

**Chairman's Pen**

*My dear fellow exporters,*

I express my sincere gratitude to all of you for selecting me as the Chairman of the Council.

As you are aware that Finance Ministry has cut back the Duty Drawback Rates for over 3500 products ranging between 25-40 percent while these rates should have actually been increased by at least 30 percent. The value addition norm used for computing the Drawback Rates has been raised from 33 percent to more than 250 percent in the most alarming way.

Thus the advantage accruing to engineering exporters by Rupee depreciation and benefits vis-à-vis Chinese Yuan has been taken away. I am wondering why the sector was being singled out.

This was being done when the cumulative engineering exports figure for April-August remains negative (-) 4.19 percent, even though export has turned positive by 2.27 percent only in August.

This Duty Drawback Rate cut is uncalled for and the nearly 13000 members of the Council vehemently protest this unfair treatment that is being meted out to the engineering sector. The Council is receiving complaints regularly from its members, be it from the large scale, medium scale or small-scale sector, about the sharp reduction in Duty Drawback Rates. "There seem to be non-economic factors behind this irrational decision of the Revenue Department".

EEPC India is making all-out efforts to reverse the negative trend and ensure that the fiscal 2013-14 ends with a tidy positive number. In this regard, the Council will be organizing the India Engineering Sourcing Show (IESS) in Mumbai next year, between January 22 and 24 where buyers from a host of African, Central Asian, European and Arabian besides Canada have confirmed their participation.

*Yours sincerely,*

A handwritten signature in black ink that reads "Anupam Shah". The signature is written in a cursive, slightly slanted style.

**(ANUPAM SHAH)**