

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

UNSTARRED QUESTION NO:1373
ANSWERED ON:18.07.2014
EXPORT INCENTIVES UNDER FOCUS MARKET SCHEME
Dhruvanarayana Shri Rangaswamy

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

- (a) whether there are restrictions on outbound shipments on some products including cotton, cotton yarn, onion and iron ore, as a result denying the exporters the benefits of incentives under Focus Market Scheme;
- (b) if so, the details along with the present status thereof; and
- (c) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

(a) to (c): Yes Sir. Export of certain commodities is prohibited/restricted under the Foreign Trade Policy. These include all wild animals, wood and semi-finished wood products, pulses (with a few exemptions), edible oils (with a few exemptions), plants and plant portions covered under the CITES list & Wildlife (Protection) Act, fodder, certain type of fertilizers, certain types of chemicals, wood pulps etc. and items covered under Special Chemicals, Organism, Materials, Equipment & Technologies (SCOMET).

Apart from the above, temporary restrictions are put from time to time keeping in mind the requirement and availability of various commodities in the country. Accordingly, certain restrictions have been placed on some commodities which inter-alia include the following:

- (i) Export of cotton and cotton yarn is freely permitted subject to registration of contracts with DGFT. (ii) In view of the rising prices of onion in the domestic market, Government has recently imposed Minimum Export Price on outbound shipments.
- (iii) Export of Iron ore (a) having Fe content of 64% and above (b) Iron ore concentrates prepared by beneficiation and/or concentration of low grade ore containing 40% or less of Iron produced by KIOCL (c) Iron ore pellets manufactured by KIOCL, is canalized through MMTC in case of item (a) and KIOCL in case of items (b) and (c).

The incentives under the Focus Market scheme are not available on exports of cotton, cotton yarn and iron ore since these fall under the ineligible export category.