

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

UNSTARRED QUESTION NO:6000

ANSWERED ON:03.05.2010

SIMPLIFICATION OF EXPORT PROCEDURES

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

(a) whether the Government has adequately simplified the export related procedures/reduction in costs as envisaged in the foreign trade policy;

(b) if so, the details thereof alongwith schemes, if any, launched for the purpose; and

(c) the steps taken/proposed to be taken by the Government to further simplify the said procedures and the outcome achieved thereon?

**Answer**

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

(a) to (c) Government is committed to ensure transparency, accountability, procedural simplification and reduction in transaction time and cost for exports. Government monitors and reviews the policy and procedures laid there-under, on a continuous basis.

In the Foreign Trade Policy (FTP) 2009-14 announced in August, 2009, Government has taken a number of measures for procedural simplification and reduction in transaction cost. Some of these measures are given in Annexure.

A task force on Transaction Costs has also been constituted to assess the procedural bottlenecks affecting India's imports and exports and to examine various issues affecting the competitiveness of Indian exports and suggest remedial measures to reduce transaction cost and thereby facilitate exports.

Some of the measures under Foreign Trade Policy 2009-14 for simplification of procedures and reduction of transaction cost

# To facilitate duty free import of samples by exporters, number of samples/pieces has been increased from the existing 15 to 50. Customs clearance of such samples shall be based on declarations given by the importers with regard to the limit of value and quantity of samples.

# Greater flexibility has been permitted to allow conversion of Shipping Bills from one Export Promotion Scheme to other scheme. Customs shall now permit this conversion within three months, instead of the earlier limited period of only one month.

# To reduce transaction cost, dispatch of imported goods directly from the Port to the site has been allowed under Advance Authorisation Scheme for deemed supplies.

# Disposal of manufacturing wastes / scrap allowed after payment of applicable excise duty, even before fulfillment of export obligation under Advance Authorisation and EPCG Scheme.

# Regional Authorities have been authorized to issue licences for import of sports weapons by 'renowned shooters', on the basis of NOC from National Rifle Association of India (NRAI). Permission from DGFT (Hqrs) in such cases is not required.

# The procedure for issue of Free Sale Certificate has been simplified and the validity of the Certificate has been increased from 1 year to 2 years. This will solve the problems faced by the medical devices industry.

# Automobile industry, having their own R&D establishment, have been allowed free import of reference fuels (petrol and diesel ), upto a maximum of 5 KL per annum, which are not manufactured in India.

# The application and redemption forms under EPCG Scheme have been simplified.

# No fee shall to be charged for grant of incentives under the Scheme in Chapter 3 of FTP. Further, for all other Authorisations / licence applications, maximum applicable fee reduced to Rs. 1,00,000 from Rs. 1,50,000 (for manual applications ) and Rs. 50,000 from Rs. 75,000 ( for EDI applications ).

# To further EDI initiatives, Export Promotion Councils/ Commodity Boards have been advised to issue RCMC through a web based online system.

# In cases, where the earlier authorization has been cancelled and new authorization has been issued in lieu of the earlier authorization, application fee paid already for the cancelled authorization will be adjusted against the application fee for the new authorization subject to payment of maximum fee of Rs. 200.

# An Inter Ministerial Committee formed to redress/ resolve problems / issues of exporters.

# An updated compilation of Standard Input Output Norms (SION) and ITC(HS) Classification of Exports and Import Items has been published.