

Chairman's Pen



My dear fellow exporters,

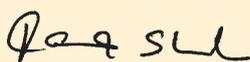
The new Customs Valuation for Exports Rules 2007 that has come into effect from last month has portents for procedural delays at the hands of Customs authorities due to Rule 8 of the said rules. This Rule gives a blanket and overarching powers to the Customs authorities to “doubt the truth or accuracy of the value of the goods” declared by the exporters.

The Council has represented to the Government that while there is a need to guard against mis-declaration of goods, such a procedure already exists since exporters have to give the Export Value Declaration in Annexure “A” along with their shipments. Accordingly, the Council has requested the Government that Rule-8 of the said Notification be looked at afresh and the necessary changes be made to ensure that such overriding powers are not given to the Customs authorities at the cost of the exporters.

On November 29, 2007, the Government announced certain measures directed to a few sectors to tide over the impact of Rupee appreciation. Unfortunately, the engineering sector has been left out from the ambit of such benefits. The Council has taken up this issue with the Government as well and we intend to follow this up during the course of this week.

Meanwhile the Council has received a number of complaints from its members regarding the refusal of Indian banks to open LCs for doing trade with Iran. This problem has arisen because Iran has been put under the UN sanctions list and many Iranian banks are being put under special sanctions by the US authorities. We have suggested to the Government certain steps by which those items which are not on the UN sanctions lists can be exported to Iran within the formal banking channels, by getting the necessary clearance through a single window system. We do hope that the Government will look at these suggestions of the Council sympathetically.

Yours sincerely,



(RAKESH SHAH)