



HAND DELIVERY on 27/02/2014 @ 3.00pm.

## INDIAN DRUG MANUFACTURERS' ASSOCIATION

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**PARTNERS IN GLOBAL HEALTHCARE** February 25, 2014

### **Shri Rajkumar**

Under Secretary to the Government of India,  
Department of Pharmaceuticals,  
Ministry of Chemicals & Fertilizers,  
Shastri Bhavan, New Delhi

Dear Sir,

This is in continuation of our submission dated 15<sup>th</sup> January 2014 on Foreign Trade Policy 2014-19. As desired, our further clarifications on Foreign Trade Policy are given below:-

#### Sl.no.1 **Incremental Exports Incentivisation Scheme**

FOB value of exports to select countries of the Current year April 13 to March 14 is compared to that of previous year. Based on the growth 2% Incentive on the growth is eligible to exporters. Certain categories are excluded from the Scheme. (Chapter 3 of Foreign Trade Policy FTP)

#### Sl.no.2 **Interest Subsidy**

RBI has announced Interest subvention Scheme for certain sectors allowing reduction of 2% interest charged by the Banks on the Pre-shipment and Post-shipment credits. (Working capital finance provided by Banks to exporters to execute export orders).

#### 3 **Focus Product Scheme**

Specific products are listed in the FTP which are eligible 2%/5% Incentive by way of duty credit scrip on the FOB value of exports. The List needs to be expanded to include all the Chapter 29 and 30 of ITC Chapter related to Pharmaceutical Products and APIs.

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4 **MAD Scheme**

Market Development Scheme administered by Ministry of Commerce is available to exporters whose turnover is Rs.30 crores. This threshold limit needs to be increased.

5. **Advance Authorizations**

Duty free Inputs can be imported under AAs with a commitment to export of Final product. Export obligation is required to be fulfilled within 36 months from the date of the Authorization. FTP allows clubbing of Advance Authorizations where one AA which is to be clubbed with another AA. The requirement of intervening period between the two AAs needs to be extended to 60 months.

6. **MLFPS**

Market Linked Focus Product Scheme , a variation of Focus Product Scheme , was earlier available to chapter 29 Items needs to be reinstated.

7. **List 28 to Customs Notification 12/2012**

List 28 contains a list of equipments for R & D needs to be updated.

8. **Special Focus Market Scheme**

Appendix 37D in the FTP lists countries –destination countries where exporters are eligible for 4% duty credit scrip .List needs to include more countries of CIS block.

9. **VKGUY**

Vishesh Krishi Upaj Yojana benefits are available to exporters of agricultural products. List requires to be extended to all Medical extracts.

Thanking you and with best regards,

Yours sincerely,



Daara B Patel  
Secretary-General