



## Draft Export Policy Unveiled

The Commerce Ministry has released a **product specific draft export policy**.

- Updated draft comprises of **all existing policy conditions, all notifications and public notices** issued after January 2018 and also includes **non-tariff regulations** imposed by different government agencies.
  - Draft export policy, aimed at consolidating export norms for each product, has accorded **eight digit HS codes** to every product.

ITC (HS) codes are better known as Indian Trade Clarification (ITC) and are based on Harmonized System (HS) of Coding.

- It was adopted in India for import-export operations. Indian custom uses an eight digit ITC (HS) code to suit the national trade requirements.
- ITC-HS codes are divided into two schedules. Schedule I describe the rules and **exim guidelines** related to import policies.
- **Export Policy Schedule II** describe the rules and regulation related to **export policies**.
- This compendium will help an exporter know all the applicable norms pertaining to a particular product, helping them understand policy conditions for that item.

### About Export Import Policy of India

- **Exim Policy** or **Foreign Trade Policy** is a set of guidelines and instructions established by the **DGFT** in matters related to the import and export of goods in India.
- Foreign trade in India is guided by the **EXIM Policy** of the Indian Government and is regulated by the **Foreign Trade Development and Regulation Act, 1992**.

**DGFT (Directorate General of Foreign Trade)** is the main governing body in matters related to Exim Policy. The main objective of the **Foreign Trade (Development and Regulation) Act** is to provide the development and **regulation of foreign trade** by facilitating imports into, and augmenting exports from India. Foreign Trade Act has replaced the earlier law known as the Imports and Exports (Control) Act 1947

### Objectives

- **Exim policy or Foreign Trade Policy for the years 2015-20**, aims at doubling the overseas sales to \$900 billion by 2019-20 and making India global, while integrating the foreign trade with “Make in India” and “Digital India Programme”.

### Features

- **MEIS scheme:** Five existing schemes to promote merchandize exports have been merged into a

single Merchandise Exports from India Scheme (MEIS).

- The incentives are to be provided in the form of duty scrips as % of FOB (free on board) value of exports.

▪ **Service Exports from India Scheme (SEIS)** will be only for India based service providers and will be based on net foreign exchange earned.

- Both **SEIS and MEIS schemes are applicable to SEZ units.**

▪ **Paperless Trade and Online filling of forms** will ensure trade facilitation and ease of doing business.

▪ **E-commerce export** is applicable to items of worth upto 25,000.

▪ Provision for **Export oriented units, Export hardware technology park and software technology park.**

▪ **The Duty free scrips** (form of credit)s are provided to the exporters under various export promotion schemes of the government. The scrips may be transferable or nontransferable.

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