

Keeping on top of import procedures to reduce transaction costs



LEFT: Mr H.E. Abdul Azeez, Convenor, Committee on Textiles/Handicrafts/Leather and Member, FIEO Managing Committee (centre) addressing the participants. On his right is Mr Unnikrishnan K, Director, FIEO (SR) and on his left is Prof. K.R. Nath, Indus Business Academy, Bangalore. **RIGHT:** A view of the participants.

FIEO (Southern Region) organized a one day training programme on "Reducing Transaction Costs Through Better Knowledge of Import Procedures and Documentation" at Chennai on April 27, 2012. The programme was held to educate members on various changes taking place in the rules and regulations governing imports and focusing on import for export production. The programme was attended by more than 30 participants. Prof K.R. Nath, Indus Business Academy, Bangalore, handled the technical session.

Mr H.E. Abdul Azeez, Convenor, Committee on Textiles / Handicrafts/ Leather and Member-Managing Committee, inaugurated the seminar. In his welcome address he complemented the exporters for surpassing the export target of \$300 billion set by the Ministry of Commerce despite the recession in India's major export markets like the US and Europe. While referring to the export targets, Mr Azeez said that the Government of India has set an ambitious target of achieving 4% of global trade from the present 1.75% by the year 2020. For achieving this target, we need to augment all resources available with us and put more emphasis on devel-

opment of infrastructure, production capacity as well as most importantly human resources development.

Four per cent of global trade means a huge jump in India's exports thereby generating unimaginable demand for trained and skilled human resources. Hence, it is necessary that we should start developing human resources as per the needs of international trade. Hence, this kind of training programme will go a long way in supporting the industry for getting the required manpower.

The Commerce Ministry and the Finance Ministry, especially DGFT and Customs and Central Excise, are undergoing tremendous changes regularly compared to any other department. In a year, Foreign Trade Policy and Customs rules and procedures together comes up with more than 350 amendments by way of notifications, circulars and public notices. This means, almost every day there is more than one circular being issued by the Government making changes in rules and regulations. Hence, it is of utmost importance for trade and industry to update themselves on various changes taking

place in this area so that the exporters can take care of various risks and costs involved in his day to day business, Mr Azeez concluded.

The following topics covered in the programme:

- Customs Act of 1962 as modified from time to time
- Reference to Foreign Trade Policy in respect of Import of restricted items
- Import of raw materials, parts, components, consumables, intermediaries etc. for export production
- Obligation and responsibility of importers
- Discharge of obligations with various Government Organisations like DGFT, Customs, Central Excise, Taxation etc.
- Foreign Trade Policy with respect to EPCG Scheme – procedural aspects and discharge of export obligation
- Imports by EOUs and SEZs
- Deemed Exports
- Procedures related to valuation of goods, assessment of imported goods etc.
- Classification of goods
- Special Valuation Branch of customs and SVB clearance
- Provisions of adjudication and

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appeal under Customs Act.

Various practical case studies related to delays in clearance of consignments, demurrages and other additional charges incurred while importing were discussed in detail.

Mr Unnikrishnan K., Director, FIEO (SR) proposed the vote of thanks. ■

FIEO NEWS ● June 2012