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> Introduction & Meaning

Export-import policy frames rules and regulations for exports and imports of a country. This policy is also known as FOREIGN TRADE POLICY. In this policy, approach of government towards the various types of exports and imports is conveyed to different exporters and importers.

 Prior to 1985, the Government of India used to announce separate policies for exports and imports for the period of one year.

• In the year 1985, the first time joint Export-Import poly (EXIM) was announced for the period of 1985-1988.

• The EXIM policy announced on 31st march 1992 gave the EXIM policy, for the first time a validity of five years (1992-1997).

- This was followed by EXIM policy 1997-2002.
- After that EXIM policy 2002-2007 was announced by Union Minister of Commerce and Industry, Murasoli Maran.
- Sh. Kamal Nath announced the foreign trade policy from 2004-2009 on 31st August, 2004.
- Sh. Anand Sharma announced the foreign trade policy 2009-2014 on 26 August, 2009.
- Latest EXIM policy (2015-2020) was announced by Union Commerce and Industry Minister Mrs. Nirmala Sitharaman on April 01, 2015.

> New (EXIM) Policy 2015-2020

- The new foreign trade policy 2015-2020 was announced on April 01, 2015.
- Its duration is from April 01, 2015 to March 31,2020.
- This policy has provided various incentives for export-oriented units and has laid special emphasis on exports of agriculture sector, handicrafts, handlooms, gems and jewellery, marine sector etc. in keeping with the "Make in India" vision of Hon'ble Prime Minister.

Objectives of New Foreign Trade policy

- To raise India's share in world exports from 2 percent to 3.5 percent.
- To use foreign trade as an instrument of economic growth.
- To generate more employment by focusing on employment oriented sectors like agriculture, handicrafts, handlooms, etc.

- To set up towns of export excellence in the country.
- To increase India's exports of merchandise and services from 465.9 billion \$ in 2013-14 to approximately 900 billion \$ by 2019-20.

Provisions/Features of New Foreign Trade Policy

Provisions for Agriculture Sector.

Since agriculture has the potential for promoting employment and developing rural areas, so special package has been announced for agriculture sector:

- Merchandise Exports from India Scheme (MEIS)
- The import of capital goods for storage and transportation of agriculture goods will be liberalised.



Provisions for Handloom and Handicraft

- More funds have been allocated for Market Development Assistance (MDA) and Market Access Initiative (MAI) schemes for promoting exports of handloom and handicrafts.
- The limit of designated Towns of Export Excellence has been reduced from Rs. 250 crore to Rs.150 crore of exports.
- For handicrafts and handloom sector, machinery and equipment for waste treatment have been exempted from custom duty.

 Handloom and handicrafts products will get all the benefits as are given under Merchandise Exports from India Scheme (MEIS).

> Provisions for Gems and Jewellery

Exporters of gems and jewellery can import duty free inputs for manufacturing jewellery such as gold, silver, platinum, rough gems, diamonds etc. To promote export of gems and jewellery products, the value limits of personal carriage have been increased from US \$ 2 million to US \$ 5 million for participation in overseas exhibition.

 Jewellery parcels upto 20 kgs by weight can be exported through foreign post office also. Provisions for Leather Goods and Footwear

- Duty free import entitlement upto 3% of value of exports of leather goods is allowed.
- Machinery and equipment for Effluent treatment plants will be exempt from custom duty.
- Products from this sector will get all the benefits as are given under Merchandise Exports from India Scheme (MEIS).

- Export Promotion Capital Goods Scheme
- a) Zero Duty EPCG Scheme
- b)3% Duty EPCG Scheme
- Provisions For Marine Sector
- Marine goods will get all the benefits as are given under Merchandise Exports from India Scheme (MEIS).
- Under Export Promotion Capital Goods (EPCG)
 Scheme, fishing sector has been exempted from export obligation.

➤ Special Schemes for Export Promotion

 Merchandise Exports from India Scheme (MEIS)

Service Exports from India Scheme (SEIS)

Market Development Assistance (MDA)

Status Holders

 ASIDE (Assistance to States for Developing Export Infrastructure and Allied Activities)

 Export Oriented Units (EOUs), Electronics Hardware Technology Parks (EHTPs), Software Technology Parks (STPs) and Bio-Technology Parks (BTPs).

- Procedural Simplification.
- a)The number of returns and forms used in foreign trade has been reduced and these forms have been simplified.
- b)For speedy redressal of grievances, a new mechanism for grievance-redressal has been formulated. It will substantially reduce litigation time of exporters and importers.

 Online verification of documents under various export promotion schemes has been started.

 Fee for obtaining exporter- importer code number has been reduced.

A single set of common form called 'Aayaat Niryaat' form has been launched. This form can be used for both exports and imports.