

MEDEPC NEWS

MEDEPC Activities

Mobile Phone Export in the Month of April 2024

India's export sector in the month of April 2024 witnessed an increase, with merchandise exports recording a growth of 1.08% at USD 34.99 Billion, compared to USD 34.62 Billion in April 2023. Notably, non-petroleum and non-gems & jewellery exports also saw a substantial increase of 1.32%, reaching USD 26.11 Billion from USD 25.77 Billion in April 2023.

The standout performer contributing to this growth trajectory was the electronic goods sector, which experienced a staggering 25.8% increase in exports from USD 2.11 Billion in April 2023 to USD 2.65 Billion in April 2024. Among the main drivers of this surge were mobile phone exports, with an estimated share of USD 1.6 Billion, marking a significant jump from the previous year's USD 1.06 Billion during the same period.

MEDEPC and MMI Sign MoU to Boost Electronics Industry in India

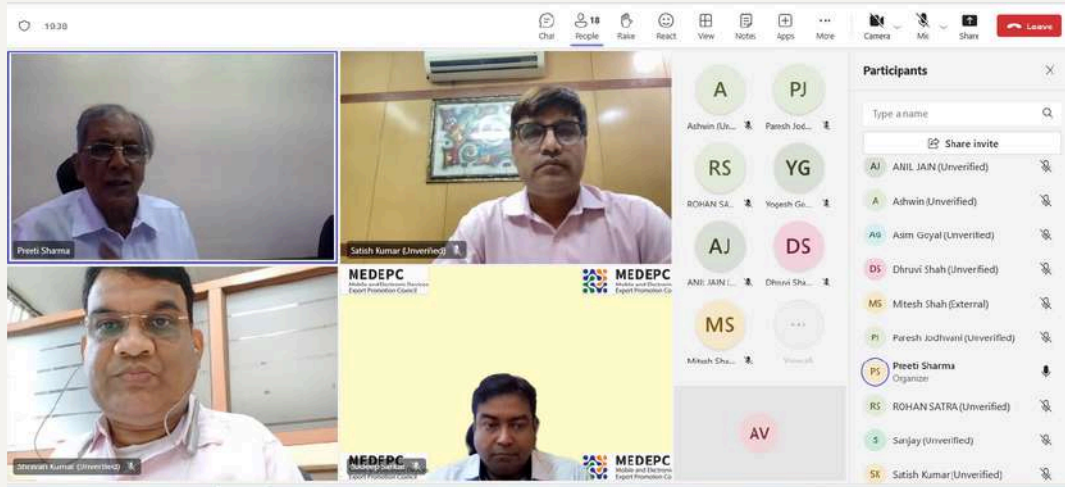
In a significant development for India's electronics industry, the Mobile and Electronic Devices Export Promotion Council (MEDEPC) has signed a Memorandum of Understanding (MoU) with Messe Munchen India (MMI). This collaboration marks a pivotal moment as MEDEPC steps into the role of B2B Partner, to usher in national and international buyer delegations to electronica India and Productronica India 2024.

The signing of this MoU opens doors for Indian manufacturers to showcase their products on a global platform, widening their reach and their presence in the international market. MEDEPC's strategic partnership with MMI underscores a concerted effort to fortify the electronics ecosystem in India.

MEDEPC, through its association with MMI, extends a warm invitation to major brands to explore procurement opportunities within India by sourcing locally. This initiative not only promotes indigenous manufacturing but also aligns with broader objectives of skill development and economic growth.



MEDEPC organized Virtual Meeting on “Banking Challenges in Trade with Russia”



On May 17th, 2024, MEDEPC under the Chairmanship of Shri Arun Goyal, Advisor MEDEPC held a virtual meeting on Banking Challenges in Trade with Russia with the Exporters Shri Satish Kumar, Chief Manager of the Forex and Trade Finance Department at UCO Bank, along with Mr. Sharwan Kumar, Assistant General Manager of the International Banking Department at UCO Bank's Head Office, discussed the challenges encountered in Rupee-Ruble trade due to the sanctions on the Russia and Russian Banks.

To assist exporters in overcoming these challenges, Shri Satish Kumar and Mr. Sharwan Kumar detailed the process for conducting seamless exports under the Rupee-Ruble trade mechanism. This process included the use of banks that are not sanctioned, documentation requirements, and compliance procedures.

Additionally, they addressed a significant issue that had impacted exporters: the selling of Rupees at a premium rate in Russia over the past few months. This discrepancy had caused financial strain and uncertainty among traders. However, the representatives reassured the attendees that this issue has been resolved, restoring stability to the currency exchange rates.

Meeting with TV Manufacturers

MEDEPC had a meeting with representatives of the Television Manufacturing Industry on April 30, 2024. The industry pointed out a severe hurdle faced in the Region in absence of a BIS accredited testing lab in Southern India. Television manufacturers, constituting approximately 50% of domestic demand, are predominantly situated in South India, while accredited testing facilities are primarily located in the North. This results in delays in testing procedures, impacting manufacturing timelines and overall efficiency also involves a cost, putting the manufacturers at disadvantageous position.

MEDEPC has assured of raising this issue with the appropriate authority.



Policy

Policy Circular No. 02/2024: Clarification on Payment Terms for Advance Authorizations

In a recent development, the Directorate General of Foreign Trade has issued a Policy Circular No. 02/2024, dated 3rd May 2024, clarifying on the payment terms concerning Advance Authorizations (AAs) under the Handbook of Procedures 2023 (HBP 2023).

The circular specifies that fees related to AAs, notably 10% of the CIF (Cost, Insurance, and Freight) value and 3% of the shortfall in Free on Board (FOB) value, as delineated in Para 4.49(a)(ii) and 4.49(b) of the HBP 2023, are applicable solely to AAs issued on or after April 1, 2023.

For AAs issued before this date, the payment terms will be governed by the pertinent provisions of the HBP concerning the regularization of bonafide Export Obligation (EO) defaults.

CBIC Streamlines Preferential Benefit Claim Process under India- Korea CEPA with Electronic Certificates of Origin

In a move towards modernizing trade procedures and enhancing efficiency, the Central Board of Indirect Taxes and Customs (CBIC) has issued an Instruction No. 10/2024-Customs, dated 1st May 2024, regarding the acceptance of Electronic Certificates of Origin (e-CoOs) under the India-Korea Comprehensive Economic Partnership Agreement (CEPA).

The instruction, aimed at facilitating smoother trade between India and Korea, clarifies the acceptability of e-CoOs issued by the issuing Authority of Korea following the implementation of the India-Korea Electronic Origin Data Exchange System (EODES).

International

USA Escalates Tariffs on Chinese Imports

The USA President Mr. Joe Biden announced a significant escalation in tariffs on a range of Chinese imports, targeting electric vehicles, solar cells, semiconductors, and advanced batteries. The move is part of efforts to shield strategic American industries from what perceives as unfair competition, particularly subsidies provided by Beijing.

4th Joint Committee Meeting Enhances ASEAN-India Trade Relations

The 4th Joint Committee meeting for the review of the ASEAN-India Trade in Goods Agreement (AITIGA) took place in Putrajaya, Malaysia from 7th to 9th May 2024. The meeting was co-chaired by Shri Rajesh Agrawal, Additional Secretary, Department of Commerce, Government of India, and Ms. Mastura Ahmad Mustafa, Deputy Secretary General (Trade), Ministry of Investment, Trade & Industry, Government of Malaysia. Delegates from India and 10 ASEAN countries participated in the Joint Committee Meeting.

Given ASEAN's significant role in India's global trade, accounting for 11% of its trade share and bilateral trade reaching USD 122.67 Bn during 2023-24, the upgradation of AITIGA holds immense potential to further enhance trade relations.

The discussions aimed at making AITIGA more trade-facilitative and beneficial for businesses in the region. The Committee finalized its Terms of Reference and Negotiating Structure in earlier meetings and initiated negotiations for the review of AITIGA in its previous meeting held in New Delhi, in February 2024.
