### Merger of Council for Trade Development and Promotion into BoT

1. The **Council for Trade Development and Promotion (CTDP)** was constituted in 2015 to ensure regular dialogue with State Governments and UTs on measures for providing an International trade enabling environment in the States and to create a framework for making the States active partners in boosting India’s exports.

2. The Board of Trade has been in existence for long. The objective of BOT is to have regular discussion and consultation with trade and industry and advise the Government on Policy measures related to Foreign Trade Policy in order to achieve the objective of boosting India's trade.

3. It has been decided to merge the Council for Trade Development and Promotion (CTDP) with the Board of Trade (BOT) and the new forum will remain as Board of Trade (BOT).

4. Composition of Board of Trade:

<table>
<thead>
<tr>
<th></th>
<th>Union Commerce and Industry Minister</th>
<th>Chairperson</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Minister/s of State for Commerce &amp; Industries, GoI and Minister in-charge of Trade and Commerce in States and UTs</td>
<td>Members</td>
</tr>
<tr>
<td></td>
<td>CEO, NITI Aayog, Deputy Governor RBI, Chairman, CBIC, Chairman NHAI, CMD ECGC, MD EXIM Bank, MD, Container Corporation of India, Chairperson/President, MPEDA, FSSAI, APEDA, Coffee Board, Tea Board, Spice Board, Rubber Board, Head - Centre for WTO Studies, Director RIS</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>President/Chairman, CII, FICCI, FIEO, ASSOCHAM, NASSCOM, GJIEPC, AEPC, SRTPC, EPCH, CLE, EEPC, CHEMEXCIL, PHARMAEXCIL, EPC for EOUs &amp; SEZs, SEPC, President, The Seafood Exporters Association of India, Indian Association of Tour Operators, SAARC Chairman of Commerce &amp; Industry, President Brihan Mumbai Customs House Agents Association, Federation of Freight Forwarders’ Associations of India, Federation of Indian Micro, Small and Medium Enterprises, Federation of Indian Women Enterprises, Indian Oilseeds and Producer Export Promotion Council, Lighth Udyog Bharati, CEO, Express Industry Council of India</td>
<td>Ex-officio Members from Apex Chambers and EPCs</td>
</tr>
<tr>
<td>5</td>
<td>To be notified separately</td>
<td>Non-official Members</td>
</tr>
<tr>
<td>6</td>
<td>DGFT</td>
<td>Members Secretary</td>
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<tr>
<td></td>
<td>Chairmen can co-opt any other official or expert, if required</td>
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</tr>
</tbody>
</table>

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**Export Promotion:**
- **Shri. Manoj Mehta** (Chairman)
- **Shri. Bhuvnesh Seth** (Co-Chairman)
- **Shri. Nitin Narula** (Co-Chairman)

**Knowledge partner:** Shri. Ajit Shah

**Shri. Raveendra Joshi**
President AIFMP
**Shri. K. Rajendran**
Hon. Gen. Sec; AIFMP
5. The Terms of Reference for the Board of Trade (BoT) would be as follows:
   a. To provide a platform to State Governments and UTs for articulating their perspectives on trade policy;
   b. To provide a platform to Government of India for apprising State Governments and UTs about international developments affecting India’s trade potential and opportunities and to prepare them to deal with evolving situation;
   c. To help State Governments develop and pursue export strategies in line with national Foreign Trade Policy;
   d. To provide a platform for deliberation on the need for infrastructure relevant for promoting trade and for identification of impediments and infrastructure gaps which adversely affect India’s exports;
   e. To facilitate a mechanism for discussion on operationalization of trade infrastructure.
   f. To advise Government of Policy measures for preparation and implementation of both short and long term plans for increasing economic scenarios;
   g. To review export performance of various sectors, identify constraints and suggest industry specific measures to optimize export earnings;
   h. To examine existing institutional framework for imports and exports and suggest practical measures for further streamlining to achieve desires objectives;
   i. To review policy instruments and procedure for imports and exports and suggest steps to rationalize use; and
   j. To examine issues which are considered relevant for promotion of India’s foreign trade and for strengthening international competitiveness of Indian goods and services.

**Clarification on Jurisdictional RA/RA concerned for SEIS-Para 3.06 (c) of Handbook of Procedures**

1. This Directorate has received queries related to Jurisdictional RA concerned while filing SEIS application where a firm has both DTA and SEZ unit(s). The doubt is over the correct Jurisdictional authority, in case an IEC holder has both DTA and SEZ Unit, however, there is zero export turnover- from one of the categories among the DTA / SEZ unit(s).

2. The matter has been examined in the Directorate. It may be noted that the Para 3.06 (c) of HBP states as below:

<table>
<thead>
<tr>
<th>SL. NO.</th>
<th>Units</th>
<th>Jurisdictional RA</th>
</tr>
</thead>
<tbody>
<tr>
<td>(I)</td>
<td>Importer Exporter Code (IEC) Holders having units only in DTAs</td>
<td>Jurisdictional RA of DGFT as in Appendix IA</td>
</tr>
<tr>
<td>(II)</td>
<td>EC Holders having units only in SEZs</td>
<td>Respective Development Commissioner of Special Economic Zones (SEZs) as in Appendix IA</td>
</tr>
<tr>
<td>(III)</td>
<td>IEC Holders having units in Multiple SEZs</td>
<td>Single application for all units to the Development Commissioner of the SEZ where it has achieved highest Forex Earnings</td>
</tr>
<tr>
<td>(IV)</td>
<td>IEC Holders having units both in DTA and SEZs</td>
<td>Single Application for all different units to the Jurisdictional RA of DGFT as given in Appendix IA</td>
</tr>
</tbody>
</table>
3. This provision is further elaborated and it is clarified that in cases where exports from one of the categories, DTA or SEZ unit(s) have zero export turnover, the SEIS application would be filed with the RA in whose jurisdiction, the units with non-zero export turnover fall. For example, if an IEC’s DTA gross exports earnings are NIL, and its SEZ Unit has some gross export earnings, the application is required to be filed at the relevant DC of the SEZ as per the para 3.06 of the HBP.

**Low Usage of Self-Ratification scheme under para 4.07A of the Foreign Trade Policy**

1. As is already known that Government has notified a Self-Ratification scheme for Advance Authorization (under para 4.07 A of the FTP 2015-20) for Authorized Economic Operators (AEOs) in the interest of ease of doing business.

2. The scheme allows Advance Authorizations to be taken on self declaration and self ratification basis for cases where Standard Input Output Norms (SION) is not notified, without the need of going through the process of norms fixation/ratification by the concerned Norms Committee (NCs).

3. Trade and Industry is being encouraged to avail this scheme by becoming AEOs as outlined by CBIC vide its circular no. 33/2016 dt. 22.07.2016, as amended, and by circular no. 26/2018 dt. 10.08.2018.

4. However, it is observed that in spite of more than 3500 AEO already registered with CBIC, there are comparatively very few AEOs, who are using this scheme to get their advance authorizations.

5. All AEOs who are users of duty exemption scheme, are requested to make full use of Self Ratification Scheme.

**Discontinuing submission of physical copy of RCMCs with effect from 1.7.2019 while filing application for incentives / entitlements under FTP**

1. A copy of the RCMC is a requirement for filing any application to DGFT offices for obtaining incentives/entitlements under FTP.

2. Till now applicants have been submitting the physical copy of the RCMC with the application.

3. In order to improve ease of doing business and reduce transaction cost it has been decided to discontinue the requirement of submission of physical copy of the RCMC with effect from 1.7.2019.

4. The validity of RCMCs will be checked directly from the DGFT’s data base which has the uploaded data of RCMCs from EPCs.
Claim of MEIS benefits for exports made to countries in the OFAC List such as Iran and for Vostro payments

1. Vide Public Notice 8/2015-20 dated 14.05.2019 a revised procedure for making online MEIS applications/claims has been notified for situations where exports have been made to countries listed in the OFAC list such as Iran or export realizations have been received through the Vostro mechanism.

2. In case a shipment has been made to countries which are in the OFAC list and e-BRC has not been generated by the concerned bank for that specific shipment, then the exporter while making the MEIS application/claim has to submit to the RA
   i A declaration to that effect, along with
   ii A self attested copy of the proof of payment such as Foreign Inward Remittance Certificate/Statement

3. Also, if e-BRC has been generated in INR and payment is under the Vostro mechanism, a letter from the concerned bank is required to be submitted to the RA confirming that the payment for the particular shipment has been received through Vostro Mechanism in freely convertible currency.

4. In the MEIS Online E-Com module: For OFAC Shipments:

   The exporters are required to submit all such shipments in 1 application. The system would not allow shipments to other countries to be linked in this application.

   An option of “Shipments to OFAC countries ” is required to be ticked for building the application with such shipping bills. After the relevant option has been exercised by the applicant, the system would segregate such applications and classify them under ‘manual’ mode.

   Then for the relevant shipping bill the applicant is required to fill the details of foreign exchange realized manually and submit the application. Exporters will also need to submit the hard copy of documents as mentioned above to the RA [making a reference of the RA File No which has been generated after the Online MEIS claim has been submitted to the jurisdictional RA]. It may be noted that such ‘manual’ applications would not be auto processed by the system and will require due scrutiny by the RAs before MEIS scrips are approved/issued. However, in line with Trade Notice no 3 dated 3rd April 2019, no physical/paper copy of the MEIS scrips will be issued for EDI ports.

   For all such applications, the RAs can change the FIRC details after due scrutiny of the physical copy of the FIRC/Statement.

   For such applications with shipping bills of the period 01.04.2015 to 15.05.2019, the RAs shall consider the date of Let Export Date as 15.05.2019 and accordingly modify and impose the appropriate late cut. For shipping bills with Let Export date on or after 16.05.2019, usual late cut would be applied by the system and RAs shall not change it.

5. For Vostro Payments, the E com module will identify and segregate the e BRCs which are in INR for processing in manual mode. The RAs will scrutinize the documents as prescribed in the Public Notice 08 dated 13.05.2019, which are a self declaration and the certificate of the bank, before issue of the scrip.
The Annual Budget

After a momentous election, in which the NDA led by Narendra Modi’s BJP, has swept into power with a massive majority.

1. On 5th July 2019, Mrs. Nirmala Sitharaman as new Finance Minister has announced the budget for the nation.
2. Finance Minister announced no changes in personal income tax rates.
3. She levied additional surcharge on the super rich.
4. She also announced reduction in corporate tax. Corporate tax with turnover of up to Rs 400 crore slashed to 25 per cent from a current rate of 30 per cent.
5. She offered benefit in housing sector, startups and electric vehicles.
6. Digital payments will get cheaper, government will launch an ATM-like One Nation One Card for pan-India travel.
7. A new model rental laws will be unveiled to boost affordable housing.
8. Increase in cess on fuel by 1 rupee on petrol & diesel.
9. Customs duty on gold and precious items increased.
10. Interchangeability of PAN and Aadhaar for ITR for those who don’t have PAN cards.
11. Duty has been raised on: tiles, cashew kernels, vinyl flooring, auto parts, some synthetic rubber, digital and video recorder and CCTV camera.
12. To promote digital payments, 2% TDS on withdrawals of Rs 1 crore in a year from your bank account for business payments. No charge on digital payment. MDR charges waived on cashless payment.
13. Aadhaar card for NRIs on arrival in India.
14. Rs 3,000 pension per month for workers from the informal sector.
15. Government will use rivers for cargo transport to decongest roads and railways.
16. Fiscal deficit in FY 19 at 3.3% of the GDP.
17. Govt will start raising part of borrowing in foreign currency.
18. Govt external debt to GDP is among the lowest in the world.
19. Govt to modify present policy of retaining 51% stake in PSUs.
20. Budgetary allocation of Rs 65,837 crore and capital expenditure of Rs 1.60 lakh crore for railways.
21. Government to complete the dedicated freight corridor project by 2022.
22. Propose easing angel tax for startups. Angel tax won’t require scrutiny from I-T department for startup.
23. 2% interest subvention for GST-registered MSME on fresh or incremental loans.
24. Pension benefit extended to retail traders with annual turnover less than Rs 1.5 crore.
25. Every single rural family, except those unwilling, to have electricity by 2022.
26. India economy will be $5 trillion in the next few years.