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Government of India
Ministry of Commerce & Industry
Department of Commerce
Udyog Bhawan

Public Notice No. 60/2015-20
New Delhi, the 3rd February, 2016

Subject:- SCOMET Export permission for 'Stock & Sale' purposes and for export of spare parts.

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In exercise of the powers conferred under Paragraph 1.03 of the Foreign Trade Policy, 2015-20, the Director General of Foreign Trade, hereby, incorporates para 2.79A and para 2.79B in Handbook of Procedure 2015-2020 as under:

2. 2.79A. Export permission for "Stock and Sale"

Applications for grant of authorization for export of SCOMET items shall be evaluated/considered by IMWG for 'stock & sale' purpose subject to the following conditions:

- i. Export shall be permitted only from the principal company/the wholly owned subsidiary in India to their subsidiaries/principal company/warehouse abroad on the basis of an EUC from the latter for 'stock & sale' purposes, when considered appropriate from the point of view of security and other critical consideration.
- ii. (a) For any further transfer of these items by the 'stock & sale' entity (to whom the items are originally exported by Indian principal/wholly owned subsidiary) to entity (ies), including end users, in the same country, the former shall obtain the EUC from each link in the supply chain and forward the same to the Indian applicant/licensee for the purpose of submission to licensing authority, i.e. DGFT for seeking prior permission for such transfer. The IMWG may, however, relax this requirement of prior permission based on a **Risk Assessment** for such within same country sale/transfer.

(b) In case of retransfer by the stockist entity to entity (ies) outside its country, the stockist entity shall forward to the Indian applicant/licensee the EUCs from all links in chain of supply for the purpose of submission to licensing authority i.e. DGFT for seeking prior permission for such transfer.

3. **2.79B Export permission for Spare Parts for SCOMET**

At the request of the applicant, export permission for spare parts covered under SCOMET may be considered by IMWG along with the application for the main item/equipment. Accordingly, the applicant seeking permission for export of spares may indicate the requirement of spares in the application for main equipment after judicious and reasonable assessment thereof, and provide the justification for the same.

4. Effect of this Public Notice:

- i. The provision of SCOMET export permission for 'stock & sale' purposes will facilitate bulk export which may cater to orders of multiple end users from the 'stock point' subject to subsequent permission of the licensing authority for re-transfer to definite end user.
- ii. The facility for permission for export of spare parts along with the main equipment will obviate the need for seeking permission for spares through a separate application.
- iii. Both the measures will have the effect of reducing the transaction time and cost.


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