

Postal Regn.No. DL(C)-01/1251/09-11
WORLD TRADE Licence to Post without
Prepayment U(C)-30/09-11
SCANNER RNI No. 42906/84

ISSN: 0971-8095

Single copy Rs. 20 \$2

Vol. XXVIII No 01 30 March-05 April 2011

Promoted by Indian Institute of Foreign Trade, World Trade Centre,
Academy of Business Studies

Annual subscription Rs 750

TRU Clarifications on Post Budget Notifications

[Ref: D.O.F.No.B-1/3/2011-TRU dated 25 March, 2011]

Dear Chief Commissioner/Commissioner,

After the presentation of the Budget 2011-12 on the 28th February, 2011, the Ministry received several representations from industry/ trade associations and Chambers of Commerce either seeking changes in or clarifications about the scope of the tax proposals. Suggestions were also received from the field formations for modifying the content/ wording of some of the proposals with a view to plug gaps or impart more clarity.

2. While responding to the discussions on the Finance Bill, 2011 in Lok Sabha on 22nd March, 2011, Finance Minister has announced certain further changes in Central Excise and Customs duty rates as also the provisions of some exemption notifications. Notification Nos. 20 to 31/2011-Central Excise and notification nos. 31 and 32/2011-Customs all dated 24th March, 2011 have been issued to give effect to these announcements. Notification Nos. 8 to 12/2011-Central Excise (NT) dated 24th March, 2011 have also been issued in this regard.

3. The changes introduced through these notifications are discussed in the following paragraphs. In addition, clarifications on some of the salient issues have also been provided.

I. CENTRAL EXCISE

3. Branded Ready Made Garments and Made-up Articles of Textiles:

3.1 The following changes have been made with regard to this levy:

(i) The tariff value notified under section 3 of the Central Excise Act for these items i.e. goods falling under Chapters 61, 62 and 63 (heading Nos. 63.01 to 63.08) has been reduced from 60% to 45% of the Retail Sale Price. Notification No. 12/2011-CE (NT) dated 24th March, 2011 refers.

(ii) It has been pointed out by industry associations that persons owning a brand often get goods bearing their brand from other manufacturers (normally small units) without providing the raw materials or inputs. Such manufacturers do not answer the description of "job-workers" and are necessarily required to register and pay duty on such goods. It has been pointed out that they may face some difficulty in discharging duty on tariff value since the Retail Sale Price of the goods is not disclosed to them by the brand owner. It has been provided that if the RSP is not affixed or marked on goods when they are **cleared in the course of sale** from the factory of a manufacturer to the brand owner, **the wholesale price declared by the manufacturer would be deemed to be the tariff value for the payment of duty**. This has been provided through the insertion of a proviso in notification no.20/2001-CE (NT) dated 30th April, 2001 through amendment notification no.12/2011-CE (NT) dated 24th March, 2011. Since the process of labeling or re-labelling consti-

tutes a process of "manufacture", duty on the tariff value (based on the actual RSP) would once again be payable as and when the brand owner labels the goods with the RSP and clears them for further sale. The garments purchased by the brand owner being duty-paid, he would also be entitled to claim credit and utilize that for the payment of duty when he clears the goods after affixing the RSP.

(iii) Concerned industry associations have represented that it is a common practice in this industry for goods to be cleared by the manufacturer to the wholesale dealer/ retailer on consignment basis. As a result, the duty-paid stock that remains unsold with the latter is returned to the manufacturer either at the end of the season or from time to time. Such returned goods are cleared either as such or after „re-finishing operations to another wholesaler or retailer for sale (often at reduced prices). The re-finishing operations could involve cleaning, ironing, re-folding, repacking or relabeling -some of which constitute "manufacture" in terms of the relevant Chapter Notes. Normally, rule 16 of the Central Excise Rule, 2002 would cover such cases. However, it has been represented that often one -to - one correlation of such returned goods with the original invoice (against which they were cleared initially) is not possible.

Accordingly, full exemption from Central Excise duty is being provided to duty-paid goods returned to the manufacturer during a financial year up to an aggregate ceiling not exceeding 10% of the value of clearances for home consumption made in the preceding financial year. The manufacturer would be required to observe the following procedure for this purpose:

a. To submit an intimation within 48 hours of the receipt of the returned goods about the value of returned goods received in his factory/ registered premises;

b. To maintain proper accounts/ record of the receipt, finishing operations, and dispatch of returned stock indicating the monthly and cumulative value of the returned stock received during the financial year and to produce the same as and when required;

Notification No.31/2011-CE dated 24th March, 2011 has been issued in this behalf. The benefit of this exemption is available only if the manufacturer does not take Cenvat credit of the duty paid on the garments/ made-ups at the time they were initially cleared from the factory. The procedure prescribed for this purpose **does not envisage the physical verification of returned stock by Central Excise officers** on receipt of the intimation. **It may be ensured that visits by the staff are not made to the factory/ registered premises for such verification**. Normal checks could be conducted, if required, at the time of audit of the

unit on the basis of records/ accounts maintained for the purpose. Owing to the fact that most of the units manufacturing ready-made garments or made-ups had opted not to pay Central Excise duty until the presentation of the Budget 2011, it would not be possible to determine the entitlement of a unit for exemption (annual ceiling of 10% of the aggregate clearances for home consumption in the preceding year) on the basis of Central Excise records. A certificate from a Chartered Accountant indicating the aggregate value of clearances for home consumption made by the unit in the preceding financial year may be accepted for this purpose. At the time of scrutiny of the monthly return filed by the manufacturer, it may be verified that the cumulative value of the returned garments on which the unit has claimed exemption under this notification does not exceed the prescribed limit of 10% mentioned above. The facility of rule 16 would also continue to be available where a manufacturer is able to produce and correlate the relevant duty paying documents.

3.2 A clarification has been sought by trade whether the levy is applicable to blinds of all kinds or curtains falling under heading no.63.03 when these are made to order for a retail customer. It has been pointed out that blinds are normally made in the factory against order of a retail customer only and not kept in stock for sale over the counter. That being so, they do not also bear any RSP. Besides, they do not bear a brand name. Thus it is clarified that the levy would not be applicable to blinds of all kinds which are made to order for a retail customer. Consequently optional exemption benefit would continue to be applicable to such goods under Notification no.30/2004 –CE dated 9.7.2004. The same is not true of curtains that are available off the shelf in standard sizes and either bear a brand name or are sold under a brand name. These would be liable to duty even though the length or other dimensions are often adjusted according to the requirements of the customer after sale.

3.3 Clarifications have been sought by the industry on several general issues related to the **levy on ready-made garments and made-ups**. These are discussed point-wise below:

SNo	Issue/Query	Clarification
1.	Who needs to register for this levy? Is it the brand owner or the job-worker?	As stated in the D.O. letter of 28th March, 2011, the Central Excise Rules have been amended to prescribe that the person who gets the goods falling under Chapters 61, 62 or 63 (heading 63.01 to 63.08) manufactured on his own account on job work shall pay the duty leviable on such goods as if the goods were manufactured by him. It is evident, therefore, that the brand name owner (and not the job-worker) is required to register and comply with all the provisions of Central Excise law. It is relevant that the brand name owner has been given the option to authorise his job-worker to pay the duty leviable on the goods. If such an authorisation is given, it is the job-worker who would have to obtain registration.
2.	If a unit manufactures goods bearing the brand name of another person out of inputs or raw materials which have been purchased independently and not supplied by the brand owner, will the unit be eligible for treatment as a "job-worker"? If not, would it be required to register?	Such a unit does not satisfy the definition of "job-worker" contained in the Explanation to Rule 4(1A). It is not enough for a job-worker to manufacture goods or to undertake a process on behalf of and under instructions of the brand owner. The inputs or goods should also have been supplied by the brand owner or by a person authorised by him. Such units would, therefore, have to obtain registration and discharge the duty liability.

Dollar-Rupee rate at NSE Futures

Trade Date	Open Price	High Price	Low Price	Close Price	Daily Settlement Price	Open Interest	No. of Contracts	Value (Rs. lakhs)	RBI Reference rate
29-Mar-11	44.8225	44.8250	44.6675	44.6925	44.6700	610788	1085495	485664	44.6700
28-Mar-11	44.7100	44.9100	44.7075	44.8500	44.8500	658351	2598159	1164765	44.7800
25-Mar-11	44.7050	44.7200	44.6300	44.6725	44.6725	735955	2487126	1111233	44.6500
24-Mar-11	44.9600	44.9875	44.7325	44.7800	44.7800	764907	2885907	1292664	44.7700

[Source: NSE and RBI Website]

Form – B

Particulars About the Newspaper

BIG's WEEKLY INDEX OF CHANGES

Title	: BIG's Weekly Index of Changes
Duration	: Weekly
Language	: English
Place of Publication and Address	: 24/4866, Sheeltara House, Ansari Road, Daryaganj New Delhi-110002
Owner's Name	: Arun Goyal
Nationality	: Indian
Publisher/Printer	: Arun Goyal
Nationality	: Indian
Editor	: Arun Goyal
Nationality	: Indian
Place of Printing	: Mercury Printers, 602 Choori Walan, Delhi

I, Arun Goyal hereby declare that the particulars here are true to the best of my knowledge and belief, the above mentioned particulars are correct.

New Delhi
01.04.2011

Arun Goyal
Owner/Publisher/Printer

- The retail sale price is not disclosed to units mentioned at S.No (2) above by the brand owner. In such case what would be the tariff value for payment of duty?
Notification has been issued to provide that where goods are cleared from the manufacturer to the brand owner in the course of sale and they do not bear the RSP, the transaction value under section 4 would be deemed to be their tariff value.
- Many small units manufacture ready-made garments for brand owners and clear them without affixing any brand name. Will such units be required to register?
Where no brand name is affixed on such goods, when cleared by the manufacturer, he is not required to register as the levy is only on goods bearing a brand name or sold under a brand name. As and when the brand owner affixes the brand name on such goods, he would be required to pay excise duty.
- Many units manufacture branded ready-made garments exclusively for export or pre-dominantly for export. Would they be required to register?
Normally, units manufacturing exclusively for export would also clear some goods for home consumption either as rejects, seconds or waste. To the extent, the value of clearances for home consumption of the manufacturer/unit is within the eligibility limit (of Rs.4 crore in the previous financial year), benefit of SSI exemption would be available up to a value of clearances of Rs.1.5 crore in the current financial year. The condition that

Subscription rate for the Weekly Index with World Trade Scanner

<input type="checkbox"/>	Six months	Rs. 375	US\$45
<input type="checkbox"/>	1 Year	Rs. 750	US\$70
<input type="checkbox"/>	2 Years	Rs. 1400	US\$140
<input type="checkbox"/>	3 Years	Rs. 2100	US\$200

would have to be fulfilled is that the goods cleared for home consumption should either be unbranded or bear the brand name of the manufacturer himself. **If these conditions are fulfilled, the unit would not be required to register till the exemption threshold is crossed.** However, if the goods cleared for home consumption bear the brand name of another person, neither the benefit of SSI exemption nor exemption from registration would be available.

6.	Would units referred to at S.No.5 be eligible for the simplified export procedure?	Yes. Since they would avail of the benefit of the SSI exemption i.e. an exemption based on the value of clearances, they would be eligible for the simplified export procedure.
7.	What is the value for computing the turnover for the purposes of SSI exemption? Would it be the Retail Sale Price, wholesale price or the tariff value?	Value for computing the eligibility as well as the exemption limit for purposes of SSI exemption is defined in Explanation (C) to Notification No.8/2003-CE dated 1st March, 2003. Accordingly, it would be the tariff value of the goods.
8.	Would SSI exemption be available to a manufacturer/ unit for goods falling under Chapters 61, 62 or 63 for the full exemption limit of Rs.1.5 crore for the month of March, 2011? Or, would this limit be applied on a pro-rata basis for one month i.e. Rs.12.50 lakh?	In the absence of a provision in the SSI notification to curtail the exemption to Rs.12.5 lakh for March, 2011 benefit upto the full exemption threshold of Rs.1.50 crore would be available for clearances for home consumption made in March, 2011. Of course, the conditions of the notification would have to be fulfilled.
9.	How would the eligibility for SSI exemption be computed for the financial year 2011-12?	As stated above, the eligibility for availing of the SSI exemption in 2011-12 is that the value of clearances for home consumption from one or more manufacturer from one or more unit should not have exceeded Rs.4 crore in the financial year 2010-11. The computation for this purpose should be done in accordance with the provisions of para 3A of notification no.8/2003-CE. For this purpose, a certificate from a Chartered Accountant based on the books of accounts for 2010-11 may be accepted.
10.	What is the status of Finished Goods in the factory/warehouse as on 28.2.2011? Will goods produced before 28.2.2011 but lying in the warehouse attract duty? Are the manufacturers required to submit stock Declaration?	Excisable goods which were produced on or before 28.2.2011 but lying in stock as on 28.2.2011 would attract excise duty upon clearance. However, such goods as had already been cleared from the factory of the manufacturer at Nil rate of duty on or before 28.2.2011 but are lying in the warehouse/ private store room for further sale would not be chargeable to the duty of 10% once again. Manufacturers would be required to submit a stock declaration of finished goods, goods-inprocess and inputs as on 28.2.2011. Submission of such stock declaration would not only be for the purposes of payment of the excise duty but also for enabling the manufacturers to claim Cenvat credit on inputs or inputs contained in goods lying in stock as already provided for in rule 3(2) of the Cenvat Credit, Rules, 2004.
11.	Can manufacturers claim Cenvat credit of excise duty paid on inputs	Manufacturers can claim Cenvat credit on inputs as per the provisions of the Cenvat Credit Rules, 2004

4. Levy of 1% Excise Duty without Cenvat Credit on 130 items:

4.1 The following changes have been made with respect to levy of 1% excise duty on 130 items which were fully exempt till 1st March 2011:

(i) Out of the 130 items covered under Notification 1/2011-CE dated 01.03.2011, 35 items have been notified under section 4A of the Central Excise Act, 1944 with an abatement of 35%. Notification No. 11/2011-CE (NT) dated 24th March, 2011 refers. The excise duty (and CVD) on these goods will thus be charged on the assessable value determined under

section 4A.

(ii) Since units that exclusively manufacture items attracting the duty of 1% are neither allowed to take Cenvat credit nor to pass it on to their buyers, a simplified procedure is being prescribed for them so that physical interface with them is minimized and the levy does not pose a compliance burden on them. The salient features of this are as under:

a. Waste, scrap and parings arising in the course of manufacture of items subject to the 1% levy have been fully exempted. The benefit of this exemption is available only to units that exclusively manufacture these items. Notification No. 27/2011-CE dated 24th March, 2011 refers. The benefit of this exemption is also available to units exclusively manufacturing mobile handsets including cellular phones.

b. Post- registration verification of the factory premises shall not be required for such units.

c. Visits to such units should not be required in the normal course. If at all the need arises, the officer visiting them should do so only with the prior authorization of the Assistant Commissioner or the Deputy Commissioner Central Excise of the jurisdictional division. The authorisation should be shown to the assessee and his signatures obtained on it at the time of the visit. These instructions may be disseminated to the field formations for strict compliance.

d. Facility of quarterly returns is being prescribed for these units. Notification No. 8/2011-CE (NT) dated 24th March, 2011 refers.

e. A simple format for this quarterly return will be notified in due course as the first return from such units will become due only in July 2011.

4.2 The entry relating to mobile handsets (S.No. 100 of Notification No. 1/2011-CE dated 01.03.2011) has been modified. 1% conditional excise duty will now apply only to Radio Trunking Terminals while separate Notification No.20/2011-CE dated 24.03.2011 has been issued prescribing unconditional excise duty rate of 1% on mobile handsets including cellular phones. The imports of these goods as well as their clearances from SEZ into DTA also will attract additional duty of customs of 1% over and above the NCCD of 1%. This duty rate will also be available to clearances from EOUs into the DTA.

4.3 The excise duty exemption on silicon wafers has also been restored. Other forms of silicon would continue to attract excise duty of 1% ad val.

4.4 As you are aware, the levy of 1% excise duty covers all kind of carpets (S. No. 57 of the Notification 1/2011-CE refers). The trade has represented that most of the carpets are woven by individual weavers and exported. It has been informed that in most of the cases, the domestic sales of the carpets are well within the exempted threshold of Rs.1.5 Crore. It is to clarify that in such cases the units need not register and can continue to export following the simplified export procedure for exempted units as prescribed under part III of Chapter 7 of CBEC's Excise Manual of Supplementary Instructions 2005.

4.5 Some difficulty has been expressed on behalf of producers of coal with regard to the registration of each mine. Centralised registration facility on the lines of that available for the purpose of the Clean Energy Cess imposed on this item last year has been permitted to coal producers in terms of notification no.10/2011-CE (NT) dated 24th March, 2011.

5. Jewellery and other articles of precious metals bearing or sold under a brand name:

A. Liability to pay excise duty

5.1. In respect of levy of excise duty @ 1% on jewellery and other articles of precious metals which bear or are sold under a brand name, the provisions of Rule 12AA of the Central Excise Rules and Rules 2 & 4 of the Cenvat Credit Rules as amended by notification nos. 8/2011-Central Excise (N.T.) and 9/2011-Central Excise (N.T.) both dated 24th March 2011 may kindly be referred to. As in the case of branded garments, in case of goods falling under chapter heading 7113 and 7114 also, where a brand owner gets jewellery or articles other than jewellery made from any other person, and supplies the raw materials such as gold/ silver/ gemstones etc. (of chapter 71) to the job-worker for such manufacture, the duty liability would be on such person who gets jewellery or articles made from the job worker, unless the job worker opts to discharge the duty liability. However, a person manufacturing jewellery of heading 7113 or articles of heading 7114 bearing a brand name or sold under a brand

name on his own account will be liable to pay excise duty unless he claims benefit of the SSI exemption.

B. What constitutes a Brand name for the purposes of this exemption

5.2.1 It has been prescribed in respect of jewellery and other articles, "brand name" means a brand name or trade name, whether registered or not, that is to say, a name or a mark, such as a symbol, monogram, label, signature or invented words or any writing which is used in relation to a product, for the purpose of indicating, or so to indicate, a connection in the course of trade between the product and some person using such name or mark with or without any indication of the identity of that person. Only such jewellery or other articles of precious metals which either bear or are marketed and sold under a brand name attract this levy. Whether a particular name or mark or symbol etc. is a brand name or not is a matter of fact, and can be ascertained from the manner in which it is understood in commercial or trade parlance. The test of goods being branded would be if the buyer seeks to buy the goods because they bear or are sold under a particular brand. As such, a mere mark of identity put by a jeweller or the job worker, commonly known as a „house-mark shall not be considered a brand name. Some illustrations are given below to explain the scope of the term "brand name":

(i) A manufacturer, say "ABC Jewellers", getting jewellery or other articles manufactured on his behalf from gold smiths/ job-workers who put a mark/sign/initials, etc. on the jewellery/article. This is only to identify that the article or jewellery was received from a particular goldsmith, etc. This is not branded jewellery and will not attract duty.

(ii) "ABC jewellers", when it sells articles of jewellery to customers, puts a distinctive sign/mark/ initials etc. on the jewellery- very often a simple acronym of his name e.g. ABC. It may be noted that mere alphabets or numerals (unless stylized) cannot be registered as a brand name or trademark. This is again for the purpose of identification when the customer re-sells or returns the jewellery or article and goods bearing it would not attract the levy.

(iii) "ABC jewellers" advertises and sells its products under the brand "Star" or puts a logo like ABC or ABC i.e. in a stylized manner. It also puts the same brand name or an abbreviation thereof or a mark which has a connection with such brand name either on the jewellery or article itself or on the packing such as the jewellery box or pouch or even on the warranty card or certificate of quality. Such goods will clearly be treated as branded and will be liable to duty.

5.2.2. Hallmarking of the jewellery, which is an accurate determination and official recording of the proportionate content of precious metal in gold and is thus only official marks used as a guarantee of purity or fineness of gold jewellery, cannot be treated as „branding for the purposes of the excise levy.

II. CUSTOMS:

6. Full exemption from levy of Special Additional Duty of Customs has been provided to Ships; Aircrafts imported by non scheduled operators and specified parts of personal computers viz. Microprocessor for computer, other than motherboards, Floppy disc drive, Hard disc drive, CD-ROM drive, DVD Drive/DVD Writers, Flash memory and Combo drive. The exemption on parts of personal computers is subject to actual user condition.

7. It may be recalled that excise duty of 1% was imposed on ships and other goods falling under heading 89.01 on the condition that no Cenvat credit is taken. Doubts have been raised about the applicability this levy as CVD to foreign-going vessels. It is clarified that the levy would not apply to such imports which are temporary in nature.

8. In the Budget 2011-12, concessional rate of 5% excise duty/CVD and NIL SAD had been provided for parts of inkjet printers and laser jet printers. The concessional rate is being extended to parts of all printers capable of being attached with computers, subject to actual user condition.

9. As you are aware, a definition of Completely Knocked down Unit had been prescribed in the Budget. However, considering the representations by the industry, the custom duty rate on vehicles imported in the form of completely knocked down kits having all the necessary components, parts and sub-assembly including the preassembled engine, gearbox and transmission mechanism of Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02) including motor cycles is being reduced from 60% to 30%. Such imports of vehicles in completely built form or in any other form including in a form where any of the three viz. engine, gear box or transmission assembly are imported fixed to a chassis will attract 60% BCD. The imports in form of CKD kits where all the parts and components including engine, gearbox and transmission assembly are present in completely knocked down condition will attract 10% BCD.

10. Doubts have been raised about the applicable CVD rate on the 130 items, on which Excise Duty @ 1% has been levied vide Notification 1/2011-CE dated 01.03.2011, when imported. It is further learnt that manual bills of entry have been permitted at certain customs locations as 1% CVD rate was not available in the system. This concessional rate of 1%, however, is available only if the Cenvat credit on inputs and input services is not availed of; otherwise all these items attract 5% Excise duty as prescribed vide notification 2/2011-CE dated 01.03.2011 and Tenth Schedule to the Finance Bill. At the time of updating of ICES, the Directorate of Systems had been advised not to feed Notification 1/2011-CE dated 01.03.2011 in the system as 1% rate will not be applicable for CVD purposes. There should have been no confusion on the subject. Since the CVD is levied to provide a level playing field for the domestic

manufacturers, CVD is charged at a rate equal to excise duty rate. However, in respect of these 130 items, there are two excise duty rates. It needs to be appreciated that if CVD is levied @ 1%, the protection for the domestic manufacturer would be lost since in the country of origin, the overseas supplier enjoys input tax neutralization on goods exported to India (akin to availment of input tax credit), whereas on the other hand the domestic manufacturer suffers all the input taxes and 1% excise duty over and above that. Since 5% excise duty rate is payable when the cenvat credit of duties and taxes paid on inputs and input services is availed of, the tax treatment becomes equitable with the goods being imported into India, the input taxes having been neutralized in the country of export. As such, the CVD of 5% will be applicable in respect of all the goods covered under Notification 1/2011-CE dated 01.03.2011 and 1% rate will not apply.

11. Some amendments have been proposed in the provisions of the Finance bill, 2011 too. These would be communicated as and when the Bill is enacted. The changes discussed above may kindly be communicated to the field formations under your charge as well as trade. In conclusion, I would take the opportunity to once again emphasize that in the case of new levies all possible help, guidance and facilitation should be provided to the trade. Difficulties, if any, may kindly be brought to my notice immediately.

1% Excise Duty on Mobile Phones



The entry relating to mobile handsets (S.No. 100 of Notification No. 1/2011-CE dated 01.03.2011) has been modified. 1% conditional excise duty will now apply only to Radio Trunking Terminals while separate Notification No.20/2011-CE dated 24.03.2011 has been issued prescribing unconditional excise duty rate of 1% on mobile handsets including cellular phones. The imports of these goods as well as their clearances from SEZ into DTA also will attract additional duty of customs of 1% over and above the NCCD of 1%. This duty rate will also be available to clearances from EOUs into the DTA

20-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of

1944), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts mobile handsets including cellular phones, falling under chapter 85 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), from so much of the duty of excise leviable thereon under the said First Schedule, as is in excess of the amount calculated at the rate of 1% ad valorem.

[F. No. B-1/3/2011- TRU]

POST BUDGET NOTIFICATIONS

Special Coal for Steel Using Corex Technology

- Duty Cut to 30% for CKD Kits with Preassembled Engine, Gear Box and Transmission
- CVD Reduced to 5% from 10% on Parts for the Manufacture of Printers

A definition of Completely Knocked down Unit had been prescribed in the Budget. However, considering the representations by the industry, the custom duty rate on vehicles imported in the form of completely knocked down kits having all the necessary components, parts and sub-assembly including the preassembled engine, gearbox and transmission mechanism of Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02) including motor cycles is being reduced from 60% to 30%. Such imports of vehicles in completely built form or in any other form including in a form where any of the three viz. engine, gear box or transmission assembly are imported fixed to a chassis will attract 60% BCD. The imports in form of CKD kits where all the parts and components including engine, gearbox and transmission assembly are present in completely knocked down condition will attract 10% BCD.

Ntnfn 31 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 21/2002-Customs, dated the 1st March, 2002**, published in the Gazette of India, Extraordinary vide number G.S.R.118 (E), dated the 1st March, 2002, namely:-

In the said notification,

(I) in the TABLE,-

(i) after **S. No. 66** and the entries relating thereto, the following S. No. and entries shall be **inserted**, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"66A	2701	Coal having Swelling Index or Crucible Swelling Number of 1 and above and mean reflectance of above 0.60, for use in the manufacture of iron or steel using Corex, Finex or PCI technology	Nil	-	5";

(ii) for **S. No. 344**, and the entries relating thereto, the following S. No. and entries shall be **substituted**, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"344	8703	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars, new, which have not been registered any where prior to importation, if imported,- (1) as a Completely Knocked Down (CKD) kit containing all the necessary components, parts or sub-assemblies, for assembling a complete vehicle, with,- (a) engine, gearbox and transmission mechanism not in a pre-assembled condition; (b) engine or gearbox or transmission mechanism in pre-assembled form but not mounted on a chassis or a body assembly. (2) in any other form.	10% - - 30% - - 60% - -";		

(iii) for **S. No. 345**, and the entries relating thereto, the following S. No. and entries shall be **substituted**, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"345	8711	Motor cycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side cars, and side cars, new, which have not been registered anywhere prior to importation,-			

(1) as a Completely Knocked Down (CKD) kit containing all the necessary components, parts or sub-assemblies, for assembling a complete vehicle, with,-

- (a) engine, gearbox and transmission mechanism not in a pre-assembled condition; 10% - -
- (b) engine or gearbox or transmission mechanism in pre-assembled form, not mounted on a body assembly. 30% - -
- (2) in any other form. 60% - -";

(iv) after **S. No. 613** and the entries relating thereto, the following entry shall be **inserted**, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"614	8443	99 Parts for manufacture of printers falling under heading 8443 32	NIL	5%	5";

(II) In **List 3**, after **item (174)**, the following shall be **inserted**, namely:-
“(175) Bevac izumab.”

[F.No.B-1/3/2011-TRU]

Special CVD of 4% Exempted on

- Parts for Manufacture of Printers
- Microprocessors for Computers, DVD, CD and Flash Memory
- Ships, Boats and Aircrafts

Full exemption from levy of Special Additional Duty of Customs has been provided to Ships; Aircrafts imported by non scheduled operators and specified parts of personal computers viz. Microprocessor for computer, other than motherboards, Floppy disc drive, Hard disc drive, CD-ROM drive, DVD Drive/DVD Writers, Flash memory and Combo drive. The exemption on parts of personal computers is subject to actual user condition.

Ntnfn 32 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No.20/2006-Customs, dated the 1st March,2006**, published in the Gazette of India, Extraordinary, vide number G.S.R.92 (E),dated the 1st March, 2006,namely:-

In the said notification, in the Table,

(i) for **S. No. 77** and the entries relating thereto, the following S. No. and entries shall be shall be **substituted**, namely:-

(1)	(2)	(3)	(4)
"77	8443	99 Goods specified against S. No. 614 of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.21/2002-Customs, dated 1 st March,2002 [G.S.R.118(E) dated the 1 st March,2002]; Provided that the exemption available under this notification sha ll be subject to the conditions, if any specified in respect of such goods under said notification No.21/2002, dated the 1st March, 2002.	Nil";

(ii) after **S.No.82** and the entries relating thereto, the following S. Nos. and entries shall be **added**, namely:-

(1)	(2)	(3)	(4)
"83	847170 or 847330 or 8523	The following goods, namely:- (a) microprocessor for computer, other than motherboards; (b) floppy disc drive; (c) hard disc drive (d) CD-ROM Drive; (e) DVD Drive or DVD Writer; (f) Flash memory; (g) Combo drive. Provided that the exemption under this notification shall be subject to condition no. 5 annexed to notification No. 21/2002- Customs, dated 1st March, 2002 [G.S.R. 118(E), dated the 1st March, 2002].	Nil

84	8901	All goods	Nil
85	8802 (except 8802 60 00)	Goods specified against S. No. 347B of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.21/2002-Customs, dated 1 st March,2002 [G.S.R.118(E) dated the 1 st March,2002]: Provided that the exemption available under this notification shall be subject to the conditions, if any specified in respect of such goods under said notification No.21/2002, dated the 1st March, 2002.	Nil”.

[F.No.B-1/3/2011-TRU]

Amendments in 1% Excise Duty Notification

21-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of 1944),
the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 1/2011-Central Excise, dated the 1st March, 2011**, published in the Gazette of India, Extraordinary, vide number G.S.R. 116(E), dated the 1st March, 2011, namely:-

In the said notification, in the Table,-

(i) against **S.No. 33**, for the entry in column (3), the entry “Silicon in all forms **other than silicon wafers**” shall be **substituted**;

(ii) in **S. No. 89**, in column (3), **Explanation 3** shall be deleted;

[The deleted Explanation is “3. “articles” in relation to gold shall mean anything (other than ornaments), in a finished form, made of, or manufactured from or containing, gold and includes any gold coin and broken pieces of an article of gold but does not include primary gold, that is to say, gold in any unfinished or semi-finished form including ingots, bars, blocks slabs, billets, shots, pellets, rods, sheets, foils and wires.”]

(iii) against **S.No. 100**, for the entry in column (3), the entry “Radio trunking terminals” shall be **substituted**;

(iv) against **S.No. 106**, for the entry in column (3), “All goods (except Railway track machines falling under tariff item 8604 00 00)” shall be **substituted**.

[F.No. B-1/3/2011-TRU]

Amendments in 5% CVD Notification

22-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of 1944),
the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 2/2011-Central Excise, dated the 1st March, 2011**, published in the Gazette of India, Extraordinary, vide number G.S.R. 117(E), dated the 1st March, 2011, namely:-

In the said notification, in the Table,-

(i) against **S.No. 15**, for the entry in column (3), the entry “Silicon in all forms **other than silicon wafers**” shall be **substituted**;

(ii) against **S.No. 21**, for the entry in column (3), the entry “all goods, other than those which are clearly not to be used as fertilizers” shall be **substituted**;

(iii) in **S. No. 49**, in column (3), **Explanation 3** shall be **omitted**;

[The omitted Explanation is “3. “articles” in

relation to gold shall mean anything (other than ornaments), in a finished form, made of, or manufactured from or containing, gold and includes any gold coin and broken pieces of an article of gold but does not include primary gold, that is to say, gold in any unfinished or semi-finished form including ingots, bars, blocks slabs, billets, shots, pellets, rods, sheets, foils and wires.”]

(iv) **S. No. 55** and the entries relating thereto shall be **omitted**;

[The omitted SNo. is:

“55	8445, 8448, 8483	Goods required by a
	(except 8483	jute mill for making
	10 10) 8484 [8487	jute textiles”
	90 00]	

(v) against **S. No. 60**, for the entry in column (3), the entry “Radio trunking terminals” shall be **substituted**;

(vi) against **S. No. 65**, for the entry in column (3), “All goods (except Railway track machines falling under tariff item 8604 00 00)” shall be **substituted**.

[F.No. B-1/3/2011-TRU]

Full CVD Exemption Withdrawn on Animal Fats (1516 10), Prepared Foodstuffs (Ch. 16) and Pasta, Macaroni, Noodles (1902)

23-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of 1944),
the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in

the Ministry of Finance (Department of Revenue), **No. 3/2006-Central Excise, dated the 1st March, 2006**, published in the Gazette of India, Extraordinary, vide number G.S.R. 93(E), dated the 1st March, 2006, namely:-

In the said notification, in the Table,-

(i) for **S. No. 10** and the entries relating

thereto, the following S. No. and the entries shall be **substituted**, namely :-

(1)	(2)	(3)	(4)	(5)
'10	1516 (except 151610 00)	All goods	Nil	-';

(ii) **S. No. 13** and the entries relating thereto shall be **omitted**;

[The omitted SNo. is:

“13. 16 All goods Nil -”]

(iii) **S. No. 17** and the entries relating thereto shall be **omitted**.

[The omitted SNo. is:

“17. 1902 (except sub-heading 1902 40) All goods Nil -”]

[F. No. B-1/3/2011-TRU]

Excise Duty Exemption Withdrawn on Gold Ore, Concentrates and Copper for Smelting

25-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of 1944),
the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 5/2006-Central Excise, dated the 1st March, 2006** which was published in the Gazette of India, Extraordinary, vide G.S.R. 95(E) dated the 1st March, 2006, namely: -

In the said notification, in the Table,-

(i) in **S. No. 21**, in column (3), for the words ‘ from any form of gold’, the words ‘from any form of gold **other than gold ore, concentrate or dore bar**’ shall be **substituted**;

(ii) in **S. No. 23**, in column (3), the words ‘ copper or’ shall be **deleted**.

[F. No. B-1/3/2011 –TRU]

Zero Excise Duty on Colour Negative Cine Films in Rolls and Silicon Wafers

The excise duty exemption on silicon wafers has also been restored. Other forms of silicon would continue to attract excise duty of 1% ad valorem

24-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of 1944),
the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 4/2006-Central Excise, dated the 1st March, 2006** which was published in the Gazette of India, Extraordinary, vide G.S.R. 94 (E) dated the 1st March, 2006, namely: -

In the said notification, in the Table,-

(i) for **S.No.73A** and the entries relating thereto, the following S.No. and entries shall be **substituted**, namely:-

(1)	(2)	(3)	(4)	(5)
"73A	37	Colour positive un-exposed cinematographic film in jumbo rolls and colour negative un-exposed cinematographic film in rolls of 400 feet and 1000 feet	Nil	-

(ii) after **S.No.74** and the entries relating thereto, the following S. No. and entries shall be **inserted**, namely:-

(1)	(2)	(3)	(4)	(5)
"74A	3818	Silicon Wafers	Nil	-

[F. No. B-1/3/2011 –TRU]

Excise Duty Cut to 5% on Parts for the Manufacture of Printers

26-CE
24.03.2011
(DoR)

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Rev-

enue), **No. 6/2006-Central Excise, dated the 1st March, 2006**, published in the Gazette of India, Extraordinary vide number G.S.R. 96(E) dated 1st March, 2006, namely:-

In the said notification, in the Table,-

(I) for **S. No. 12D** and the entries relating thereto, the following S. No. and entries shall be **substituted**, namely:-

(1)	(2)	(3)	(4)	(5)
"12D	8443 99	Parts for the manufacture of printers falling under sub-heading 8443 32	5%	2 and 3";

(II) Against **S. No. 91C**, in column (3), for the **Explanation**, the following shall be **substituted**, namely:-

"Explanation.- For the purpose of this exemption, Mega Power Project means:-

(a) A thermal power plant of a capacity of 700 MW or more, located in the States of Jammu and Kashmir, Sikkim, Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura; or

(b) A thermal power plant of capacity of 1000

MW or more, located in States other than those specified in clause (a) above; or

(c) A hydel power plant of a capacity of 350 MW or more, located in the States of Jammu and Kashmir, Sikkim, Arunachal Pradesh, Assam, Meghalaya, Manipur,

Mizoram, Nagaland and Tripura; or

(d) A hydel power plant of capacity of 500 MW or more, located in States other than those specified in clause (c) above."

[F. No. B-1/3/2011- TRU]

Excise Duty Exemption on Branded Textile Articles

Branded Ready Made Garments and Made-up Articles of Textiles:

It has been pointed out by industry associations that persons owning a brand often get goods bearing their brand from other manufacturers (normally small units) without providing the raw materials or inputs. Such manufacturers do not answer the description of "job-workers" and are necessarily required to register and pay duty on such goods. It has been pointed out that they may face some difficulty in discharging duty on tariff value since the Retail Sale Price of the goods is not disclosed to them by the brand owner. It has been provided that if the RSP is not affixed or marked on goods when they are **cleared in the course of sale** from the factory of a manufacturer to the brand owner, **the wholesale price declared by the manufacturer would be deemed to be the tariff value for the payment of duty**. This has been provided through the insertion of a proviso in notification no.20/2001-CE (NT) dated 30th April, 2001 through amendment notification no.12/2011-CE (NT) dated 24th March, 2011. Since the process of labeling or re-labelling constitutes a process of "manufacture", duty on the tariff value (based on the actual RSP) would once again be payable as and when the brand owner labels the goods with the RSP and clears them for further sale. The garments purchased by the brand owner being duty-paid, he would

also be entitled to claim credit and utilize that for the payment of duty when he clears the goods after affixing the RSP.

Concerned industry associations have represented that it is a common practice in this industry for goods to be cleared by the manufacturer to the wholesale dealer/ retailer on consignment basis. As a result, the duty-paid stock that remains unsold with the latter is returned to the manufacturer either at the end of the season or from time to time. Such returned goods are cleared either as such or after „re-finishing operations to another wholesaler or retailer for sale (often at reduced prices). The re-finishing operations could involve cleaning, ironing, re-folding, repacking or relabeling -some of which constitute "manufacture" in terms of the relevant Chapter Notes. Normally, rule 16 of the Central Excise Rule, 2002 would cover such cases. However, it has been represented that often one -to - one correlation of such returned goods with the original invoice (against which they were cleared initially) is not possible.

Accordingly, full exemption from Central Excise duty is being provided to duty-paid goods returned to the manufacturer during a financial year up to an aggregate ceiling not exceeding 10% of the value of clearances for home consumption made in the preceding financial year. The manufacturer would be required to observe the following procedure for this purpose:

- To submit an intimation within 48 hours of the receipt of the returned goods about the value of returned goods received in his factory/ registered premises;
- To maintain proper accounts/ record of the receipt, finishing operations, and dispatch of returned stock indicating the monthly and cumulative value of the returned stock received during the financial year and to produce the same as and when required;

Notification No.31/2011-CE dated 24th March, 2011 has been issued in this behalf. The benefit of this exemption is available only if the manufacturer does not take Cenvat credit of the duty paid on the garments/ made-ups at the time they were initially cleared from the factory. The procedure prescribed for this purpose **does not envisage the physical verification of returned stock by Central Excise officers** on receipt of the intimation. **It may be ensured that visits by the staff are not made to the factory/ registered premises for such verification.** Normal checks could be conducted, if required, at the time of audit of the unit on the basis of records/ accounts maintained for the purpose. Owing to the fact that most of the units manufacturing ready-made garments or made-ups had opted not to pay Central Excise duty until the presentation of the Budget 2011, it would not be possible to determine the entitlement of a unit for exemption (annual ceiling of 10% of the aggregate clearances for home consumption in the preceding year) on the basis of Central Excise records. A certificate from a Chartered Accountant indicating the aggregate value of clearances for home consumption made by the unit in the preceding financial year may be accepted for this purpose. At the time of scrutiny of the monthly return filed by the manufacturer, it may be verified that the cumulative value of the returned garments on which the unit has claimed exemption under this notification does not exceed the prescribed limit of 10% mentioned above. The facility of rule 16 would also continue to be available where a manufacturer is able to produce and correlate the relevant duty paying documents.

31-CE
24.03.2011
(DoR)

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act,1944 (1 of 1944), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts **all goods bearing a brand name or sold under a brand name** and falling under chapter 61,62 or 63(except 6309 and 6310) of the First Schedule to the Central Excise Tariff Act, 1985(5 of 1986), **from the whole of the duty of excise leviable** thereon, when goods, on which appropriate duties of excise have been paid, are returned or brought back to the same premises or factory and cleared therefrom after being re-made, re-conditioned, repacked or subjected to any other process;

Provided that the exemption contained in this notification shall apply subject to the following conditions, namely:-

(i) no Cenvat credit of the duty paid on such returned goods is taken under the provisions of rule 16 of the Central Excise Rules, 2002;

(ii) an intimation containing the details of the document under which goods are returned and their value, is submitted to the jurisdictional Central Excise authority, within 48 hours of the receipt of the returned goods in the factory or premises ; and

(iii) a proper account of receipt and disposal of such goods is maintained and accounted for in the monthly return.

(iv) the aggregate value of goods cleared from a factory or premises under this exemption in a financial year does not exceed 10% of the aggregate value of clearances for home consumption from the same factory or premises in the preceding financial year.

Explanation: - For the purposes of this exemption 'appropriate duties of excise' shall mean duties of excise leviable under the First Schedule to the Central Excise Tariff Act, 1985, (5 of 1986) read with any relevant exemption notification for the time being in force.

[F. No. B-1/3/2011 –TRU]

27-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of 1944),
the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts **waste, parings and scrap arising in the course of manufacture of goods** in respect of which the benefit of exemption under notification no. **1/2011-Central Excise dated the 1st March, 2011 or notification no. 20 /2011 –Central Excise dated the 24th March, 2011** is availed and falling within the Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), from the whole of the duty of excise leviable thereon which is specified in the said Schedule :

Provided that nothing contained in this notification shall apply to waste, parings and scrap cleared from a factory in which any excisable goods, other than goods in respect of which the benefit of exemption under the said notifications is availed, are also manufactured.

[F.No. B-1/3/2011-TRU]

Amendments in Effective Excise Duty on Textiles – II

The levy of 1% excise duty covers all kind of carpets. The trade has represented that most of the carpets are woven by individual weavers and exported. It has been informed that in most of the cases, the domestic sales of the carpets are well within the exempted threshold of Rs. 1.5

Creore. It is to clarify that in such cases the units need not register and can continue to export following the simplified export procedure for exempted units as prescribed under part III of Chapter 7 of CBEC s Excise Manual of Supplementary Instructions 2005.

30-CE In exercise of the powers
24.03.2011 conferred by sub-section (1)
(DoR) of section 5A of the Central
Excise Act, 1944 (1 of 1944),
read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification

of the Government of India in the Ministry of Finance (Department of Revenue), **No. 30/2004-Central Excise, dated the 9th July, 2004** published in the Gazette of India, Extraordinary, vide G.S.R. 421 (E), dated the 9th July, 2004, namely: -

In the said notification, -

(i) in the TABLE, for **S.No.12** and the entries relating thereto, the following S. No. and entries shall be **substituted**, namely:-

(1)	(2)	(3)
"12.	57	All goods other than,- (i) Hand-made carpets, whether or not any machines have been used to achieve better finish during pre-weaving or post weaving operations; (ii) Carpets and other textile floor coverings, knotted, woven, tufted or flocked of coconut fibres (coir) or jute, whether or not made up, in or in relation to the manufacture of which any process is ordinarily carried on with the aid of machines; and (iii) Other carpets and other textile floor coverings of coconut fibres (coir) or jute, whether or not made up.

Explanation.- For the purpose of chapter 57 the term "machines' shall not include manually operated implements, used independently by hand, such as hooking guns, tufting guns and knitted guns.

(ii) in the TABLE, for **S.No.14** and the entries relating thereto, the following S. No. and entries shall be **substituted**, namely:-

(1)	(2)	(3)
"14.	59 (except 590610 00)	All goods."

(iii) in the TABLE, for **S.No.16** and the entries relating thereto, the following S. No. and

entries shall be **substituted**, namely:-

(1)	(2)	(3)
"16.	61,62 and 63 (except 6305, 6309 00 00 and 6310.)	All goods other than those bearing a brand name or sold under a brand name."

[F. No. B-1/3/2011 –TRU]

Tariff Value and Abatement for Garments Slashed to 45% from 60%

The tariff value notified under section 3 of the Central Excise Act for these items i.e. goods falling under Chapters 61, 62 and 63 (heading Nos. 63.01 to 63.08) has been reduced from 60% to 45% of the Retail Sale Price.

12-CE(NT) In exercise of the powers
24.03.2011 conferred by sub-section (2)
(DoR) of section 3 of the Central
Excise Act, 1944 (1 of 1944),
the Central Government, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 20/2001-Central Excise(N.T.), dated the 30th April, 2001 published in the Gazette of India, Extraordinary, vide G.S.R.318 (E), dated the 30th April, 2001, namely: -

In the said notification, -

(i) in the opening paragraph, for the words and figures "at the rate of 60% of the retail sale price", the words and figures "at the rate of 45% of the retail sale price"; shall be substituted;

(ii) after the opening paragraph the following shall be inserted, namely:-

'Provided that where goods bearing the brand name of another person are cleared in the course of sale by a manufacturer to such person and the retail sale price is not affixed on the goods, the transaction value of such goods shall be deemed to be the tariff value.'

Illustration:

If a manufacturer X clears goods bearing a brand name "ABC" to Y, who is the brand name owner on sale basis at the transaction value of Rs. 200/- per garment, duty at the rate of 10% would be chargeable on Rs. 200 /-which is the deemed tariff value';

Explanation:- For the purposes of this notification the 'transaction value' shall have the meaning assigned to it under section 4 of the Central Excise Act, 1944 (1 of 1944).

[F. No. B-1/3/2011 –TRU]

Zero Excise Duty on Goods Manufactured from Waste, Paring and Scrap

Waste, scrap and parings arising in the course of manufacture of items subject to the 1% levy have been fully exempted. The benefit of this exemption is available only to units that exclusively manufacture these items. The benefit of this exemption is also available to units exclusively manufacturing mobile handsets including cellular phones.

Post- registration verification of the factory premises shall not be required for such units.

Visits to such units should not be required in the normal course. If at all the need arises, the officer visiting them should do so only with the prior authorization of the Assistant Commis-

sioner or the Deputy Commissioner Central Excise of the jurisdictional division. The authorisation should be shown to the assessee and his signatures obtained on it at the time of the visit. These instructions may be disseminated to the field formations for strict compliance.

Facility of quarterly returns is being prescribed for these units. Notification No. 8/2011-CE (NT) dated 24th March, 2011 refers.

A simple format for this quarterly return will be notified in due course as the first return from such units will become due only in July 2011.

Sriram Institute Delhi and Monarch Biotech Chennai Accredited for Food Import from Japan for Radioactive Contamination Testing

[Ref: F.No.450 /22/2011-Cus.IV dated 22nd March 2011]

Subject: Monitoring of food import from Japan for radioactive contamination.

In continuation of the earlier Instruction dated 17th March, 2011 on the subject matter, it is to intimate that following two laboratories have been granted accreditation by FSSAI for testing for radioactive contamination of food items imported from Japan besides BRIT, Navi Mumbai:

1. Shriram Institute for Industrial Research, 19, University Road, New Delhi-110007.
2. Monarch Biotech Private Limited, 37A-SIDCO Industrial Estate, Thrumazhisai, Chennai-602107

MEP on Bangalore Rose Onion Slashed to US \$600/MT

MEP on Onion Cut to US \$225/MT

Subject: Minimum Export Price of Onions.

36-Ntnf(RE) In exercise of powers
23.03.2011 conferred by Section 5 of
(DGFT) the Foreign Trade
(Development & Regulation)
Act, 1992 (No. 22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government makes the following amendment in Notification No 34(RE – 2010)/2009-2014 dated 16.03.2011 read with Notification No 24(RE – 2010)/2009-2014 dated 18.02.2011. This will be with immediate effect.

2. (a) The phrase "Minimum Export Price(MEP) of US\$ 275 per Metric Ton F.O.B. or as notified by DGFT from time-to-time" as appearing in para 2 of Notification No 34(RE – 2010)/2009-2014 dated 16.03.2011 for the item description at Serial Number 44.01 of Notification No 24(RE–2010)/2009-2014 dated 18.02.2011 is replaced by the phrase "Minimum Export Price(MEP) of US\$ 225 per Metric Ton F.O.B. or as notified by

DGFT from time-to-time".

(b) The phrase "Minimum Export Price(MEP) of US\$ 1400 per Metric Ton or as notified by DGFT from time-to-time" as appearing in para 2 of Notification No 24(RE – 2010)/2009-2014 dated 18.02.2011 for the item description at Serial Number 44.02 is replaced by the phrase "Minimum Export Price(MEP) of US\$ 600 per Metric Ton F.O.B. or as notified by DGFT from time-to-time".

3. Effect of this notification:

(i) Minimum Export Price (MEP) of onions other than Bangalore Rose Onions and Krishnapuram onions will be US\$ 225 per Metric Ton F.O.B. It was US\$ 275 per Metric Ton as notified on 16.03.2011.

(ii) Minimum Export Price (MEP) of Bangalore Rose Onions and Krishnapuram onions will be US\$ 600 per Metric Ton F.O.B. It was US\$ 1400 per Metric Ton as notified on 18.02.2011.



MEP on Onions Cut to US \$275/MT FOB from US \$350/MT

Subject: Minimum Export Price of Onions.

34-Ntnf(RE) In exercise of powers
16.03.2011 conferred by Section 5
(DGFT) of the Foreign Trade
(Development & Regulation)
Act, 1992 (No. 22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government makes the following amendment in Notification No 30(RE – 2010)/2009-2014 dated 08.03.2011 read with Notification No 24(RE – 2010)/2009-2014 dated 18.02.2011. This will be with immediate effect.

2. The phrase "Minimum Export Price(MEP) of US\$ 350 per Metric Ton F.O.B. or as notified by DGFT from time-to-time" as appearing in

para 2 of Notification No 30(RE – 2010)/2009-2014 dated 08.03.2011 for the item description at Serial Number 44.01 of Notification No 24(RE–2010)/2009-2014 dated 18.02.2011 is replaced by the phrase "Minimum Export Price(MEP) of US\$ 275 per Metric Ton F.O.B. or as notified by DGFT from time-to-time"

3. Effect of this notification:

Minimum Export Price (MEP) of onions other than Bangalore Rose Onions and Krishnapuram onions will be US\$ 275 per Metric Ton F.O.B. It was US\$ 350 per Metric Ton as notified on 08.03.2011.

Export Allowed for Milk Powders and Casein Products Handed to Customs before 18 February 2011

Subject:- Exemption for export of milk powders(including skimmed milk powder, whole milk powder, dairy whitener and infant milk foods), Casein and Casein products under para 9.12 of Handbook of Procedure Vol. 1.

37-Ntnf(RE) In exercise of powers
24.03.2011 conferred by Section 5 of the
(DGFT) Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government, with immediate effect, makes the following amendments described in para 3 below, in

Notification No: 23(RE – 2010)/2009-2014 dated 18th February, 2011 read with Notification No: 25(RE–2010)/2009-2014 dated 24th February, 2011.

2. Notification No: 25 (RE–2010)/2009-2014 dated 24th February, 2011, stipulated that transitional arrangements under para 1.5 of Foreign Trade Policy, 2009-14 will not be applicable to

Centralised Registration Facility Permitted for Coal Producers

Some difficulty has been expressed on behalf of producers of coal with regard to the registration of each mine. Centralised registration facility on the lines of that available for the purpose of the Clean Energy Cess imposed on this item last year has been permitted to coal producers in terms of notification no.10/2011-CE (NT) dated 24th March, 2011.

10-CE(NT) In exercise of the powers
24.03.2011 conferred by sub-rule (2)
(DoR) of rule 9 of the Central
Excise Rules, 2002, the

Central Board of Excise and Customs hereby exempts from the operation of the said rule, every mine engaged in the production or manufacture of goods falling under chapter heading 2701, 2702, 2703, 2704 and 2706 where the producer or manufacturer of such goods has a centralized billing or accounting system in respect of such goods produced by different mines and opts for registering only the premises or office from where such centralized billing or accounting is done.

[F. No. B-1/3/2011 –TRU]

SSI Units Exemption – Labels included in Packing Materials

28-CE In exercise of the powers
24.03.2011 conferred by sub-section
(DoR) (2A) of section 5A of the
Central Excise Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 8/2003-Central Excise, dated the 1st March, 2003 published in the Gazette of India, Extraordinary, vide G.S.R. 138(E), dated the 1st March, 2003, namely: -

In the said notification, in paragraph (4), in clause (e) the following shall be inserted, namely:-

"Explanation- For the removal of doubts, it is hereby clarified that "packing material" includes labels of all kinds."

[F. No. B-1/3/2011 –TRU]

export of milk powders (including skimmed milk powder, whole milk powder, dairy whitener and infant milk foods), Casein and Casein products, export of which had been prohibited under Notification No : 23 (RE – 2010)/2009-2014 dated 18th February, 2011.

3. Now it has been decided to allow provisions of para 9.12 of Handbook of Procedure Vol.1 for such exports. Accordingly a new para gets inserted as serial no:3.1 in Notification No:23 (RE-2010)/2009-2014 dated 18th February, 2011, which will read as under:

"3.1. Export consignments of milk powders (including skimmed milk powder, whole milk powder, dairy whitener and infant milk foods), Casein and Casein products which were handed over to customs for examination and export on

or before 18.02.2011 will be allowed for export."

4. Effect of this notification:

In relaxation of the prohibition imposed by Notification No:23 dated 18th February 2011, read with Notification No:25 dated 24th February 2011, export of milk powders, Casein and Casein products etc (as described above) would be permitted in respect of such consignments only which were already handed over to customs for examination and export on or before 18.02.2011.

35 More Entries Included in MRP Based Assessment

11-CE(NT) In exercise of the powers conferred by sub-sections (1) and (2) of section 4A of the Central Excise Act, 1944 (1 of 1944), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 49/2008-Central Excise (N.T.), dated the 24th December, 2008**, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 882(E), dated the 24th December, 2008, namely:-

In the said notification, in the Table, **after S. No. 108** and the entries relating thereto, the following shall be **inserted**, namely :-

(1)	(2)	(3)	(4)
"109	151710	Margarine edible grade	35
110	16	All goods	35
111	1901 10	All goods put up in unit containers	35
112	1902 other than 1902 40 10 and 1902 40 90	All goods	35
113	20	All goods	35
114	2101	Coffee or tea pre-mixes	35
115	2103	Sauces, ketchup and the like and preparations thereof	35
116	2104	Soups and broths and preparations thereof	35
117	2105 00 00	All goods	35
118	2106 90	All kinds of food mixes, including instant food mixes	35
119	2106 90 30	Betelnut product known as "supari"	35
120	2106 90 99	(i) Ready to eat packaged food, (ii) Milk containing edible nuts with sugar or other ingredients	35
121	2202 90 10	All goods	35

122	2202 90 20	All goods	35
123	2202 90 30	Flavoured Milk of Animal origin	35
124	2202 90 90	Tender coconut water	35
125	30	Medicaments (including those used in Ayurvedic, Unani, Siddha, Homeopathic or Bio-chemic systems), manufactured exclusively in accordance with the formulae described in the authoritative books specified in the First Schedule to the Drugs and Cosmetics Act, 1940 (23 of 1940) or Homeopathic Pharmacopoeia of India or the United States of America or the United Kingdom or the German Homeopathic Pharmacopoeia, as the case may be, and sold under the name as specified in such books or pharmacopoeia	35
126	30	Intravenous fluids used for sugar, electrolyte or fluid replenishment	35
127	3002 20 or 3002 30 00	Vaccines (other than those specified under the National Immunisation Program)	35
128	3215 90 10	Fountain pen ink	35
129	3215 90 20	Ball pen ink	35
130	3215 90 40	Drawing ink	35
131	3306 10 10	Tooth Powder	35
132	3406 00 10	Candles	35
133	39 or 40	Nipples for feeding bottles	35
134	4015	Surgical rubber gloves or medical examination rubber gloves	35
135	4818 40 10	All goods	35
136	4818 40 90	All goods	35
137	5601 10 00	All goods	35
138	7310 or 7326 or any other Chapter	Mathematical boxes, geometry boxes and colour boxes, pencil sharpeners	35
139	8215	All goods	35
140	8421 21 20	Water filters functioning without electricity and replaceable kits thereof	35
141	8517 or 8525 60	Mobile handsets including Cellular Phones and Radio trunking terminals	35
142	8517	Wireless data modem cards with PCMCIA or USB or PCI express ports	35
143	8523	Recorded audio compact discs (CDs); Recorded video compact discs (VCDs); Recorded digital video discs (DVDs) & Recorded audio cassettes	35"

[F. No. B-1/3/2011-TRU]

Seven New Ports Notified for Online Transfer of Licence Authorisation w.e.f 21 March

Sub: Online transmission of DES (Advance Authorization), EPCG and DEPB at 7 new port locations w.e.f. 21.3.2011.

26-Pol.Cir As and when Customs (CBEC) 21.03.2011 have conveyed their readiness (DGFT) to implement on-line message exchange between Customs and DGFT, Policy Circulars have been issued from time to time by DGFT indicating the names and Port Codes of such Customs Ports where EDI facility would be available. Such Policy Circulars are listed below:

(i) Policy Circular No. 28 (RE-2005)/2004-2009, dated 6th October, 2005.

(ii) Policy Circular No.44 (RE-2005)/2004-2009, dated 10th January, 2006.

(iii) Policy Circular No.32 (RE-2010)/2009-2014, dated 14th May, 2010.

(iv) Policy Circular No. 37/2009-2014, dated 7th July, 2010.

2. Now it has been decided to add the follow-

ing 7 new locations to 75 existing locations for on-line transmission of DES (Advance Authorization), EPCG and DEPB Authorization:

SNo	Name of new ICES Location	LOCODE (Customs Port Codes)
1	Pipavav Port	INPAV1
2	ACC Goa	INGO14
3	ICD Thar Dry Port, Sanand	INSAU6
4	Paradeep Port	INPRT1
5	ICD Marripalam, Guntur	INGNR6
6	ACC Coimbatore	INCJB4
7	Gangavaram Port	INGGVI

3. Accordingly, with effect from 21st March, 2011 following shall be mandatory:

(i) DEPB application in respect of shipping bills issued on or after 21/03/11 from these 7

ports has to be filed in EDI mode.

(ii) All authorizations for DES (Advance authorization), EPCG, and DEPB in respect of these 7 ports issued on or after 21/03/2011 by Regional Authorities would be communicated to Customs on-line.

4. These issues with the approval of the DGFT.

Goods Manufactured for Government Department or Defence

29-CE In exercise of the powers 24.03.2011 conferred by sub-section (1) (DoR) of section 5A of the Central Excise Act, 1944 (1 of 1944),

the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 63/95-Central Excise, dated the 16th March, 1995** which was published in the Gazette of India, Extraordinary, vide G.S.R. 255 (E) dated the 16th March, 1995, namely: -

Exchange Rates for Customs Valuation

IMPORTS and EXPORTS

The current notification No. 24-Customs(NT) dated 29th March 2011 supersedes notification 14-Customs(NT) dated 24th February 2011.

24-Cus(NT) In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in (DoR) supersession of the notification of the Government of India in the Ministry of Finance (Department of

Revenue) **No.14/2010-CUSTOMS (N.T.), dated the 24th February, 2011** vide number S.O. 430(E), dated the 24th February, 2011, except as respects things done or omitted to be done before such supersession, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currency specified in column (2) of each of Schedule I and Schedule II annexed hereto into Indian currency or *vice versa* shall, **with effect from 1st April, 2011** be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

S.No	Currency	Imported Goods		Exported Goods	
		Current	Previous	Current	Previous

Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees

S.No	Currency	Current	Previous	Current	Previous
1	Australian Dollar	46.55	46.05	45.30	44.65
2	Canadian Dollar	46.25	46.40	44.95	45.10
3	Danish Kroner	8.60	8.45	8.30	8.15
4	EURO	63.70	62.80	62.00	61.10
5	Hong Kong Dollar	5.80	5.85	5.65	5.75
6	Norwegian Kroner	8.10	8.15	7.80	7.85
7	Pound Sterling	72.65	74.15	70.75	72.20
8	Swedish Kroner	7.10	7.15	6.85	6.90
9	Swiss Franc	49.25	49.00	47.85	47.65
10	Singapore Dollar	35.95	35.85	34.95	34.90
11	US Dollar	45.20	45.70	44.30	44.75

Schedule II – Rate of exchange of 100 units of foreign currency equivalent to Indian rupees

S.No	Currency	Current	Previous	Current	Previous
1	Japanese Yen	55.55	55.60	53.90	53.95

[F.No.468/5/2011-Cus.V]

In the notification, in the TABLE, against S.No.5, for the entry in column (2), the following shall be substituted, namely,-

“All goods other than those falling under Heading 2701, 2702, 2703, 2704 and 2706”

[F. No. B-1/3/2011 –TRU]

Amendments in Cenvat Credit Rules, 2004

09-CE(NT) In exercise of the powers conferred by section 37 of the 24.03.2011 Central Excise Act, 1944 (1 of 1944) and section 94 of the Finance Act, 1994 (32 of 1994), the Central (DoR)

Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely:-

1. (a) These rules may be called the CENVAT Credit (Second Amendment) Rules, 2011.

(b) They shall come into force on the date of their publication in the Official Gazette.

2. In the **CENVAT Credit Rules, 2004**,

(i). in rule 2, in clause (naa), in sub-clause (i), for the words and figures “jewellery falling under heading 7113” the words and figures “jewellery or other articles of precious metals falling under heading 7113 or 7114 as the case may be” shall be substituted;

(ii). in rule 4, in sub-rule (1), in the first proviso for the words and figures “jewellery falling under heading 7113” the words and figures “jewellery or other articles of precious metals falling under heading 7113 or 7114 as the case may be” shall be substituted.

[F. No. B-1/3/2011 –TRU]

Commodity Spot Prices in India – 26-29 March 2011

These commodity prices are taken from Multi Commodity Exchange of India (Mumbai) at 6 pm every day.

Commodity	Unit	Market	(Rs.)		
			26-Mar	28-Mar	29-Mar
CER (Carbon Trading)	1 MT	Mumbai	809.5	809.5	821.5
Chana	100 KGS	Delhi	2404	2315	2266
Masur	100 KGS	Indore	3232	3250	3230
Potato	100 KGS	Agra	661.5	651.8	642.1
Potato TKR	100 KGS	Tarkeshwar	529.3	523.8	526.2
Areca nut	100 KGS	Mangalore	NA	NA	NA
Cashew kern	1 KGS	Quilon	NA	NA	NA
Cardamom	1 KGS	Vandanmedu	1054.3	1036.8	1030
Coffee ROB	100 KGS	Kushalnagar	NA	NA	NA
Jeera	100 KGS	Unjha	NA	NA	NA
Pepper	100 KGS	Kochi	NA	NA	NA
Red Chili	100 KGS	Guntur	NA	NA	NA
Turmeric	100 KGS	Nzmbad	10225	10225	10225
Guar Gum	100 KGS	Jodhpur	NA	NA	NA
Maize	100 KGS	Nzmbad	1202	1202	1202
Wheat	100 KGS	DELHI	1205.3	1207.5	1213.3
Mentha Oil	1 KGS	Chandausi	1230.1	1230.1	1216.8
Cotton Seed	100 KGS	Akola	NA	NA	NA
Castorsd RJK	100 KGS	Rajkot	5031.5	5029	5029
Guar Seed	100 KGS	Bikaner	2997	2839	2836
Soya Bean	100 KGS	Indore	2275	2280.5	2275.5
Mustrdsd JPR	20 KGS	Jaipur	516.8	511.8	509.8
Sesame Seed	100 KGS	Rajkot	5017	5017	5017
Coconut Oil Cake	100 KGS	Kochi	NA	NA	NA
RCBR Oil Cake	1 MT	Raipur	NA	NA	NA
Kapaskhali	50 KGS	Akola	1205.7	1192	1201.2
Coconut Oil	100 KGS	Kochi	9672	9672	9724
Refsoy Oil	10 KGS	Indore	593.25	590.3	588
CPO	10 KGS	Kandla	510.3	509.7	507.5
Mustard Oil	10 KGS	Jaipur	549.7	548.1	547.6
Gnutoilexp	10 KGS	Rajkot	770	770	770
Castor Oil	10 KGS	Kandla	NA	NA	NA
Crude Oil	1 BBL	Mumbai	4706	4706	4656
Furnace Oil	1000 KGS	Mumbai	NA	NA	NA
Sourcrd Oil	1 BBL	Mumbai	NA	NA	NA
Brent Crude	1 BBL	Mumbai	5161	5161	5141
Gur	40 KGS	Muzngr	NA	NA	NA
Sugars	100 KGS	Kolhapur	2705	2709	2700
Sugarm	100 KGS	Delhi	2961	2956	2954
Natural Gas	1 mmBtu	Hazirabad	196.6	196.6	195.9
Rubber	100 KGS	Kochi	22733	22671	22750
Cotton Long	1 Candy	Kadi	NA	NA	NA
Cotton Med	1 Maund	Sriganganagar	NA	NA	NA
Jute	100 KGS	Kolkata	3301.5	3272	3250.5
Gold	10 GRMS	Ahmd	20820	20685	20610
Gold Guinea	8 GRMS	Ahmd	16723	16614	16554
Silver	1 KGS	Ahmd	55310	54785	54715
Sponge Iron	1 MT	Raipur	NA	NA	NA
Steel Flat	1000 KGS	Mumbai	NA	NA	NA
Steel Long	1 MT	Gobindgarh	NA	NA	NA
Copper	1 KGS	Mumbai	435	435	429.45
Nickel	1 KGS	Mumbai	1208.1	1190.1	1172
Aluminium	1 KGS	Mumbai	116.45	115.7	115.75
Lead	1 KGS	Mumbai	120.75	119.95	119.15
Zinc	1 KGS	Mumbai	105.7	104.55	103.5
Tin	1 KGS	Mumbai	1420.5	1421.25	1401.5

(Source: MCX Spot Prices)

Amendments in Central Excise Rules, 2002**Jewellery and other articles of precious metals bearing brand name****Liability to pay excise duty**

In respect of levy of excise duty @ 1% on jewellery and other articles of precious metals which bear or are sold under a brand name, the provisions of Rule 12AA of the Central Excise Rules and Rules 2 & 4 of the Cenvat Credit Rules as amended by notification nos. 8/2011-Central Excise (N.T.) and 9/2011-Central Excise (N.T.) both dated 24th March 2011 may kindly be referred to. As in the case of branded garments, in case of goods falling under chapter heading 7113 and 7114 also, where a brand

owner gets jewellery or articles other than jewellery made from any other person, and supplies the raw materials such as gold/ silver/ gemstones etc. (of chapter 71) to the job-worker for such manufacture, the duty liability would be on such person who gets jewellery or articles made from the job worker, unless the job worker opts to discharge the duty liability. However, a person manufacturing jewellery of heading 7113 or articles of heading 7114 bearing a brand name or sold under a brand name on his own account will be liable to pay excise duty unless he claims benefit of the SSI exemption.

08-CE(NT) In exercise of the powers
24.03.2011 conferred by section 37 of
(DoR) the Central Excise Act, 1944 (1
of 1944), the Central

Excise (Second Amendment) Rules, 2011.

(b) They shall come into force on the date of their publication in the Official Gazette.

2. In the Central Excise Rules, 2002,—

(i) in rule 12, in sub-rule (i), after the fifth proviso, the following proviso shall be inserted, namely,-

“Provided also that, where an assessee is

Government hereby makes the following rules further to amend the Central Excise Rules, 2002, namely:-

1. (a) These rules may be called the Central

availing the exemption notification of the Government of India, Ministry of Finance (Department of Revenue) No. 1/2011- Central Excise, dated the 1st March, 2011, published in the Gazette of India, Extraordinary, Part-II, section 3, sub-section (i) vide number G.S.R. 116(E) dated the 1st March, 2011 and does not manufacture any other excisable goods other than those specified in the said notification, he shall file a quarterly return in the form specified by notification by the Board, of production and removal of goods and other relevant particulars, within ten days after the close of the quarter to which the return relates”

(ii) in rule 12AA, in sub-rule (1), for the words and figures “jewellery falling under heading 7113” the words and figures “jewellery or other articles of precious metals falling under heading 7113 or 7114 as the case may be” shall be substituted.

[F. No. B-1/3/2011 –TRU]

Japan Cows Barred from Grazing as Damaged Plant Leaks Radiation

Japan has asked farmers to keep cows and cattle in barns as radioactive contamination of milk spread from Fukushima prefecture, where high radiation levels and fires have hampered repairs of a crippled nuclear plant.

Japan has restricted raw-milk shipments from Fukushima and neighboring Ibaraki prefecture after tainted products were discovered through random testing. Repair work at the site of the worst nuclear disaster since Chernobyl in 1986 has been plagued by explosions, fires and leaks of toxic material. Tokyo Electric Power Co. plans to drain radioactive water from the turbine building of the No. 3 unit at the damaged nuclear plant, where two workers suffered radiation burns on 24 March.

Shoppers in Tokyo rushed to buy mineral water and soy milk, ignoring government assurances that food and tap water are safe. Countries from Australia to the U.S. restricted food imports from Japan on fears of radiation.

Eggs, Pork

“We don’t see eggs and pork at high risk of radioactive contamination because chickens and pigs are raised within facilities that shield them from the air and rain,” Takenobu Aida at the ministry’s livestock production and feed divisions, said in a phone interview. “The products should be safe if animals are fed with uncontaminated feed and water.”

Japan produces about 24 million metric tons of livestock feed a year using imported grains such as U.S. corn and soybeans.

The health ministry asked each prefectural governor last week to start testing agricultural and marine food products for possible contamination, as the nation struggles to stem pollution from the Fukushima plant.

The ministry tentatively set tolerable levels of radioactivity for each product. For milk, the level is set at 200 becquerels per kilogram of radioactive cesium and 300 becquerels per kilogram of radioactive iodine. Japan’s Food Safety Commission is assessing the tentative standards for possible revision as early as next week.

WORLD TRADE SCANNER

TRU Clarifications on Post Budget Notifications	1
Commodity Spot Prices in India – 26-29 March 2011	11
Japan Cows Barred from Grazing as Damaged Plant Leaks Radiation	12

BIG's WEEKLY INDEX OF CHANGES**Foreign Trade Policy**

26-Pol.Cir/21.03.2011	Seven New Ports Notified for Online Transfer of Licence Authorisation w.e.f 21 March	10
34-Ntfn(RE)/16.03.2011	MEP on Onions Cut to US \$275/MT FOB from US \$350/MT	9
36-Ntfn(RE)/23.03.2011	MEP on Bangalore Rose Onion Slashed to US \$600/MT	9
37-Ntfn(RE)/24.03.2011	Export Allowed for Milk Powders and Casein Products Handed to Customs before 18 February 2011	9

Customs

Ntfn 31/24.03.2011	Special Coal for Steel Using Corex Technology	5
Ntfn 32/24.03.2011	Special CVD of 4% Exempted on	5
24-Cus(NT)/29.03.2011	Exchange Rates for Customs Valuation - Imports and Exports	11

Central Excise

20-CE/24.03.2011	1% Excise Duty on Mobile Phones	4
21-CE/24.03.2011	Amendments in 1% Excise Duty Notification	6
22-CE/24.03.2011	Amendments in 5% CVD Notification	6
23-CE/24.03.2011	Full CVD Exemption Withdrawn on Animal Fats (1516 10), Prepared Foodstuffs (Ch. 16) and Pasta, Macaroni, Noodles (1902)	6
24-CE/24.03.2011	Zero Excise Duty on Colour Negative Cine Films in Rolls and Silicon Wafers	6
25-CE/24.03.2011	Excise Duty Exemption Withdrawn on Gold Ore, Concentrates and Copper for Smelting	6
26-CE/24.03.2011	Excise Duty Cut to 5% on Parts for the Manufacture of Printers	7
27-CE/24.03.2011	Zero Excise Duty on Goods Manufactured from Waste, Paring and Scrap	8
28-CE/24.03.2011	SSI Units Exemption – Labels included in Packing Materials	9
29-CE/24.03.2011	Goods Manufactured for Government Department or Defence	10
30-CE/24.03.2011	Amendments in Effective Excise Duty on Textiles – II	8
31-CE/24.03.2011	Excise Duty Exemption on Branded Textile Articles	7
08-CE(NT)/24.03.2011	Amendments in Central Excise Rules, 2002	12
09-CE(NT)/24.03.2011	Amendments in Cenvat Credit Rules, 2004	11
10-CE(NT)/24.03.2011	Centralised Registration Facility Permitted for Coal Producers	9
11-CE(NT)/24.03.2011	35 More Entries Included in MRP Based Assessment	10
12-CE(NT)/24.03.2011	Tariff Value and Abatement for Garments Slashed to 45% from 60%	8

CBEC Circulars

450/222/2011-Cus.IV/22.03.2011	Sriram Institute Delhi and Monarch Boitech Chennai Accredited for Food Import from Japan for Radioactive Contamination Testing	9
--------------------------------	--	---