

## Chairman's Pen



*My dear fellow exporters,*

*The Government is yet to notify a clarification to the Notification No. 66/2008-Customs dated 10th May, 2008 on the ITC HS Codes of goods on which export duty have been levied. This lack of clarification is creating immense harm to India's engineering exports since Customs Officials in different ports of the country are interpreting the above Notification as per their own sweet will. The Council has sent more than half a dozen letters to the relevant authorities in Finance and Commerce Ministries as well as taken up this issue in the media in the hope that the clarification would come through. We do believe that the Notification will be issued soon so that this problem can be sorted out at the earliest.*

*There has also been confusion on the Council's stand with regard to the export duty. The Council has since the last two months been advocating that export duty be put on primary iron and steel products. A large number of members have informed us that value added products belonging to intermediate and final goods categories have also been roped in by the Notification No.66/2008-Customs dated 10th May, 2008. We have, therefore, represented to the Government that export duty should be levied strictly on primary iron and steel products and not on valued added products since putting export duty on value added products gives a negative connotation of the country attempting to curb value creating exports through the levy of export duty. It may be mentioned that the media is agog with reports that the export duty would completely be rolled back. The Council believes that such complete roll back should not be attempted hastily and only value added products should be removed from the purview of the export duty. But the most important issue is that the Government should notify a clarification to the Notification No.66/2008-Customs by mentioning ITC HS Codes of the steel products on which export duty have been imposed.*

*The Council has also submitted its suggestions to the Government with regard to the effects of the Chile-China FTA on India's exports of engineering products. We have informed the Government that the Indo-Chile PTA is an imperfect substitute for the Chile-China FTA and will have a deleterious impact on India's engineering goods especially low to moderate value added items to Chile.*

*In the meanwhile, I would urge the members to kindly submit their suggestions on Indo-EU Trade Relations since the Indo-EU Trade Sub-Commission meeting will be held in the month of June and if there are any issues on which members would like the Government of India to take up problems relating to exporting to the European Union, they may kindly be brought to the notice of the Council so that they can be forwarded to the Government.*

*Yours sincerely,*



(RAKESH SHAH)