

banks concerned are inquired into for corrective measures. The Management of the bank concerned takes action against the erring staff in accordance with its service regulations.

[English]

**Criticism of EXIM Policy by AEPC**

7444. SHRI KAILASH MEGHWAL: Will the Minister of COMMERCE be pleased to state

(a) whether Government are aware of the criticism of EXIM policy voiced by the Apparel Export Promotion Council (AEPC); and

(b) if so, the details thereof, the Government's reaction thereto and the remedial steps being contemplated?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU):

(a) Yes, Sir.

(b) A Statement is attached.

**STATEMENT**

*As per the Newspaper Reports, the following are the details of the criticism of Exim Policy voiced by Apparel export Promotion Council (AEPIC):—*

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*Details of Point made*

*Government's reaction and the remedial steps being contemplated*

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(i) The new Import-Export Policy is discriminatory, full of loophole and its continuation could lead to a fall in garment exports;

(ii) The Policy has certain provision which shows a bias in favour of big exporters in the large sector;

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(i) The Policy is not discriminatory in nature and in the new Policy many steps have been taken to plug the loopholes;

(ii) There is no bias in favour of large scale sector. The small scale sector continuous to get special treatment in the new Policy as well. IRMAC Scheme which is meant for servicing the import requirement of indigenous industry has been simplified so that the small scale sector will now be able to avail of this benefit without the need for import licence in their favour. A special import facility for recognised service centres to encourage employment of skilled persons has been introduced in the new Policy. This benefit is also in favour of small scale sector. The new Policy has continued with earlier provisions of giving double weightage to exports of the products manufactured by the small scale sector for grant of recognition as Export House/Trading House.

<i>Details of Point made</i>	<i>Government's reaction and the remedial steps being contemplated</i>
1	2
(iii) The new Import-Export Policy has not incorporated any of the suggestions of the garment industry;	(iii) The suggestion received from various quarters were duly considered while formulating the Policy. The suggestions which were found acceptable have been incorporated;
(iv) Re-introduce Blanket Import-Export Pass Book Scheme;	(iv) The Import-Export Pass Book Scheme has been abolished due to the mis-use which came to the Government's notice;
(v) Sharp increase in threshold limit on eligibility for becoming an Export House would lead to over 70% of the present export Houses becoming ineligible. The threshold limit for recognition as Export House may be increased gradually;	(v) It has been decided to :— (a) decrease the threshold for recognition as Export house from Rs. 5 crores to Rs. 4 crores; (b) allow a grace period of one year to the existing Export Houses to achieve the aforesaid level of exports;
(vi) In regard to Advance Licensing Scheme, the present Input-Output Norms would need to be raised upward drastically;	(vi) The existing Input-Output Norms are liberal. Any specific suggestion can be considered;

<i>Details of Point made</i>	<i>Government's reaction and the remedial steps being contemplated</i>
1	2
(vii) The garment Exporters Should be allowed to import, export linked items for the full value of the licence; the maximum condition could be put in the case of zip/snap fasteners upto 5% of the licence value; and	(vii) In the case of export of readymade garments, the import replenishment licence rate have been rationalised. The REP licences have been made fully flexible to import items listed in limited permissible list (Appendix 3 of Import & Export Policy, 1990-93, Volume I) and canalised items (Appendix 5 Part A items of the Import & Export Policy, 1990-93, Volume I only). Further, they have also been allowed to import restricted items listed in Appendix 2 Part B of the Import & Export Policy, 1990-93 (Volume I) upto 2% of the value of the licence, subject to a maximum of R. 1 lakh; and
(viii) Permit duty-free import of trimmings and embellishments and embellishments upto 2 % of the value of the exports in addition to the original REP licences.	(viii) This suggestions has been considered but has not been found acceptable.