

Hon'ble Union Commerce and Industry Minister, Shri Suresh Prabhu Chairs Board of Trade Meeting

The Hon'ble Union Minister for Commerce & Industry and Civil Aviation, Shri Suresh Prabhu, has chaired a meeting of the Board of Trade (BOT). On this occasion, he has launched a new online "Anytime-Anywhere" export awareness course to train, mentor and hand-hold potential exporters so as to help them to tap international trade opportunities. This Online Course has been funded under the 'Niryat Bandhu' scheme of Directorate General of Foreign Trade (DGFT) and is in collaboration with the Indian Institute of Foreign Trade, New Delhi. On successful completion, a Certificate in Export Import Management under Niryat Bandhu Scheme will be awarded to participants.

In another e-initiative, he has also launched a Mobile App of DGFT. Exporters can now log their grievances, apply for various licenses, view their status using this app, besides accessing information about latest trade notices, circulars, Foreign Trade Policy and trade fairs.

In his address, Commerce Secretary, Dr. Anup Wadhawan welcomed the delegates to the Board of Trade and mentioned that India's exports have faced a very challenging period in recent years, on account of developments arising from the global financial crisis of 2008-09, which accentuated after 2013-14, when the world economy, including China experienced a major trade slowdown. Thus, after achieving a turnaround from the initial shock and reaching a peak export figure of USD 314.4 billion in 2013-14, our exports came under immense pressure again in the post 2013-14 period due to accentuation of the global economic / financial crisis in the second phase when countries like China also got adversely affected. However, since then concerted efforts through improved logistics, trade facilitation, increased

digitization to reduce human interface and increase transparency, implementation of GST, capacity building through skilling etc., the Government has been able to arrest the downturn affecting India. As a result, barring a few stray months, our merchandise exports have been growing on a secular basis since 2016-17 for almost three years and are likely to reach a new peak in 2018-19.

He highlighted the detailed export promotion strategy, which has been prepared by Department of Commerce and is under implementation in consultation with and with the support of wide-ranging stakeholders, including Export Promotion Councils, exporters and financial institutions

Directorate General Foreign Trade (DGFT), Shri Alok Chaturvedi, made a detailed presentation explaining the present export scenario and various initiatives taken. Few notable measures taken since last BoT meetings are as follows:

- Interest Equalization rate increased from 3% to 5% w.e.f. 2nd November, 2018 for exports being made by MSME sector.
- From 2nd January 2019, merchant exporters have been included under the Interest Equalisation Scheme @ 3% subvention.
- In January, 2019, Pre-Import condition on advance authorization licenses to avail exemption of IGST was removed and exemption of Integrated Tax and Compensation Cess extended to deemed supplies
- Exemption granted on 3% IGST on gold sourced by exporters from nominated agency w.e.f.1.1.2019 to help Gems and Jewellery sector by freeing blocked capital.
- Freight subsidy for exports of agricultural and marine products
- In the Mid-Term Review, MEIS rates increased by 2% for MSMEs / labour intensive industries involving an additional outlay of Rs.7310 crore per annum.
- SEIS (Service Export from India Scheme) incentive rate was increased by 2% for all notified services amounting to Rs. 1140 crore of additional reward per annum.
- MEIS allocation enhanced from Rs 21000 crore in 2014-15 to Rs 39000 crore in 2018-19.
- GST exemption was restored in October 2017 under the Advance Authorization Scheme, Export Promotion Capital Goods Scheme and 100% Export Oriented Unit for sourcing inputs

from abroad without payment of IGST

- GST refunds were expedited through several rounds of Refund Fortnight.
- The validity period of the Duty Credit Scrips was increased from 18 months to 24 months to enhance their utility in the GST framework.
 - The upper limit of FOB value of goods for exports through courier or foreign post office for obtaining benefits enhanced from Rs. 25,000 to Rs. 5,00,000 in July 2018
 - The restriction that benefits would be granted to e-commerce exports only from 3 airports has been removed in July 2018
 - Exports of Religious Gold idols of 22k and above allowed by modifying restriction on export of gold articles of more than 22 carats.
 - Exports of Gold findings of 3k and above allowed.
 - Engaging states for promotion of India's trade: Through coordination with States, State Export Promotion Committees and State specific Export Promotion Strategies are in place.
 - Additional Towns of Export Excellence: Bhadohi (UP) and Panipat (Haryana) announced for carpets and related products.
- Exports of all agricultural commodities (except mustard oil) made "free" without any restrictions. Earlier, export of pulses and edible oils were prohibited.
- Export incentives under MEIS increased in respect of certain agricultural items:
 - Non Basmati: 5% for four months in Nov 2018
 - Milk products: 10% increased to 20% in September 2018
 - Onions: 5% for six months in July 2018; enhanced on 28.12.2018 to 10% for exports up to 30th June 2019
 - De-oiled soya cake: 7% enhanced in July 2018 to 10%
 - New Agricultural Export Policy issued and initial outreach with States done.

He emphasised that Government is committed to end to end IT enablement and make all processes completely paperless. In this regard, Department of Commerce has approved a project for the revamp of entire IT system of DGFT. He stated that however, in the meanwhile, DGFT has taken many measures to bring ease of doing business with DGFT like:

- Same day issue of IEC (Importer Exporter Code) online.
- Auto approval of MEIS scripts within 24 hours
- Contact@DGFT grievance redressal service for Exporters/Importers
- Redemption of Export Obligation of Exporters expedited through a drive. Consequently, over 13000 Advance Authorisation and 9500 EPCG cases have been redeemed.
- Revamp of DGFT's IT System initiated to make all DGFT processes paperless and provide end-to-end IT enablement for all services

DGFT highlighted that due to sustained efforts by the Government and Industry, India has jumped to 80th place in 2018 from 146th place in "Trading Across Borders Ranking" as released by the World Bank.

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Regards,

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