

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 636 (H)
TO BE ANSWERED ON 20th NOVEMBER, 2019

TAX EXEMPTIONS TO INDIAN EXPORTERS

636(H). SHRI AJAY NISHAD:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has given exemptions in taxes, particularly to the Indian exporters in view of competition in international market so that sale and purchase of Indian commodities become easier and profitable;
- (b) if so, the facts in this regard;
- (c) the details of exemptions given during each of the last three years;
- (d) whether this kind of exemption is necessary and if so, the reaction of the Government in this regard; and
- (e) the corrective steps taken by the Government in this regard?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a)&(b) Yes, Sir. In the current Goods and Services Tax regime, the exports zero rated to ensure that the goods produced in India for exports are not disadvantaged due to the domestic tax burden and say competitive internationally.

Further, Under the Foreign Trade Policy, Duty Exemptions Schemes ensure that inputs imported/locally procured for use in the export products are either exempt from duties ab-initio, or the taxes are refunded to the exporters in the form of drawback after exports. Under the current Foreign Trade Policy, there are two duty exemption schemes, namely, Advance Authorisation scheme and the Duty Free Import Authorisation scheme .

(c) The details of exemptions for last three years under Advance Authorisation Scheme and Duty Free Import Authorisation Scheme are as under:

	2016-17	2017-18	2018-19
	Number of Authorisations issued	Number of Authorisations issued	Number of Authorisations issued
Advance Authorisation Scheme	22853	21505	23042
Duty Free Import Authorisation Scheme	581	815	1321

(d)&(e) The duty exemptions under the Schemes ensure competitiveness of Indian exports in international markets and are compliant with India's international commitments.
