Chemicals and petrochemical industry became top exporting sector

Part of: GS-III- Economy-data (PT-MAINS-PERSONALITY TEST)

Union Minister for Chemicals and Fertilizers has congratulated the chemicals and petrochemicals industry on becoming the top exporting sector of the country for the first time.

He informed that during April 2019 to January 2020, the export of chemicals grew by 7.43 per cent over previous corresponding period. The total export of chemicals during this period reached 2.68 lakh crore rupees which constitutes 14.35 per cent of the total exports.

Government assured the industry of full support towards making India a leading global hub for manufacturing chemicals and petrochemicals. He said, continuous efforts made by the Department of Chemicals and Petrochemicals have enabled the industry to become the topmost exporting segment for the first time.

Draft Export Policy of India

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.

Good Wishes Jai Hind👍