

Chairman's Pen

My dear fellow exporters,

EEPC India made a presentation before the Union Minister of State for Commerce & Industry Shri Jyotiraditya M. Scindia with regard to the Transaction Cost in the engineering sector. Our estimate was that for an engineering exporter who is nearer the port, the transaction cost is about 8 per cent of the FOB value of a medium sized engineering export, while for the exporter from inland the transaction cost is about 11 per cent. EEPC also highlighted a large number of steps that a manufacturing exporter has to follow and the number of documents that are required. It was estimated that 25 documents need to be filled up by the exporter which requires around 81 copies and nearly 110 signatures. We also estimated the financial intermediation cost and gave a road map on how to lower the transaction cost.

The Minister of State is also meeting other sectors and it is hoped that some positive measures would be taken by the Government to lower the transaction cost for exporters.

Yours sincerely,



(AMAN CHADHA)