

From Chairman's Pen



20th October, 2004

My dear fellow exporters,

The New "Schedule of DEPB Rates" has been announced vide Public Notice No. 13/(2004-2009) dated 6th October, 2004 for any amendments/additions/corrections etc. Drastic reduction has been effected in the new DEPB rates particularly relating to engineering products.

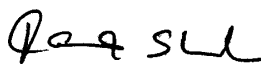
You may be aware that DEPB rates are worked out on the basis of incidence of duties suffered on the imported inputs and the average FOB value realised on exports of the resultant products. Value addition, in this regard, plays an important role as higher the value addition, lower the rate. In the past, DEPB rates were fixed taking into consideration relatively higher value addition, in certain cases as high as 200%.

I have since been representing to the Government for continuation of DEPB rates which is the only element that might help the exporters for being competitive in the international market. As you know, I had also taken up the matter with the Hon'ble Union Minister of Commerce and Industry, apart from the then Commerce Secretary. In the meantime, I had also met Mr. S. N. Menon, Commerce Secretary and Mr. K. T. Chacko, Director General of Foreign Trade in Delhi on 11th October, 2004 in this regard.

I have requested all Panel Conveners to provide necessary data for revision in the DEPB rates, if so desired, as per the procedures laid down for onward submission to the Authorities positively within 30th October, 2004.

I hope, with your inputs, we will be able to come out with further revision in the DEPB rates for the benefit of exporting community.

Yours sincerely,


(RAKESH SHAH)