

Title: Need for implementation of the decision to provide concession to silk exporters under Duty Entitlement Pass Book Scheme.

SHRI K. FRANCIS GEORGE (IDUKKI): Sir, Duty Entitlement Pass Book Scheme is the only WTO compatible incentive still existing for exporters. This scheme, introduced in 1997 by the Director General of Foreign Trade, became hugely popular with the Indian exporters and this helped India to push up its silk exports in particular. On 6th November, 2000, the Department of Revenue came up suddenly with a circular notifying that 'it was generally never the impression of the Government to allow DEPB in case of embroidered silk garments and silk fabrics and made-ups'. Thus, 15 per cent of DEPB granted to silk was suddenly withdrawn and silk exporters faced the threat of recovery of DEPB granted over a period of three years from 1997 onwards. A high level Committee took a decision that Government will allow a one-time dispensation and that there will be no recovery of DEPB. Further, it was decided that all the pending DEPB disbursements after the 6th November, 2001 will be done by applying a value cap of Rs. 750 per piece. But the Department of Revenue has so far not issued a formal circular to its field dispensations at various airports in the country about the decision taken and the silk exporters continue to suffer.

I request the Government to look into the matter.