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Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Vanijya Bhawan

Notification No. 14/2023

New Delhi, Dated 23rd June, 2023

Subject:- Amendments in Category 5B of Appendix 3 (SCOMET Items) to Schedule-2 of ITC (HS) Classification of Export and Import items

S.O.(E) In exercise of the powers conferred by Section 5 and Section 14A of the Foreign Trade (Development and Regulation) Act, 1992, as amended, read with Para 1.02 and Para 2.01 of the Foreign Trade Policy 2023, as amended from time to time, the Central Government hereby makes the following amendment:

2. The Category 5B of the Appendix 3 (SCOMET List) of Schedule 2 of the ITCHS classification of Import and Export Items is substituted to read as under:

5B Unmanned aerial vehicle systems including cruise missiles, drones, remotely piloted air vehicles, autonomous programmable vehicles, related equipment, technology or software and specially designed components therefor:

(a) i. Complete unmanned aerial vehicle systems (including cruise missile systems, target drones, exclusive delivery drones, drones with encrypted/satellite communication, drones with explosive/warhead/electronic warfare payload capability) or any related technology or software.

Note: Cruise missiles (regardless of their end use) and their related systems will be classified under sub-category 6A004 (Munitions List)

ii. Unmanned aerial vehicle systems including reconnaissance and other drones, remotely piloted air vehicles and autonomous programmable vehicles [not specified above at (a)]

(b) Complete unmanned aerial vehicle systems having an autonomous flight control and navigation capability or capability of controlled flight out of the direct vision range involving a human operator, designed or modified to incorporate an aerosol dispensing system/mechanism, with a capacity greater than 20 liters.

Technical Note: For the purposes of this entry, an aerosol consists of particulate or liquids other than fuel components, by-products or additives, as part of the payload to be dispersed in the atmosphere.

Note: This entry does not control unpowered airborne vehicles such as gliders, hot air balloons etc.

c. Associated launchers and ground support equipment;

d. Related equipment for command and control.

e. Light weight Turbojet and turbofan engines (including turbo compound engines).

- f. Ramjet, Scramjet, pulse jet, combined cycle engines, including devices to regulate combustion, and specially designed components.
- g. Safing, arming, fusing and firing mechanisms for weapons or warhead.
- h. Production facilities and Production equipment specially designed for equipment or materials for 5B.
- i. Technology, for the development, production or use of equipment, materials or software specified for 5B.
- j. Software, for the development, production or use of equipment or materials specified for 5B.
- k. Software which coordinates the function of more than one subsystem, specially designed or modified for use in the systems specified in 5B.
- l. Turboprop engine systems' specially designed for the systems in 5B.a, and specially designed components therefor, having a maximum power greater than 10 kW (achieved uninstalled at sea level standard conditions), excluding civil certified engines.

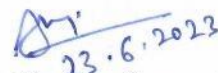
Technical Note: For the purposes of this entry, a turboprop engine system" incorporates all of the following:

- i. Turboshaft engine; and
- ii. Power transmission system to transfer the power to a propeller

Note: Unmanned aerial vehicle systems including drones, remotely piloted air vehicles and autonomous programmable vehicles specified at 5B(a)(ii), and not covered under SCOMET Categories/sub-categories 5B(a)(i) & 5B(b), 6A010, 8A912, and capable of range equal to or less than 25 km and delivering a payload of not more than 25 kgs (excluding the software and technology of these items), will be subject to the General Licensing procedure under General Authorisation for Export of Drones(GAED) policy.

Effect of this Notification: The Category 5B of the Appendix 3 (SCOMET List) of Schedule 2 of the ITCHS classification of Import and Export Items that controlled the export of all kinds/types of drones/UAVs is amended to simplify and liberalize the SCOMET policy for export of Drones/UAVs.

The export of Drones/UAVs not covered under the specified categories above and capable of range equal to or less than 25 km and delivering a payload of not more than 25 kgs (excluding the software and technology of these items), will now be subject to General Authorisation for Export of Drones (GAED). This will exempt Drone Manufacturers/Exporters with GAED Authorisation from applying for SCOMET license for every similar export shipment, within the validity period subject to post reporting and other documentary requirements. The detailed procedure of GAED to be notified separately.


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