

Chairman's Pen



My dear fellow exporters,

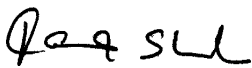
We are all anxiously awaiting the forthcoming Budget which is coming up on February 28, 2006. I hope that there will be some silver lining for us this time. I had also made several representations on the impact of Service Tax as well as of the Fringe Benefit Tax stating that the impact of the Service Tax is equivalent to 1.58% of the f.o.b. exports. I had also made a similar representation on the impact of Fringe Benefit Tax and stated that taking into account all related expenses, the impact is not less than 0.62% of the total cost of manufacture.

These are two emergent issues which I thought should be taken up with the Government and I still have every faith that Government considers exports as a priority and, therefore, we may expect some benefit for the exporters.

The Delegation from USA has just come back and I will apprise you of the outcome of the delegation in the next issue.

In regard to forthcoming Hannover Fair we have almost closed our bookings and you will be glad to know that several topical Seminars have been lined up where eminent speakers both from Germany and India will deliberate on emerging prospects between the two countries.

Yours sincerely,



(RAKESH SHAH)