



The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)



Pune Branch of WIRC of ICAI

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2024
NEWSLETTER



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Inspire Inclusion

Managing Committee Members & Office Bearers

2024 - 2025



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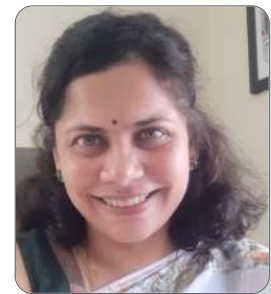
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CCM, ICAI



CA. Yashwant Kasar
RCM, WIRC of ICAI



CA. Ruta Chitale
RCM, WIRC of ICAI

Managing Committee Members & Office Bearers

2024 - 2025



CHAIRPERSON'S MESSAGE



CA. Amruta M. Kulkarni

Chairperson, Pune Branch of WIRC of ICAI

Dear Professional Colleagues,

It is indeed a great pleasure and honour to take over the baton of Chairpersonship of Pune Branch of WIRC of ICAI for the year 2024-25.

It is undoubtedly a great privilege to be blessed with a unique opportunity to serve Pune Branch of ICAI in the "Amrit Mahotsav" year – 75th Year of our alma mater – ICAI, in the "Amritkaal" of Bharat!!

I am conscious of the great responsibility that this position brings along and shall strive to work with dedication, determination and passion.

I wish to express my sincere thanks to all the members for all the support extended and electing me to the Managing Committee twice with highest first preference votes. I also extend my sincere thanks to my Managing Committee colleagues for reposing the confidence in me and electing me as Chairperson and giving me an opportunity to serve this esteemed office. I will continue to seek your support and co-operation to serve the profession with transparency, good governance and ethics.

The legacy of my distinguished predecessors for their insightful actions and selfless contributions has made Pune Branch a "Model" branch!

With a strong belief on "Perseverance" and applying "Kaizen Theory", we will work for the betterment of Pune Branch of ICAI with the following "Ideas"

- *Sustainable Development Goals – We will raise awareness on ESG concerns and focus to strengthen the sustainable ecosystem.*
- *We have unanimously decided to avoid the use of plastic water bottles and flex/banners as one step towards our responsibility in achieving sustainable ecosystem.*
- *Technovation – Workshops and courses to upgrade and upskill the members in practice to effectively manage the practice as the profession transits from ticks to clicks!*
- *Branch at your doorstep – Interactive meets and help-desks to address the issues faced by the members in the industry, trainees and senior members in the fraternity.*
- *She-preneurship – Encourage and support women members by facilitating a platform for deliberations. Organize special workshops for women members resuming their career post sabbatical.*
- *CA Sparks – Launch pad programs for young members with a focus on the emerging trends in the profession and evolving role of professionals.*

Future professional colleagues – Counselling and mentorship programs for students to optimize "Intelligence Quotient and Emotional Quotient" for better performance in the exams, Articleship and overall personality development.

All this will need a collective pursuit for collective improvement. It will not be possible without YOU... because, it's not ME, But, WE! Yes, together, WE CAN make a difference and create an impact!

I pray to Almighty to give us enough abilities, strength and patience to work hard and live upto the expectations of the members, students and all the stakeholders.

Best wishes,

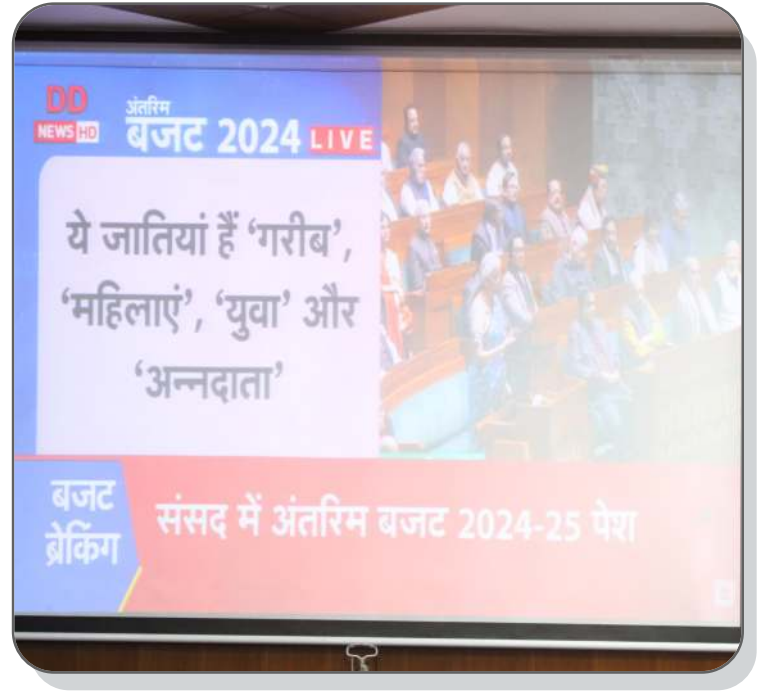
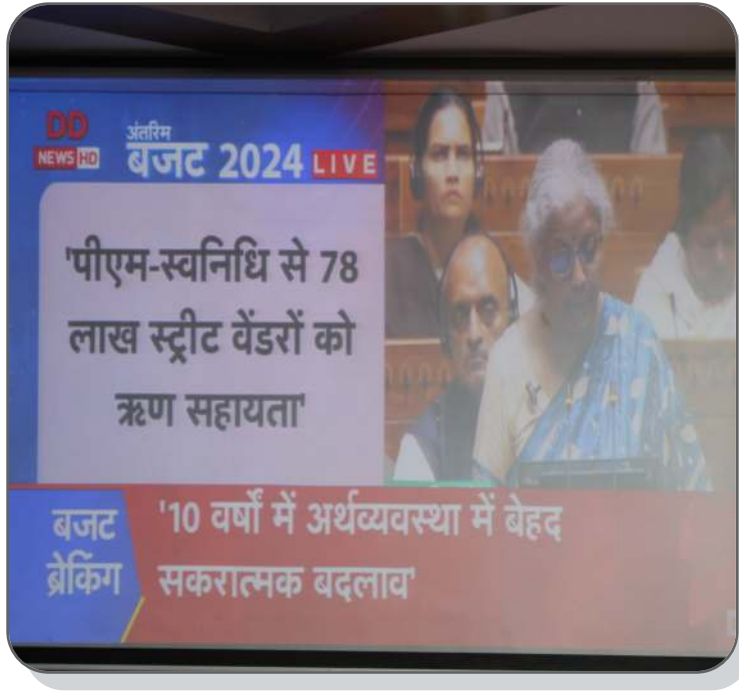
CA. Amruta M. Kulkarni

Chairperson

Pune Branch of WIRC of ICAI

Live Telecast of Interim Union Budget 2024

01 February 2024



Analysis of Interim Union Budget 2024

01 February 2024



Analysis of Interim Union Budget 2024

01 February 2024



Orientation Programme for Newly Qualified Chartered Accountants organise by Committee for Members in Industry & Business (CMI&B)

01 February 2024



Orientation Programme for Newly Qualified Chartered Accountants organise by Committee for Members in Industry & Business (CMI&B)

01 February 2024



Seminar on Start-Ups

03 February 2024



Seminar on Empowering CAs with HR Tech

15 February 2024



Foreign Trade Policy, 2023

whether old wine in a new bottle or a new flavor?



Akash Srivatsan Raghavan (FCA)

Memb. No.: 230343

Practicing Chartered Accountant, specializing in Indirect taxation

Qualifications: Commerce and law graduate, Chartered Accountant and Company secretary

Experience: Around 12 years post qualification experience in Indirect taxation, in which about 5 years association with Big4 accounting firms

Executive Summary

India opened its markets during the mid-1980's and since then the Indian government has framed periodic Export-Import (EXIM) policies, that was later renamed (in 2004) as Foreign Trade Policy (FTP). Between 1985 to 1991 India had 3-year policies and since economic liberalization (from 1992) it moved to 5-year policies, to periodically regulate and forcibly accelerate its international trade strategies. After 4 decades, India seems ready to cruise in 5th gear and has rolled out an open-ended FTP in April 2023. Broad analysis of recent changes in Indian government's EXIM plans, facilitations, incentives, and controls is presented in the article below.

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With India harboring a long-term vision of becoming 'Atmanirbhar Bharat' within the next 25 years, aiming to ascend to the ranks of first-world countries, and setting a medium-term goal to achieve US\$ 2 trillion in exports by 2030, the pressing need for revamping the nation's Foreign Trade Policy (FTP) was undeniable. This restructuring was essential to formulate new strategies capable of steering the nation toward the established targets. Further, since 2015, numerous advancements in the direction of digital change necessitated structural changes on the operational front. The emergence of specific legislative changes, both on a global scale and within domestic realms, prompted the need to update the policies governing Indian imports (regulations) and exports (opportunities and promotions).

The new policy, effective from 1 April 2023, replacing FTP 2015-20, rests on four pillars. The Union Ministry of Commerce and Industry, vested with the authority to formulate foreign trade plans and strategies for the nation's commerce growth [based on notification under Section 5 of the Foreign Trade (Development and Regulations) Act, 1992], has undertaken modifications to the FTP in 2023, as elucidated below, by introducing a new policy. Some notable changes under each pillar are:

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whether old wine in a new bottle or a new flavor?

1. Shift from incentive schemes to duty exemption / remissions schemes

- *Remission of Duties and Taxes on Export Products (RoDTEP) replaced Merchandise Export from India Scheme (MEIS) scheme, Rebate of State and Central Taxes and Levies (RoSCTL) replaced Remission of State Levies (RoSL) scheme and duty-drawback is still available to the exporters. However, Service Export from India Scheme (SEIS) has been discontinued without an alternative. Fiscal benefits in the form of remission schemes seem to adhere to prevailing World Trade Organization (WTO) norms.*
- *Duty exemption under Advance Authorization (AA), Duty Free Import Authorization (DFIA) and Export Promotion Capital Good (EPCG) continues, despite objections at WTO.*
- *The EPCG and AA/DFIA schemes have been upgraded, ensuring a level playing field for Domestic Tariff Area (DTA) units by aligning the incentives to match with that available for Export Oriented Units (EOU) and Special Economic Zones (SEZ).*
- *Goods with Basic Customs Duty (BCD) rate of more than 30% are ineligible for imports basis self-ratification scheme, under AA.*
- *The decision of the Norms committee, of AA scheme, cannot be challenged after 12 months.*
- *Timelines to apply for extension of AA has been increased to 6 months.*
- *No more duty-free transfer of capital goods obtained by DTA unit under EPCG, into an EOU, for cases where there is Export Obligation (EO) defaults.*
- *In case of automatic increase in duty saved (within prescribed limits) for EPCG imports, relaxation has been made to pay the additional fee at the time of filing the Export Obligation Discharge Certificate (EODC).*
- *The extension of EPCG EO term is no longer contingent on achieving an enhanced EO. Conversely, there has been a reduction in the composition fee and processing timeline.*
- *Project imports cannot be procured anymore under the EPCG route. Further, (erstwhile) Post Export EPCG duty scrips is not continued in the new FTP.*
- *Validity period of Invalidation Letter / Advance Release Order (ARO) made co-terminus with EPCG license.*
- *It has now been elaborated that Annual Average Export Obligation (AAEO) for EPCG licenses must be independently achieved, each year, before fulfilling the Specific Export Obligation (SEO). This clarity is to settle the confusion prevalent in the trade that was existing during operation of erstwhile FTP 2015-20.*

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whether old wine in a new bottle or a new flavor?

2. Export promotion measures

- Status recognition norms have been recalibrated to provide more exporters with branding opportunities in export markets, allowing them to obtain the unique facilities provided to star exporters. Double weightage allowed for granting one-star exporter status and threshold limit reduced for higher-star accredited holders.
- Exporters holding status of two-star and above have skilling & mentorship obligations (depending on their accreditation), thus acting as capacity building partners for the government.
- Exporters holding status of two-star and above (being manufacturer cum actual user) and applied for Authorized Economic Operator (AEO) scheme automatically become eligible for AA self-ratifications, subject to certain safeguards.
- Star exporters would no longer be eligible for Accredited Client Program (ACP) benefits.
- Four new towns have been added to the Town of Export Excellence (TEE) scheme. The scheme was introduced to initiate cluster-based (regional) trade development.
- Facility enabled for procurement of new capital goods (under EPCG) and inputs (under AA) from SEZ unit, based on a "Certificate of supply".

3. Ease of doing business

- Digitalization of approvals, schemes, certificates, dispute resolution and data transmission under all the chapters makes the policy a paperless one for the first time.
- Substantial reduction of timelines and fees for obtaining FTP approvals for Micro, Small & Medium Enterprises (MSME) to encourage more players to participate in cross-border trade.
- The Development Commissioner (DC) has been given the powers to extend Letter of Permission (LoP) term for a period less than 5 years, for EOU units who have applied to exit from scheme.
- Transfer of goods from one EOU to another (IUT) is considered as imports for the transferee unit. The erstwhile procedure of endorsement on documents is done away with.
- Upon granting EODC, the process of Customs transmission for bond closure is now automatic.
- Import Export Code (IEC) made mandatory during export of services and technology, where incentives are to be claimed. The Bombay High Court's decision in the case of Smarte Solutions is no longer valid.
- In comparison to the erstwhile FTP, there has been changes in the sanctioning powers (i.e. authority) between DGFT and other stakeholders who are mentioned under the new policy.

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Duty drawback claimants supplying goods against Advance Release Order (ARO) to AA / DFIA can now opt between All Industrial Rate (AIR) and Special Brand Rate (SBR). Earlier, only BCD paid on inputs could be sought as duty drawback.

The amnesty scheme introduced along with the FTP 2023, through DGFT circular and amendments to the same from time to time, provide relief to the exporters who had obtained EPCG and AA licenses before April 2015 and for genuine reasons unable to meet their export obligations. Interest under this scheme is capped at 100% of exempted duty of customs (excluding Additional Customs Duty and Special Additional Customs Duty). Penalty is not payable.

4. Emerging areas (new policies under FTP 2023)

- District as export hub' is a market-based export strategy that focuses grass-root level aspects. This chapter in the policy enhances coordination & effective communication between the various levels of governance, through institutional mechanisms.*
- Further, a product-based action plan to be formulated for each district, monitored & implemented by jurisdictional Regional Authority (RA) under Director General of Foreign Trade (DGFT). The move is to decentralize export promotion based on strengths of each area, instead of erstwhile uniform approach across the nation. This also complements TEE scheme.*
- Merchenting of most goods is now permitted, per Reserve Bank of India (RBI) guidelines, to promote trading zones (like GIFT city) to transact in goods that are prohibited / restricted to be exported from India.*
- Facilitation is now made for invoicing, payment, and settlement of cross-border trade in Indian Rupee (INR), through Special Rupee VOSTRO Account (SVRA), per RBI guidelines. Further, the aforesaid transactions would qualify as fulfillment of EO for FTP schemes.*
- The policy proposes to facilitate e-commerce exports (other than for items in negative list) by supporting the establishment of 'e-commerce export hubs' through private players or Public-Private Partnerships. The formation of these new channels (hubs), having favorable business infrastructure and facilities, will enhance cross border e-commerce activities.*
- The value of exports through courier / post has been doubled, to Rs 10 lacs per consignment, to promote e-commerce trade taking place through these channels. Dak Ghar Niryat Kendras to work with Foreign Post Offices (FPO) in hub-and-spoke model.*
- Strengthening the export control regime by consolidating (under separate chapter of FTP & HBP) and streamlining Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) regulations, to comply with International treaty requirements.*

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- *Quality complaints and trade disputes settlement mechanism under FTP now extend even to supply of services and technology. Earlier, FTP limited the coverage to only trade in goods. Further, the scope for coverage within the new policy excludes disputes / grievances between purely domestic matters (two or more Indian parties) as well as purely overseas matter (two or more non-Indian parties), thus covering within its jurisdiction plainly cross-border issues (one or more Indian party and one or more non-Indian party).*

The focus has overall shifted from a monetary incentives-based regime to a more comprehensive approach centered on ecosystem empowerment and infrastructure enhancement to match the needs of the proposed bandwidth. Duty exemptions, rebates and remissions have however continued. Central Government seems to have taken a judicious decision to collaborate with various stakeholders, including state governments, district bodies, private agencies, Indian missions, and exporters. This collaborative effort is aimed at advancing a unified and concerted action towards achieving the outlined policy objectives.

While retaining various aspects of the erstwhile FTP, structural changes have been incorporated to gradually build the nation towards achieving targeted sustainable economic growth and to become a developed & self-reliant nation by 2047. The new features ensure that our nation has trade facilitation, reduction of time and cost for obtaining sanctions during international trade, promotion of merchant trading, district level enhancement of exports through grassroot level focus, promotion of cross-border e-commerce exports and encouraging settlement of trade in INR terms.



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Conclusion and authors comments

The policy actively seeks and incorporates best practices from high-performing nations in order to realize its ambitious development goals. Absence of sunset clause in the new policy, making it open-ended, provides the nation's industries confidence & stability. This allows for meticulous planning and seamless integration of individual strategies with the broader national strategy (contained within FTP 2023). However, the Government seems to be flexible (in its intent) by seeking contentious feedback from the trade to update the new FTP, with market trends and the nation's ongoing requirements. The policy does not offer any incentives to service exporters, despite its overarching goal of attaining balanced contributions from the service sector.

Forming Free Trade Agreements (FTA), Preferential Trade Agreements (PTA), etc. with untapped markets can indeed be prudent move for India to enhance its economic relationships with other nations, in turn resulting in gross increase in its foreign trade. Engaging in negotiations with these and more countries to facilitate transactions in INR can provide advantages in terms of reducing dependency on foreign currencies, promoting the free use of our nation's currency in international level and reduce the effects of dollar fluctuation.

*With our nation showing a positive trend in its export performance, the measures set out in the new FTP aim at accelerating the ongoing momentum in the years to come. We can thus conclude that if the policy is implemented in its true sense, the novel flavor is poised to significantly contribute to India's realization of its ambitious medium- and long-term goals, ushering in a transformative '**Amrit Kaal**'.*

Reference materials

Foreign Trade Policy 2023 & Handbook of Procedures 2023, effective from 1 April 2023

Foreign Trade Policy 2015-20 & Handbook of Procedures 2015-20, extended till 31 March 2023



New Logo Guidelines



Incorporation of Tricolor:

The incorporation of the tricolor into the logo is a powerful symbol of the Institute's connection to India. The three colors of the Indian flag represent unity, diversity, and sovereignty, and they reflect the brand's commitment to serving the people of India and contributing to the nation's development. The tricolor has been used in such a fashion that it hints at motion, a flight, and a journey toward progress, showcasing the Institute's forward-thinking approach.

Significance of blue color:

The primary color of the new logo is blue, which has been culled from the ICAI logo. Blue is a color that is associated with divinity, immortality, bravery, and determination. It reflects vastness, being the colour of the sky and ocean, and has been an integral part of the Indian cultural, political, and social landscape over the years. Blue is also culturally significant, as it has been a part of the Indian tradition for more than 5,000 years.

In a nutshell:

The new logo of CA India reflects the brand's connection to India while retaining its existing identity. The incorporation of the tricolor, the significance of the blue color, and adaptability on all platforms are all essential elements of the new logo. The design is intended to be aesthetically pleasing and culturally significant, making it a strong representation of the Institute's values and commitment to serving the people of India.

Colour Palette

- #F3792D
CO M62 Y91 K0
- #145886
C93 M61 Y24 K9
- #55B848
C67 M0 Y88 K0

Guidelines (2023)
for using the new CA India logo for CA members

- The logo consists of the letters 'CA' in blue colour with a tri colour tick mark (upside down) with white background. The blue colour not only stands out on any background but also denotes creativity, innovativeness, knowledge, integrity, trust, truth, stability, and depth. The upside-down tick mark, typically used by Chartered Accountants, has been included to symbolise the wisdom and value of the professional.

'India' is also added in the logo, as it epitomizes the Institute's connection to India First approach and commitment to the serve the Indian economy in public interest.

- There should be no alteration of the font (colour, bold/unbold, size). Moreover, there should be no change in spacing and dimensions.
- The colour palette is

- Do not change the design and colours including the white background.
- Refrain from rotating or tilting the logo clockwise and anti-clockwise.
- The logo should not be shrunk or distorted changing the original proportion.
- While members are encouraged to use the new CA India Logo as published on letterheads, visiting cards, website etc, a transition time of one year has been provided to use existing stationary/signage replacement etc.

*Effective from 24th November, 2023.

Correct Logo

Do not change background		Do not change the colours	
Do not Rotate		Do not Rotate	
Do not crop		Do not shrink, shear or distort	





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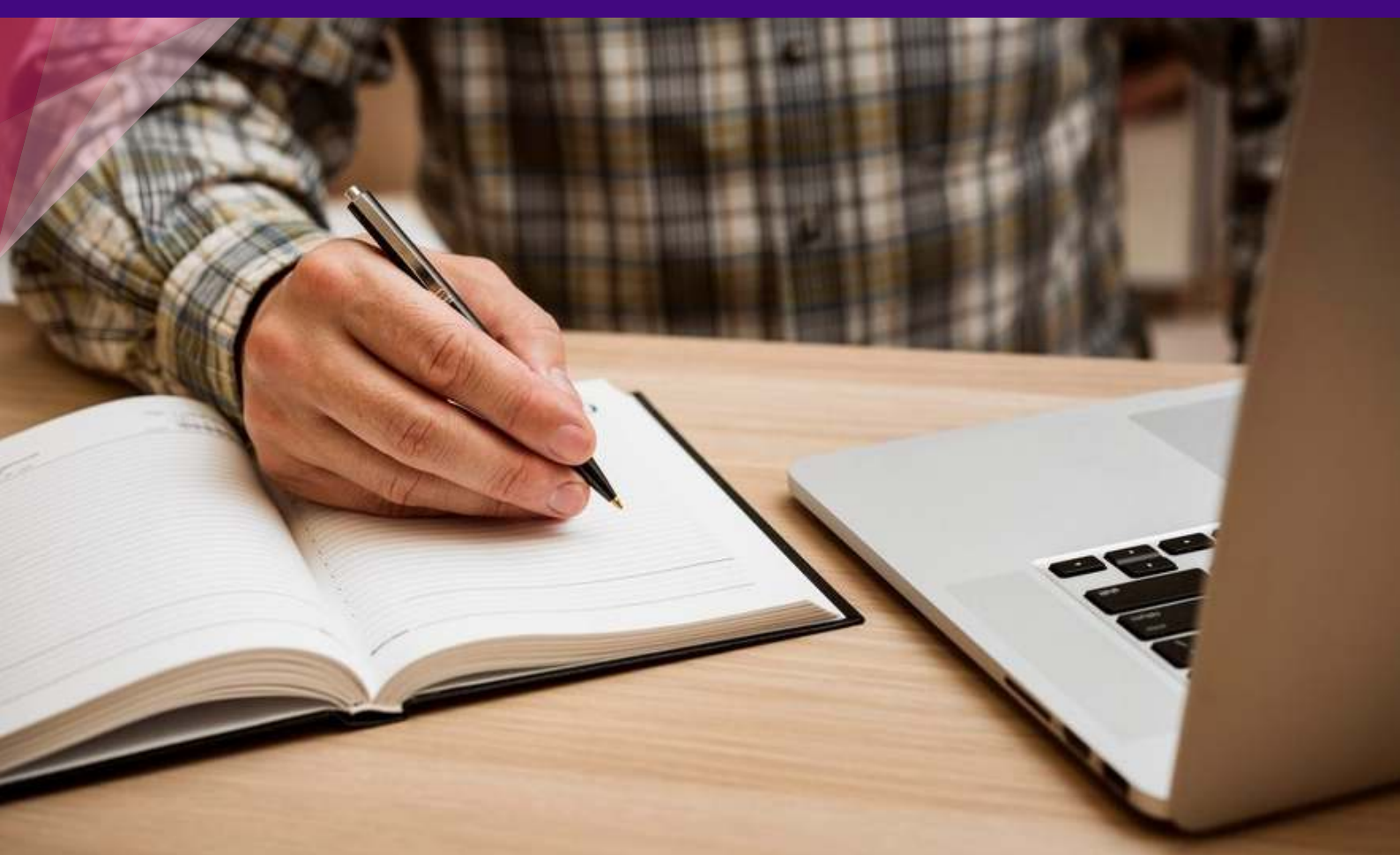


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Invitation to Write Articles

Dear Member,

Your contribution for Pune Branch E-newsletters is welcome in following ways:
Contribute your own articles in areas of Professional Interest; the article may cover any topics relevant to auditing, finance, laws, strategy, taxation, technology and so on.

While submitting articles.

Please keep following aspects in mind:
The length of articles should be about 2500 words
Articles should be original in nature

Please send articles with:

A Photograph, your full name, membership number etc.
Editable soft copy of file
Declaration of originality of articles

Please send in your articles to : editor@puneicai.org ; cpe@puneicai.org

latest by 25th of every month.

All contributions are subject to approval by the editorial board.



Pune Branch of WIRC of ICAI

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