Export under bond to nepal and bhutan economics essay

Economics

However, Qatar's reliance on oil is weak. Qatar’s oil reserves are predictable to run dry by 2023 and the Qatari administration has since listening carefully its notice to increasing the natural gas industry. Increased liquid Natural Gas (LNG) production in exacting has driven Qatar’s fast growth in current times. Massive growth projects are still in the channel. Once finished, Qatar’s LNG manufacture is predictable to grow exponentially. In spite of already being the world’s largest LNG exporter, Qatar aims to additional than double its current production of LNG by the ending of 2011. Japan's 2011 earthquake and tsunami disaster is also possible to increase in Qatar’s LNG exports. Japan is Qatar’s major export partner, strong more than 25 percent of Qatar’s total LNG output, and more LNG will be requisite to meet its power wants due to compact capability of Japan's nuclear power plant life.

QATAR IMPORT AND EXPORT INDICATORS AND STATISTICS AT A GLANCE

Total worth of exports: US$57. 82 billion (2010 estimate)Primary exports - commodities: watery natural gas (LNG), petroleum products, fertilizers, steelPrimary export partners: Japan (34. 68 percent of total exports), South Korea (22. 44 percent), Singapore (10. 03 percent), India (4. 86 percent)Total worth of imports: US$23. 38 billion (2010 estimate)Primary imports - commodities: machinery and transport equipment, food, chemicalsPrimary import partners: US (13. 43 percent of total imports), Italy (8. 34 percent), South Korea (8. 33 percent), Japan (8. 04 percent), Germany (7. 31 percent), France (6. 26 percent), UK (5. 59 percent), China (5 percent), UAE (4. 67 percent), Saudi Arabia (3. 96 percent)Oil exports: 753, 000 bbl/dayNatural gas exports: 56. 78 billion cu m

6. TAXATION POLICY OF INDIA

1. Credit of entrenched tax

SIAM had got a learn done through ICRA Advisory Services to approximation the cascade crash of entrenched tax in developed vehicle in India for which no start out is obtainable in any system. ICRA look at two states, Maharashtra and Tamil Nadu, which have automotive hubs and had expected in July 2003 that the quantum of surrounded tax amounts to around 12% of industrialized cost. Since this makes our vehicles less aggressive by 12% in the international markets, SIAM suggests that any export incentive scheme offered to the exporters should factor this in the total value of credit. This should be in addition to the Drawback/DEPB for actual import duties suffer on raw material and section. DEPB plan should be extensive for at least two years till the interior reform are done.

2. Drawback for 2% education CESS should be allowable for claim

Currently the import duty arrangement is as undera) Basic Custom Dutyb) CVD in lieu of Excise Duty + 2% CESS on CVDc) 2% CESS on total Duty (a+b)CVD and 2% CESS on all import items are refund as CENVAT credit. When the imported input is use for export invention, basic duty is refund as problem. However, 2% CESS on total Duty remainder non-Convictable / refundable. Since all duties on inputs stage are neutralized by way of shortcoming and or under license route, the 2% CESS on total duty be supposed to also be refunded as drawback.

3. Brand Rate Fixation

Efficient from 1st April 2003 - the power for fixation of drawback delegated to jurisdictional central excise establishment. The central excise authorities are raising more than a few points while verifying the data/fixing the brand rate. Further all the rules concerning to think of brand rates are formulated by the drawback division, Ministry of Finance. For any explanation on these issues the central excise has to refer the matter again to the Ministry. There are problems which the Exporters are facing with the Central Excise Authorities - which is causing delay in fixation of brand rate. It is suggested that the choice should be given to the exporter to get the brand rate settled from Ministry of Finance as was earlier done under Simplified Drawback Scheme.

4. Export Obligations under EPCG Scheme

Past exports average presentation with no EPCG license should not be count for impressive responsibility on new EPCG licenses.

5. Export under bond to Nepal & Bhutan

Currently the customs powers that be do not divert any refund of duty on exported to Nepal and Bhutan if the expense is other than Letter of Credit (L/C). Payment terms such as TT / cheque, DD or Bank Guarantee may be allowed as appropriate for export to other countries.

6. Dispatch of Documents to overseas parties

Currently dispatch of papers to overseas parties is allowable only through banks. This is a time intense process and entails conduct charges. Where the payment is coming in move ahead the exporter be allowed to send documents directly to the party instead of routing through the banks.

7. Rejected material sent back to shipper by importer of status

Customs should not maintain on physical confirmation of discarded objects sent back by importer of repute, under section 74 of Customs Act. Customs may confirm the export shipment with the inward new import shipment for ensure that the part being sent back is equal with the imported part. e. g. 100 pcs of Part A were imported by importer of standing and cleared from the Customs. When parts were examine at the plant it was found that 90 pcs of Part A are satisfactory and 10 pcs of Part A are rejected. Importer of standing will teach the transporter to send replacement of 10 pcs of Part A on free of charge basis. On in receipt of free replacement, importer of status will process the papers under section 74 for these not needed 10 pcs of Part A for sending it to the shipper. At the time of export exam, to confirm the physical organization of the material, Customs should study the new import consignment of importer arriving at port/airport for Part A. On getting prejudiced that Part A being sent back is corresponding with the new imported Part A (except that earlier was discarded on quality ground), customs should allow authorization of the export shipment under Section 74 and should process the refund of duty.

8. Simplification of Notifications

Notifications issued by Departments should be smallest amount & user friendly. From the subject itself the user should get the theme of the notification.

9. Interest on duty foregone under duty release schemes

The EXIM Policy provides import of Capital commodities, raw materials, components, consumables etc. either under concessional duty rate or at zero duty for carrying out manufacturing activities with time spring export obligations. Due to some inescapable changed situation, if the importer is not able to complete the obligation, then importer needs to legalize the imports on payment of duty + interest @ 15% p. a. Under the prevailing market circumstances, the ruling interest rate is in the range of 6% to 8% p. a for all types of transactions. To reduce the weight and to bring down the transaction cost, the interest rate for regularization of imports need to be plugged max. @ 10% p. a. Exporters who commence the business risks can stay alive during doubts.

10. Self Assessment for Imports

Excise and Sales tax rules provide opportunity to the assessed to assess the duty and pay to the government periodically. Only audit check is done on post payment activities. Government need to come out with such self assessment schemes which will enable importer to move the goods from the ports on coming and pay duty on self appraisal basis. Customs can set up Audit checks to check adequacy similar to excise and sales tax. The above will help better operation of scarce and exclusive port facility and reduce the contract costs. The facility needs to be total for import clearances also. Indian Port Authorities to look up global standard of operations and eradicate multiple treatment and civilizing the port output levels.

11. Export benefits like DEPB /DGFC / Advance License

The above export incentive are admitted only for exports next to Hard Currency and denied for Rupee trade. As a result Rupee trade with neighbouring countries is less attractive and as a result full possible is not realized. This also affects our competitiveness vis-à-vis other countries in these markets. The above export Incentives need to cover export under rupee trade also, particularly with SAFTA being negotiate at present

12. Tools Imported For Specific Activity

Calibration equipments and tools brought by Overseas technicians / specialists for creation, commission and serving of equipments supplied , imports made on re-export basis is accountable for Customs duty. At present the provision is to pay customs duty and claim duty draw back under Section 74. The process is weighty and takes long lead time. Needs provision to custom clear against bond an annulment after re-exportImports in advance or as suitcases be permitted without duty on condition of re-export.

13. Advanced Technology Has Demerits

Imports under CTH 49. 11 attract nil duty if imported in Hard copy form. However, if the same is imported in the form of CD, Customs duty is applicable. The incongruity needs to be removed Manuals, drawings et covered under scope of CTH 49. 11 if imported in CD ROM, customs duty to be exempted

14. Duty Free Credit Entitlement License

Licensing authorities are issuing DFCE license for service providers served from India as per para 3. 6. 4. 1 of Foreign Trade Policy 2004-09, which is cover under Customs Notification 54/2003-cus dated 01-04-2003. Whereas the Licensing authorities are not issuing DFCE License for Status Holders (Manufacturer & Exporters), which is covered under customs announcement 53/2003-cus dated 01-04-2003. Even if they have issued, the license is not operative, for the reason that Customs are insist that the License should read as " DFCE issued for Status Holder", whereas it is mentioned as " Service Provider served from India Scheme". Advance Income tax has been paid (approx. 36%) for this accrued export benefit-DFCE License, whereas it is not ready. The last date for submission of DFCE application for Status Holder has been extended to 31-03-2005 from 31-12-2004 as per Policy circular No. 12/2004-09 dated 28-12-2004, which shows the intention of Licensing authority for issuing DFCE License for Status HoldersUnder Para 3. 7. 7 of Foreign Trade Policy, for the Target Plus Scheme, " the CVD Paid in Cash or through debit under the said licence, shall be adjusted as CENVAT Credit or Duty Drawback as per rules framed by Dept. of Revenue."

15. TARGET PLUS Scheme

Even though Target Plus Scheme is announced in the Foreign Trade Policy 2004-09 on 31-08-2004, the Application form - Appendix 17D is yet to be provided by the Licensing Authority. Dept of Revenue is required to issue Customs Notification for the same, with a provision that CVD paid by cash at the time of importation, by the Status Holder is eligible for CENVAT Credit as mentioned in the Foreign Trade Policy Para 3. 7. 7.

16. Conditions of Import of Vehicles

The existing conditions of import of new and used vehicles should be retained as such

LICENSING POLICY OF INDIA

Here, new industrial policy, the Government has agreed a catalog of trade (Schedule II) for which industrial license is necessary. For situation up a unit for the produce of any item listed in Schedule II, all entrepreneurs have to of need to attain an industrial license irrespective of the group to which they be in the right place and the savings troubled.

POLICY FRAMEWORK

General

For setting up a unit for the create of any supplementary items or any sizeable development in its create (provide its manufacture is suitable for the group to which the entrepreneur belong) the industrialist has to propose a " Industrial Entrepreneurs Memorandum' in the prearranged form in compulsory number of copies along by a charge of Rs. 1000. 00 in the organization of a crossed Demand Draft to be paid at State Bank of India, nirman Bhavan, New Delhi-110001 in favor of The Pay & Accounts Officer, Department of Industrial Development , Ministry of Industry, Government of India, New Delhi to The Secretariat for Industrial Approvals (SIA), Department of Industrial Development, Ministry of Industry, Udyog Bhavan, New Delhi - 110001. The same " Industrial Entrepreneur Memorandum' in the agreed form in obligatory figure of copy with no any fee has to be submit once more to The Secretariat for Industrial Approvals (SIA), Department of Industrial

Development, Ministry of Industry, Udyog Bhavan, New Delhi - 110001, when the unit is specially made and commercial production starts. The management require that data mostly for records and arithmetical purpose. In the purpose for developed license or for submit the 'Industrial Entrepreneurs memo to the SIA, the entrepreneur is requisite to quote the ITC (HS Classification) Code No. of the piece of writing he intends to create and also a fuller clarification of the thing in words. The Government permit available and new units to build new products other than those for which are certified or have submitted 'Industrial Entrepreneurs Memorandum' without any authorization from the government or submit a fresh or new 'Industrial Entrepreneurs Memorandum' to the Government provided no additional investment (in capital goods) is made or is necessary to be made for the manufacture of the new product and the new product is not included in the list of industry require compulsory industrial licensing or held in reserve for the little level division or the public sector. The Government permits all units to make bigger at length (expand their ability by more than 25%) provided the item of make for which generous development is planned is neither set aside for the public sector nor for the small scale sector. In case the item is included in Schedule II, the unit may apply for a important opening out and if the item is not listed in Schedule II, the unit may submit 'Industrial Entrepreneurs Memorandum' to the SIA for that as in the case of new units. All available units other than the underdeveloped scale units, however, which are located in area extra than those acquiescent to the position policy of the Government of India, have to apply for an Industrial license for undertaking considerable development.

SSI Sector & License proceed

In small scale segment, if an item is listed in Schedule II and is also listed in the list of kept back items for small scale sector, the small scale unit does not require an manufacturing license or those who have established SIA or DGTD registrations for the produce of these items and have either already set up their units or are in the process of setting up their unit, but are not required to be suitable anew for an engineering license for the build of these items.

Application for Industrial License – Procedures

The appliance for industrial license is required to be made in a given form titled " FORM IL " reachable from the Public relatives & Complaints Officer, Ministry of Industry, Udyog Bhawan, New Delhi - 110001. The application form is obligatory to be filled in and submitted with all the necessary enclosure with 11 spare copies to The Secretariat for Industrial Approvals, Central Receipt & Dispatch Section, Ministry of Industry, Government of India, New Delhi - 110001, with a crossed demand draft for Rs. 2500 in favor of the Pay & Accounts Officer, Department of Industrial Development), Ministry of Industry, Government of India, New Delhi-110001 payable at The State Bank of India, New Delhi-110001. Requirements for addition of authority stage of letter of intention can be address to the Deputy Secretaries of the administrative ministry concerned. Application for extension beyond a total period of 2 years, in two steps of one year each, is normally not considered. Letters of intent which remain unimplemented for a period of more than five years are treated as automatically lapsed and the candidate has to apply afresh if he wants to follow the project. Requests for revalidation of letters of intention should be made previous to the expiry of this stage of 3 times to the anxious managerial ministry. The administrative ministry scrutinizes the various steps taken for the conclusion of the scheme and brings the suggestion before the Approvals group with its recommendations, in case it finds any good reason for revalidation of the letter of intent. Once the situation given in the correspondence of intention is pleased, the candidate can apply for swap of letter of intent into an industrial license. The request should be made to the administrative ministry, and a copy of the application should also be sent to the Secretariat for Industrial Approvals. There is no agreed form for this application and no fee is payable along with the application. Photostat copies of the following papers to the degree they are related with the letter of intent issue for the project may be enclosed with the application, to keep away from needless correspondence, as proof of fulfillment of a range of situation laid out in the letter of intent: Letter of agreement of foreign partnership, if any. Letter approving import of tools or import license from the suitable organization such as SIA, middle or regional Import licensing authorities. If any export responsibility is imposed in the letter of intent, a letter conveying acceptance of the bond execute for undertaking export compulsion issued by Chief Controller of Imports & Exports/ Directorate General of International Trade or any other licensing authority. Proof of compliance of loan request to the financial institutions if it was proposed to take loans from financial institutions to meet a part of the cost of the project. Letter from the State Pollution Control Board transmission receipt of the Scheme submit by the entrepreneur for proper pollution control. If the letter of intent was initially obtained by the entrepreneur in his individual name and he desires to obtain the industrial license in the name of a company which he has formed subsequent to obtaining the letter of intent for implementing the project, or otherwise, a certificate of incorporation issued by the Registrar of Companies and the Memorandum and Articles of Association of the company. The change in the name of the implement agency such as from an individual to a company formed by the individual (by signing the Memorandum and Articles of Association of the company as a signatory and subscribing to at least 10% of the paid-up equity capital of the company) and from a company to its wholly owned subsidiary is permitted by the managerial ministry. Letter agreeing to stand by the other situation, prearranged in the letter of intent and the extra conditions if any indicate in the annexure attached thereto. If other conditions like subcontract of machinery to small level sector are stipulated in the letter of meaning, letter from the appropriate Government authority in token of having settled such conditions to the satisfaction of the authority concerned.

Processing & Approval of License

On liberation of proposal from the decision-making things, the SIA issues a exchange license to the applicant provide all the basic in sequence has been furnish by him and the correspondence of intent has not expired or revoke in the in the meantime. The validity period of an industrial license is two years within which profitable manufacture must start. The managerial ministry can grant two extension of one year each in the validity period of the license if there are good and enough reasons for the delay in commission of the project in spite of the best efforts made by the entrepreneur. Requests for addition of strength stage should be made to the decision-making office troubled.

PRESENT TRADE BARRIERS

About every trade obstruction works as a tool in the course of make sure a protection policy. Trade barrier plan to walk the price of import harvest in order to secure the domestic industry against sadistic conflict from overseas products. Some of the most general trade barriers are:

TARRIFF

Taxes levy on products that are trade crossways limitations are called tariffs. However, government force tariffs fundamentally on imports and not on exports. Two most popular types of tariffs areAd valorem: In this type, tariff involves a set percentage of the price of the imported goodsSpecific: In this, a specific amount charged by the government on import of goods

SUBSIDIES

Subsidies service to endorse export by given that financial help to locally-manufactured supplies. Subsidies help to either keep economic behavior that face losses or decrease the net price of manufacture.

QUOTAS

Import quotas are the trade limitations set by the government to restrict the quantity of imports during a particular period of time.

CHALLENGES

Hotel industry is horizontal to hurdles like poor infrastructure, high rate of land procurement and multiple licenses as well as levies. High price rises, high interest rates and absence of policies being issued by the government is hampering growth prospects. Slow economic growth in developed countries like US and Euro zone will greatly impact the travel and tourism sector, also the hospitality sector. Aptitude management is a chief challenge for this sector. Insufficient supply of talent joined to increased opposition within the sector for obtainable resources has made abrasion a cause of concern.

GOVERNMENT INITIATIVE MOTIVATING THIS SECTOR'S GROWTH

Government's collective investment on tourism and hospitality sector has risen at a CAGR of 15. 4 % during 2005-11. Ministry of Tourism set up a Hospitality Development and Promotion Board to monitor and facilitate hotel project clearances/approvals. Government of India (GOI) continues its focus on airport infrastructure development as part of the 11th Five Year Plan (2007-12). Liberalization and Open Sky Policy has led to greater than before traffic rights under mutual agreement with foreign countries support towards 100 % FDI in aviation. Tax exemption for airport projects for a period of ten years. Policy support and demand growth is increasing investment potential.

EMERGING TRENDS IN THE SECTOR

High throwaway incomes and growth of low-cost airlines in India will lead to a rise in domestic travel. This increase will be closely linked to the growth of India's hotel and restaurant business. Niche offerings like medical tourism and eco tourism are expected to create more demand. Increase in the number of people travelling by air, both for business and travel, along with new trade opportunity has led the Government's focus on infrastructure, which has resulted in various development projects. Indian aviation sector is likely to see investments of up to US $150bn. Growing liberalization in aviation policy is most important to greater private sector contribution. Private operator is predictable to give more than three-fourth of total funds in the next five years. http://en. wikipedia. org/wiki/International_trade_policyhttp://en. wikipedia. org/wiki/Commercial_policyhttp://www. niir. org/information/content. phtml? content= 10http://www. economywatch. com/international-trade/trade-barriers. htmlhttp://info. shine. com/Industry-Information/Aviation/140. aspxhttp://commerce. nic. in/trade/national_ftpp. asphttp://dgft. gov. in/http://business. mapsofindia. com/india-policy/foreign-trade-policy. htmlhttp://pib. nic. in/archieve/foreigntradepolicy/foreigntradepolicy. pdfhttp://en. wikipedia. org/wiki/Foreign_relations_of_Qatarhttp://www. qatarembassy. net/trade. asphttp://www. globaltrade. net/m/c/Qatar. htmlhttp://www. niir. org/information/content. phtml? content= 10http://www. siamindia. com/scripts/eximpolicy. aspxhttp://www. economywatch. com/world_economy/qatar/export-import. htmlhttp://info. shine. com/Industry-Information/Aviation/140. aspx