

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

UNSTARRED QUESTION NO:6254
ANSWERED ON:06.05.2013
OVERSEAS MANUFACTURING UNITS
Thakor Shri Jagdish

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

- (a) whether several industrial export houses have opened their manufacturing units in the neighbouring countries and are exporting goods from India and claiming subsidies on such exports;
- (b) if so, the details thereof and the norms laid down in this regard;
- (c) whether there have been instances of irregularities committed by any of these export houses; and
- (d) if so, the action taken against those found guilty for committing any irregularities in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

(a) to (d) The business establishments abroad of any Indian company are governed by the laws of the respective countries. The Foreign Trade Policy does not prohibit export to such units located abroad. Department of Commerce administers schemes for promotion of exports, which are in the nature of duty remission or reward/incentive. Benefits are given to the exporters for specified export products or for export to certain specified focus markets under the Foreign Trade Policy. Identity of the importer is not relevant for grant of benefits under Foreign Trade Policy. Similarly, Department of Revenue grants drawback on exports which is in the nature of refund of duty. No irregularity in such exports has come to notice.