

Postal Regn.No. DL(C)-01/1251/15-17
Licence to Post without
Prepayment U(C)-30/15-17
RNI No. 42906/84

WORLD TRADE SCANNER

ISSN: 0971-8095

Single copy Rs. 20 \$2

Vol. XXXII No 02 08-14 April 2015

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

Annual subscription Rs. 950



FSSAI/PQIS in JNPT and Delhi ICD to give Orders Online Clearance for Imports

Customs Discretion Goes?

Subject: Online message exchange between Customs and other regulatory agencies

09-CBEC Hon'ble Finance Minister in the Budget, 2014
31.03.2015 made an announcement to implement 'Indian
(DoR) Customs Single Window Project' to facilitate
trade. This project envisages that the importers
and exporters would electronically lodge their Customs clearance
documents at a single point only with the Customs. The required
permission, if any, from other regulatory agencies (such as
Animal Quarantine, Plant Quarantine, Drug Controller, Textile
Committee etc.) would be obtained online without the importer/
exporter having to separately approach these agencies. This
would be possible through a common, seamlessly integrated IT
systems utilized by all regulatory agencies and the importers/
exporters. The Single Window would thus provide the importers/
exporters a single point interface for Customs clearance of import
and export goods thereby reducing interface with Governmental
agencies, dwell time and cost of doing business.

2. In the direction of establishing the Single Window with all
regulatory agencies, the Board has decided to make a beginning
by implementing an electronic online message exchange be-
tween the Food Safety and Standards Authority of India (FSSAI)
and the Department of Plant Protection, Quarantine and Storage
(PQIS) with the Customs with effect from 01.04.2015 at JNPT

(NhavaSheva), ICD, Tughlakabad and ICD, Patparganj. Under
the new online message exchange system for import goods
between these two agencies viz. FSSAI and PQIS and the
Customs, there will be seamless online exchange in real time
of the Customs Bill of Entry (Import declaration) with these
agencies and Release Order (RO) from both the agencies will
be received by the Customs in electronic message format.

3. The salient feature of the new online message exchange
system would be as under:

(i) Indian Customs EDI (ICES) would transmit "BE message"
to the FSSAI and PQIS on completion of assessment of the
relevant Bills of Entry (Bs/E) by the Customs ICES application
after entry-inward of the consignment. The BE message would
be provided to FSSAI/PQIS for all Bs/E falling under the
identified Custom Tariff Heads (CTHs), as per list made available
by the respective agencies.

(ii) The Customs officers would be able to access the details
of the Bs/E referred by the ICES to FSSAI/PQIS.

(iii) The importers would be able to track the status of the Bs/
E on ICEGATE (<https://www.icegate.gov.in>).

(iv) The receipt of the Bs/E message shall be acknowledged

Two Horses Pull a Seven Horse Chariot, Only 2 Members Remain in CBEC

- Arun Goyal -

As of now, CBEC has just two members who too are
at the very end of their service. Board Chairman
Mr. Kaushal Srivastava is due to retire after four
months. Ms. Joy Chander the other Member leaves
after two months. Five posts are vacant with a series of
retirements in the last one year.

The problem behind the empty posts in Board is that
PM Modi has arrogated appointment powers in the
Board to the Committee of Secretaries (CoS). This selection
authority consists of two Secretaries from PMO, and one
Secretary each from DoPT, Home and Revenue, apart from the
Cabinet Secretary himself. Thus the parent department of
revenue has just one person and has little voice in the Commit-
tee of six. Normally the CoS should go by the advice of the
Revenue Secretary who should go by seniority subject to
fitness. But the Modi Government operates on whims and
fancies instead of principles hence the stalemate.

Najib Shah, the current DG of Revenue Intelligence is the
problem. He is waiting for elevation to the Board in North Block
from his seat in the Drum Shape Building at ITO in New Delhi for
the last one year. He has a little less than two years to go before
retirement. Besides the current high profile posting, he has a



The Shah is a problem

stellar background as Chief Commissioner of Customs
at Delhi and also Drawback Director where he
was known for fairness.

It is whispered that the BJP led Government does
not want a Muslim at the top in the CBEC! Deepa
Dasgupta, a day senior to Najib Shah but due to
retire in Sept 2015 is the first on the list for the Board
but she too is in the waiting room because Najib
Shah should not make it to North Block.

The CoS has already superseded two officers of the 1979
batch claiming that they have only nine outstanding reports
out of 10 from their seniors. It is reported that Mr. Najib Shah's
wife Neerja Shah was one of the two superseded. The IRS
Officers Association protested to Finance Minister Jaitley on
these supersession. The Minister responded with an assur-
ance to reconsider the supersession.

The motivation of revenue officers is at an all-time low. The
promotion chain is not moving, merit is at a discount. The
system is surviving only on creating new posts at the middle
level but the movement at the top is stuck.

The show can go on like this for another two months. By that
time, the Government must decide on Najib Shah entry into
the Board

by the FSSAI/PQIS through a receipt message to the ICES.

(v) On processing of the Bs/E message by the FSSAI/PQIS, these agencies would electronically transmit an RO, concerning each item of the Bs/E. From the Customs side, Out of Charge (OOC) will not be allowed in the system till the RO is received from the agency concerned for all the items. There are 6 types of ROs which may be provided by the FSSAI/PQIS to the ICES, as follows:

(a) Release – goods can be released by the Customs.

(b) Destruction – goods to be destructed by the Customs.

(c) Deportation – goods to be exported back to the Country of Origin.

(d) No Objection Certificate (NOC) – goods can be released by the Customs.

(e) NCC (Non-compliance Certificate) – non-rectifiable defects observed in the goods.

(f) Product Out of scope – goods are out of scope for FSSAI/PQIS.

In case, the Release Order falls under types(b), (c) and (e) above, the OOC would not be allowed in the ICES. Details of such consignments will be entered by the Customs Assessing Officer in the closure of B/E menu after all processes are complete.

(vi) On receipt of RO online, the Customs ICES shall integrate the data in the ICES database, which shall be available to the Customs officers concerned.

(vii) The other formalities under the Customs Act, 1962 such as duty payment, goods registration, examination would continue during the time interval between transmission of Bs/E message from ICES to the receipt of RO message from FSSAI/PQIS. During this period the samples of the goods under consideration may also be taken for testing purposes.

4. As aforementioned, all Bs/E falling under the identified Custom Tariff Heads (CTHs), as per list made available by the FSSAI, would automatically be sent by the ICES to this agency. However, in terms of Board's Circular No.3/2011-Cus dated 06.01.2011 import consignments that have

been tested on previous five consecutive occasions and found in order may not be referred to FSSAI. Therefore, this Circular will be implemented by the Customs officers by not waiting for the RO from FSSAI in such cases. The ICES provides a functionality for this purpose. This measure would be in place till a system based solution is developed. A procedure for informing FSSAI that the RO is not required in such cases is also being examined.

5. Since, the electronically received RO in regard to Bs/E referred to FSSAI/PQIS shall be accepted by the Customs for clearance of the imported foods items/plant materials, the Customs shall not insist that a physical copy of the RO shall be issued by these agencies. Board also desires that the Customs should maintain a close liaison with these two agencies to ensure that responses from these agencies are received in time and there is no delay in clearance of goods except in cases where sampling is required.

6. It is clarified that as some of details required for other regulatory agencies may not be currently captured in the B/E format, in such cases, the importers would continue to furnish these additional details to the respective agency. Further, the mode and manner of payment of fee and other charges of other agencies will continue to be the same as per the existing practice.

7. Chief Commissioners of Customs/Central Excise are requested to sensitize staff working under their jurisdiction to ensure the smooth implementation of the online message exchange system between the Customs and FSSAI/PQIS. It may also be ensured that proactive action is taken to identify Bs/E for which the RO has not been received from FSSAI/PQIS within a reasonable time so that the same could be got expedited. The Board has separately initiated a dialogue with these agencies to prescribe timelines for issue of ROs.

8. Difficulty faced, if any, may be brought to the notice of the Board at the earliest. Further, a suitable Public Notice may be issued for the information of the Trade with a copy to the local offices of FSSAI and PQIS.

F.No.450/01/2011-Dir. (Cus)(Pt.I)

(General Declaration and Cargo Declaration), EGM (General Declaration), CGM through Remote EDI System (RES). For the present, the facility of using digital signatures is optional for all users.

4. In this context it may be noted that CBEC's Circular No.42/2005-Cus., dated 24.11.2005 mandates that the importers, who are recognized under the Accredited Client Programme (ACP), shall file Bills of Entries using digital signatures. However, this requirement has not been enforced so far. With the introduction of the general facility of electronic filing of digitally signed Customs process documents, the ACP importers shall be required to mandatorily file Bills of Entry with digital signature w.e.f. **01.05.2015**. They would obtain the Digital Signature Certificate, as indicated in the following paragraph.

5. To operationalize the facility to use Digital Signature Certificate for filing the aforementioned Customs process documents, the following process would be followed:

(i) A web-based Common Signer utility is provided free of cost through the ICEGATE website (<https://www.icegate.gov.in>) for digitally signing the said Customs process documents.

(ii) Importers, exporters, customs brokers, shipping lines, airlines **and their agents** are expected to use a Class III Digital Signature Certificate obtained from any of the Certifying Authorities, as notified by Controller of Certifying Authorities (<http://www.cca.gov.in>), following the due process.

(iii) Importers, exporters, customs brokers, shipping lines, airlines **and their agents** shall use the Digital Signature Certificate and the web based Common Signer utility to digitally sign the electronic documents generated by remote EDI package and then subsequently send the digitally signed documents for processing via email/web upload, as is being done currently.

(iv) On receiving the digitally signed documents the ICEGATE server side verifier shall verify the user's credentials, validity of certificate, Certifying Authorities credentials, Public Key, Certificate Revocation List (CRL) status and the result of authentication and integrate the data into ICES database. The data so integrated will also have a flag to indicate that the submitted document was digitally signed.

(v) The Customs officers will be able to identify on the system whether a particular electronic document has been filed after signing with Digital Signature Certificate or not.

6. The Board has also decided that whenever the

Digital Signature Compulsory for Customs Electronic Filing from 1 April

Subject: Usage of Digital Signature Certificate in Remote EDI filing (RES) of Customs Documents

10-CBEC 31.03.2015 (DoR) The Government has prioritized trade facilitation and creating an environment for ease of doing business. In this direction

several initiatives have been taken in the recent past to simplify Customs procedures and enhance the use of automation in business processes with resultant reduction in transaction costs and dwell time associated with the Customs clearance of imported and export goods. In continuation of this approach it has now been decided to allow the electronic submission of *digitally signed* Customs process documents viz. Bills of Entry, Shipping Bills, Import General Manifest (IGM), Export General Manifest (EGM) and Consol General Manifest (CGM).

2. In this regard Board notes that the electronic

submission of the aforementioned Customs process documents is already being allowed. However, it is imperative to ensure the integrity of the said documents. Implementation of digital signature provides a solution. The facility of digitally signing the documents that are filed electronically would provide the necessary assurance regarding the integrity and non-repudiation of these documents. This shall also enhance the acceptability of such documents by other agencies.

3. Accordingly, the Board has decided that with effect from **01.04.2015** importers, exporters, customs brokers, shipping lines, airlines or their agents shall be given the facility to use Digital Signature Certificate for filing Customs process documents viz. Bills of Entry, Shipping Bills, IGM

| Crude Returns to \$56 | | | | |
|--|---------|---------|---------|---------|
| Crude Oil (Indian Basket) from 1 to 7 April 2015 | | | | |
| | 1 Apr | 2 Apr | 6 Apr | 7 Apr |
| (\$/bbl) | 54.11 | 54.77 | 54.77 | 56.04 |
| (Rs/bbl) | 3386.74 | 3428.05 | 3404.50 | 3492.97 |
| (Rs/\$) | 62.59 | 62.59 | 62.16 | 62.33 |
| <i>(Previous Trading Day Price)</i> | | | | |
| <i>Source: Ministry of Petroleum & Natural Gas</i> | | | | |

Other Notifications Related to FTP 2015-2020

Post Export 2015-2020 Zero Duty EPCG Duty Scrip Notified - *Ntnf 17/01.04.2015*

Zero Excise Post Export 2015-2020 EPCG Duty Credit Scrip - *18-CE/01.04.2015*

Advance Authorization for Annual Requirement under Foreign Trade Policy 2015-2020 - *Ntnf 20/01.04.2015*

Advance Authorization for Deemed Export under Foreign Trade Policy 2015-2020 - *Ntnf 21/01.04.2015*

Import of Prohibited Goods for Export Production under Advance Authorization under Foreign Trade Policy 2015-2020 - *Ntnf 22/01.04.2015*

See on our website www.worldtradescanner.com

said Customs process documents are digitally signed, the Customs will not insist on the user physical signing the said documents as well. The reliance on digitally signed Customs process documents shall also result in the reduction of hard copies of these documents.

7. In case of any technical difficulty in digitally signing the said documents, the users may contact (i) icegate.helpdesk@icegate.gov.in (phone no. 1800 301 1000) and (ii) dscsupport@ncode.in from 10 a.m. to 6 p.m. on working days (phone no. 1800 233 1010).

Provisional Advance Payment for Interest on Export Obligation Default Allowed

Subject: Facility for suo moto payment of customs duty in case of bona fide default in export obligation under the Advance / EPCG authorisations

11-CBEC 01.04.2015 (DoR) The Ministry has considered the issue of increased interest cost for authorization holders (AH) who come forward to the

Regional Authority (RA) of DGFT for regularization of their cases of *bona fide* default in export obligation (EO) under the Advance Authorization or EPCG Schemes but have to wait for the detailed calculations in this regard before being able to deposit the duty involved. It was decided to provide for a procedure that would enable quicker payment thereby reducing the avoidable interest cost for such exporters.

2. After consulting the DGFT, and certain field formations, the Board prescribes the following facilitation procedure –

(a) This procedure may be adopted by an AH who has obtained acknowledgement from the concerned RA of its application for regularization of *bona fide* default in EO. The application must show, inter alia, the AH's own/self-calculation of the duty payable for the default in EO and interest thereon.

(b) During pendency of the detailed calculations by the RA, such an AH may –

(i) Deposit, in cash, the own/self-calculated duty amount, along with interest in cash by challan (showing relevant particulars) in the designated bank at the port where the authorization is registered. One copy of the paid challan shall be submitted to the Customs Authority at the said port which shall update its records; and/or

(ii) produce valid duty credit scrip before the Customs Authority at the port where the authorization is registered for debit of the own/ self-calculated duty amount. Such scrip should be

8. The Board desires that Chief Commissioners of Customs/Customs and Central Excise shall suitably sensitize the field formations under their jurisdiction about the introduction of the facility of using Digital Signature Certificate for filing Customs process documents viz. Bills of Entry, Shipping Bills, IGM (General Declaration and Cargo Declaration), EGM (General Declaration) and CGM.

9. The new facility may be given wide publicity by issue of suitable Trade Notice/Public Notice.

F. No. 450/25/2013-Cus IV

one issued under Chapter 3 (excluding SHIS, SFIS and AHS scrips) in terms of FTP (2009-14) or chapter 3 of FTP (2015-20) or be a Post-export EPCG duty remission scheme scrip. The debit shall only be in respect of goods that are permitted to be imported under the relevant scrip. The Customs Authority shall reflect the debit in Customs records and also suitably endorse it on the scrip. However, the AH shall pay the interest in cash in the designated bank at the port where the authorization is registered. One copy of the paid challan shall be submitted to the Customs Authority at the said port which shall update its records.

(c) On receipt of the excess import letter issued by RA after its detailed calculations (indicating inter alia the reported duty deposited/debited and interest paid on self/own calculation basis, if any), the Customs would confirm the actual amount of duty payable for the default in EO and interest thereon and, taking into account the actual deposits/debits already made, would indicate the balance duty etc., if any. The AH shall pay these by the above modes and the Customs Authority shall endorse all the paid challan(s).

(d) On receipt of the redemption letter (indicating, inter alia, details of payments including amount and mode) from RA, the Customs Authority shall reconcile and initiate the prescribed actions for releasing the Bond / BG.

3. This facilitation procedure may be put in place and publicized through suitable Trade/ Public Notice and officers guided through Standing Order. Difficulties faced, if any, in implementation of the circular may be brought to the notice of the Board.

F.No. 605/55/2014-DBK

Customs Notification on 2015-2020 EPCG Zero Duty Scheme

Ntnf 16 01.04.2015 (DoR) In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts goods specified in the Table 1 annexed hereto, from,-



(i) the **whole of the duty of customs** leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the said Customs Tariff Act), and

(ii) the **whole of the additional duty** leviable thereon under section 3 of the said Customs Tariff Act, when specifically claimed by the importer.

2. The exemption under this notification shall be subject to the following conditions, namely:-

(1) that the goods imported are covered by a valid authorisation issued under the **Export Promotion Capital Goods (EPCG) Scheme** in terms of Chapter 5 of the Foreign Trade Policy **permitting import of goods at zero customs duty**;

(2) that the authorisation is registered at the port of import specified in the said authorisation and the goods, which are specified in the Table 1 annexed hereto, are imported within validity of the said authorisation and the said authorisation is produced for debit by the proper officer of customs at the time of clearance:

Provided that the goods imported should not fall under clause (f) of paragraph 5.01 of Foreign Trade Policy:

Provided further that the catalyst for one subsequent charge shall be allowed, under the authorisation in which plant, machinery or equipment and catalyst for initial charge have been imported, except in cases where the Regional Authority issues a separate authorisation for catalyst for one subsequent charge after the plant, machinery or equipment and catalyst for initial charge have already been imported;

(3) that the importer is not issued, in the year of issuance of zero duty EPCG authorisation, the duty credit scrips under the erstwhile Status Holder Incentive Scrip (SHIS) scheme. In the case of applicant who is Common Service Provider (herein after referred as CSP), the CSP or any of its specific users should not be issued, in the year of issuance of the zero duty EPCG authorisation, the duty credit scrips under SHIS. This condition shall not apply where already availed SHIS benefit that is unutilised is surrendered or where benefits availed under SHIS that is utilised is refunded, with applicable interest, before issue of the zero duty EPCG authorisation. SHIS scrips which are surrendered or benefit refunded or not issued in a particular year for the reason the authorisation has been issued in that year shall not be issued in future years also;

(4) that the goods imported shall not be disposed of or transferred by sale or lease or any other

manner till export obligation is complete;

(5) that the importer executes a bond in such form and for such sum and with such surety or security as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs binding himself to comply with all the conditions of this notification as well as to fulfill export obligation on Free on Board (FOB) basis equivalent to six times the duty saved on the goods imported as may be specified on the authorisation, or for such higher sum as may be fixed or endorsed by the Regional Authority in terms of Para 5.16 of the Handbook of Procedures, within a period of six years from the date of issue of Authorisation, in the following proportions, namely:-

| SNo. | Period from the date of issue of Authorisation | Proportion of total export obligation |
|------|---|---------------------------------------|
| (1) | (2) | (3) |
| 1. | Block of 1 st to 4 th year | Minimum 50% |
| 2. | Block of 5 th and 6 th year | Balance |

Provided that in case the authorisation is issued to a CSP, the CSP shall execute the bond with bank guarantee and the bank guarantee shall be equivalent to 100% of the duty foregone, and the bank guarantee shall be given by CSP or by anyone of the users or a combination thereof, at the option of the CSP:

Provided further that the export obligation shall be 75% of the normal export obligation specified above when fulfilled by export of following green technology products, namely, equipment for solar energy decentralised and grid connected products, bio-mass gassifier, bio-mass or waste boiler, vapour absorption chillers, waste heat boiler, waste heat recovery units, unfired heat recovery steam generators, wind turbine, solar collector and parts thereof, water treatment plants, wind mill and wind mill turbine or engine, other generating sets - wind powered, electrically operated vehicles - motor cars, electrically operated vehicles - lorries and trucks, electrically operated vehicles - motor cycle and mopeds, and solar cells:

Provided also that for units located in Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura, the export obligation shall be 25% of the normal export obligation specified above:

Provided also that where a sick unit holding EPCG authorisation is notified by the Board for Industrial and Financial Reconstruction (BIFR) or where a rehabilitation scheme is announced by the concerned State Government in respect of sick unit holding EPCG authorisation for its revival, the export obligation may be fulfilled within time period allowed by the Regional Authority as per the rehabilitation package prepared by the operating agency and approved by BIFR or rehabilitation department of State Government. In cases where the time period is not specified in the rehabilitation package, the export obligation may be fulfilled within the period specified in paragraph 5.05 of the Foreign Trade Policy;

(6) that if the importer does not claim exemption from the additional duty leviable under section 3 of the Customs Tariff Act, 1975, the additional duty so paid by him shall not be taken for computation of the net duty saved for the purpose of fixation of export obligation provided the Cenvat credit of additional duty paid has not been taken;

(7) that the importer, including a CSP, produces within 30 days from the expiry of each block from the date of issue of authorisation or within such extended period as the Deputy Commissioner of Customs or Assistant Commissioner of Customs may allow, evidence to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs showing the extent of export obligation fulfilled, and where the export obligation of any particular block is not fulfilled in terms of the condition (5), the importer shall within three months from the expiry of the said block pay duties of customs equal to an amount which bears the same proportion to the duties leviable on the goods, but for the exemption contained herein, which the unfulfilled portion of the export obligation bears to the total export obligation, together with interest at the rate of fifteen per cent. per annum from the date of clearance of the goods;

(8) that where the importer fulfills 75% or more of the export obligation as specified in condition (5) [over and above 100% of the average export obligation] within half of the period specified for export obligation as mentioned in condition (5), his balance export obligation shall be condoned and he shall be treated to have fulfilled the entire export obligation;

(9) that the capital goods imported, assembled or manufactured, are installed and put to use, after their import, in the importer's factory or premises and a certificate from the jurisdictional Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise or from an independent Chartered Engineer, is produced within a period of six months from the date of completion of imports before the Deputy Commissioner of Customs or Assistant Commissioner of Customs at the port of import confirming such installation and use of the capital goods in the importer's factory or premises:

Provided that where the Regional Authority grants extension of the said period beyond six months from the date of completion of imports, the said overall period shall be extended by the Deputy Commissioner of Customs or Assistant Commissioner of Customs as the case may be:

Provided further that an importer (including an importer who is a CSP) registered with the Central Excise opting for the independent Chartered Engineer's certificate shall send a copy of the certificate, upon its issuance, to the jurisdictional Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise, as the case may be, as intimation or record:

Provided also that in case of import of spares, the installation certificate shall be produced within three years from the date of import:

Provided also that in the case of manufacturer exporter and merchant exporter having supporting manufacturer(s) or in the case of import of irrigation equipment for use in contract farming for export of agricultural products or in the case of importer rendering services, the capital goods may be installed at the factory or premises of such other person whose name and address is endorsed, prior to installation, by the Regional Authority on the authorisation referred to in condition (1). This would apply even when Regional Authority endorses a change in the factory or premises or person. The name and address of such other person shall also be mentioned on the relevant shipping bills. This shall not apply to a

CSP:

Provided also that agro units located in Agri Export Zones or service providers in Agri Export Zones may move the capital goods within the Agri Export Zones under intimation to the jurisdictional Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise, as the case may be, subject to the condition that the importer shall maintain accurate record of such movement;

(10) that the imports and exports are undertaken through the seaports, airports or through the inland container depots or through the land customs stations as mentioned in the Table 2 annexed hereto or a Special Economic Zone notified under section 4 of the Special Economic Zones Act, 2005 (28 of 2005):

Provided that the Commissioner of Customs may, by special order or a public notice and subject to such conditions as may be specified by him, permit import and export through any other seaport, airport, inland container depot or through a land customs station within his jurisdiction;

(11) that notwithstanding anything contained in condition (5) above, where the Regional Authority grants extension of block-wise period for any block(s) or overall period of fulfillment of export obligation up to a period of two years or regularization of shortfall in export obligation, not exceeding five percent of such export obligation, the said block-wise period or overall period of export obligation shall be extended or condoned by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be:

Provided that in respect of sick units referred to in the fourth proviso to condition (5) above, extension of overall period of export obligation shall not be allowed.

3. Where the goods specified in the Table 1 are found defective or unfit for use, the said goods may be re-exported back to the foreign supplier within three years from date of clearance of said goods:

Provided that at the time of re-export, the goods are identified to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, to be the same as the goods which were imported.

Explanation - For the purpose of this notification,-

(A) "Capital goods" has the same meaning as assigned to it in paragraph 9.08 of the Foreign Trade Policy;

(B) "Common Service Provider" (CSP) means a service provider who is designated or certified as a Common Service Provider by the Director General of Foreign Trade, Department of Commerce or State Industrial Infrastructural Corporation in a Town of Export Excellence;

(C) "Export obligation",-

(I) means obligation on the importer to export to a place outside India, goods manufactured or capable of being manufactured or services rendered by the use of capital goods imported in terms of this notification and the export obligation shall be over and above the average level of exports achieved by the importer in the preceding three licensing years for the same and similar products within the overall export obligation period including the extended period, if any and such average shall be the arithmetic mean of export performance in the last three years for the

same and similar products:

Provided that in case of export of goods relating to handicraft, handlooms, cottage, tiny sector, agriculture, animal husbandry, floriculture, horticulture, pisciculture, viticulture, poultry, sericulture, carpet, coir and jute, the importer shall not be required to maintain the average level of exports: Provided also that in case of export of goods relating to aquaculture (including fisheries), the importer shall not be required to maintain the average level of exports subject to the condition that EPCG authorisation has been obtained for goods other than fishing trawlers, boats, ships and other similar items:

Provided also that the goods, excepting tools, imported under this notification by the aforesaid sectors, shall not be allowed to be transferred for a period of five years from the date of imports even in cases where export obligation has been fulfilled:

Provided also that exports made to such countries as notified by Director General of Foreign Trade, shall not be counted for fixing the average level of exports:

Provided also that exports against only such shipping bills which mention the authorisation number and date of the authorisation shall be counted for the fulfillment of the export obligation: Provided also that in the case of authorisation issued to a CSP, -

(i) the reference to 'importer' in this Explanation shall be taken to mean a reference to 'CSP and specific users whose details are informed prior to export by CSP to the Regional Authority';

(ii) for the exports by users of the common service to be counted towards fulfilment of export obligation of CSP, the respective shipping bills of the users of common service shall contain the authorisation details of the CSP and the concerned Regional Authority shall be informed about the details of the users prior to such export; and

(iii) the exports counted against the authorisation in terms of this notification shall not be counted towards fulfillment of specific export obligations against all other authorisations issued to the CSP or user under Chapter 5 of the Foreign Trade Policy, including para 5.28 of Handbook of Procedures;

(II) shall be fulfilled through physical exports and the export proceeds realised in freely convertible currency. However, the following categories of supplies, shall also be counted towards fulfillment of export obligation:

(a) deemed exports, namely:

(i) supply of goods against Advance Authorisation or Advance Authorisation for annual requirement or Duty Free Import Authorisation Scheme;

(ii) supply of goods to Export Oriented Units or Software Technology Parks or Electronic Hardware Technology Parks or Biotechnology Park;

(iii) supply of goods to projects financed by multilateral or bilateral agencies or funds as notified by Department of Economic Affairs, Ministry of Finance under International Competitive Bidding (ICB) in accordance with the procedures of those agencies or funds, where legal agreements provide for tender evaluation without including customs duty;

(iv) supply and installation of goods and equipment (single responsibility of turnkey contracts) to projects financed by multilateral or bilateral agencies or funds as notified by Department of

Economic Affairs, Ministry of Finance under ICB in accordance with the procedures of those agencies or funds, where bids may have been invited and evaluated on the basis of Delivered Duty Paid (DDP) prices for goods manufactured abroad;

(v) supply of goods to any project or purpose in respect of which the Ministry of Finance, by Notification No. 12/2012-Customs dated 17-3-2012, as amended from time to time, permits import of such goods at zero customs duty subject to conditions specified in the said Notification and the supply is made under ICB procedure;

(vi) supply of goods required for setting up of any of the mega power projects specified in the list 32A at Sl. No. 507 of Notification No. 12/2012- Customs dated 17.03.2012, as amended from time to time, provided the mega power project conforms to the threshold generation capacity specified in the said Notification. The supply should be made under ICB procedure. The ICB condition shall not be mandatory if the requisite quantum of power has been tied up through tariff based competitive bidding or if the project has been awarded through tariff based competitive bidding;

(vii) Supply of goods to nuclear power projects through National Competitive Bidding (NCB) or through ICB as provided in clause(h) of para 7.02 of Foreign Trade Policy:

(b) supply of ITA-1 items to Domestic Tariff

Area, provided realization is in free foreign exchange;

(c) royalty payments received in freely convertible currency and foreign exchange received for Research and Development (R&D) services; and

(d) payments received in Rupee terms for such services as are specified in paragraph 5.04(h) of the Foreign Trade Policy.

(D) "Foreign Trade Policy" means the Foreign Trade Policy, 2015-2020, published by the Government of India in the Ministry of Commerce and Industry vide notification No. 01/2015-2020, dated the 1st April 2015 as amended from time to time;

(E) "Handbook of Procedures" means the Handbook of Procedures 2015-20 published by the Government of India in the Ministry of Commerce and Industry vide public notice No. 01/2015-2020, dated the 1st April 2015 as amended from time to time;

(F) "Manufacture" has the same meaning as defined in clause (f) of section 2 of the Central Excise Act, 1944 (1 of 1944);

(G) "Regional Authority" means the Director General of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorised by him to grant an authorisation including a duty credit scrip under the said Act.

Table 1

| SNo. | Description of goods |
|------|---|
| (1) | (2) |
| 1. | Capital goods for pre-production, production and post-production |
| 2. | Capital goods in Semi Knocked Down (SKD) / Completely Knocked Down (CKD) conditions to be assembled into capital goods by the importer |
| 3. | Spare parts of goods specified at Serial Nos.1 and 2 as actually imported and required for maintenance of capital goods so imported, assembled, or manufactured |
| 4. | Spare parts required for the existing plant and machinery of the importer |

Table 2

| SNo. | Port, ICD, LCS | Located at |
|------|-------------------------|--|
| 1. | Seaports | Bedi (including Rozi-Jamnagar), Chennai, Cochin, Dahej, Dharamtar, Haldia (Haldia Dock complex of Kolkata port), Kakinada, Kandla, Kattupalli (Tamil Nadu), Kolkata, Krishnapatnam, Ennore (Tamil Nadu), Karaikal (Union territory of Puducherry), Magdalla, Mangalore, Marmagoa, Muldwarka, Mumbai, Mundra, Nagapattinam, Nhava Sheva, Okha, Paradeep, Pipavav, Porbander, Sikka, Tuticorin, Visakhapatnam and Vadar. |
| 2. | Airports | Ahmedabad, Bengaluru, Bhubaneswar, Calicut, Chennai, Cochin, Coimbatore, Dabolim (Goa), Delhi, Hyderabad, Indore, Jaipur, Kolkata, Lucknow (Amausi), Mumbai, Nagpur, Rajasansi (Amritsar), Srinagar, Trivandrum, Varanasi and Visakhapatnam. |
| 3. | Inland Container Depots | Agra, Ahmedabad, Anaparthi (Andhra Pradesh), Melpakkam Village (Arakkonam Taluk, Vellore District), Babarpur, Bengaluru, Bhadohi, Bhatinda, Bhilwara, Bhiwadi, Bhusawal, Chettipalayam (Tamil Nadu), Chheharata (Amritsar), Coimbatore, Dadri, Dappar (Dera Bassi), Daulatabad (Wanjarwadi and Maliwada), Delhi, Dhannad Rau (District Indore), Dighi (Pune), Durgapur (Export Promotion Industrial Park), Faridabad, Garhi Harsaru, Gauhati, Guntur, Hyderabad, Irugur Village (Tamil Nadu), Irungattukottai (SIPCOT Industrial Park, Kattrambakkam Village, Sriperumbudur Taluk, Kanchipuram District, Tamil Nadu), Jaipur, Jalandhar, Jamshedpur, Jodhpur, Kanpur, Karur, Kheda (Pithampur, District Dhar), Kota, Kundli, Loni (District Ghaziabad), Ludhiana, Madurai, Malanpur, Mandideep (District Raisen), Murrupalem Village (in Edlapadu Taluk of District Guntur), Miraj, Moradabad, Nagpur, Nasik, Patli (Gurgaon), Pimpri (Pune), Pitampur (Indore), Pondicherry, Raipur, Rewari, Rudrapur (Nainital), Salem, Singanapur, Surat, Surajpur, Talegaon (District Pune), Thudiyalur (Tamil Nadu), Tirupur, Tondiarpet (TNPM) in Chennai, Tuticorin, Udaipur, Vadodara, Varanasi, Veerapandi (Tamil Nadu) and Waluj (Aurangabad). |
| 4. | Land Customs Stations | Agartala, Amritsar Rail Cargo, Attari Road, Changrabandha, Dawki, Ghojadanga, Hilli, Jogbani, Mahadipur, Nepalganj Road, Nautanva (Sonauli), Petrapole, Ranaghat, Raxaul, Singhabad and Sutarkhandi. |

[F.No.605/55/2014-DBK]

Advance Authorization Scheme under FTP 2015-2020

Ntfn 18
01.04.2015
(DoR)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the

Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts materials imported into India against a valid Advance Authorisation issued by the Regional Authority in terms of paragraph 4.03 of the Foreign Trade Policy (hereinafter referred to as the said authorisation) from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and from the whole of the additional duty, safeguard duty, transitional product specific safeguard duty and anti-dumping duty leviable thereon, respectively, under sections 3, 8B, 8C and 9A of the said Customs Tariff Act, subject to the following conditions, namely :-

(i) that the said authorisation is produced before the proper officer of customs at the time of clearance for debit;

(ii) that the said authorisation bears,-

(a) the name and address of the importer and the supporting manufacturer in cases where the authorisation has been issued to a merchant exporter; and

(b) the shipping bill number(s) and date(s) and description, quantity and value of exports of the resultant product in cases where import takes place after fulfillment of export obligation; or

(c) the description and other specifications where applicable of the imported materials and the description, quantity and value of exports of the resultant product in cases where import takes place before fulfillment of export obligation;

(iii) that the materials imported correspond to the description and other specifications where applicable mentioned in the authorisation and are in terms of para 4.12 of the Foreign Trade Policy and the value and quantity thereof are within the limits specified in the said authorisation;

(iv) that in respect of imports made before the discharge of export obligation in full, the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself to pay on demand an amount equal to the duty leviable, but for the exemption contained herein, on the imported materials in respect of which the conditions specified in this notification are not complied with, together with interest at the rate of fifteen percent per annum from the date of clearance of the said materials;

(v) that in respect of imports made after the discharge of export obligation in full, if facility under rule 18 (rebate of duty paid on materials used in the manufacture of resultant product) or sub-rule (2) of rule 19 of the Central Excise Rules, 2002 or of CENVAT Credit under CENVAT Credit Rules, 2004 has been availed, then the importer shall, at the time of clearance of the imported materials furnish a bond to the Deputy Commis-

sioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself, to use the imported materials in his factory or in the factory of his supporting manufacturer for the manufacture of dutiable goods and to submit a certificate, from the jurisdictional Central Excise officer or from a specified chartered accountant within six months from the date of clearance of the said materials, that the imported materials have been so used:

Provided that if the importer pays additional duty of customs leviable on the imported materials but for the exemption contained herein, then the imported materials may be cleared without furnishing a bond specified in this condition and the additional duty of customs so paid shall be eligible for availing CENVAT Credit under the CENVAT Credit Rules, 2004;

(vi) that in respect of imports made after the discharge of export obligation in full, and if facility under rule 18 (rebate of duty paid on materials used in the manufacture of resultant product) or sub-rule (2) of rule 19 of the Central Excise Rules, 2002 or of CENVAT credit under CENVAT Credit Rules, 2004 has not been availed and the importer furnishes proof to this effect to the satisfaction of the Deputy Commissioner of Customs or the Assistant Commissioner of Customs as the case may be, then the imported materials may be cleared without furnishing a bond specified in condition (v);

(vii) that the imports and exports are undertaken through the seaports, airports or through the inland container depots or through the land customs stations as mentioned in the Table 2 annexed to the Notification No.16/ 2015- Customs dated 01.04.2015 or a Special Economic Zone notified under section 4 of the Special Economic Zones Act, 2005 (28 of 2005):

Provided that the Commissioner of Customs may, by special order or a public notice and subject to such conditions as may be specified by him, permit import and export through any other seaport, airport, inland container depot or through a land customs station within his jurisdiction;

(viii) that the export obligation as specified in the said authorisation (both in value and quantity terms) is discharged within the period specified in the said authorisation or within such extended period as may be granted by the Regional Authority by exporting resultant products, manufactured in India which are specified in the said authorisation:

Provided that an Advance Intermediate authorisation holder shall discharge export obligation by supplying the resultant products to exporter in terms of paragraph 4.05 (c) (ii) of the Foreign Trade Policy;

(ix) that the importer produces evidence of discharge of export obligation to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, within a period of sixty days of the expiry of period allowed for fulfillment of export obligation, or within such extended period as the said Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, may

Indo-Japan CEPA Concessional Duty on 806 Items Slashed by 0.5%-9% - New Rate effective from 1 April 2015

Ntfn 13
30.03.2015
(DoR)

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.69/2011-Customs, dated the 29th July, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 593 (E), dated the 29th July, 2011, namely :-

In the said notification, for the Table, the following Table shall be substituted, namely:-
[Full text of the notification is available at www.worldtradesanner.com]

allow;

(x) that the said authorisation shall not be transferred and the said materials shall not be transferred or sold;

Provided that the said materials may be transferred to a job worker for processing subject to complying with the conditions specified in the relevant Central Excise notifications permitting transfer of materials for job work;

Provided further that, no such transfer for purposes of job work shall be effected to the units located in areas eligible for area based exemptions from the levy of excise duty in terms of notification Nos. 32/1999-Central Excise dated 08.07.1999, 33/1999-Central Excise dated 08.07.1999, 39/2001- Central Excise dated 31.07.2001, 56/2002- Central Excise dated 14.11.2002, 57/2002- Central Excise dated 14.11.2002, 49/2003- Central Excise dated 10.06.2003, 50/2003- Central Excise dated 10.06.2003, 56/2003- Central Excise dated 25.06.2003, 71/03- Central Excise dated 09.09.2003, 8/2004- Central Excise dated 21.01.2004 and 20/2007- Central Excise dated 25.04.2007;

(xi) that in relation to the said authorisation issued to a merchant exporter, any bond required to be executed by the importer in terms of this notification shall be executed jointly by the merchant exporter and the supporting manufacturer binding themselves jointly and severally to comply with the conditions specified in this notification.

2. Where the materials are found defective or unfit for use, the said materials may be re-exported back to the foreign supplier within six months from the date of clearance of the said material or such extended period not exceeding a further period of six months as the Commissioner of Customs may allow:

Provided that at the time of re-export the materials are identified to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, as the materials which were imported.

Explanation, – For the purposes of this notification,-

(I) "Dutiable goods" means excisable goods which are not exempt from central excise duty and which are not chargeable to 'nil' rate of central excise duty;

(II) "Foreign Trade Policy" means the Foreign Trade Policy, 2015-2020, published by the Government of India in the Ministry of Commerce and Industry vide notification No. 01/2015-2020, dated the 1st April 2015 as amended from time to time;

(III) "Regional Authority" means the Director General of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorized by him to grant an authorisation under the said Act;

(IV) "Manufacture" has the same meaning as assigned to it in paragraph 9.31 of the Foreign Trade Policy;

(V) "Materials" means,-

(a) raw materials, components, intermediates, consumables, catalysts and parts which are required for manufacture of resultant product;

(b) mandatory spares within a value limit of ten per cent. of the value of the authorisation which are required to be exported along with the resultant product;

(c) fuel required for manufacture of resultant product;

(d) packaging materials required for packing of resultant product;

(VI) "Specified Chartered Accountant" means a statutory auditor or a Chartered Accountant who certifies the importer's financial records under the Companies Act, 2013 (18 of 2013) or the Income Tax Act, 1961 (43 of 1961) or the Sales Tax or the Value Added Tax Act of the State Government.

[F.No.605/55/2014-DBK]

Duty Free Import Authorization under FTP 2015-2020

Ntfn 19
01.04.2015
(DoR)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central

Government, being satisfied that it is necessary in the public interest so to do, hereby exempts materials imported into India against a valid **Duty Free Import Authorisation** issued by the Regional Authority in terms of paragraphs 4.25 and 4.27 of the Foreign Trade Policy (hereinafter referred to as the said authorisation) from the **whole of the duty of customs** leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), subject to the following conditions, namely :-

(i) that the said authorisation is produced before the proper officer of customs at the time of clearance for debit;

(ii) that Standard Input Output Norms (SION) number, description, quantity and Free on Board value of the resultant product exported and the shipping bill number(s) and date(s) are endorsed on the said authorisation:

Provided that the said SION does not prescribe the actual user condition;

(iii) that the description and other specifications wherever applicable, value and quantity of materials imported are mentioned in the said authorisation and the value and quantity thereof are within the limits specified in the said authorisation:

Provided that in respect of inputs referred in paragraphs 4.12(i) and 4.12(ii) of the Foreign Trade Policy, the material permitted to be imported in the said authorisation shall be of the specific name/description or quantity, respectively, as the material used in the export of the resultant product. The exporter shall declare these particulars of materials used in the shipping bill/ bill of export:

Provided further that in respect of resultant products requiring inputs specified in paragraph 4.30 of the Foreign Trade Policy, the materials permitted in the said authorisation shall be of the same quality, technical characteristics and specifications as the materials used in the said resultant product. The exporter shall declare these particulars of materials used in the shipping bill or

bill of export;

(iv) that the said authorisation shall be transferable subject to such conditions as may be specified;

(v) that the imports and exports are undertaken through the seaports, airports or through the inland container depots or through the land customs stations as mentioned in the Table 2 annexed to the Notification No.16/ 2015- Customs dated 01.04.2015 or a Special Economic Zone notified under section 4 of the Special Economic Zones Act, 2005 (28 of 2005):

Provided that the Commissioner of Customs may, by special order or a public notice and subject to such conditions as may be specified by him, permit import and export through any other seaport, airport, inland container depot or through a land customs station within his jurisdiction;

(vi) that the exports as specified in the said authorisation (both in value and quantity terms) were fulfilled within the period specified in paragraph 4.29 of the Foreign Trade Policy by exporting resultant products, manufactured in India, which are specified in the said authorisation:

Provided that in case of an authorisation for intermediate supply, the export obligation shall have been discharged by supplying the resultant products to the exporter in terms of paragraph 4.05 (c) (ii) of the Foreign Trade Policy;

(vii) that the importer produces evidence of fulfillment of the export obligation to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(viii) that in relation to the said authorisation issued to a merchant exporter, the name and complete postal address of the supporting manufacturer who manufactured the export product is declared in the shipping bills and specified in the said authorisation.

2. Where the materials are found defective or unfit for use, the said materials may be re-exported back to the foreign supplier within six months from the date of clearance of the said material or such extended period not exceeding a further period of six months as the Commissioner of Customs may allow:

Status Holders Licences to be Separated from EPCG - Customs

Ntfn 23
01.04.2015
(DoR)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), 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. **104/2009-Customs**, dated the **14th September, 2009** published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 674 (E), dated the 14th September, 2009, namely:-

In the said notification, in the opening paragraph, for **condition (2)**, the following condition shall be **substituted**, namely:-

"(2) that the said scrip has not been issued in violation of the condition contained in the sub-paragraph (5) of paragraph 2 of notification No.101 of 2009 – Customs, dated the 11th September, 2009 or sub-paragraph (4) of paragraph 2 of notification No.102 of 2009 – Customs, dated the 11th September, 2009 or the second proviso to sub-paragraph (1) of paragraph 2 of notification No. 05 of 2013 – Customs, dated the 18th February, 2013 or sub-paragraph (3) of paragraph 2 of notification No. 22 of 2013 – Customs, dated the 18th April, 2013 or first proviso to sub-paragraph (1) of paragraph 2 of notification No. 23 of 2013 – Customs, dated the 18th April, 2013 or sub-paragraph (3) of paragraph 2 of notification No.16 of 2015 – Customs, dated the 1st April, 2015 or first proviso to sub-paragraph (1) of paragraph 2 of notification No. 17 of 2015 - Customs, dated the 1st April, 2015, as the case may be."

[F.No.605/55/2014-DBK]

Provided that at the time of re-export, the materials are identified to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, as the materials which were imported.

Explanation – For the purposes of this notification,-

(I) "Foreign Trade Policy" means the Foreign Trade Policy, 2015-2020, published by the Government of India in the Ministry of Commerce and Industry vide notification No. 01/2015-2020, dated the 1st April 2015 as amended from time to time;

(II) "Manufacture" has the same meaning as assigned to it in paragraph 9.31 of the Foreign Trade Policy;

(III) "Materials" means,-

(a) raw materials, components, intermediates, consumables, catalysts and parts which are required for manufacture of resultant product;

(b) packaging materials required for packing of resultant product;

(IV) "Regional Authority" means the Director General of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorised by him to grant an authorisation under the said Act.

[F.No.605/55/2014-DBK]

Status Holders Licences to be Separated from EPCG – Excise

19-CE In exercise of the powers
01.04.2015 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) and sub-
section (3) of section 3 of the Additional Duties of
Excise (Textiles and Textile Articles) Act, 1978
(40 of 1978), 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. 33/2012-Central Excise dated
the 9th July, 2012** published in the Gazette of
India, Extraordinary, Part II, Section 3, Sub-
section (i) vide number G.S.R. 545 (E), dated the
9th July, 2012, namely:-
In the said notification, in **paragraph 2**, in condi-
tion (a), for the **second proviso**, the following
proviso shall be **substituted** namely:-

“Provided further that the said scrip has not been
issued in violation of the condition contained in
the sub-paragraph (5) of paragraph 2 of notifica-
tion No.101 of 2009 – Customs, dated the 11th
September, 2009 or sub-paragraph (4) of para-
graph 2 of notification No.102 of 2009 –
Customs, dated the 11th September, 2009 or the
second proviso to sub-paragraph (1) of paragraph
2 of notification No. 05 of 2013 – Customs, dated
the 18th February, 2013 or sub- paragraph (3) of
paragraph 2 of notification No. 22 of 2013 –
Customs, dated the 18th April, 2013 or first
proviso to sub-paragraph (1) of paragraph 2 of
notification No. 23 of 2013-Customs, dated the
18th April, 2013 or sub-paragraph (3) of paragraph
2 of notification No. 16 of 2015 – Customs, dated
the 1st April, 2015 or first proviso to sub-paragraph
(1) of paragraph 2 of notification No. 17 of 2015 -
Customs, dated the 1st April, 2015, as the case
may be.”

[F.No.605/55/2014-DBK]

**Peru Appeals WTO Panel Ruling
in Agricultural Duties Case**

The WTO's highest court is set to hear the
case between Peru and Guatemala over the
former's duties on certain agricultural imports,
after Lima filed a formal notice appealing a previ-
ous dispute panel ruling last week.

At issue in the case is Peru's "additional duty"
on certain agricultural imports, such as rice,
sugar, maize, milk, and certain dairy products.
The panel had ruled largely in Guatemala's favour
late last year.

In the appeal notice submitted last week, Peru
has specifically flagged the panel's finding that
Guatemala did not violate "good faith" obligations
in launching the dispute, and has also asked the
Appellate Body to reconsider whether the duty
violates global trade rules.

The dispute (DS457) was launched nearly two
years ago, with Guatemala filing a request for
consultations in April 2013. While the panel
report was circulated last November, both sides
agreed to extend the usual 60-day appeal dead-
line through 25 March 2015.

FTA legal status

This dispute has drawn particular attention for the
questions it raises on whether and how commit-
ments under FTAs interact with WTO obligations.

The "additional" duties imposed by Peru on
these agricultural imports are determined using a
mechanism known as the Price Range System
(PRS). This system uses a range set by a price
floor and ceiling, reflecting international prices
over the last 60 months.

| WIndex No. 02 – 08-14 April 2015 | | DIndex | WIndex |
|--|--|---------------|---------------|
| DIndex Delivered Daily by Email | | | |
| World Trade | | | |
| Two Horses Pull a Seven Horse Chariot, Only 2 Members Remain in CBEC | | 5809 | 9 |
| Peru Appeals WTO Panel Ruling in Agricultural Duties Case | | 5810 | 16 |
| Customs | | | |
| Indo-Japan CEPA Concessional Duty on 806 Items Slashed by 0.5%-9% - New Rate effective from 1 April 2015 – Ntnf 13/30.03.2015 | | 5781 | 14 |
| Customs Notification on 2015-2020 EPCG Zero Duty Scheme – Ntnf 16/01.04.2015 | | 5799 | 11 |
| Post Export 2015-2020 Zero Duty EPCG Duty Scrip Notified - Ntnf 17/01.04.2015 | | 5800 | - |
| Advance Authorization Scheme under Foreign Trade Policy 2015-2020 - Ntnf 18/01.04.2015 | | 5804 | 14 |
| Duty Free Import Authorization under Foreign Trade Policy 2015-2020 - Ntnf 19/01.04.2015 | | 5805 | 15 |
| Advance Authorization for Annual Requirement under Foreign Trade Policy 2015-2020-5806 | | - | - |
| Ntnf 20/01.04.2015 | | | |
| Advance Authorization for Deemed Export under Foreign Trade Policy 2015-2020 - Ntnf 21/01.04.2015 | | 5807 | - |
| Import of Prohibited Goods for Export Production under Advance Authorization under Foreign Trade Policy 2015-2020 - Ntnf 22/01.04.2015 | | 5808 | - |
| Status Holders Licences to be Separated from EPCG – Customs - Ntnf 23/01.04.15 | | 5802 | 15 |
| Excise | | | |
| Zero Excise Post Export 2015-2020 EPCG Duty Credit Scrip - 18-CE/01.04.2015 | | 5801 | - |
| Status Holders Licences to be Separated from EPCG – Excise - 19-CE/01.04.2015 | | 5803 | 16 |
| CBEC Circular | | | |
| FSSAI/PQIS in JNPT and Delhi ICD to give Orders Online Clearance for Imports – 09-CBEC/31.03.2015 | | 5796 | 9 |
| Digital Signature Compulsory for Customs Electronic Filing from 1 April – 10-CBEC/31.03.2015 | | 5797 | 10 |
| Provisional Advance Payment for Interest on Export Obligation Default Allowed – 11-CBEC/01.04.2015 | | 5798 | 11 |
| RBI Circular [AP(DIR Series)] | | | |
| Foreign Exchange Management (International Financial Services Centre) Regulations 2015 – Cir.92/31.03.2015 | | 5791 | - |
| Revised Guidelines to Participation of Residents in the Exchange Traded Currency Derivatives (ETCD) Market – Cir.90/31.03.2015 | | 5792 | - |
| Foreign Portfolio Investors (FPIs) Limit Increased to US\$15mn per Exchange in ETCD Market – Cir.91/31.03.2015 | | 5793 | - |
| Stat 5 and Stat 8 Returns to Discontinue from March 2015 – Cir.85/18.03.2015 | | 5778 | - |
| Export Credit of US\$198.96mn to Myanmar for Financing Irrigation Projects – Cir.86/23.03.2015 | | 5779 | - |
| *See details in www.worldtradesScanner.com | | | |

| Customs Valuation Exchange Rates | | | |
|---|---------------------|----------------|----------------|
| 2 April 2015 | | Imports | Exports |
| Schedule I [Rate of exchange of one unit of foreign currency equivalent to Indian Rupees] | | | |
| 1 | Australian Dollar | 48.50 | 47.10 |
| 2 | Bahrain Dinar | 171.05 | 161.70 |
| 3 | Canadian Dollar | 49.95 | 48.75 |
| 4 | Danish Kroner | 9.20 | 8.95 |
| 5 | EURO | 68.55 | 66.85 |
| 6 | Hong Kong Dollar | 8.15 | 8.00 |
| 7 | Kuwaiti Dinar | 214.85 | 202.45 |
| 8 | New Zealand Dollar | 47.55 | 46.30 |
| 9 | Norwegian Kroner | 7.90 | 7.70 |
| 10 | Pound Sterling | 93.70 | 91.55 |
| 11 | Singapore Dollar | 46.05 | 45.05 |
| 12 | South African Rand | 5.30 | 5.00 |
| 13 | South Arabian Riyal | 17.20 | 16.25 |
| 14 | Swedish Kroner | 7.35 | 7.20 |
| 15 | Swiss Franc | 65.50 | 63.95 |
| 16 | UAE Dirham | 17.55 | 16.60 |
| 17 | U.S. Dollar | 63.20 | 62.20 |
| Schedule II [Rate of exchange of 100 units of foreign currency equivalent to Indian rupees] | | | |
| 1 | Japanese Yen | 52.75 | 51.55 |
| 2 | Kenyan Shilling | 70.00 | 66.05 |

(Source: Customs Notification 35(NT)/01.04.2015)