

Incremental Exports Incentivisation Scheme

The objective of the Scheme is to incentivize incremental exports. The duty credit scrip will be freely transferable and shall also be eligible for domestic sourcing.

Entitlement

- An exporter would be entitled for a duty credit scrip @ **2% on the incremental growth** (achieved by the exporter) on the FOB value of exports. Incremental growth shall be in respect of each exporter (IEC holder) without any scope for combining the exports for Group Company.
Exports made during the period;
 - (a) 01-Jan-13 to 31-Mar-13 compared to the prev period from 01-Jan-12 to 31-Mar-12 (**Three months**)
 - (b) 01-Apr-13 to 31-Mar-14 compared to the prev period from 01-Apr-12 to 31-Mar-13 (**Full F.Y**)
- Incentive will be admissible only if the IEC holder has achieved growth in the FY 12-13 / 13-14 compared to FY 11-12 / 12-13 respectively. Quantum of benefit will be calculated on the incremental growth achieved subject to eligibility criteria given below;

Eligibility

- The scheme is region specific and will cover exports to **USA, European and Asian countries only** (except exports to Singapore, U.A.E and Hong Kong) – **for (a) above**
- The scheme is region specific and will cover exports to **USA, European, Asian, Latin American and African countries only** (except exports to Singapore, U.A.E and Hong Kong) – **for (b) above**
- Transfer of export performance shall not be admissible for this incentive. This benefit is over and above any benefit being claimed by the exporter under any of the Chapter 3 Schemes, therefore, provisions of para 3.17.8 of FTP 2009-14 will not be applicable for such benefit.
- For the purpose of the scheme, export performance shall not be allowed to be transferred from any other IEC holder. Benefit under this scheme will not be allowed to an exporter who had made no export between 01/01/12 to 31/03/12 or FY 12-13. The following exports shall not be taken into account for calculation of export performance or for computation of entitlement under the Scheme:
 - Export of imported goods or exports made through trans-shipment.
 - Export from SEZ / EOU / EHTP / STPI / BTP / FTWZ
 - Deemed Exports
 - Service Exports
 - Third Party exports
 - Diamond, Gold, Silver, Platinum, other precious metal in any form including plain and studded jewellery and other precious and semi-precious stones.
 - Ores and concentrates of all types and in all formations.
 - Cereals of all types.
 - Sugar of all types and all forms.
 - Crude / petroleum oil and crude / primary and base products of all types and all formulations.
 - Export of milk and milk products.

- Export performance made by one exporter on behalf of other exporter.
- Supplies made to SEZ units.
- Items, export of which requires an export authorisation (except SCOMET), will not be considered.
- Export of Meat and Meat Products.

For example,

| Period | | Total turnover of exports to the listed countries |
|--|----------------------------|---|
| 01-Jan-2013 to 31-Mar-2013 | 01-Apr-2013 to 31-Mar-2014 | Rs. 3,00,00,000 |
| Compared to | Compared to | Compared to |
| 01-Jan-2012 to 31-Mar-2012 | 01-Apr-2012 to 31-Mar-2013 | Rs. 2,00,00,000 |
| Difference between above periods | | Rs. 1,00,00,000 |
| Incremental exports benefit @ 2% of difference (Transferable licence value) | | Rs. 2,00,000 |

| <u>Asia</u> | | <u>Africa</u> (For FY 13-14) | <u>Latin America</u> (For FY 13-14) | <u>Europe</u> | |
|-----------------|------------------|---------------------------------|--|-------------------------|------------------|
| 1. Afghanistan | 31. Qatar | 1. Botswana | 1. Antigua | 1. Albania | 31. Moldova |
| 2. Bahrain | 32. Saudi Arabia | 2. Burkina Faso | 2. Barbados | 2. Andorra | 32. Monaco |
| 3. Bangladesh | 33. Sri Lanka | 3. Burundi | 3. Belize | 3. Armenia | 33. Montenegro |
| 4. Bhutan | 34. Syria | 4. C Africa REP | 4. Bermuda | 4. Austria | 34. Netherlands |
| 5. Brunei | 35. Taiwan | 5. Canary IS | 5. Bolivia | 5. Azerbaijan | 35. Norway |
| 6. Cambodia | 36. Tajikistan | 6. Cape Verde IS | 6. BR Virgin IS | 6. Belarus | 36. Poland |
| 7. China | 37. Thailand | 7. Chad | 7. Cayman IS | 7. Belgium | 37. Portugal |
| 8. East Timor | 38. Turkmenistan | 8. Comoros | 8. Costa Rica | 8. Bosnia & Herzegovina | 38. Romania |
| 9. Indonesia | 39. Uzbekistan | 9. Equatorial Guinea | 9. Cuba | 9. Bulgaria | 39. Russia |
| 10. Iran | 40. Vietnam | 10. Gabon | 10. Dominica | 10. Croatia | 40. San Marino |
| 11. Iraq | 41. Yemen | 11. Gambia | 11. EL Salvador | 11. Cyprus | 41. Serbia |
| 12. Israel | | 12. Guinea Bissau | 12. Falkland IS | 12. Czech Rep | 42. Slovakia |
| 13. Japan | | 13. Lesotho | 13. FR Guiana | 13. Denmark | 43. Slovenia |
| 14. Jordan | | 14. Mali | 14. Grenada | 14. Estonia | 44. Spain |
| 15. Kazakhstan | | 15. Mauritania | 15. Guadeloupe | 15. Finland | 45. Sweden |
| 16. Korea North | | 16. Namibia | 16. Guyana | 16. France | 46. Switzerland |
| 17. Korea South | | 17. Niger | 17. Haiti | 17. Georgia | 47. Turkey |
| 18. Kuwait | | 18. Reunion | 18. Jamaica | 18. Germany | 48. Ukraine |
| 19. Kyrgyzstan | | 19. Rwanda | 19. Martinique | 19. Greece | 49. U.K |
| 20. Laos | | 20. Sao Tome | 20. Montserrat | 20. Hungary | 50. Vatican City |
| 21. Lebanon | | 21. Swaziland | 21. Netherland Antilles | 21. Iceland | |
| 22. Malaysia | | 22. St. Helena | 22. Nicaragua | 22. Ireland | |
| 23. Maldives | | 23. Seychelles | 23. Paraguay | 23. Italy | |
| 24. Mongolia | | | 24. St Kitts N A | 24. Kosovo | |
| 25. Myanmar | | | 25. St Lucia | 25. Latvia | |
| 26. Nepal | | | 26. Suriname | 26. Liechtenstein | |
| 27. Oman | | | 27. Trinidad | 27. Lithuania | |
| 28. Pakistan | | | 28. Virgin Islands US | 28. Luxembourg | |
| 29. Palestine | | | 29. Turks & Caicos IS | 29. Macedonia | |
| 30. Philippines | | | 30. St. Vincent | 30. Malta | |