

## FIEO Chief hails smooth transition from DEPB



**Mr Pranab Mukherjee**  
Hon'ble Finance Minister



**Mr Anand Sharma**  
Hon'ble Minister of Commerce and Industry



**Mr Jyotiraditya Scindia**  
Hon'ble Minister of State for  
Commerce and Industry

The Duty Entitlement Passbook Scheme, introduced in 1997, was one of the most popular Scheme and helped in promoting exports in its 14 years of operation. Many doubts were raised when the issue of withdrawal of DEPB was flagged by the Department of Revenue. However, the non-compatibility of DEPB Scheme with "Agreement on Subsidies and Countervailing Measure" coupled with the fact of huge out go of revenue prompted the Department of Commerce to propose for its closure from 30th June, 2011. However, I personally appealed to the Hon'ble Finance Minister and Commerce & Industry Minister to extend the Scheme for three months so as to pave the way for smooth transition. I am grateful for consideration of my request. Department of Commerce and the Department of Revenue have ensured complete coverage of items under the DEPB Scheme in New Duty Drawback Rates announced for 2011-12 on 22nd September, 2011 effective from 1st October, 2011.

I am grateful to Ministry of Finance for entrusting FIEO the task of organizing Open Houses on the New Duty Drawback Rates and transition from DEPB to the Duty Drawback on 28th September, 2011 in New Delhi and 29th September, 2011 at



**Dr Rahul Khullar**  
Commerce Secretary



**Mr R S Gujral**  
Finance and Revenue Secretary

Mumbai. The meeting Chaired by the Finance Secretary with Chairman CBEC and other senior functionaries of the Government was well attended by the manufacturers ranging from large industries to micro enterprises. The feedback provided in the two Open Houses conducted by FIEO were duly deliberated and incorporated for modifications through Notification No.75/2011 dated 28.10.2011.

I am happy to inform you that the transition has been highly successful as exporters are by and large happy with the New Duty Drawback Rates for 2011-12.

I would like to compliment the Ministers and Commerce & Finance Ministries for taking the herculean task and accomplishing the same with success.

On behalf of the export fraternity, I would like to thank them for ensuring smooth transition and reducing the transaction time and cost of the exporters as the duty drawback amount will be directly credited to the exporters' account at the Custom Houses without the need for a separate application, thus facilitating the task. ■

—**Ramu S. Deora, President, FIEO**