

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:848
ANSWERED ON:28.11.2006
REBATE ON WOODEN IRON MADE HANDICRAFTS
Bishnoi Shri Jaswant Singh

Will the Minister of TEXTILES be pleased to state:

- (a) the measures taken to promote wooden and iron made handicrafts;
- (b) whether Rajasthan has demanded a special package for this purpose;
- (c) if so, the action taken by the government thereon;
- (d) the rebate provided on wooden and iron made handicrafts;
- (e) whether State of Rajasthan is adversely affected due to less rebate being given in this regard; and
- (f) if so, the details and the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a): The measure taken to promote handicrafts in the country including wooden and iron made handicrafts include implementation of Baba Saheb Ambedkar Hastshilp Vikas Yojana (AHVY) for integrated development of selected crafts clusters; design & technology upgradation; marketing & support services; export promotion, training and extension; workshed; research and development; Special Handicrafts Training Project (SHTP) etc.

(b): No specific demand for a special package to promote wooden and iron made handicrafts in Rajasthan has been received.

(c): Does not arise.

(d): For export of furniture made of wood, Bamboo and Cane handicrafts, duty drawback is @ of 1.7% of FOB value. For Iron handicrafts it is @ 13% subject to a maximum of Rs.15.00 per kg.

Income tax exemption is allowed to wooden handicrafts exporters under section '10BA' of Income Tax Act vide Taxation laws (Amendment) Ordinance, 2003 (No. 2 of 2003) w.e.f. April, 2004 till 2010.

(e): Export Promotion Council for Handicrafts (EPCH) has reported that no such instance has been brought into their knowledge.

(f): Does not arise.