

## **Public Notice No. 45 (RE-2010) /2009-2014**

Dated: the 31st March, 2011.

**Subject: Non-availability of DEPB benefit on export of Cotton.**

1. In exercise of powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-2014, the following amendment is made in the Schedule of DEPB Rates (as stated in paragraph 1.1 of HPB v1):

2. Export of Cotton shall not be entitled for DEPB benefit even under DEPB entry Sl. No. 22C and 22D of the Product Group "Miscellaneous", with respect to shipments made on or after 21.4.2010.

3. Effect of this amendment:

Benefit under DEPB scheme encourages export of concerned commodity. Hence when the intention of the Government is not to encourage exports of specific commodity, DEPB benefit on such a commodity would be contradictory to its intention. Accordingly, this Public Notice clarifies that DEPB benefit on export of cotton shall not be available. DEPB benefit on export of cotton yarn was withdrawn with effect from 21.4.2010, therefore, DEPB benefit on cotton (the basic raw material for cotton yarn) has been disallowed for exports made from 21.4.2010 onwards.

**Sd/-**

**( Anup K. Pujari )**

**Director General of Foreign Trade**

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