

## Chairman's Pen



*My dear fellow exporters,*

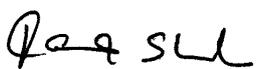
*I am very happy to bring to your notice that the engineering exports have been able to maintain a growth of 25 per cent in dollar terms in 2005-06, according to the provisional estimates based on DGCIS figures, to reach US\$ 19.8 billion, surpassing the target set at US\$ 18.3 billion. However, this estimate do not include performance of about 300 items which have not been taken by DGCIS and performance of the engineering service sector.*

*As I mentioned in my last column about opening up of IEC at Johannesburg, I am now happy to inform you that your Council is now all set to open its second India Engineering Centre (IEC) at Johannesburg, South Africa. It will be a multi-product showroom for Indian engineering items which will cater to the need of our member-exporters to meet off-the-shelf deliveries to their clients abroad. I am sure that the Centre, besides showcasing Indian capabilities in manufactured engineering items of iron and steel, would be of immense help in distribution and marketing of the products in neighbouring countries such as Botswana and Namibia. It would also help meeting the specific requirements of overseas buyers and facilitate cost-effective procurement by them. The Centre is expected to be inaugurated in September this year to coincide with the SAITEX-2006 fair in Johannesburg.*

*Friends, you are aware that the Ministry of Commerce, Government of India have announced the Focus Market Scheme. However, the Public Notice No. 19(RE-2006)/2004-09 dated 13th June, 2006 issued by DGFT in which Target Markets of Latin America and Africa have been notified, it is found that most of the major markets for Indian engineering goods and services have not been included. Whereas the Public Notice have notified those markets that constitute a meager 18.94% of world import of all commodities with 17% of global import of engineering goods in the Latin American block, and 43.81% of world import of all commodities with 40% of global import of engineering goods in the African block. I have taken up with the Government to include major importing countries in the African block, such as, South Africa, Egypt, Nigeria, Algeria, Sudan, Kenya and Tanzania in order to have a quantum jump in exports so as to achieve our desired goal of 1.5% of global trade by 2009.*

*Mention may also be made of the recent DGFT's Notification No. 08(RE-2006)/2004-09 dated 12th June, 2006 in respect of the Target Plus Scheme, where the Duty Credit Entitlement of 10% and 15% benefiting those exporters, who had achieved the incremental growth of 25% or more in F.O.B. value of their exports during the licensing year 1st April, 2005 to 31st March, 2006, has been deleted with retrospective effect. This also is against the accepted trade practices which has been taken up with the Government.*

*Yours sincerely,*

  
(RAKESH SHAH)