

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

UNSTARRED QUESTION NO:3703
ANSWERED ON:19.04.2010
EXEMPTIONS TO IMPORTERS
Laguri Shri Yashbant Narayan Singh

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

- (a) whether taxes have been relaxed particularly for the Indian exporters so that the selling and purchasing of the Indian goods remains easy and beneficial in view of the competition in the international market;
- (b) if so, the reaction of the Government thereto;
- (c) the exemptions provided during each of the last three years;
- (d) whether providing such exemptions were necessary and if so, the reaction of the Government thereto; and
- (e) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (e): Foreign Trade Policy provides for duty exemption / remission schemes namely, Advance Authorisation, Duty Free Import Authorisation (DFIA), Duty Entitlement Pass Book(DEPB), Duty Drawback Schemes for the Domestic Tariff Area (DTA) Units, where taxes and duties incurred on the inputs required to manufacture the export products are sought to be exempted / reimbursed. In addition, other Schemes in operation are for Units operating under 100% EOU / EHTP / STP / BTP and SEZ Schemes. These Schemes are based on the commitment of the Government as per international practice that "Goods and Services are exported and not the Taxes and Levies".

Benefits allowed under the Duty Remission Schemes of Advance Authorisation, DEPB and DFIA during last 3 years are given in Annexure.

These schemes are reviewed from time to time and need based amendments are made. Details of the Schemes are available in the public domain, on the websites <http://dgft.gov.in> and <http://cbec.gov.in>.