2019, the Government of India approved the FAME-II scheme with a fund requirement of Rs 10,000 crore (US$ 1.39 billion) for FY20-22.

Latest update: November, 2019



GST – Goods and Services Tax

Achievements

Following are the achievements of the government in the past four years:

- On 29th July 2019, Inter-ministerial has sanctioned 5,645 electric buses for 65 cities.
- NATRIP's proposal for "Grant-In-Aid for test facility infrastructure for Electric Vehicle (EV) performance Certification from NATRIP Implementation Society" under FAME Scheme which had been approved by Project Implementation and Sanctioning Committee (PISC) on 3rd January 2019.
- Number of vehicles supported under FAME scheme increased from 5,197 in June 2015 to 192,451 in March 2018. During 2017-18, 47,912 two-wheelers, 2,202 three-wheelers, 185 four-wheelers and 10 light commercial vehicles were supported under FAME scheme.
- Under National Automotive Testing And R&D Infrastructure Project (NATRIP), following testing and research centres have been established in the country since 2015
  - » International Centre for Automotive Technology (ICAT), Manesar
  - » National Institute for Automotive Inspection, Maintenance & Training (NIAIMT), Silchar
  - » National Automotive Testing Tracks (NATRAX), Indore
  - » Automotive Research Association of India (ARAI), Pune
  - » Global Automotive Research Centre (GARC), Chennai
- SAMARTH Udyog – Industry 4.0 centres: 'Demo cum experience' centres are being set up in the country for promoting smart and advanced manufacturing helping SMEs to implement Industry 4.0 (automation and data exchange in manufacturing technology).

Road Ahead

The automobile industry is supported by various factors such as availability of skilled labour at low cost, robust R&D centres and low cost steel production. The industry also provides great opportunities for investment and direct and indirect employment to skilled and unskilled labour.

Indian automotive industry (including component manufacturing) is expected to reach Rs 16.16-18.18 trillion (US$ 251.4-282.8 billion) by 2026. Two-wheelers are expected to grow 9 per cent in 2018.

Note**:** Conversion rate used as on September 2019, Re 1 = US$ 0.014019

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Export Overview

Spices Exports from India

Introduction

India, known as the home of spices, boasts a long history of trading with the ancient civilisations of Rome and China. Today, Indian spices are the most sought-after globally, given their exquisite aroma, texture, taste and medicinal value. India has the largest domestic market for spices in the world. Traditionally, spices in India have been grown in small land holdings, with organic farming gaining prominence in recent times. India is the world's largest producer, consumer and exporter of spices; the country produces about 75 of the 109 varieties listed by the International Organization for Standardization (ISO) and accounts for half of the global trading in spices.

Exports highlights and Key markets

- During 2018-19, a total of 1.10 million tons of spices and spice products valued Rs 19,505.81 crore (US$ 2.80 billion) have been exported from the country as against 10,28,060 tonnes valued Rs 17,980.16 crore (US$ 2.78 billion) in 2017-18, registering an increase of 7 per cent in volume.
- In FY20 (till September 2019), 579,790 tonnes of spices worth US$ 1.50 billion have been exported.
- Top 10 importers of Indian spices in 2018-19 were the US, China, Vietnam, Hong Kong, Bangladesh, Thailand, UK, UAE, Malaysia and Sri Lanka.
- During 2018-19, top 10 exported spices and spice products in terms of value were Chilli, Mint products, Spice Oils & Oleoresins, Cumin, Turmeric, Pepper, Curry powders/paste, Cardamom seeds, other spices (Tamarind, Asafoetida, and Cassia) and Garlic.
- During 2018-19, India's chilli exports stood at 468,500 tonnes, cumin exports at 180,300 tonnes, turmeric exports at 133,600 tonnes and cardamom large exports at 860 tonnes.
- In 2019-20 (till September 2019), ginger exports showed the highest growth of 31 per cent with 11,910 tonnes followed by pepper with 21 per cent at 8,200 tonnes and spice oils & oleoresins with 14 per cent at 7,350 tonnes.

Spices Board of India

The Spices Board of India works towards the development and worldwide promotion of Indian spices. It provides quality control and certification, registers exporters, documents trade information and provides inputs to the central government on policy matters. The board participates in major international fairs and food exhibitions to promote Indian spices, apart from organising various domestic events.

Total spices export from India stood at 1.13 billion kg, valued at US$ 3.32 billion in the year 2018-19. In FY20 (till September 2019), 579,790 tonnes of spices worth US$ 1.50 billion have been exported.

***Source*:** Export Promotion Council, IBEF, Spices Board of India, APEDA

Disclaimer: This information has been collected through secondary research and the Institute is not responsible for any errors in the same.

Carpet Exports from India

Carpet weaving is an ancient Indian tradition, with the industry flourishing in the country 16th century onwards. Today, India is the world's largest producer and exporter of handmade carpets in terms of value and volume. Around 75–85 per cent of carpets manufactured in India are exported. Indian carpets are known worldwide for their excellent design, fascinating colours and quality.

Export Highlights

- India is responsible for around 40 per cent of worldwide export of handmade carpets. Exports of handmade carpets from India stood at US$ 1.47 billion in 2018-19. During April-September 2019, exports of handmade carpets from India stood at Rs 4,743.83 crore (US$ 688.6 million).
- In 2018-19, export of silk carpet stood at US$ 16.1 million. During April-September 2019, exports of silk carpet stood at Rs 77.9 crore (US$ 11.3 million).

Carpet Export Promotion Council

The Carpet Export Promotion Council (CEPC) is the apex body of exporters of hand-made carpets and other floor coverings in India. The Council assists exporters by identifying new markets, providing financial aid, sponsoring participation in worldwide events, arranging buyer-seller meets and resolving trade disputes. Total export for carpets stood at US$ 1.51 billion in 2018-19. During April-September 2019, total carpet exports from India stood at Rs 4,821.79 crore (US$ 699.93 million).

Source: India Brand Equity Foundation, Carpet Export Promotion Council (CEPC), Department of Commerce, IBEF, Ministry of Textiles

Disclaimer: This information has been collected through secondary research and the Institute is not responsible for any errors in the same.

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