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ITA Expansion Talks Aim for Final Product List by July

Members working on the proposed expansion of the WTO's Information Technology Agreement - a plurilateral pact aimed at liberalising trade in information and communication technology products - are aiming to have a final list of goods to add to the deal's coverage ready by the summer break.

The ITA provides for participants to completely eliminate duties on IT products covered by the agreement. The process to update the deal - which first entered into force in 1997 - began last spring, when Canada, Japan, Korea, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, Singapore, and the US presented a concept paper calling for negotiations to expand the pact's product coverage and membership.

Since then, the number of members working on the ITA expansion has increased from the original six in May 2012 to approximately 20 today. However, this group does not encompass all of the ITA's 49 participants, which now covers 76 members - including the 27-member EU — after this month's addition of Tajikistan to the pact.

Proposed list being pared down

The group discussing the ITA expansion has been meeting monthly since the start of this year to evaluate tariff and non-tariff issues that would feature in an updated agreement. With regards to tariffs, members at this stage have eliminated a total of 120 items from a proposed list of products to add to the ITA's coverage - a list that had originally numbered over 350.

Of these, 22 were removed last week alone, according to sources familiar with the discussions. Some of the products removed were reportedly deemed too sensitive by some of the participants involved; others, meanwhile, were ultimately considered irrelevant to the overall ITA pact.

Whittling down the list has already been a tough process,

some members acknowledged at Friday's meeting of the ITA Committee. Korea, for instance, called the removal of some of its original proposals a "difficult decision," sources told Bridges. Hong Kong, meanwhile, noted that there is still a need to remove more products.

Looking forward, delegates familiar with the talks noted that the process of eliminating more products could pose some challenges. "The idea of deleting things can't continue indefinitely," one said ahead of last week's meetings. "Sensitivities are now coming up - the question is how you deal with those, and there hasn't really been a structured way of doing that up to now."

The goal, Switzerland noted last Friday, is to reach a product expansion that is "credible for industry and manageable for customs administrations."

What role China will ultimately play in the discussions has also captured the attention of trade observers. While sources say that Beijing had been "very passive and quiet" in the early technical discussions, China has now reportedly provided a list of its priority products that it would like to see in an expanded ITA - a list that is expected to generate substantial discussion in the coming months.

Next steps

The group is planning to hold additional meetings in April, May, June, and July in order to refine and streamline the list further. Sources say that the group hopes to have a new consolidated and agreed list by the end of July.

With the current talks being conducted by only a subset of the ITA's membership, how the expanded product list would be extended to the rest of the group is another issue that "remains to be worked out," and is likely to become an increasingly prominent topic as the Bali ministerial approaches.



WTO Plans Bali Pack Around Trade Facilitation, Food Security and LDC



The 159-member WTO is hoping to clinch a small package of deliverables from the long-running round of Doha trade talks, which were formally declared at an impasse in December 2011, in time for the upcoming Bali gathering.

Activity in Geneva has ramped up in light of an unofficial Easter stocktaking deadline, sources say, especially given that a meeting of the WTO's Trade Negotiations Committee - tasked with the Doha Round negotiations - is currently scheduled for mid-April.

The global trade body's outgoing Director-General, Pascal Lamy, has already warned that the membership must "run faster" if they hope to achieve results in Bali and avoid another "housekeeping ministerial".

Trade Facilitation - 600 Brackets

The proposed centrepiece of any Bali deal is an agreement on trade facilitation, which deals with topics such as easing customs procedures and cutting times at border crossings. Trade facilitation negotiators met in Geneva last week in an effort to advance these talks forward, only for several brackets - numbering well over 600 - ultimately remaining unresolved in the trade facilitation draft text.

A new consolidated trade facilitation draft text is expected to be released in the coming days, reflecting revised language on areas such as publication, penalties, appeals, separation of release, e-payment, and perishable goods, which were adopted via the facilitator's process. The next meeting of the trade facilitation negotiating group is currently scheduled for 21-24 May.

Agriculture – Food Stock Holding

Meanwhile, trade officials have come to the end of a month's intensive discussions on food stockholding schemes, as part of an attempt to understand how best to respond to a negotiating proposal on this question that was tabled ahead of the Bali conference. The proposal was first submitted by the G-33 group of developing countries with large populations of smallholder farmers.

Developing, LDC Issues

The third section of a planned Bali package would likely involve issues of interest to developing and least developed country (LDC) members. The Special Session of the Committee on Trade and Development has been meeting every couple of weeks in an open-ended format during the first part of this year, with the latest one reportedly being held last Friday.

Sources familiar with the talks in this area note that the 28 Cancún proposals - part of a group

of 88 proposals aimed at strengthening the special and differential treatment (S&DT) provisions in the various WTO agreements that were agreed, but not harvested, ten years ago - are still being discussed in this setting, as is the so-called Monitoring Mechanism, which would review the functioning of provisions in WTO rules for S&DT treatment in favour of developing countries and potentially suggest improvements.

Topics related to the WTO's Agreement on Sanitary and Phytosanitary Measures are also being reviewed, delegates familiar with the talks noted to Bridges.

The question of which LDC-specific issues - such as duty-free quota-free market access, rules-of-origin, and cotton - might be included in a December package is also expected to emerge again ahead of MC9, sources say. These topics had also generated substantial discussion ahead of the last ministerial, only for the planned "LDC-plus" package for the 2011 conference to ultimately fall through.

Kazakhstan WTO Accession in Bali Ministerial

Kazakhstan could be invited to become the WTO's 160th member in time for the organisation's ministerial conference in Bali, Indonesia this December, officials involved in the negotiations said last week. The Central Asian country has been working to join the Geneva-based trade organisation since 1996.

In order for Astana to be formally welcomed into the global trade body by December, the Working Party (WP) tasked with the talks would need to accelerate its work so as to conclude the negotiations by July, according to WP chair Vesa Himanen of Finland.

In an effort to resolve some of these outstanding issues, plurilateral meetings were also held last week to address differences relating to sanitary and phytosanitary (SPS) measures - which involve food safety and plant and animal health- and agriculture. Another area of concern is trade-related investment measures (TRIMS), in particular regarding the length of the transition period that Astana would be granted for eliminating all measures that are inconsistent with the WTO's TRIMS Agreement.

Any accession to the WTO hinges on a unanimous agreement among all current members, which reached 159 in number after Tajikistan joined earlier this month. Once members sign off on Astana's accession terms, the country

will still need to ratify the accession package domestically and then undergo a 30-day waiting period before its membership becomes final.

Russia likely to make tariff adjustments, officials say

One dimension of the trade negotiations that has complicated matters is Kazakhstan's customs union with neighbours Russia and Belarus - an initiative launched in early 2010 that was intended as the first step toward a broader economic alliance of former Soviet states, fashioned similarly to the EU.

Before Russia formally joined the WTO last August, the three countries had considered seeking membership as a group. However, due to the lack of any precedent for a customs union bid to the WTO, as well as any framework for such proceedings, that method of accession was ultimately abandoned some months later. Russia is now the only one of the three customs union members to be part of the WTO.

Earlier this month, Andrey Slepnev - who serves as the trade minister for the Eurasian Economic Commission, the custom union's governing body - told Bloomberg that Russia will cut some import tariffs to somewhat approximate those that its partner Kazakhstan is likely to accept in its accession protocol.



Anand Sharma Defends IP Flexibility in India at WIPO

India Accedes to Madrid Protocol for Trade Mark Registration the World Over with One Application

Addressing a High Level Policy Dialogue at the World Intellectual Property Organisation (WIPO) Headquarters in Geneva on 8 April, the Union Minister for Commerce, Industry and Textiles Anand Sharma defended flexibilities for developing nations in honouring their international Intellectual Property (IP) commitment to meet their social challenges. Mr. Sharma pointed out that the countries of the South which bear a disproportionate burden of poverty, hunger and disease for historical reasons have an aspiration to provide affordable healthcare so-

lutions for their citizens. It is here that political leadership is faced with an ethical dilemma and tries to find creative solutions which would strike the right balance. "It is my belief that while all countries are obligated to honour their international commitments, **inherent flexibilities must be provided to developing countries to address these pressing social challenges,**" said Mr. Sharma.

The Minister recounted the debate in 2005 that surrounded the harmonization of Indian IP with the TRIPS obligations. He talked of the

FTP Pushed Back by Two Weeks to Third Week of April as Ministries of Commerce and Finance Talk

Finance Minister in his Budget Speech had assured that full support will be provided for exports in the backdrop of growing current account deficit. In this context, the Commerce Minister has held a series of consultations with FICCI, CII, Export Promotion Councils and FIEO and a meeting of the Board of Trade was convened on 22nd March 2013. Thereafter, detailed consultations have been held between Commerce Ministry and Finance Ministry on drawing the contours of a package to be announced as part of the Foreign Trade Policy.

The Commerce Minister and Finance Minister have discussed the matter at length on 23rd March 2013 with all key officials of both Ministries and have held a second round of discussions in Durban on the margins of the BRICS Summit. The discussions between the two Departments have been extremely constructive and are now in final stages.

It is expected that the Annual Supplement to the Foreign Trade Policy would be announced by the 3rd week of April and address both the immediate and medium term concerns of exports and to give a fillip to India's exports.

[Source: PIB (MoC&I) Press Release dated 2nd April 2013]

divide on the two ends of spectrum especially in the pharmaceutical sector. On the one hand of the spectrum are companies who have invested billions in research, in developing new molecules, in new drug discoveries and in research. On the other hand is the compelling social need of providing affordable healthcare for all.

Mr. Sharma strongly raised the issue of the intellectual property associated with genetic resources, traditional knowledge and folklore such as curative aspects of neem and haldi etc. Mentioning India's initiative of creating a unique digital library of traditional knowledge which has over 250,000 entries highlighting the source and the efficacy of each product, Mr. Sharma expressed concern about the fact that at times there is extensive bio-piracy through patents being awarded for traditional knowledge. "India has been at the forefront for bringing this agenda on the negotiating table and for the last one decade, we have been trying to build a consensus for a binding treaty on traditional knowledge. I hope that WIPO shall be able to bring these negotiations to culmination," said the Minister.

Mr. Sharma also handed over the instrument of Accession to the Madrid Protocol. This is a significant step in the evolution of India's Intellectual Property Regime which has seen a gradual progression in line with international agreements over the years. This instrumentality will provide an opportunity for Indian companies, who are increasing their global footprint, enabling them to register trademarks in member countries of the protocol through a single application, while also allowing foreign companies a similar disposition in India. This will considerably help in simplification and easing the process of trade mark registrations in India.

WEEKLY INDEX OF CHANGES

24x7 Customs Clearance for Perishable Agri Exports, No Examination at Customs Gate in Normal Cases

12-CBEC Attention is invited to Board
02.04.2013 Circular No 8/2007-Cus dated
(DoR) 22.1.2007 which lays

guidelines about examination of export consignments of perishable cargo.
2. The Department related Parliamentary Standing Committee on Commerce has emphasized that in order to promote export of Agriculture and Processed Food products, the Customs authorities must be sensitized to accord priority clearance to perishable agro products cargo. Accordingly, the Board reiterates that export consignments of perishable agricultural goods should not be examined in a routine manner and should be examined only in cases of specific intelligence with prior permission of concerned Assistant Commissioner/Deputy Commissioner of Customs. Such perishable

cargo which is taken up for examination should be given Customs clearance on the same day itself. In the event there are contraventions of Customs law, necessary legal action shall be taken but, in this case too, it shall be ensured that the perishable cargo is dealt with in such a manner including grant of provisional release (where permissible) so that it is not unduly held up in ports/airports etc.

3. Board has also decided, as a trade facilitation measure, to extend the facility of 24x7 Customs clearance for export consignments of perishable agricultural export goods at all air cargo complexes across the country.

4. Any difficulties in implementation of the Circular may be immediately brought to the notice of the Board.

F.NO. 450/7/2012- Cus IV

Signal Convertors for Sat Broadcasts (LNB Convertors) Fall in Electrical Machines nes under 8543 70 and not 8525 or 8529

Subject: Classification of "Low Noise Block" (LNB) down converter in the harmonised Customs Tariff.

13-CBEC Doubts have been raised
05.04.2013 regarding classification of Low
(DoR) Noise Block (LNB) down
converter which is designed to

be mounted on aerial (dish) of a system for receiving satellite broadcasts (Satellite Television Reception System). The **low-noise-block (LNB) down converter** amplifies the weak signals and converts the frequencies from very high levels (2.5 to 12.45 GHz) to levels within the VHF and UHF range (less than 2 GHz). The competing Customs tariff headings are 8525 (as transmission apparatus), 8529 (as part to be used with dish antenna, and 8543 (as electrical machines and apparatus having individual functions, not specified or included elsewhere in chapter 85).

2. The issue was examined in the Board. Classification of goods in the First Schedule under the Customs Tariff Act (CTA), 1975 is determined on the basis of the General Rules of Interpretation (GRI). Rule 1 of GRI inter alia provides that, "the titles of Sections, Chapters and sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes ..". Accordingly, in view of the Section Note 2(a) to Section XVI, LNB will not qualify for classification in heading 8529, if it is regarded as transmission apparatus of heading 8525 or of heading 8543, as a device performing an electrical function not specifically covered by any heading of Chapter 85, since the said Section Note stipulates that "parts which are goods included in any of the headings of Chapter 84 or 85 (other than headings 84.09, 84.31, 84.48, 84.66, 84.73, 84.87, 85.03, 85.22, 85.29,



85.38 and 85.48) are in all cases to be classified in their respective headings".

3. The Harmonized Commodity Description and Coding System (HS) Explanatory Notes can be used to determine the proper interpretation of the entries in the Customs Tariff. In part, Explanatory Note (EN) 8543 includes, "High or intermediate frequency amplifiers (including measurement amplifiers and aerial amplifiers)", and Explanatory Notes to heading 85.18 also provides for, "High or intermediate frequency amplifiers are classified in heading 85.43 as electrical appliances having an individual function". Since the principal function of Low-Noise-Block (LNB) down converter is to amplify the weak signals and converts the frequencies from very high levels (2.5 to 12.45 GHz) to levels within the VHF and UHF range (less than 2 GHz), and this device performs an electrical function not specifically covered by any heading, the classification in subheading 8543 would seem most appropriate.

Implementation of Bar Coding on Drugs and Pharma Export Consignments Postponed to 1 July 2014

Sub: Deferment in the date of effect for implementation of bar-coding on Primary level packaging on export consignment of pharmaceuticals and drugs for tracing and tracking purpose.

54-PN(RE) In exercise of the powers
05.04.2013 conferred under Paragraph 2.4
(DGFT) of the Foreign Trade Policy,
2009-14, as amended from

time to time, Director General of Foreign Trade hereby makes following amendments in Public Notice No. 59(RE-2010)/2009-14 dated 30.06.2011 read with Public Notice No. 10 (RE-2010)/2009-2014 dated 11.07.2012:

2. The date of effect for implementation of bar

JS (DBK) Tells Officers to Stop Summoning Exporters for Bank Realization, Advices "Rely upon Documentation"

[CBEC Instruction dated 4th April 2013]

Subject: Grievances related to process of reconciliation of realization of export proceeds in terms of CBEC Circular No. 5/2009-Customs As you are aware, there is a process of reconciliation of realization of export proceeds that occurs consequent to duty drawback payments in terms of CBEC Circular No. 5/2009-Customs.

2. It has come to the notice of the Board that field formations are insisting on the exporter/owner to submit the BRC/negative statements in person, that even after the exporter has proof of having submitted BRC/negative statement, these documents are asked repeatedly; that the exporter is asked to attend personal hearing despite having submitted BRC/negative statement; and that only the exporter/owner should attend hearing in person.

3. It may be appreciated that such actions on the part of the officers reflect negatively on the department and do not add any value to the process of reconciliation. Such actions are strongly disapproved. The Commissioners shall ensure that no room exists for generation of such avoidable grievances in their respective charges through proper management, guidance and close supervision of the reconciliation process. This instruction may be brought to the notice of all the officers concerned by issuing suitable Standing Orders.

F. No. 609/35/2013-DBK

4. In view of the aforesaid, the Board is of the view that by application of GRIs 1 (Note 2 (a) to Section XVI), and 6, separately presented LNB down converter (LNB) would be appropriately classifiable in heading 85.43, more specifically in subheading 8543.70, tariff item 854370 99.

5. Accordingly, all pending classifications, if any, may be finalized. Suitable instructions may be given to the field formations. Difficulties, if any, faced in the implementation of this circular, may be immediately brought to the notice of the Board.

F.No. 528/104/2011-STO (TU)

8587 MTs Quota Sugar to USA through ISGEC Released

Subject: Export of 8,587 MTs of raw cane sugar to USA under Tariff Rate Quota.

53-PN(RE) In exercise of the powers
05.04.2013 conferred under Paragraphs
(DGFT) 2.1, 2.4 and 2.29 of the
Foreign Trade Policy, 2009-14,
the Director General of Foreign Trade hereby
allocates a total quantity of 8,587
MTs(raw value) of raw cane sugar (at
98 degree Pol), out of non-levy(free
sale) quota for export under tariff rate
quota(TRQ) to USA for the US fiscal
year 2013 (October 1, 2012 to Sep-
tember 30, 2013). This export will be through M/



s. Indian Sugar Exim Corporation Ltd, New
Delhi.

2. The existing procedure in respect of prefer-
ential sugar export to USA for issue of GSP
certificate as well as other certification
requirement, if any, prescribed specifi-
cally for export of sugar to USA would
continue to be followed.

3. Effect of this Public Notice

8,587 MTs of raw cane sugar is permit-
ted to be exported to USA under TRQ
by M/s. Indian Sugar Exim Corporation Ltd.

Counter Timings for Submission of Applications at Addl. DGFT Mumbai

The following Trade Notice was issued by the Addl. DGFT Mumbai on 18th March 2013.

20-TN In reference to Trade Notice
18.03.2013 No. 5/AM 12 dated
(Addl.DGFT) 06.03.2012, it is herewith
clarified that the counter
timings for submission of the applications was
extended from 12.30 P.M. to 03.00 P.M. in order
to facilitate the exporters coming from outside
Mumbai.

However, it has been found that the exporters
whose administrative office is in Mumbai have
also started submitting their applications after
12.30 P.M. resulting in bunching of applica-
tions. Needless to say, this has resulted in

overcrowding of applications in the afternoon
and therefore in delays in processing of the
applications by the concerned sections and
non-adherence of the call date as stipulated.
Hence it is clarified that only the applications
from exporters whose administrative offices are
outside Mumbai and Thane Municipal Corpora-
tion limits would be accepted after 12.30 P.M.

Further, it is decided that to facilitate all ex-
porters, delivery of documents from counters
commence at 3.00 P.M.

Therefore the timings are clarified as under:

SNo.	Category	Timings for submission and delivery of documents	
		For exporters who have administrative offices in Mumbai and Thane Municipal Corporation Limits	For exporters who have administrative offices outside Mumbai and Thane Municipal Corporation Limits
1	Submission of IEC applications	10.00 A.M. to 12.30 P.M.	10.00 A.M. to 03.00 P.M.
2	Advance Authorisations, DFIA	10.00 A.M. to 10.45 A.M. (One day applications)	10.00 A.M. to 03.00 P.M.
3	All other submissions	10.30 A.M. to 12.30 P.M.	10.00 A.M. to 03.00 P.M.
		Lunch Break from 01.30 P.M. to 02.00 P.M.	
4	Delivery of documents	03.00 P.M. TO 05.30 P.M.	Same day

The above timings come into effect from 18th March, 2013.

The Trade is requested to take note of the above timings.

Kattupalli (TN) Sea Port Notified for Export Promotion

Ntnf 20 In exercise of the powers
03.04.2013 conferred by sub-section (1)
(DoR) 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 amendments in each of the
notifications of the Government of India in the
Ministry of Finance (Department of Revenue),
specified in column (2) of the Table below,
which shall be amended or further amended, as
the case may be, in the manner specified in the
corresponding entry in column (3) of the said
Table, namely :-

The following changes have been incorporated
in the original notifications.

In the said notification, in the opening para-
graph, in condition -

for the words and brackets "Ennore (Tamil
Nadu) and Karaikal (Union territory of
Puducherry)", the words and brackets "Ennore

(Tamil Nadu), Karaikal (Union territory of
Puducherry) and Kattupalli (Tamil Nadu)" shall
be substituted;

for the words "Kandla, Kolkata", the words and
brackets "Kandla, Kattupalli (Tamil Nadu),
Kolkata" shall be substituted;

Table

SNo.	Notification No. and date		Amendments
	(1)	(2)	
1.	53/01.04.2003		in condition (5)
2.	54/01.04.2003		in condition (4)
3.	90/10.09.2004		in condition (iv)
4.	91/10.09.2004		in condition (vi)
5.	92/10.09.2004		in condition (iv)
6.	93/10.09.2004		in condition (iv)
7.	94/10.09.2004		in condition (6)
8.	97/17.09.2004		in condition (6)
9.	32/08.04.2005		in condition (5)

Yemen Included in LDC List

Ntnf 19 In exercise of the powers
02.04.2013 conferred by sub-section
(DoR) (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 Fi-
nance (Department of Revenue), No. 96/
2008-Customs, dated the 13th August, 2008,
published in the Gazette of India, Extraordi-
nary, vide number G.S.R. 590 (E), dated the
13th August, 2008, namely:-

In the said notification, in the Schedule,
after serial number 29 and the entries relat-
ing thereto, the following serial number and
entries shall be added, namely:-

SNo.	Name of the Country
"30	Republic of Yemen".

[F. No. 354/189/2005-TRU (Vol II)]

G.S. Sarna Appointed as DG China Specific Safeguards and General Safeguards

33-Cus(NT) In exercise of the powers
02.04.2013 conferred by sub-rule (1) of
(DoR) Rule 3 of the Customs
Tariff (Transitional Product
Specific Safeguard Duty) Rules, 2002 and in
supersession of notification of the Govern-
ment of India in the Ministry of Finance
(Department of Revenue) No. 112/2012-
Customs (N.T.) issued vide G.S.R. No.
918(E) dated the 21st December, 2012, the
Central Government hereby appoints Sh.
G.S. Sarna as the Director General (Specific
Safeguard) for the purposes of the said
Rules.

[F.No. 528/89/2012-STO(TU)]

34-Cus(NT) In exercise of the powers
02.04.2013 conferred by sub-rule (1) of
(DoR) Rule 3 of the Customs
Tariff (Identification and

Assessment of Safeguard Duty) Rules, 1997
and in supersession of notification of the
Government of India in the Ministry of Fi-
nance (Department of Revenue) No. 113/
2012-Customs (N.T.) issued vide G.S.R.
No. 919 (E) dated the 21st December, 2012,
the Central Government hereby appoints
Sh. G.S. Sarna as the Director General
(Safeguard) for the purposes of the said
Rules.

[F.No. 528/89/2012-STO(TU)]

10.	41/09.05.2005	in condition (3)
11.	89/04.10.2005	in condition (iv)
12.	40/01.05.2006	in condition (iv)
13.	73/10.07.2006	in condition (5)
14.	90/01.09.2006	in condition (4)
15.	91/01.09.2006	in condition (4)
16.	14/19.02.2009	in condition (4)
17.	91/11.09.2009	in condition (iv)
18.	92/11.09.2009	in condition (iv)

19	93/11.09.2009	in condition (iv)	28	102/11.09.2009	in condition (12)
20	94/11.09.2009	in condition (iv)	29	103/11.09.2009	in condition (9)
21	95/11.09.2009	in condition (iv)	30	104/14.09.2009	in condition (6)
22	96/11.09.2009	in condition (vii)	31	112/29.09.2009	in condition (vii)
23	97/11.09.2009	in condition (iv)	32	5/18.02.2013	in the annexed Table 2, against S.No.1
24	98/11.09.2009	in condition (vi)	33	6/18.02.2013	in the annexed Table 2, against S.No.1
25	99/11.09.2009	in condition (vii)			
26	100/11.09.2009	in condition (10)			
27	101/11.09.2009	in condition (13)			

[F. No.605/55/2012-DBK]

Zero Customs Duty for Air-to-Air Missile ASTRA Project of Defence Ministry

Ntnf 16
25.03.2013 (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. 39/96-Customs, dated the 23rd July, 1996, published in the Gazette of India, Extraordinary, vide number G.S.R. 291(E), dated the 23rd July, 1996, namely:-

In the said notification, in the Table, after serial number 41 and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)
"42	Machinery, equipment, instruments, components, spares, jigs and fixtures, dies, tools, accessories, computer software, raw materials and consumables required for the purpose of Air-to-Air Missile System (Project ASTRA) of the Ministry of Defence	If,- (a) the said goods are imported by authorised works centers of Air-to-Air Missile System(Project ASTRA), as may be designated by an officer not below the rank of a Deputy Secretary to the Government of India in the Ministry of Defence; and (b) the authorised works centre produces to the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, at the time of import, in each case, a list of the said goods with their relevant description duly certified by the Project Director, 'ASTRA', Defence Research and Development Laboratory, Hyderabad, to the effect that - (i) the said goods in the list are required for Project ASTRA, and that they are not manufactured in India; and (ii) the import of the said goods in the list is authorised by the Ministry of Defence under and for the purposes of Project ASTRA and shall be used only for Project ASTRA. <i>Explanation.</i> - Nothing contained in this exemption shall have effect on or after the 1 st day of September, 2013".

[F.No.354/14/2006 -TRU(Pt-II)]

Zero Excise Duty for Air-to-Air Missile ASTRA Project of Defence Ministry

13-CE
25.03.2013 (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 Revenue),

No.64/95-Central Excise, dated the 16th March, 1995, published in the Gazette of India, Extraordinary, vide number G.S.R.256 (E), dated the 16th March, 1995, namely:-

In the said notification, in the Table, after serial number 33 and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)
"34	Equipment and stores	If,- (i) used for the systems and sub-systems of Project ASTRA of the Government of India in the Ministry of Defence; (ii) before clearance of the said goods, a certificate from the Project Director, ASTRA, Defence Research and Development Laboratory, Hyderabad, in the Ministry of Defence to the effect that the goods are intended for the aforesaid use is produced to the proper officer; and (iii) the aforesaid use is elsewhere than in the factory of production of the said goods, the manufacturer produces within five months from the date of clearance or within such extended period as the Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, may allow in this regard, a certificate from the said Project Director, ASTRA, indicating the date of receipt of the said goods by that organisation and certifying that they have been actually put to the aforesaid use.

Only Common Boundary Land in Adjoining Plot can be used for Expansion in Zero Excise Zones

Sub.- Clarification regarding admissibility of exemption under area-based Notifications No. 49/2003-Central Excise and 50/2003-Central Excise, both dated 10.06.2003.

968-CBEC
01.04.2013 (DoR)

Your kind attention is invited to Board's circular No. 960/03/2012-CX dated 17.02.2012 issued from

F.No. 110/03/2011-CX3 wherein admissibility of exemption under Notification Nos 49/2003-CE and 50/2003-CE, both dated 10.06.2003, in certain specified situations was clarified. In para 5 of the said circular, it was clarified that expansion of an eligible unit by acquiring an adjacent plot of land and installing new plant and machinery on such land, is akin to expansion by way of installing new plant and machinery **inside** the existing plot/premises and that in such cases, the exemption should continue to be available for the residual period of exemption.

2. Representations have been received from the Trade seeking further clarifications as to whether the term 'adjacent' used in the said clarification would also include a plot which is not immediately adjoining the existing plot but at some distance away from the existing plot.

3. The matter has been examined. Para 5 of the aforesaid circular dated 17.02.2012 is meant for a situation where the expansion is done by acquiring the adjoining plot with at least one common boundary which merges with the existing plot/premises to make it one unit. Installing of new plant and machinery in a plot which is away from the existing plot is not akin to the situation mentioned in para 5 of the said circular. Installation of plant and machinery on such a plot would tantamount to setting up another unit by the manufacturer, the eligibility of exemption of which is independent of the eligibility of exemption to the existing unit.

4. For the removal of doubts, it is therefore clarified that the clarification in para 5 of the circular N. 960/03/2012-CX dated 17.02.2012 is meant for the units which undertake expansion by acquiring the adjoining plot with at least one common boundary with the existing plot and merge it with the existing plot/premises to make it one unit.

5. Trade, industry and field formations may be suitably informed.

F. No. 101/09/2012-CX3

Explanation. - Nothing contained in this exemption shall have effect on or after the 1st day of September, 2013".

[F.No.354/14/2006 -TRU(Pt- II)]

Tariff Value of RBD Palmolein and Silver Down Gold Tariff Value Up by US\$5 per 10 gms

32-Cus(NT) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), (DoR) the Central Board of Excise & Customs, being satisfied that it is necessary and expedient so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3rd August, 2001, namely:-

In the said notification, for TABLE-1 and TABLE-2, the following Tables shall be substituted namely:-

"TABLE-1

SNo.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	829
2	1511 90 10	RBD Palm Oil	855
3	1511 90 90	Others – Palm Oil	842
4	1511 10 00	Crude Palmolein	860
5	1511 90 20	RBD Palmolein	863
6	1511 90 90	Others – Palmolein	862
7	1507 10 00	Crude Soyabean Oil	1093
8	7404 00 22	Brass Scrap (all grades)	4015
9	1207 91 00	Poppy seeds	4395

Table-2

SNo.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	521 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	920 per kilogram"

[F. No. 467/01/2012-Cus.V]

Five New Pre-shipment Agencies Notified

52-PN(RE) In exercise of powers conferred under paragraph 2.4 of 28.03.2013 the Foreign Trade Policy, 2009-14, the Director General (DGFT) of Foreign Trade hereby makes the following

amendments in Appendix 5 of the Handbook of Procedures (Vol. I) with immediate effect:-

The following Pre Shipment Inspection Agencies (PSIA) shall be added after Sl.No.25 in the Appendix-5 of the Handbook of Procedures (Vol-I), Appendices and Aayaat Niryaat Forms:-

SNo.	Name of the Inspection Agency	Area / Region of Operation
26	Best Mulyankan Consultants Ltd., 1 st Floor, Aditya Building, Corner of N.S. Phadke Marg and Teli Galli, Opp. Flyover Apartment, Andheri (East), Mumbai – 400069, (India) Telefax: 022-26841836, 26841839 E-Mail: mulyankan@vsnl.com	India
27	Humber Inspection International Limited, Rivardy, Manby Road, Immingham, DN40 2LG, United Kingdom Phone: 0044 1469 577774 Info@humberinspection.co.uk	European Union

28	Siddhartha Testing & Consulting Services Siddharthnagar – 1, Rupandehi, Nepal Phone: +977-9806994689, +91-9453389495 E-Mail: siddhartha.t@consultant.com	Nepal
29	SNG Inspection Services, LGF-57, Ansal Fortune Arcade, Sector-18, Noida-201301 Uttar Pradesh (India) Tel: 0120-6548424 E-Mail: info@snginspection.com Website: www.snginspection.com	India
30*	Worldwide Logistic, Survey and Inspection [WLSI] Group and Affiliates, B-1/1 Second Floor, Saket New Delhi-110017, India Phone: +91 11 41664409, Fax: +91 11 41671050 E-Mail: info@wlsi.us, Website: www.wlsi.us	Indonesia, European Union, Israel, South Korea, Bangladesh, Sri Lanka, Mauritius, West Africa and Japan
2. The details of existing four PSIA's at Sl.No.2, 2(a) to 2(d), 15, 17 and 19 in Appendix-5 of Handbook of Procedures (Vol - I) as notified in Public Notice No.27 dated 19.10.2012 are amended / corrected to read as under:		
SNo.	Name of the Inspection Agency	Area / Region of Operation
2	M/s Ravi Energie Pvt. Ltd., 202,Manubhai Towers-B, Sayajigunj, Baroda-390005 India Telefax: +91-265-2226069, +91-265-2361740 E-mail:info@ravienergie.in	South Korea
2(a)	Ravi Energie Inc., 1, Teakwood Court, Warren, NJ 07059, USA Tel: +1-908-531-8605, Fax: +1-908-502 0309 E-Mail: Info@ravienergie.com	North America
2(b)	Ravi Energie Gulf FZC Mailing address: P.O. Box 16241, Ras Al Khaimah, UAE Office Address 321B, III Floor, Business Centre-4, Ras Al Khaimah, UAE, Tel: + 971-504-328-605, E-Mail: gulf@ravienergie.com	UAE
2(c)	Ravi Energie Europe Ltd., 22 Ross Parade, Wallington, Surrey SM6 8QF, UK, Tel: +44-203-002-3617 E-Mail: europe@ravienergie.com	European Union
2(d)	Global Multitrade Services Inc., Regd. Office: 17, Kimble Court, Hillsborough, NJ 08844, USA Administrative Office: 3056 N 83 rd Pl, Scottsdale, Arizona 85251, USA, Tel: +1-908-432-0310 E-Mail: global@ravienergie.com	Brazil
15	Superintendence Co of India (P) Ltd., Everest House, 46 C, Chowringhee Road, Kolkata – 700071 Phone: 033 – 2288-7572/7573/1167/1487 E-Mail: masupind@cal.vsnl.net.in Website: superintendence-co.com	Singapore, UAE, Bangladesh and European Union
19	World Wide Inspection Services SARL, LOT No.: 271, Zone "A", Quarrier Jak-01 BP 7455, COTONOU-BENIN E-Mail: wise_sarl@yahoo.com, beninwise@gmail.com Tel/Fax : +229-21377229 Mobile: +229-97970952, 97970953	Nigeria, West Africa, Thailand, Malaysia and Brazil

*The PSIA at Sl. No. 30 is granted recognition for a period of 06 months.

Effects of this public notice:

2. Five new Pre Shipment Inspection Agencies (PSIA) have been notified. Area of operation of four existing PSIA's has been widened.

Two Pet Animals with Health Certificate only in TR Cases

Subject: *Import of Pets under Baggage.*

15-CBEC 08.04.2013 (DoR) Attention is invited to Board's Circular No. 94/2002-2002 dated 23.12.2002 on the above cited subject wherein it was provided that import of pets upto two numbers per passenger may be allowed at one time subject to the production of the required health certificate from the country of origin and examination of the same by the concerned Quarantine officer.

2. Board has re-examined the present policy of import of two pets by passengers in view of representations received in this regard. Accordingly, it has been decided to allow import of two pet animals as baggage only to persons transferring their residence to India after two years of continuous stay abroad in terms of Baggage Rules 1998 subject to production of the required health certificate from the country of origin and examination of said pets by the concerned Quarantine Officer at this end. This new dispensation shall come into force with effect from 15th April 2013. Import of animals (pets) in general would continue to be governed by DGFT policy.

3. Board's Circular No. 94/2002 - Customs dated 23.12.2002 stands modified accordingly to that extent.

4. These instructions may be brought to the notice of the trade/airlines/carriers by issuing suitable Trade / Public Notices. Suitable Standing orders/instructions may be issued for the guidance of the field officers.

5. Difficulties faced, if any, may be brought to the notice of the Board immediately.

F. No. 495/16/2012-Cus.VI

Seconds of Hot Dipped GI Sheets/Coils not Permitted for Import – IS: 227 Covers All Forms of Hot Dipped GI Steel, Electro GI Sheets not in Hit List

Subject: *Issues relating to implementation of Ministry of Steel's Order S.O. 415(E) dated 12.03.2012 and Application of BIS Specification No. IS: 227.*

14-CBEC 05.04.2013 (DoR) References have been received in the Board raising concerns on the applicability of the scope of BIS Specification No. IS: 227 issued by Ministry of Steel Order vide S.O. 415(E) dated 12.03.2012.

2. The same has been examined in consultation with Ministry of Steel. Ministry of Steel has clarified as below: -

1. It is not appropriate that Indian Standard IS: 277 covers Galvanized sheets only for roofing, panelling and lock forming. It includes all Hot Dipped Galvanized sheets/strips unless and otherwise something is specifically excluded from Indian Standard and/or clarification is issued by BIS stating the exclusion of particular product.

2. Electro Galvanized sheets and Galvanized sheets/strips fall outside the purview of IS:277 and hence such product whether in prime or secondary/defective condition are not covered under the IS:277 or the Quality Control Order issued by the Ministry of Steel.

3. One of the prime objective of the Steel and Steel Products Quality Control Order is to restrict/prohibit production/sale/import of substandard material. Therefore, import of any substandard product (Second/secondary/defective/offcut etc.) in respect of any of the product covered in the Indian Standard covered under the Quality Control Order is not permitted. Accordingly, import of seconds/secondary/defective/offcut Hot Dipped Galvanized Steel sheets/coils are not permitted as per the Quality Control Order. It is mainly because though the material is similar to IS:277 in description, it fails to meet the technical requirement prescribed in the standard. Further storage, sell, distribution of such substandard product whether produced domestically or imported is prohibited in domestic market.

3. Board desires the aforementioned clarification should be complied with by field formations. Suitable Public Notices or standing orders may be issued to guide the trade/ Industry and officers.

4. Difficulties, if any, faced in implementation of above provisions may be brought to the notice of the Board, immediately.

F.No.450/87/2012-Cus-IV

Exchange Rates for Customs Valuation

Rupee Gains to Rs. 54.90 for Customs Valuation on Imports w.e.f. 5 April 2013

35-Cus(NT) 04.04.2013 (DoR) In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 31/2013-CUSTOMS (N.T.), dated the 21st March, 2013 vide number S.O. 796(E), dated the 21st March, 2013, except as respects things done or omitted to be done before such super session, 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 5th April, 2013** 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.

SNo.	Currency	Imported Goods		Exported Goods	
		Current	Previous	Current	Previous
Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees					
1.	Australian Dollar	57.65	57.30	56.10	55.75
2.	Bahrain Dinar	148.60	148.75	140.20	140.40
3.	Canadian Dollar	54.35	53.75	52.85	52.30
4.	Danish Kroner	9.50	9.55	9.20	9.25
5.	EURO	70.55	71.05	68.75	69.25
6.	Hong Kong Dollar	7.10	7.10	6.95	6.95
7.	Kenya Shilling	66.15	65.60	62.25	61.70
8.	Kuwait Dinar	196.20	197.20	184.85	185.45
9.	Newzeland Dollar	46.40	45.50	45.15	44.15
10.	Norwegian Kroner	9.50	9.50	9.20	9.20
11.	Pound Sterling	83.15	83.25	81.15	81.25
12.	Singapore Dollar	44.45	44.05	43.40	42.95
13.	South African Rand	6.05	6.05	5.70	5.70
14.	Saudi Arabian Riyal	14.95	14.95	14.10	14.10
15.	Swedish Kroner	8.50	8.55	8.25	8.30
16.	Swiss Franc	58.10	58.30	56.45	56.70
17.	UAE Dirham	15.25	15.25	14.40	14.40
18.	US Dollar	54.90	54.95	53.90	54.00

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

1.	Japanese Yen	58.95	58.05	57.35	56.55
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[F.No.468/03/2013-Cus.V]

Sale of Indian Rupees to Foreign Tourists Against International Credit Cards Allowed

Sub: *Memorandum of Instructions governing money changing activities*

AP(DIR Srs) 05.04.2013 (RBI) Please refer to Para E 2(ii) of Annex I of {A.P.(DIR Series) Circular No. 57 [A.P.(FL/RL Series) Circular No.04]} dated March 09, 2009 on the captioned subject.

2. On a review, it has been decided that Authorised Money Changers (AMCs) may sell Indian rupees to foreign tourists /visitors against International Credit Cards/International Debit Cards and should take prompt steps to obtain reimbursement through normal banking channels.

3. All the other instructions contained in A.P.(DIR Series) Circular No. 57 [A.P.(FL/RL Series) Circular No.04] dated March 09, 2009 as amended from time to time shall remain unchanged.

4. Authorised Persons may bring the contents of this circular to the notice of their constituents concerned.

5. The directions contained in this Circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permission/approvals, if any, required under any other law.

Iran Turns to Gas Exports to Pak and Turkey



Iran plans increase its natural gas exports as a way to diminish its reliance on crude sales, a senior Iranian Oil Ministry official said.

Iran will "witness a change in the revenues of the country from crude oil to natural gas," said Javad Owji, managing director of National Ira-

nian Gas Co., according to the state-run Mehr news agency. Owji, who didn't specify how much Iran earns from oil and gas sales separately, pointed to the country's goal to triple gas shipments to some of its neighbors.

"By signing new deals with Turkey and Iraq, Iran will increase natural gas exports to about 100 million cubic meters by next year from a

current 35 million," Owji said. Iran's gas exports total 10 billion cubic meters per year, he said.

Iran, one of the producers of the 12-member Organization of Petroleum Exporting Countries, is battling U.S. and European Union energy sanctions over its nuclear program that have limited its oil sales. The Persian Gulf country also holds the world's second-largest gas reserves and its gas industry isn't subject to the same restrictions.

Iran exports some 30 million cubic meters of natural gas per day to Turkey, earning more than \$3 billion annually, Owji said. He said in September that Iran plans to start supplying 25 million cubic meters of gas per day to Iraq within a year, via a pipeline being built.

Iran has also pushed ahead with plans to deliver gas to Pakistan. Last month, the two countries started work on the cross-border leg of a \$1.3 billion gas pipeline that will deliver 21.5 million cubic meters of gas a day to Pakistan for 25 years.

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*See details in www.worldtradesScanner.com

DGCEI Claims Rs. 100 crs Fraud Cenvat Credit Detection in Ship Scrap Cases

Dealer-Re-rolling Mill-Furnace Unit Nexus Alleged

Directorate General of Central Excise Intelligence (DGCEI) Hqrs., New Delhi, detected a major case of central excise duty evasion and booked a case of misuse of Cenvat credit by the dealers viz. M/s. Sai Steel Traders and M/s. Sai Multimetals, Mandi Gobindgarh for issuing cenvatable invoices fraudulently to furnace units of Mandi Gobindgarh etc. without actually supplying the goods.

The search operation resulted in recovery of large number of incriminating documents. Preliminary scrutiny of seized documents indicated that these cenvatable invoices have been generated against the goods and duty paid invoices of old and used plates received from the ship breakers of Bhavnagar, Gujarat. Even though the goods were actually supplied to re-rolling mills of Mandi Gobindgarh / Khanna on cash basis without bills, the invoices were supplied to the furnace units of Mandi Gobindgarh etc. on cheque basis. The cash received from the re-rolling mills was paid to the furnace units. Vital evidences gathered indicate that the dealer-manufacturer nexus was in play which goods were sent to Rolling Mills and invoices were issued to the furnace units. In this manner, a huge amount of inadmissible CENVAT Credit was passed fraudulently to these furnace units without supplying the goods.

The search operation conducted by the DGCEI (Hqrs.) indicates massive and rampant misuse of cenvatable invoices. The fraudulent availment of Cenvat credit and consequent loss of revenue is estimated to be in the range of **Rs.100 crore**.

The above case booked by DGCEI (Hqrs.), New Delhi is another case of evasion of Central Excise duty by way of mere paper transactions without actual supply of goods thereby causing a huge loss to the country's revenue.