

## Chairman's Pen



*My dear fellow exporters,*

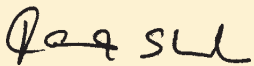
*During a recent visit, Indian Prime Minister H.E. Dr. Manmohan Singh and his Brazilian counterpart H.E. Mr. Luiz Inacio Lula da Silva, President of the Federative Republic of Brazil, have resolved to create an enabling environment to deepen and diversify the growing commercial and economic interaction encompassing trade, investment and technology. They have also decided to undertake exchange of business delegations, increased participation in each others trade events and promotion of mutual investment and setting up of joint venture in a concerted manner.*

*The Government aims to increase the share of manufacturing sector in GDP from 17% to 25% and eventually to 33%. Dr. Ashwani Kumar, Minister of State for Industry, has stated that the manufacturing contributes about 53% of India's exports and receives more than two-thirds of the total foreign investments. It accounts for 11% of the workforce of about 45 million.*

*The Government has urged the exporting community to explore new markets for their products and make more foreign consumers get used to Indian goods and services. According to the DGFT, Shri K. T. Chacko, "the Central Government subsidy of Rs. 40,000 crores to the exporting community can not be increased as this would not be compliant with the WTO framework." The DGFT has also pointed out that in no case there will be a re-look at the cut in Duty Credit Entitlement to 5% under the Target Plus Scheme. Retrospectively, the Government has now fixed the duty credit entitlement for incremental growth in exports to 5% with a cap on 5% on 100% growth.*

*On the issue of DEPB bills verification by the customs, the DGFT has clarified that some new fields may be added to the customs software to smoothen the process of verification and authentication of the shipping bills.*

*Yours sincerely,*

  
(RAKESH SHAH)