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## Highlights: New Export, Import Policy

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# NEW EXPORT, IMPORT POLICY

## Highlights

The following are the highlights of the new export-import policy announced in Parliament today:

### General

Trade is free, subject only to a Negative List of Imports and a Negative List of Exports.

Stable policy for five years 1992-97, the aim is simplicity and transparency.

### Imports

Negative List of imports is the smallest-ever. Consumer goods will continue to be under restraint.

Import of three items banned, 68 items restricted, eight items canalised.

Special import facilities for hotels and tourism industry and for sports bodies.

### Exports

Negative List of exports pruned, seven items banned, 62 items subject to restrictions, 10 items canalised.

Export of 46 items permitted with minimum regulation.

### Raw materials

Imports liberalised. Barring few items, no longer in Negative List of imports.

### Advance licences

Value-based Advance licence introduced.

Self-certification Advance Licence available for Export Houses, Trading Houses and Star Trading Houses.

All licences under duty exemption schemes transferable.

### Diamonds, gems and jewellery

Existing schemes continued with little modification.

### EOUs/Units under EPZs

EOU scheme and EPZ scheme liberalised.

Schemes extended to agriculture, horticulture, aquaculture, poultry and animal husbandry.

Inter-unit transfers allowed.

Permission to instal machinery on lease

EOU/EPZ units may export the high Export Houses, Trading Houses and the Trading Houses.

## **Licensing**

Negative Lists to be administered, as far as possible, by general schemes. Case-by-case licensing will be minimised.

Actual User condition eliminated except in a few special cases.

## **Capital goods**

Import of capital goods liberalised. No longer in Negative List of Imports.

Second hand capital goods allowed. In some sectors without licence, in others under licence.

## **Export Promotion Capital Goods**

(EPCG) scheme liberalised. Two windows opened for concessional duty imports:

Rate of Concessional Customs duty	Export Obligation	Period for fulfilment of export obligation
25% CIF Value	3 times CIF Value	4 years
15% CIF Value	4 times CIF Value	5 years

EPCG schemes extended to components of capital goods, with concessional customs duty of 15%.

## **Deemed exports**

Definition of Deemed Exports streamlined. Supplies to EOU/EPZ units, supplies against EPCG licences and supplies against Advance Licences will be deemed exports.

## **Export promotion councils, export houses, trading houses and Star trading houses**

Crucial role of EPCs, Export Houses, Trading Houses and Star Trading Houses recognised.

Importer-Exporter Code Number is basic requirement.

Registration-cum-Membership

Certificate (RCMC) by EPCs is a basic requirement for benefits and concessions under new policy.

## **Special import licences**

Three categories eligible for Special Import Licences:

### *Deemed Exports*

Export Houses, Trading Houses and Star Trading Houses

Manufacturers with ISO 9000 or BIS 14000 certification.

### **Quality**

National campaign for quality awareness to be launched.

Laboratories/testing houses to be upgraded and uncredited.

### **Procedure**

Handbook of Procedure will be published on 1st May 1992.

Procedures will be simple, transparent, and easy to administer.

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## **Negative List of Imports**

**Nature of restrictions imposed precedes the item/items concerned**

### **PART I**

#### **Prohibited Items**

*Not permitted to be imported.*

Tallow, Fat and/or Oils rendered, rendered or otherwise of any animal origins including the following:

Lard stearine, also stearine tallow stearine lard oil, oleo oil and tallow oil not emulsified or mixed or prepared in any way:

Neat's-foot oil and fats from bone or waste;

Poultry fats, rendered or solvent extracted;

Fats and oils of fish/marine origin whether or not refined, excluding cod liver oil (Pharmacopoeial grade) and Fish Lipid Oil containing Elcospentaenoic acid and Decosahexaenoic acid; and

Margarine imitation Animal rennet lard and other prepared edible fats of animal origin.

Ivory unmanufactured.

### **PART II**

#### **Restricted Items**

#### **Consumer Goods**

*Not permitted to be imported except against a licence or in accordance with a Public Notice issued in its behalf.*

All consumer goods, howsoever described, of industrial, agricultural, mineral or animal origin, whether in SKD/CKD condition or ready to assemble sets or in finished form.

For the removal of doubts, it is hereby declared that consumer goods shall also include the following:

Consumer electronic goods, equipment and systems, howsoever described.

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Consumer telecommunication equipment.

Watches in SKD/CKD or assembled condition as well as movements (mechanical); watch cases, watch dials,

Cotton, woollen, silk, manmade and blended fabrics including cotton terry towelfabrics.

Concentrates of alcoholic beverages.

Wines (tonic or medicated).

Saffron

*Import will be allowed against a licence subject to export obligation of twice the value of imports.*

*Cloves, Cinnamon and Cassia*

*Import will be allowed against a licence. Central government or State government organisations dealing with sports, educational institutions, universities, association of sportsmen, sports clubs and eminent sportsmen, on the recommendation of the Central and State government department concerned, may be permitted to import.*

Sports goods/equipment.

*Import will be allowed against a licence. Photographic studios and accredited cameramen, accredited correspondence of foreign broadcasting or television organisations foreign news agencies or foreign newspapers may be permitted to import in accordance with the specified conditions.*

Cameras

*Charitable religious or educational institutions and such persons as may be specified or otherwise approved by the Central Government may be permitted to import in accordance with the specified conditions.*

Gifts of consumer goods.

**However, the following items shall not be regarded as consumer goods:**

All kinds of timber logs,

Pulses.

Rudraksha beads.

Raw cashewnut.

Seeds of vegetables, flowers and plants; tubers and bulbs of flowers. Cuttings, saplings, budwood etc., of flowers.

Dry fruits including almonds and dates.

Homoeopathic medicines and drugs.

Crude drugs required for making Ayurvedic and Unani medicines. Import of jade, pearls and corals will be allowed only in powder form and of non-jewellery quality only.

Life saving and sight saving drugs, medicines and equipment as may be specified by the Chief Controller of Imports and Exports.

Asafoetida (Hing).  
Rock salt.  
Teaching aids, including the following.  
Micro films, microfiches and reader-cum-printers; and  
Film strips/slides, audio cassettes, video tapes and video discs of educational nature.  
Learning aids, such as language records, cassettes and videos.  
Instruments and equipment required by the blind including braille typewriters.  
Educational scientific and technical books, journals, news magazines and newspapers.  
Audio-Visual News or Audio-Visual Views material including news clippings.  
Children's films (including video films) certified by the Central Board of Film certification to be Children's films.  
Finished rolls of cinematographic colour films (unexposed) positive.  
Photographic films (black and white) other than 120 and 620 size rolls.  
Computer Software.  
Amateur radio communication equipment including kits, accessories, instruments, spares, and components.  
All kinds of contraceptives.  
Art and Chrome Paper/Board.  
Facsimile machine.  
Photo Copier  
Drawing paper  
Bus and Truck tyres all types.

### **Precious, some-precious and other stones**

*Import permitted for export against a licence.*

Cubic Zirconia.  
Stones;  
Rough diamonds  
Synthetic Stones finished or unworked (other than synthetic ruby unworked) and  
Emerald/rubies and sapphires semi-precious and precious stones and pearls (real or cultured)  
Granite porphyry, basalt, sand stone and other monumental or building stone, whether or not roughly trimmed or merely out, by sawing or otherwise, into blocks or slabs.  
Marble taverine, scaussine and other calcaeous monumental or building stone of an apparent specific gravity of 2.5 or more whether or not roughly trimmed or metely cut by sawing or otherwise, into blocks or slabs.  
Onyx.

## **Safety, security and related items**

*Not permitted to be imported except against a licence of accordance with a Public Notice issued in this behalf.*

Paper for security printing, currency paper, stamp paper and other special types of paper.

Empty/discharged cartridges of all bores/sizes.

*Not permitted to be imported except against a licence by renowned shooters/rifle clubs for their own use on the recommendation of the department of youth affairs and sports, Government of India.*

Fire arms

*Import permitted against a licence by*

- (i) Renowned shooters/Rifle Clubs for their own use on the recommendation of the Department of Youth Affairs and Sports, Government of India, and*
- (ii) Licensed arms dealers for the specified type of ammunition subject to such conditions as may be specified.*

Ammunition

*Government Departments and Public Sector undertakings, on the recommendation of the Controller of Explosives, Government of India may be permitted to import.*

Explosives

*Not permitted to be imported except against a licence or in accordance with a Public Notice issued in this behalf.*

Chloro Fluoro Hydro Carbon (Freon gases).

## **Seeds, plants and animals**

*Import permitted against a licence to Zoos and Zoological parks research institutions, circus companies, private individuals on the recommendation of the Chief Wild Life Warden of a State Government subject to the provisions of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).*

Animals, Birds and Reptiles.

*Imports permitted against a licence on the recommendation of the Director, Animal Husbandry and Veterinary Services of a State government.*

Stallions and Broodmares

*Import permitted against a licence on the recommendation of the Department of Agriculture and Cooperation, Government of India.*

Livestock (excluding equine), pureline stocks, birds eggs frozen semen/embryo, grand parent stock (poultry).

*Import permitted (a) against a licence on the recommendation of the Department of Agriculture and Cooperation, Government of India subject to the provisions of plants, fruits and seeds (Regulation of Import into India) order, 1984; and (b) in accordance with a Public Notice issued in this behalf.*

Plants, seeds and other plant material.

### **Insecticides and pesticides**

*Not permitted to be imported.*

Any pesticide, insecticide, weedicide, herbicide, rodenticide and miticide, which has not been registered or which is prohibited for import under the Insecticides Act, 1969 and formulation thereof.

*Import permitted against a licence.*

DDT-Technical 75 Wdp.

### **Electronic items**

*Import permitted against a licence.*

Cathode ray tubes, the following: 20' and 21' size colour TV picture tubes, sub-assembly thereof and assembly containing colour TV picture tube.

Integrated circuits, devices and chips for clocks and time pieces.

Populated, loaded or stuffed printed circuit boards.

Single sided printed circuit boards.

Double sided printed circuit boards with or without Plated Through Hole (PTH).

Audio magnetic tapes in all forms excluding 35mm and 16mm sprocketed tapes.

Video magnetic tapes in hubs and reels, rolls, pancakes, jumbo rolls — in all forms.

Video Tape Deck Mechanism including front and top loading cassette mechanism and sub-assemblies thereof.

Computer systems, including personal computers of CIF value below Rs. 6 lakh.

### **Drugs and Pharmaceuticals**

*Import permitted against a licence.*

All types of penicillin.

6-APA.

Tetracycline/Oxytetracycline and their salts.

Gentamycin Sulphate.

Streptomycin.

Rifampicin.

Intermediates of Rifampicin, namely 3 formyl 1 Rifa S. V. Rifa S/Rifa S Sodium; and 1-Amino 4 Methyl Piperazine.

Vitamin B1, Vitamin B2 and their salts.

Vitamin B12.

### **Chemicals and allied items**

*Import permitted against a licence.*

Allyl Isothiocyanate.

Capacitor fluids — PCB type.

**Items relating to the small scale-sector**

*Import permitted against a licence.*

Copper oxychloride,

Dimethyl Sulphate.

DNPT (Dinitroso Pentamethylene tetramine).

Flavouring essences-all types (including those for liquors).

Niacin/Nicotinic Acid/Niacinamide/Nicotinamide/ Acid amide.

Mixtures of odoriferous substances/mixtures of resinoids.

Phthalate Plasticisers.

Perfumery compounds/synthetic essential oils.

Lead and rule cutters.

Mounting tables.

Paper cutting knives of all sizes.

Paper cutting machines, excluding machines with devices such as automatic programme cutting or three knife trimmers.

Wire stitching machines single headed.

Drawing and Mathematical instruments.

Domestic water meters.

**Miscellaneous items**

*Not permitted to be imported except against a licence or in accordance with a Public Notice issued in this behalf.*

Aircraft and helicopters.

Ships, trawlers, boats and other water transport crafts.

Commercial and passenger automobile vehicles, including two wheelers, three wheelers and personal type vehicles.

Gold in any form including liquid gold.

Coir (fibre/yarn/fabrics).

*Permitted to be imported only against a licence or in accordance with a Public Notice issued in this behalf.*

Newsprint

Raw cotton and cotton yarn.

Raw silk.

Polyester staple fiber/tow.

Natural Rubber.

Diesel generating sets upto 1500 KVA (excluding DG sets with no-break system).

Electric portable generators upto 3.5 KVA.

*Permitted to be imported on the recommendation of Department of Atomic Energy.*

Radio active material.

Rare earth oxides including rutile sand.

*Import will be permitted by Doordarshan, All India Radio, National Film Archives of India, Film and Television Institute of India and Children's Film Society of India and others as may be specified in this behalf.*

Cinematograph feature films and video films.

### **Special Categories**

*Import permitted against a licence on the recommendation of the Director General of Tourism, Government of India. Items qualifying for import and conditions of such imports shall be as specified in a Public Notice issued in this behalf.*

Special items required by hotels, restaurants, travel agents and tour operations.

*Import permitted against a licence for meeting essential import requirements. Items qualifying for import and conditions of such imports shall be as specified in a Public Notice issued in this behalf.*

*Special items required by sports and recreational bodies.*

## **PART III Canalised Items**

**The following are canalising items for various items.**

*Indian Oil Corporation Ltd.*

Petroleum products namely  
Aviation Turbine Fuel  
Crude Oil  
Kerosene  
Liquified Petroleum Gas (LPG)  
Motor Spirit  
Bitumen (asphalt) Paving Grade  
Naphtha  
Furnace Oil

*Minerals and Metals Trading Corporation of India Ltd.*

All types of nitrogenous, Phosphatic, Potassic and complex chemical fertilisers.

*The State Trading Corporation of India Ltd.*

Drugs

Vitamin-A and pre-mixes of Vitamin A.

*The State Trading Corporation of India Ltd. and Hindustan Vegetable Oils Corporation Ltd.*

Oils (Coconut oil, groundnut oil, safflower oil, palm oil, (all types including pal-molein and other traditions), Rapeseed Oil, Sunflower Oil, Soya Bean oil, cotton seed oil).

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Seeds (Copra, Groundnut, Palm, Rapeseed, Safflower, Soyabean, Sunflower, Cotton).

All other oils or seed or any other material from which oil can be extracted (whether edible or non-edible) including vegetable fats not specifically mentioned above or elsewhere in this Policy (but excluding tung oil/China wood oil and natural essential oils).

*The State Trading Corporation of India Ltd.*

Fatty acids and acid oils (Palm kernel oil, palm stearine, tallow amines hydrogenated tallow amines, Oleyl amines and stearyl amines, including heir primary, secondary, tertiary and quarternary derivatives).

*Food Corporation of India.*

Cereals.