

Karnataka on course for creating exporter friendly climate

FIEO organized an interactive session on "Duty Drawback Scheme and Foreign Trade Policy" in association with the Kanara Chamber of Commerce and Industry and supported by the Visvesvarya Industrial Trade Centre, Government of Karnataka, on January 6 at Bangalore. The objective was to educate the Karnataka exporters on the benefits available under the Duty Drawback Scheme and Foreign Trade Policy.

In his address, Mr Walter D'Souza, Regional Chairman (Southern Region), FIEO mentioned that export facilitation in the form of result oriented incentives for exports is a key determinant of a country's competitiveness in the international market. The Central Government's new duty drawback scheme is expected to be exporter friendly, saving transaction time and cost and will do away with avoidable paper work.

It has been accepted by all including the Government of India that the Indian exporter is at a disadvantage in the global market on several counts. The most important factor has been the transaction costs, which is in the region of about 8-10%.

Infrastructure has been an area which leaves such a lot to be desired. Exporters are oblivious as to when it would be in place. He made an appeal to the State Government of Karnataka to address this issue on a war footing.

Mr D'Souza briefed about the value added facilities available such as storing and redistribution for domestic and re-export and trading at FIEO's Indus Trade Services FZE at Sharjah, UAE, and made an appeal to the exporters to take advantage of it.



Mr Walter D'Souza, Regional Chairman (SR), FIEO delivering his welcome address. Sitting on the dais from right, Mr V Srinivasan, Jt. Director, FIEO(BLR); Mr T P Basavaraju, Foreign Trade Development Officer, O/o Regional Jt.DGFT, Bangalore; Mrs Latha R Kini, President, Kanara Chamber of Commerce & Industry; Mr. M V S Choudary, Commissioner of Mangalore Customs and Central Excise; and Mr Nagesh, Dy.Director, Dept. of Industries and Commerce.



A view of the audience.

In his inaugural address, Mr M.V.S. Choudary, Commissioner of Mangalore Customs and Central Excise, mentioned that the nutshell of the drawback scheme under section 74 and 75 is to encourage exports and help the exporters realize foreign exchange and drawing back all the taxes paid by them. The biggest benefit accruing out of EDI is the

reduction of physical contact between the Department and the importers/agents apart from fast processing of documents which reduce cycle time of clearance. Duty drawback held up due to IGM/EGM error/mismatching of data.

In her address, Mrs Latha R. Kini, President, Kanara Chamber of

Commerce and Industry, brief about the role played by the chamber in promoting international trade.

Mr Nagesh, Deputy Director, Department of Industries and Commerce, Government of Karnataka, mentioned the various tax exemptions such entry tax, octroi and refund of amounts available from the State Government of relating to Capital Goods, CE certification charges, investment subsidy, exemption on land registration stamp duty for MSME,

and interest free loan on VAT etc.

In his address, Mr T.S.N. Murthy, Deputy Chairman, New Mangalore Port Trust, spoke about the value added services available at the port and advised the trade to use those facilities.

Mr T.P. Basavaraju, Foreign Trade Development Officer, O/o Regional Joint Director General of Foreign Trade, Bangalore, spoke about pre and post export benefits available in the Foreign Trade Policy.

Mr V. Srinivasan, Joint Director, FIEO (Bangalore) informed the participants that every day decisions are well structured and are normally in the form of implementation of the policies, rules and regulations. Their impact is immediate, short term and short range. Operational decisions at many places are pre-programmed into the ICES (Indian Customs EDI System).

The meeting ended with an interactive session. ■

Seeking suggestions for FIEO services

1. FIEO provides the following services to its members

- Timely Issuance/ Renewal/ Endorsement of RCMC / MDA processing
- Hosting of members' profile on FIEO Website
- Timely taking up issue with agencies concerned
- Issuance of Visa Recommendation Letter/Certificate of origin

Please provide your feedback on these services? Which new services FIEO should initiate for exporters to increase Foreign Trade?

2. Please cite an area where FIEO should improve its networking with the Centre and the State Governments?

3. How can FIEO improve its presence in international exhibitions? Which other region specific international fair would you like to participate in through FIEO's assistance?

4. Do you avail the Chat service being provided on our website www.fieo.org, to clarify policy issues? Please suggest other feature or chat services that you may wish to have.

5. Are you aware of FIEO Awards - Niryat Bandhu and Niryat Shree? Is the present format meeting its objective?

6. Which new seminar, training programme and open house should FIEO organise?

7. Which new feature should be included in FIEO's monthly bulletin 'FIEO News'?

8. Would you like to contribute to FIEO's knowledge sharing activities as a resource person?

9. Would you like to recommend our services to some other firm/company/organisation? Please provide details so we may contact them:

Please send in your responses to:

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