

Chairman's Pen



My dear fellow exporters,

Friends, the exercise with regard to revision of duty drawback has begun and the notification issued by the Ministry of Finance has already been sent to members. Please take this opportunity to send your suggestions for the revision of duty drawback of your product at the earliest. Your Council has also given detailed suggestions with regard to Annual Supplement to the Foreign Trade Policy 2004-09 to be announced by Shri Kamal Nath, Minister of Commerce & Industry in mid April, 2007. Your Council has been at the forefront over the demand for the extension of DEPB Scheme beyond March 31, 2007 and we hope that the Ministry of Finance will accede to the urgent requirement of the exporting community. I must also mention that your Council has suggested that the Focus Market Scheme be widened to include countries belonging to the Commonwealth of Independent States (CIS) and also the transshipment exports to be eligible for duty credit benefit under the Focus Market Scheme. Moreover, currently, the benefit is available only to exports made through EDI ports. Given the diversity of Indian engineering exports in terms of their location, this restriction should be done away with and exports emanating from all ports in India destined for countries in Appendix - 37C should receive the duty credit of 2.5% of FOB value of exports to such countries. The other countries that the Council has recommended to be included in the Scheme are Nigeria, Ghana, South Africa, Egypt and Sudan in Africa; and Brazil and Mexico in Latin America.

Your Council is in the process of launching its first Cluster Development Programme in Castings for a segment of the industry in the Howrah region of West Bengal. A Core Committee of members has been formed and we are in discussion with the Government of India and West Bengal Government to carry out a Diagnostic Study to identify the issues for which industrial units in castings industry will benefit from a comprehensive cluster development programme. I must also reiterate that the first Seminar on Engineering Cluster Development will be held in Kolkata on April 6, 2007 at Hotel Taj Bengal. The Seminar details are being sent to members and I do hope that members will be interested in participating in this programme. I must also add that the success of any cluster development programme rests on your participation and the benefits that you want to derive from such a programme.

Finally, the Indian Government is moving swiftly with regard to improving bilateral trade negotiations with a large number of countries : Japan, Russia, Azerbaijan, and Belarus to name a few. Your Council has been requested to send its suggestions with regard to any possible trade and investment issues relating to these countries. Needless to say, your views, comments and suggestions are most welcome and will only help in delivering constructive suggestions to the Government.

Yours sincerely,



(RAKESH SHAH)