



TMA FINANCE SUMMIT 2025

Navigating the Fiscal Landscape-steering
through the Global Economy

25 February 2025
DOME Hall, Hotel Ambassador, New Delhi

RETROSPECT

ABOUT THE SUMMIT

TMA Finance Summit was organized on 25 February 2025 at DOME Hall, Hotel Ambassador, New Delhi. "Navigating the Fiscal Landscape - steering through the global economy" was the overarching theme of the summit.

The key focus points for discussion was Tax Transformation, Make in India Initiatives (Central and State policies), Export Promotion Policies, Ease of Doing Business, Digitization, Global Trade Measures (FTA) and Trade Facilitation under Customs.

The summit had the presence of Senior Government officials, Company CFOs, Taxation Heads of companies, economists and academicians who discussed and debated on creating dynamic fiscal policies by providing the impetus that will enhance sustainable economic activities for the industry.



The discussions at the summit focussed on the following,

- ▶ Benefits of Export and PLI scheme for Industry
- ▶ Inputs on Indian AEO (authorised economic operator) scheme was an eye opener on complex customs procedures and ease of doing business
- ▶ The need to simplify trade regulations and balance domestic policies with international agreements.
- ▶ New FTAs such as EFTA, Australia, offering growth opportunities.
- ▶ Trade facilitation must benefit all, including small businesses.
- ▶ Pain points of GST and customs regulation for the industry



ONE INDUSTRY ONE VOICE



Shaik Khader Rahman
Chief Commissioner, CGST and Senior
Departmental Representative, CESTAT

Nations are made when taxes are paid. Mr Rehman spoke about the five focus areas of EODB, Learnings from GST audits and proactive measures, Role of AI for assessments and litigation, Rate rationalization and Digitization. Regarding EODB, he mentioned that the two-way communication is likely to be implemented soon in faceless filing.



Bharat Madan
Chairman, TMA Finance committee and
Whole Time Director and Chief Financial
Officer, Escorts Kubota

The distinguished speakers at the TMA Finance Summit shared their expertise and perspectives on the dynamic fiscal landscape. Their contributions have shed light on crucial areas such as Make in India initiatives, GST regulations, and global trade measures, providing invaluable guidance for navigating the complexities of the financial world.



Dr Pradeep Kumar
Deputy Commissioner, Directorate of
International Customs

For the Indian supply chain to be secure and globally competitive, Customs has introduced trade accreditation cum facilitation programme. The Indian AEO scheme is a voluntary trade facilitation program of Indian Customs, with the aim to enhance international supply chain security and facilitate movement of legitimate goods. This varies across - AEO Tier I, II, and III for importers/exporters based on the benefits extended. The augmentation of the AEO and MRA program is part of the National Trade Facilitation Action Plan (NTFAP). I would encourage all manufacturers to enroll under the AEO scheme and avail the advantage provided by Indian customs.



C R Lohi
Deputy Commissioner(M&T), Ministry
of Agriculture and Farmers' Welfare

Government is extending support to farmers and industry through the SMAM and focus on agri-infrastructure.



Amitabh Banerjee
Director
National Economic Forum

Make in India, conducive export promotion policies and ease of doing business are critical for India's economic growth.



Ravi Poojary
Vice President & Head of Indirect
Taxation Mahindra & Mahindra Ltd

Faceless assessment has been a great success under Direct Tax and Customs, if same is extended to GST, it will save time and cost to the organisations. However, it is easier to explain certain facts and positions during personal hearing with the officer which won't be possible during faceless assessments. These aspects should be considered while moving into faceless assessment in GST. There should be a two-way communication in the process. Faceless assessment can be started on pilot basis. The Central and state government officers must undergo training for handling faceless assessment.



Saurabh Agarwal
Partner Indirect Tax Services
EY

There is need for simplified tax framework with industry friendly rates, reducing classification disputes and compliance burdens. The tractor industry should make representation to the Government for availing incentive scheme as the industry is the largest exporter of tractors in the world contributing to nation building.



Sunil Kumar
Chief Financial Officer
International Tractors Limited (Sonalika)

I want to highlight the pain -points of the industry,

- Cumbersome mechanism for dispute resolution and litigation process
- No alternate dispute resolution mechanism
- Complex documentation requirement of Transfer pricing even for Indian Companies having minority stake in India.
- Inverted duty structures continue to be the pain point despite budget announcements
- Baseless notices through AI that do not get resolved easily.
- Clerical errors E way bill unnecessary attract hefty penalties and impact supply chain of business.

GST audit must be regulated through audit manuals and accountability should be fixed for business and GST Auditor both.



Surender Kalra
Vice President - Finance &
Account M&M

With emerging advance features and technologies in Farm Sector, there is need for technically skilled manpower. We need to focus on how industry and educational institutions can collaborate to bridge the skill gap.



Ranen Banerjee
Partner,
Advisory PWC

These discussions have not only provided clarity on complex issues but have also outlined pathways for future growth. They have reinforced the need for collaborative efforts among policymakers, industry leaders, and stakeholders to strengthen India's position in the global economy. India's global competitiveness is key to economic growth which is possible only through collaboration between the government and industry, essential for sustained competitiveness and economic growth. India should also balance its Atmanirbhar Bharat vision with global trade participation.



Ajay Srivastava
Founder - Global Trade Research
Initiative

Considering the changing global trade trends there is likely to be a shift in the export profile of the country. The cost of manufacturing is increasing in India, therefore services export is likely to be more vibrant.



Sanjeev Agarwal
Head-Tax and Customs,
BMW Group in India

The Indian AEO program offers lot of benefits to importers therefore, manufacturers should explore to enrol into this program. Currently AEO T-2 and T-3 both have only 15 days deferred duty benefit. For AEO Tier 3 program, the Government should consider increasing the no. of days in Deferred Payment Duty from 15 days currently to 30 days to give the Tier 3 holders little additional motivation than AEO Tier 2. With regard to digital signatures, the Government should consider waiving off the digital signatures on the e-invoices. This will be a big relief to industry from Ease of Doing Business perspective as every e-invoice is already reported on the portal of GST before the goods start moving therefore the mandatory requirement of having signatures on e-invoices can be relaxed.

DRIVERS OF GROWTH - KEY TAKEAWAYS

Global Competitiveness – global trade measures – FTA and Trade facilitation under customs

India's economic growth depends on its global trade. To succeed in today's world, businesses need to make the most of global trade measures and simplify customs procedures in India. This will enable Indian businesses to compete more effectively and grow faster.

India can enhance its global competitiveness by adopting strategic trade measures and improving customs facilitation. By streamlining customs processes and leveraging international trade agreements, India can better integrate with the global market and boost economic growth.

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PLI Scheme

The recent budget has significantly increased the funding for the PLI scheme. The emphasis of the Union budget 2025 is on the agriculture sector, therefore government should consider inclusion of agricultural machinery in PLI. Farm mechanization industry could benefit from creation of a more supportive ecosystem for domestic manufacturing, including addressing the high initial investment costs and technological gaps

Make in India

- The "Make in India" initiative has made significant progress, but deeper manufacturing capabilities and addressing bottlenecks are crucial for future success.
- Export promotion policies need to be more effective and accessible for SMEs, with focus on leveraging FTAs.
- The farm mechanization industry requires targeted support for domestic manufacturing, R&D, skill development, and export promotion.

Skill Development

There is need to align skill development with the evolving demands of advanced manufacturing and bridging the gap between academic skills and industry requirements.



Tax Transformation

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Some of the pain-points of the industry are as follows:

- Cumbersome mechanism for dispute resolution and litigation process
- No alternate dispute resolution mechanism
- Complex documentation requirement of Transfer pricing even for Indian Companies having minority stake in India.
- Inverted duty structures continue to be the pain point despite budget announcements
- Baseless notices through AI that do not get resolved easily.

- Clerical errors in the E way bill unnecessarily attract hefty penalties and impact supply chain of business.
- GST audit must be regulated through audit manuals and accountability should be fixed for business and GST Auditors

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FRAMED

