GOVERNMENT OF INDIA FINANCE LOK SABHA

UNSTARRED QUESTION NO:1955 ANSWERED ON:05.08.2005 EXPORT DUTY DRAWBACK SCHEME Rao Shri Sambasiva Rayapati

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has decided to have expansion of the existing Export Duty Drawback Scheme;
- (b) if so, the details thereof;
- (c) the percentage of the country's exports, value-wise;
- (d) whether India's merchandise exports in rupee terms during 2003-2004 stood at around Rs.2,91,580 crores;
- (e) whether the Ministry has now prepared a comprehensive list of various inputs that are used in the manufacture of export products; and
- (f) the time by which these proposals of expansion of existing drawback scheme will be announced?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM)

(a) to (f): The Drawback Schedule, 2005-06 which came into force with effect from 5th May, 2005 covers about 2620 entries comprising 685 entries at the four-digit level and 1935 entries at the six-digit/eight-digit/modified six/ eight-digit level. Though the entries add to a total of 2620 only, the number of manufactured products covered by these entries would be many times this figure. In terms of product coverage, the new Schedule has much wider scope in comparison with the Drawback Schedule, 2004-05 which covered about 1050 entries only.

The drawback rates, notified on the basis of the recommendations of a Committee appointed by the Central Government, have been determined on the basis of certain broad parameters including, inter alia, the Standard Input/Output Norms (SION) published by DGFT.

India's merchandise exports in 2003-2004 were Rs.2,93,367 crores(approx.).