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## Supreme Court rules against Notional 1% Addition to Import Value for Loading/Unloading Charge where Actuals are Available

- Government to Lose Rs. 750 crs Revenue?
- Importers may File Claims for Past 1% Value Adds

The Supreme Court (SC) struck down proviso (ii) to Rule 9(2) of Customs Valuation (Determination of Price of Imported Goods) Rules, 1988, providing for notional fixation of handling / loading / unloading charges at 1% of FoB value of goods, when actual cost is ascertainable. The court has said the proviso 'ultra vires' Sec 14(1) and Sec 14(1)(A) of Customs Act.

(Relying on SC decision in Garden Silk Mills Ltd., Chennai High Court had dismissed assessee's writ petitions and stated that rule making authority vested with power to make provision of this nature for valuation purposes and Legislature's power to levy tax must be widely construed. This ruling has been over turned by the Supreme Court.

Taking note of assessee's contention that actual handling charges determined for manufacture and marketing of computer systems in accordance with prescribed charges by International Airport Authority, which is not even fraction of 'notional handling charges', SC concedes that only when actual cost cannot be arrived, notional cost should be made applicable.

Clause (a) of Rule 9(1) which specifies addition of various heads of costs to price, mandates that it is to be "to the extent they are incurred by the buyer", clearly implying inclusion of 'actual cost'; While said clause amended in 1989, spirit behind unamended proviso maintained and kept intact, i.e. proviso made applicable only when actual cost indeterminable, however, amendment in 1990 changed entire basis by providing complete deviation and departure by stipulating 1% FoB notional value.

The Court Observes, "when the actual charges paid are available and ascertainable, introducing a fiction for arriving at the purported cost of loading, unloading and handling charges is clearly arbitrary with no nexus with the objectives sought to be achieved. On the contrary, it goes against the objective behind Section 14...". The Court hold that High Court reliance on Garden Silk Mills Ltd., was misplaced as in that case, actual cost was ascertainable: SC

(Industry can file application for refund also for past cases of 1% add on to value claims – Ed.)

## CBEC gets PM Award for IT Excellence

### Annual 3bn Visits on Server

The Central Board of Excise and Customs has been awarded the Prime Minister's Award for Excellence in Public Administration for the year 2012-13. These awards are given to acknowledge, recognize and reward the extraordinary and innovative work done by officers of the Central and State Governments for outstanding and exemplary performance, initiatives and projects whose qualitative and quantitative outcomes/results are of a very high order, and which have benefited a large number of citizens/stakeholders.



This award, received by Chairman CBEC Kaushal Srivastava from Prime Minister Narendra Modi, has been given for CBEC's Information Technology Consolidation Initiative in the category of 'Organisation'. The Directorate of Systems, CBEC, has implemented a consolidated IT infrastructure which has enabled CBEC to host all its e-services for taxpayers and other external stakeholders across Customs, Central Excise and Service Tax from central data centres.

Using this infrastructure, CBEC on an annual basis gets on an average more than 1 cr Customs documents and thirty five lakh Central Excise and Service Tax returns filed electronically by a registered taxpayer's base which is more than 25 lakhs.

This infrastructure has also enabled stakeholder facilitation

services like online Registration, e payment of duties, reimbursement of drawback claims and document tracking etc. This project, implemented at a cost of approximately Rs. 100 crs per year, has enabled CBEC to collect more than Rs. Five Lakh Crores per year in taxes. The same infrastructure hosts CBEC's e-commerce portals [www.icegate.gov.in](http://www.icegate.gov.in) and [www.aces.gov.in](http://www.aces.gov.in) as also CBEC's website [www.cbec.gov.in](http://www.cbec.gov.in) which get a total of about 3 billion hits annually. CBEC has its own email domain [webmail.icegate.gov.in](mailto:webmail.icegate.gov.in) which is also hosted on this infrastructure and it supports more than one lakh emails daily for the trade partners and departmental users. CBEC also has a disaster recovery capability for its critical IT services.

### Crude Crosses \$60!

Crude Oil (Indian Basket) from 15 to 21 April 2015

	15 Apr	16 Apr	17 Apr	20 Apr	21 Apr
(\$/bbl)	58.36	60.23	61.17	61.10	60.49
(Rs/bbl)	3641.66	3756.55	3813.95	3822.42	3806.03
(Rs/\$)	62.40	62.37	62.35	62.56	62.92

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas



## Modi goes Shopping in Paris, Picks up 36 Rafale Fighters for \$200mn(?) each for Delivery in 2017(?)

- Its Goodbye to Protracted 14 Years Tender Negotiations with ToT and \$87mn Price for Fighter
- Anil Ambani and Rafale Fighter Jt Venture Soon to "Make in India"

Indian Prime Minister Narendra Modi has asked France to supply India with 36 Rafale warplanes in ready to fly condition.

Modi said on 10 April during a visit to Paris that he wants the 36 planes as soon as possible and that details of the transaction "still have to be negotiated". French President Francois Hollande, speaking alongside Modi, said Defense Minister Jean-Yves Le Drian will travel shortly to New Delhi to hammer out an agreement.

The purchase mode is on G to G bases negotiations without Tech Transfer or open tender. For Dassault, it's the second export order for the fighter plane after Egypt ordered 24 in February. It will revive the ailing major who currently produces just one aircraft a month for the French Air Force.

India, the world's largest importer of major weapons, has been in discussions to buy as many as 126 Rafales, which were priced at \$11 billion in a 2007 tender, with the bulk of the planes to be assembled in India by state-owned Hindustan Aeronautics Ltd. (HAL is now out in the cold in the current G to G deal). An agreement on that order was delayed by disagreements over Dassault guarantees for the planes built in India. Dassault not ready to certify the quality of HAL built Rafale.

In the order Modi proposed Friday, all the planes would be built in France, French officials said.

Anil Ambani was in Paris during the Modi visit holding meetings with the top guns in Dassault to ink joint ventures deals.

### Threats

India's armed forces have more than 1,200 planes and helicopters of Indian, Soviet, U.S., French, British and Swiss origin. India plans to spend \$150 billion through 2027 to update its military against potential threats from China and Pakistan. It's increasingly seeking more domestic production as part of that.

Modi has cleared about \$40 billion of arms procurement proposals since taking office last May, roughly four times India's spending on weapons in the previous fiscal year. The blitz spans heavy guns to submarines as he seeks to counter China's rising military heft and take a firmer stance on border disputes with Pakistan.

India chose Dassault's twin-engine, delta-wing Rafale three years ago over Boeing Co.'s F/A-18 Super Hornet, Lockheed Martin Corp.'s F-16 Fighting Falcon, United Aircraft Corp.'s MiG-35, Saab AB's Gripen and the Eurofighter Typhoon.

Experts suggest that to make up fighter squadrons quickly, then there is no better way than putting an indent with the Russians for more Su-30MKIs. The line of thinking is favoured by Defence Ministry, their experience with Dassault on Mirage upgradation has not been happy. Russia

is best, "old is gold", they say

Su-30 with full ordnance load comes in at less than half the price of Rafale which is a big plus.

The Indian Tejas Mk2 and the advanced medium combat aircraft projects will also be deprived of much needed funding if Rafale takes over.

## Sixty Three Commissioners Upgraded to Principal Commissioner in CBEC

In a major reshuffle, the Finance Ministry Saturday promoted 54 IRS officers of Central Board of Excise and Customs (CBEC) to the rank of Principal Commissioner (new posts after cadre restructuring).

Another nine were promoted on ad-hoc basis. "The promotions were made on in-situ till the time, the posting orders of the officers are issued," said the office order. Accordingly, all of them were retained in the same posts with an elevation.

The Finance Ministry implemented the cadre restructuring of the Indirect Taxes formations, with effect from 15th October 2014.

The CBEC comprises of seven members. In the absence of the appointments to the full body of seven, it is functioning with two members, including the chairman, Kaushal Srivastava. Other one member is Ms Joy Kumari Chander. Thus the CBEC is bloated at the middle with a peanut size top!

Both of them have been overburdened with additional charges. The shortage of five members badly affected the overall functioning of the CBEC.

A total 14 posts of Principal Chief Commissioner are lying vacant since October 15, the date of implementation of cadre restructuring.

## Exports in March Fall 21%, Year 2014-15 Ends in Negative Growth

### A. Exports (including re-exports)

Exports during March, 2015 were valued at US \$ 23951.16 million (Rs. 149574.53 crore) which was 21.06 per cent lower in Dollar terms (19.20 per cent lower in Rupee terms) than the level of US \$ 30341.04 million (Rs. 185122.83 crore) during March, 2014. Cumulative value of exports for the period April-March 2014-15 was US \$ 310533.87 million (Rs. 1897025.85 crore) as against US \$ 314415.73 million (Rs. 1905011.08 crore) registering a growth of -1.23 per cent in Dollar terms and growth of -0.42 per cent in Rupee terms over the same period last year.

### B. Imports

Imports during March, 2015 were valued at US \$ 35744.68 (Rs. 223224.83 crore) which was 13.44 per cent lower in Dollar terms and 11.40 per cent lower in Rupee terms over the level of imports valued at US \$ 41294.41 million (Rs. 251953.73 crore) in March, 2014. Cumulative value of imports for the period April-March 2014-15 was US \$ 447548.33 million (Rs. 2734049.06 crore) as against US \$ 450213.63 million (Rs. 2715433.89 crore) registering a growth of -0.59 per cent in Dollar terms and growth of 0.69 per cent in Rupee terms over the same period last year.

Dear Reader:

The Weekly Index of Changes with World Trade Scanner Issue No. 04 is a combined issue, i.e., Issue No. 03 and 04 dated 15 to 28 April 2015.

Editor

### C. Crude Oil and Non-Oil Imports

Oil imports during March, 2015 were valued at US \$ 7413.30 million which was 52.68 per cent lower than oil imports valued at US \$ 15667.12 million in the corresponding period last year. Oil imports during April-March, 2014-15 were valued at US \$ 138261.66 million which was 16.09 per cent lower than the oil imports of US \$ 164770.33 million in the corresponding period last year.

Non-oil imports during March, 2015 were estimated at US \$ 28331.38 million which was 10.55 per cent higher than non-oil imports of US \$ 25627.29 million in March, 2014. Non-oil imports during April-March, 2014-15 were valued at US \$ 309286.67 million which was 8.35 per cent higher than the level of such imports valued at US \$ 285443.30 million in April-March, 2013-14.

### D. Trade Balance

The trade deficit for April-March, 2014-15 was estimated at US \$ 137014.46 million which was higher than the deficit of US \$ 135797.90 million during April-March, 2013-14.

### India's Foreign Trade (Services): February, 2015

#### A. Exports (Receipts)

Exports during February, 2015 were valued at US \$ 14099 Million (Rs. 87466.81 Crore).

#### B. Imports (Payments)

Imports during February, 2015 were valued at US \$ 7896 Million (Rs. 48984.89 Crore).

#### C. Trade Balance

The trade balance in Services (i.e. net export of

Services) for February, 2015 was estimated at US \$ 6203 Million.

### Exports & Imports (Merchandise): (US \$ Million)

#### Exports (including re-exports)

	March	April- March
2013-14	30341.04	314415.73
2014-15	23951.16	310533.87
%Growth 2014-15/ 2013-14	-21.06	-1.23

#### Imports

2013-14	41294.41	450213.63
2014-15	35744.68	447548.33
%Growth 2014-15/ 2013-14	-13.44	-0.59

#### Trade Balance

2013-14	-10953.37	-135797.90
2014-15	-11793.52	-137014.46

### Exports & Imports (Services): (US \$ Million)

	February 2014-15
Exports (Receipts)	14099.00
Imports (Payments)	7896.00
Trade Balance	6203.00

### Exports & Imports (Services): (Rs. Crore)

	February 2014-15
Exports (Receipts)	87466.81
Imports (Payments)	48984.89
Trade Balance	38481.92

Source: RBI Press Release dated 15 April 2015

## WEEKLY INDEX OF CHANGES

### Customs Clearance Facilitation Committee (CCFC) on Non Tariff Barriers for Each Seaport and Airports with Weekly Meets Announced

*Subject: Setting up of 'Customs Clearance Facilitation Committee' (CCFC).*

13-CBEC  
13.04.2015  
(DoR)

The Government has in recent times taken a number of measures to create an environment for ease of doing

business and trade facilitation. The measures include the simplification of Customs procedures, reduction of documents, message exchange between Government agencies engaged in Customs clearance, and use of digital signature for electronic submission of Customs process documents. Continuing in this direction, it has now been decided with the approval of the Cabinet Secretary to establish a high-level administrative body at each seaport and airport with the responsibility of ensuring expeditious Customs clearance of imported and export goods.

2. In this regard it is seen that in terms of the Customs Act, 1962 read with the relevant rules and regulations, imported and export goods are subjected to certain legal and procedural formalities before being permitted clearance by Customs. These requirements include the submission of prescribed documents and adherence to laid down procedures before an appropriate legal order is given by the Customs officer permitting the importer/exporter to clear the goods for the intended purpose. If provisions of other Allied Acts are attracted in respect of the imported/export goods, permission to clear the goods is given by the Customs only after getting the suitable clearance/response/NOC from the Government Department/agency concerned. Some of the major Departments/agencies that are involved in Customs clearance process are as follows:

- (i) Food Safety and Standards Authority of India (FSSAI)/Port Health Officer (PHO)
- (ii) Plant Quarantine Authorities
- (iii) Animal Quarantine Authorities
- (iv) Drug Controller of India (CDSO)
- (v) Textile Commissioner
- (vi) Wild Life Authorities

3. In addition, the Port Trusts/Airport Authority/Custodians and Railways play a critical role in the Customs clearance process by providing the required infrastructure and facilities. Other local agencies concerned with logistics, manpower etc. which operate in the seaports and airports also facilitate the Customs clearance process.

4. Since the aforementioned regulatory agencies are critical contributors to the Customs clearance process of imported and export goods, a delay in receipt of a clearance from one regulatory agency holds up the Customs clearance of the said goods. Lack of adequate infrastructure in the seaport or airport or testing laboratories etc. also contribute to delay in the clearance of imported and export goods. Any other deficiency on account of other stakeholders also enhances the dwell time of cargo as well as the overall turnaround time of carriers. Another important reason for the delay is the improper coordination or absence of efficient coordination amongst Government agencies and other stakeholders involved in the Customs clearance process. There-

fore, a view has emerged that these deficiencies can be best removed by institutionalizing at each seaport and airport an administrative mechanism with responsibility of expeditious Customs clearance of imported and export goods and for resolving related trade grievances in a time bound manner.

5. Accordingly, **the Board has decided to set up a Customs Clearance Facilitation Committee (CCFC) at every major Customs seaport and airport with immediate effect.**

The CCFC would be headed by the Chief Commissioner of Customs/Commissioner of Customs in charge of the seaport and airport concerned. Its membership would include the senior-most functionary of the following departments/agencies/stakeholder at the particular seaport/airport:

- (i) Food Safety Standards Authority of India/Port Health Officer (PHO)
- (ii) Plant Quarantine Authorities
- (iii) Animal Quarantine Authorities
- (iv) Drug Controller of India (CDSO)
- (v) Textile Committee
- (vi) Port Trust / Airport Authority of India / Custodians
- (vii) Wild Life Authorities
- (viii) Railways/CONCOR
- (ix) Pollution Control Board
- (x) Any other Department / Agency / stakeholder to be co-opted on need basis.

6. **Terms of Reference** for the CCFC are as follows:

- (i) Ensuring and monitoring expeditious clearance of imported and export goods in accordance with the timeline specified by the parent ministry/Department concerned;
- (ii) Identifying and resolving bottlenecks, if any, in the clearance procedure of imported and export goods;
- (iii) Initiating Time Release Studies for improvement in the clearance time of imported and export goods;

### CBEC Issues Circular on Interpretation of FTP 2015-2020

*Subject: Foreign Trade Policy 2015 - 2020 –Salient changes in Schemes of reward or incentive/advance authorization or DFIA / EPCG or post export EPCG.*

14-CBEC  
20.04.2015  
(DoR)

The Central Government has notified the Foreign Trade Policy (FTP), 2015 - 20 (Policy, for short) on 1.4.2015 and the

DGFT has simultaneously issued public notices for the related Handbook of Procedures (HBP) and Appendices and ANF. These documents may be perused for details.

2. Insofar as the schemes of reward or incentive/advance authorization or DFIA / EPCG or post export EPCG are concerned, the Customs, Central Excise and Service Tax notifications have been issued for the purposes of implementing the Policy/HBP. These may also be perused for details. The succeeding paragraphs mention salient features of the changes in these Schemes.

(iv) Having internal consultations to speed up the clearance process of imported and export goods and recommending best practices thereto for consideration of CBEC / Departments / Agencies concerned; and

(v) Resolving grievances of members of the trade and industry in regard to clearance process of imported and export goods.

The CCFC shall meet once a week or more frequently, if considered necessary by the chair.

7. The Board desires that Chief Commissioners of Customs/Customs and Central Excise shall immediately establish the CCFC at each seaport and airport in their jurisdiction. The CCFC shall be headed by the Chief Commissioners of Customs/Customs and Central Excise at the place of headquarters of these officers. At other places it would be headed by the Commissioners of Customs/Customs and Central Excise in charge of the seaport/airport.

8. The establishment of the CCFC and its terms of reference may be given wide publicity by issue of suitable Trade Notice/Public Notice. The said Trade Notice/Public Notice should indicate the contact numbers of the chair of the CCFC. A copy of the order establishing the CCFC may be endorsed to the Board latest by 24-04-2015. The first meeting of the CCFC would take place on 01-05-2015.

9. Chief Commissioners of Customs/Customs and Central Excise are also required to periodically review the working of the CCFC and its impact on reducing delays in the Customs clearance time of imported and export goods and in resolving related trade grievances. The outcome of the first such review should be reported to the Board latest by 5-6-2015 and thereafter on quarterly basis.

10. A copy of this Circular is being sent to all administrative Ministries/Departments concerned for issue of suitable directions to their officers at the seaport and airports to inform the Chief Commissioners of Customs/Customs and Central Excise concerned of the senior most functionary who shall be a member of the CCFC. Further, the concerned Ministry/Department are also being requested to prepare a Standard Operating Procedure (SOP) and specify a time line for according clearances.

11. Any difficulty noticed in this regard may be immediately brought to the notice of the Board.  
*F. No. 450/01/2011-Dir (Customs) (Pt.)*

### Reward/Incentive Schemes

3. Reward in the form of duty credit shall be issued by the DGFT to service providers of notified services located in India under the Service Exports from India Scheme (SEIS) or to export of notified goods (including from SEZs) to notified markets / countries under the Merchandise Exports from India Scheme (MEIS) of the Policy. The MEIS includes reward on specified items that are transacted using e-commerce platforms when their export is made through foreign post offices/courier terminals at Chennai, Delhi and Mumbai for which procedures to be adopted shall be issued separately by concerned wings of CBEC.

4. Simplifications from earlier schemes include that both SEIS and MEIS reward duty credits are freely transferable and may be used to debit

customs duty on import of any goods (except appendix 3A items), debit service tax on procurement of services or debit central excise duty on domestic procurement of excisable goods (without exception for appendix 3A items); the basic customs duty debited in SEIS/MEIS duty credit may also be allowed as drawback. The notification Nos. 24 & 25/2015-Customs, 20 & 21/2015-Central Excise and 10 & 11/2015- Service Tax all dated 08.04.2015 may be referred in this regard.

5. The Policy HBP para 3.14 relating to declaration of intent for reward on goods requires the exporter to, for shipping bills filed from 1.6.2015 onwards, mandatorily declare intent for rewards on shipping bill. Till then, the present position of mandatory declaration for certain shipping bills would continue. The changed position shall enable Customs to take more informed decisions.

#### **Advance Authorization & DFIA schemes**

6. The Policy has now provided for exemption from the transitional product specific safeguard duty of section 8C of CTA 1975. Advance Authorization for Annual Requirement has been restricted to cases of standardised norms (no self-declared norms). Only a post-export transferable DFIA with exemption from basic customs duty is provided for. Fuel cannot be imported under the new DFIA. These aspects are reflected in the notification Nos. 18 to 22/2015-Customs dated 1.4.2015 for Advance Authorization Scheme. Provisions relating to accounting of inputs introduced in the earlier FTP (during 2013 and 2014) which are now reflected in para 4.12 of the Policy have been incorporated.

7. It may be noted that under the Policy, the import of gold for jewellery sector shall be under Advance Authorisation on pre-import basis with actual user condition. Also, the admissibility of brand rate of drawback shall be as per para 4.15 (Advance Authorisation) and para 4.26 (DFIA) of the Policy.

8. Keeping in view that an Advance Authorization is issued for a resultant product with specified inputs a change is reflected in Notification No. 18/2015-Customs dated 1.4.2015 which is expected to facilitate exporters who rely simultaneously on imported materials and domestic materials, especially those in the exempted goods sectors. The change allows the resultant products to be made by availing facility of rule 18 (rebate of duty paid on materials used) or rule 19(2)(removal of material without payment of duty for use in manufacture of goods exported) of Central Excise Rules subject to the condition that duty free material imported is used for manufacture of dutiable goods.

#### **Export Promotion Capital Goods (EPCG) Scheme**

9. To further provide impetus to domestic production, the Policy has increased the lowered export obligation (when capital goods are sourced indigenously) from 10% to 25%. This is implemented by the Regional Authorities.

10. The EPCG authorisation for annual requirement, the provisions for technological up-gradation and for transfer of EPCG capital goods to group companies in certain cases/sectors are discontinued.

11. Amongst the significant simplifications under the Policy, the export obligation for spares for imported/domestically sourced capital good has been rationalized as that for capital goods. In-

stallation Certificates (ICs) for capital goods have been permitted to be from jurisdictional Central Excise or independent Chartered Engineer. In the latter case, a registered unit would send copy to the jurisdictional Central Excise office. Capital goods may be installed at supporting manufacturer's premises if prior to such installation the latter's details are endorsed on the authorization by Regional Authority, who shall also, as per para 5.02 of Policy intimate the change to jurisdictional Central Excise offices and the Customs where authorisation is registered. Extension of period for producing IC by Regional Authority would be dovetailed by the Customs. Certain provisions are added in Policy para 5.04 read with para 5.10 of HBP for ensuring that exported goods are manufactured by authorization holder in the case of third party exports. The Policy/HBP and notification Nos. 16 and 17/2015- Customs and 18/2015-Central Excise all dated 1.4.2015 may be referred in the above regard. It may be noted that the position (effective from 18.4.2013), remains unchanged, that import of motor cars, sports utility vehicles and all purpose vehicles is not permitted under the EPCG scheme at zero duty.

#### **Validity of AA/EPCG/DFIA**

##### **Authorizations for imports and EO period**

12. Policy's HBP para 2.18 mentions that authorizations must be valid on date of import and export obligation period must be valid on date of export. Duty credit scrips issued under the Policy must be valid on date of debit of duty.

##### **Suo moto payment of customs duty in case of bona fide default**

13. The Policy HBP paras 4.49 read with 4.50 and 5.23 refer to this and the Circular No. 11/2015-Customs dated 1.4.2015 has been issued for *suo moto* payment. Its suitable application to existing authorizations is not barred.

##### **Verification and monitoring**

14. The Board's extant Circulars and Instructions on verifications and monitoring remain in force. There have been instances of fabricated export documents (purported to be of Customs non-EDI ports) being used in obtaining rewards/showing fulfillment of EO. Based on DGFT's suggestion, it is advised that genuineness of shipping bills or bills of export not on Customs EDI may be

expeditiously verified while registering scrip or processing EODC based on such document. Insofar as monitoring is concerned, field formations have been recently enabled to view in EDI the authorization-wise all India export details which would assist in identifying actionable cases under Advance Authorization and EPCG schemes. The Board's emphasis on timely action to safeguard revenue is evident from CBEC's Comprehensive MIS formats DGI - Cus 11 & 11A which may be referred.

#### **Facility of exemption from furnishing bank guarantees (BG) or of giving concessional BG under the export promotion schemes subject inter alia to certain conditions (Circular No.58/2004-Cus as amended last by Circular No.15/2014-Cus)**

15. The Board had noticed a practice in one jurisdiction of prescribing BGs of 1% to 5% of the duty saved amount before new authorisations were registered when EODC for an existing authorisation was not produced in the prescribed time. The Board views that such a practice imposes transaction cost on exporters because every case of pending EODC is not a case of default in export obligation determined by the competent authority and even the enforcement of bond executed for such existing authorisation may not be due. Further, choosing varying levels of BGs also creates room for generation of grievances against field officers. The field formations are expected to avoid similar practices.

16. The above instructions may be brought to the notice of exporters through suitable public notice and the officers and staff may be guided through appropriate standing orders. Difficulties faced, if any, in implementation may please be brought to the notice of the Board.

It may be noted that to ensure timely inputs and reports from field formations for Department of Revenue or Board's participation/reporting in inter-Ministerial matters related to policy, compliance and performance issues of the reward, duty exemption schemes and duty remission schemes, the communications are being sent to the official designation based NIC email IDs (initially created for Board's Comprehensive MIS) and the officers are to keep these accounts functional by accessing them many times daily and make response from these email IDs only.

F.No. 605/55/2014-DBK

#### **DGFT Restores Payment through Demand Draft of Application Fee under Appendix 2K**

*Subject: Restoration of the facility of acceptance of Demand Draft towards application fee/ penalty/ any other fee.*

06-PN(RE) In exercise of powers conferred  
16.04.2015 under paragraph 2.04 of the  
(DGFT) Foreign Trade Policy 2015-  
2020, the Director General of

Foreign Trade hereby revises the mode of deposit of application fees by amending Appendix 2K (Scale of Application Fee and Format for Deposit/ Refund of Application Fee/Penalty etc.) of Appendices and Aayaat Niryat Forms, 2015-20.

2. Accordingly, para 2 in Appendix 2K after amendment would read as under:

"2. Mode of Deposit of Application Fee/Penalty/ Any Other Fee

The application fee/ penalty/ any other fee shall be deposited in the following manner:-

**(1) By Demand Draft, in favour of the Head of the concerned Regional office of DGFT, or by depositing cash or cheque for Treasury Receipt**

Challan (TR) in an authorized Branch of Central Bank of India indicating the "Head of Accounts 1453 -Foreign Trade and Export Promotion- Minor Head 102-Import License Application Fee". The Bank Receipt must show the name of the Department viz. "Directorate General of Foreign Trade". The Bank Receipt should be drawn in favour of Pay & Accounts Officer (Foreign Trade), indicating the station of the Pay & Accounts Officer concerned. Such fees can also be deposited with Indian Missions abroad. As a proof of payment of Fee, the applicant shall submit along with the Application two copies of Bank Receipt as per Annexure."

##### **3. Effect of Public Notice**

The facility of payment of application fee/ penalty/ any other fee through demand draft is being restored by suitably amending the Appendix 2K of Appendices and Aayaat Niryat Forms, 2015-20.

## DGFT Backtracks on New System of Pre-shipment Inspection of Metal Scrap, Old System to Continue "Till Further Orders"

-Arun Goyal-

The DGFT while unveiling the FTP 2015-2020 emphatically said at Vigyan Bhavan on 1<sup>st</sup> April, 2015-2020 that there won't be any changes to the new FTP released and there will be only a mid-term review after two-and-half-years. Within a week of this announcement, the DGFT amended the new FTP Hand Book of Procedures relating to Metal Scrap import pre-shipment inspection certificate (PSIC) to keep in abeyance the provisions of para 2.55 and 2.56 of Handbook of Procedures, 2015-20 (which came into effect from 1.4.2015) till further orders. Accordingly, the procedure for issue of Pre-shipment Inspection Certificate (PSIC), as laid down in para 2.32.2A and 2.32.2B of Handbook of Procedure Vol. I 2009-14, would remain in effect, till "further orders".



We understand that the DGFT suspended the new system which requires videos of all containers with the date stamped detail of the inspectors in the backdrop of the material. The Indian importer was advised to be a part of the videography in the new system.

The requirement for videography followed complaints from Customs that the Inspection Certificates were being issued in bulk by agents in

### DGFT Notification Text given below

Subject: Keeping in abeyance the provisions of para 2.55 and 2.56 of Handbook of Procedures, 2015-20.

05-PN(RE) In exercise of powers  
10.04.2015 conferred under paragraph  
(DGFT) 2.04 of the Foreign Trade  
Policy 2015-2020, in order to facilitate transitional arrangements, the Director General of Foreign Trade hereby keeps in abeyance the provisions of para 2.55 and 2.56 of Handbook of Procedures, 2015-20 (which came into effect from 1.4.2015) till further orders. Accordingly, the procedure for issue of Pre-shipment Inspection Certificate (PSIC), as laid down in para 2.32.2A and 2.32.2B of Hand-

India with fabricated physical inspection reports based on mere photographs. There were also allegations that forged certificates were being submitted to customs by unscrupulous importers.

The new system did raise transaction costs and administrative burden on DGFT whose servers could not handle the massive data generated by the video clips of each and every container. ABS News Service understands that snapshots and stills will substitute to videos in revised system under preparation.

There are also complaints that unnecessary detail like passports of each inspectors were being asked for in the application form for Agency approval in the new system. It was felt that the approved agency is responsible for the antecedents of the inspectors, micromanagement from DGFT will serve little purpose.

DGFT is moving towards a modern system of inspection with provision for roaming inspectors picking up scrap at competitive prices for the Indian market with portable inspection devices. This will take time and there will be teething problems during the transition period.

book of Procedure Vol. I 2009-14, would remain in effect, till further orders.

### Effect of Public Notice

In order to facilitate transitional arrangements, the provisions of para 2.55 and 2.56 of Handbook of Procedures, 2015-20 are kept in abeyance till further orders and the procedure for issue of PSIC will be regulated as per procedure laid down in para 2.32.2A and 2.32.2B of Handbook of Procedure Vol. I, 2009-14, till further orders.

## Meetings Hours 3 to 5 PM at DGFT Headquarters for Non Officials/ Members of Trade

Subject: Prescribed visiting hours for non officials/ members of trade for meetings with officials at DGFT Headquarters.

01-TN It has been under  
20.04.2015 consideration for some time  
(DGFT) that the meetings between the officers of this

Directorate and the Members of Trade/public in respect of pending issues/grievances etc. be made more fruitful and result oriented. To achieve this objective, it has been decided to streamline the procedure for interaction and in so far as DGFT Headquarters is concerned, visiting hours between 3 P.M. - 5 P.M. each working day would be earmarked for meetings with non officials/ Members of Trade.

2. While, visitors would be free to seek meetings with the officers of this Directorate, who are authorised to interact as per the extant instructions, during the visiting hours, yet it would be more beneficial if prior appointment is fixed and the specific issues proposed to be discussed are spelt out in advance. This would enable the officers to prepare beforehand for the meeting and also inform the prospective visitors of their pre-occupation (if any) enabling alternative appointment. It is felt that the aforesaid measure would help in saving the time of the visitors who otherwise have to waste their time waiting for a particular officer when such an officer may be pre-occupied elsewhere or be on tour or on leave.

3. It is clarified that the aforesaid arrangement would be in place only for meetings with officers working in DGFT Headquarters.

putation of entitlement under the scheme;  
(3) 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 within the jurisdiction, by special order, or by a Public Notice, and subject to such conditions as may be specified by him, permit import and export through any other sea-port, airport, inland container depot or through any land customs station:

Provided further that the exports of notified goods or products transacted through e-commerce platform as listed in Appendix 3C of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020 are undertaken either through the courier mode from airports at Chennai, Mumbai or Delhi or through the Foreign Post Offices at Chennai, Mumbai or New Delhi;

(4) that the said scrip is registered with the Customs Authority at the port of registration specified on the said scrip;

(5) that the said scrip is produced before the proper officer of customs at the time of clearance for debit of the duties leviable on the goods and the

## Merchandise Exports from India Scheme (MEIS) Customs Notification – Zero Duty

Ntnf 24 In exercise of the powers  
08.04.2015 conferred by sub-section (1) of  
(DoR) 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 when imported into India against a duty credit scrip issued by the Regional Authority under the Merchandise Exports from India Scheme in accordance with paragraph 3.04 read with paragraph 3.05 of the Foreign Trade Policy (hereinafter referred to as the said scrip) from,-

(a) 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 said Customs Tariff Act); and

(b) the whole of the additional duty leviable thereon under section 3 of the said Customs Tariff Act.

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

(1) that the duty credit in the said scrip is issued-  
(a) against exports of notified goods or products to notified markets as listed in Appendix 3B of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020;

(b) against exports of notified goods or products transacted through e-commerce platform as listed in Appendix 3C of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020. In such cases the maximum free on board value, for calculation of duty credit amount, shall not exceed Rs.25,000 per consignment;

(2) that the export categories or sectors specified in paragraph 3.06 of the Foreign Trade Policy and listed in Table annexed hereto shall not be counted for calculation of export performance or for com-

proper officer of customs taking into account the debits already made under this exemption and debits made under the notification Nos. 20/ 2015 - Central Excise, dated the 8<sup>th</sup> April, 2015 and 10/ 2015 -Service Tax, dated the 8<sup>th</sup> April, 2015, shall debit the duties leviable on the goods, but for this exemption;

(6) that the said scrip and goods imported against it shall be freely transferable;

(7) that where the importer does not claim exemption from the additional duty of customs leviable under section 3 of the said Customs Tariff Act, he shall be deemed not to have availed the exemption from the said duty for the purpose of calculation of the said additional duty of customs;

(8) that the importer shall be entitled to avail of the drawback of the duty of customs leviable under the First Schedule to the said Customs Tariff Act against the amount debited in the said scrip;

(9) that the importer shall be entitled to avail drawback or CENVAT credit of additional duty leviable under section 3 of the said Customs Tariff Act against the amount debited in the said scrip;

(10) that the benefit under this notification shall not be available to the items listed in Appendix 3A of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020.

Explanation. - In this notification -

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

(II) "Foreign Trade Policy" means the Foreign Trade Policy, 2015-2020, published by the Government of India in the Ministry of Commerce and Industry notification number 01/2015-2020, dated the 1<sup>st</sup> April 2015 as amended from time to time;

(III) "Goods" means any inputs or goods including capital goods;

(IV) "ITC (HS)" has the same meaning as assigned to it in paragraph 9.27 of the Foreign Trade Policy;

(V) "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**

	Export categories or sectors ineligible for duty credit scrip entitlement
i	EOUs / EHTPs / BTPs /STPs who are availing direct tax benefits / exemption;
ii	Supplies made from DTA units to SEZ units;
iii	Export of imported goods covered under Para 2.46 of FTP;
iv	Exports through transshipment, meaning thereby that exports originating in third country but transshipped through India;
v	Deemed Exports;
vi	SEZ/EOU/EHTP/BPT/FTWZ products exported through DTA units;
vii	Items, which are restricted or prohibited for export under Schedule-2 of Export Policy in ITC (HS), unless specifically notified in Appendix 3B of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020;
viii	Service Export;
ix	Red sanders and beach sand;
x	Export product which are subject to Minimum export price or export duty;
xi	Diamond, Gold, Silver, Platinum, other precious metal in any form including plain and studded jewellery and other precious and semi-precious stones;
xii	Ores and concentrates of all types and in all formations;
xiii	Cereals of all types;
xiv	Sugar of all types and all forms;
xv	Crude/ petroleum oil and crude/primary and base products of all types and all formulations;
xvi	Export of milk and milk products;
xvii	Export of Meat and Meat products;
xviii	Products wherein precious metal/diamond are used or Articles which are studded with precious stones; and
xix	Exports made by units in FTWZ.

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

and 11 of 2015 -Service Tax, dated the 8<sup>th</sup> April, 2015, shall debit the duties leviable on the goods, but for this exemption;

(5) that the said scrip and goods imported against it shall be freely transferable ;

(6) that where the importer does not claim exemption from the additional duty of customs leviable under section 3 of the said Customs Tariff Act, he shall be deemed not to have availed the exemption from the said duty for the purpose of calculation of the said additional duty of customs;

(7) that the importer shall be entitled to avail drawback of the duty of customs leviable under the First Schedule to the said Customs Tariff Act against the amount debited in the said scrip;

(8) that the importer shall be entitled to avail drawback or CENVAT credit of additional duty leviable under section 3 of the said Customs Tariff Act against the amount debited in the said scrip.

(9) that the benefit under this notification shall not be available to the items listed in Appendix 3A of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020.

Explanation.- In this notification-

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

(II) "Foreign Trade Policy" means the Foreign Trade Policy, 2015-2020, published by the Government of India in the Ministry of Commerce and Industry notification number 01/2015-2020, dated the 1<sup>st</sup> April 2015 as amended from time to time;

(III) "Goods" means any inputs or goods including capital goods;

(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 including a duty credit scrip under the said Act.

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

## MEIS Scheme Zero Excise Duty

20-CE	In exercise of the powers
08.04.2015	conferred by sub-section (1) of section 5A of the Central
(DoR)	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, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods specified in the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), when cleared against a duty credit scrip issued by the Regional Authority under the Merchandise Exports from India Scheme in accordance with paragraph 3.04 read with paragraph 3.05 of the Foreign Trade Policy (hereinafter referred to as the said scrip) from, -

(i) the whole of the duty of excise leviable thereon under the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986);

(ii) the whole of the additional duty of excise leviable thereon under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957); and

(iii) the whole of the additional duty of excise

## SEIS Zero Duty Scheme Customs Notification

Ntnf 25  
08.04.2015  
(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 when imported into India against a Service Exports from India Scheme duty credit scrip issued by the Regional Authority under paragraph 3.10 read with paragraph 3.08 of the Foreign Trade Policy (hereinafter referred to as the said scrip) from,-

(a) 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 said Customs Tariff Act); and

(b) the whole of the additional duty leviable thereon under section 3 of the said Customs Tariff Act.

2. The exemption shall be subject to following conditions, namely:-

(1) that the duty credit in the said scrip is issued to a service provider located in India against export of notified services listed in Appendix 3D of Appendices and Aayat Niryat Forms of Foreign

Trade Policy 2015-2020;

(2) 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 within the jurisdiction, by special order, or by a Public Notice, and subject to such conditions as may be specified by him, permit import and export through any other sea-port,

(3) that the said scrip is registered with the Customs Authority at the port of registration specified on the said scrip;

(4) that the said scrip is produced before the proper officer of customs at the time of clearance for debit of the duties leviable on the goods and the debits already made under this exemption and debits made under the notification Nos. 21 of 2015- Central Excise, dated the 8<sup>th</sup> April, 2015

leviable thereon under section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978).

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

(1) that the conditions (1) to (3) specified in paragraph 2 of the Notification No. 24/2015-Customs, dated the 8<sup>th</sup> April, 2015 are complied and the said scrip has been registered with the Customs Authority at the port of registration specified on the said scrip (hereinafter referred as the said Customs Authority);

(2) that the holder of the scrip, who may either be the person to whom the scrip was originally issued or a transferee-holder, presents the said scrip to the said Customs Authority along with a letter or proforma invoice from the supplier or manufacturer indicating details of its jurisdictional Central Excise Officer (hereinafter referred as the said Officer) and the description, quantity, value of the goods to be cleared and the duties leviable thereon, but for this exemption;

(3) that the said Customs Authority, taking into account the debits already made towards imports under Notification No. 24/2015-Customs, dated the 8<sup>th</sup> April, 2015, the debits made under notification No. 10/2015-Service Tax, dated the 8<sup>th</sup> April, 2015 and this exemption, shall debit the duties leviable, but for this exemption in or on the reverse of the said scrip and also mentions the necessary details thereon, updates its own records and sends written advice of these actions to the said Officer;

(4) that at the time of clearance, the holder of the scrip presents the said scrip debited by the said Customs Authority to the said Officer along with an undertaking addressed to the said Officer that in case of any amount short debited in the said scrip he shall pay on demand an amount equal to the short debit, along with applicable interest;

(5) that based on the said written advice and undertaking, the said Officer endorses the clearance particulars and validates, on the reverse of the said scrip, the details of the duties leviable, but for this exemption, which were debited by the said Customs Authority, and keeps a record of such clearances;

(6) that the manufacturer retains a copy of the said scrip, debited by the said Customs Authority and endorsed by the said Officer and duly attested by the holder of the scrip, in support of the clearance under this notification; and (7) that the said holder of the scrip, to whom the goods were cleared, shall be entitled to avail drawback or CENVAT credit of the duties of excise leviable under the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978), against the amount debited in the said scrip and validated at the time of clearance.

Explanation. - For the purposes of this notification, -

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

(II) "Foreign Trade Policy" means the Foreign Trade Policy, 2015-2020, published by the Government of India in the Ministry of Commerce and Industry notification number 01/2015-2020, dated the 1<sup>st</sup> April 2015 as amended from time to time;

(III) "Goods" means any inputs or goods including capital goods;

(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 including a duty credit scrip under the said Act.

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

## Procedure for Implementation of Track and Trade System for Pharma Exports

*Subject: Implementation of the Track and Trace system for export of Pharmaceuticals and drug consignments.*

04-PN(RE) In exercise of the powers conferred under Paragraph 1.03  
01.04.2015 of the Foreign Trade Policy, 2015-2020, as amended from  
(DGFT) time to time, the Director General of Foreign Trade hereby  
inserts Para 2.89A in Handbook of Procedure, 2015-2020,  
as under, for laying down the procedure for implementation of the Track and  
Trace system for export of Pharmaceuticals and drug consignments:

### 2. "2.89 A

**Procedure for Implementation of the Track and Trace system for export of Pharmaceuticals and drug consignments**

BIG's Weekly Index of Changes No 04/22-28 April 2015

## Exchange Rates for Customs Valuation

### Rupee Rises by 25 Paise to Rs. 62.95 against Dollar for Customs Valuation on Imports w.e.f 17 April 2015

38-Cus(NT) In exercise of the powers conferred by section 14 of  
16.04.2015 the Customs Act, 1962 (52 of 1962), and in super  
(DoR) session of the notification of the Government of India in  
the Ministry of Finance (Department of Revenue)

No.35/2015-CUSTOMS (N.T.), dated the 1<sup>st</sup> April, 2015 *vide* number S.O.916 (E), dated the 1<sup>st</sup> April, 2015, 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 17<sup>th</sup> April, 2015** 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	Imprted Goods		Exported Goods	
		Current	Previous	Current	Previous
(1)	(2)	(3)			
		(a)	(b)		

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

1.	Australian Dollar	49.10	48.50	47.85	47.10
2.	Bahrain Dinar	170.40	171.05	161.05	161.70
3.	Canadian Dollar	51.50	49.95	50.35	48.75
4.	Danish Kroner	9.10	9.20	8.80	8.95
5.	EURO	67.65	68.55	65.95	66.85
6.	Hong Kong Dollar	8.15	8.15	8.00	8.00
7.	Kuwait Dinar	213.15	214.85	201.00	202.45
8.	Newzeland Dollar	48.15	47.55	46.75	46.30
9.	Norwegian Kroner	8.15	7.90	7.90	7.70
10.	Pound Sterling	93.80	93.70	91.65	91.55
11.	Singapore Dollar	46.65	46.05	45.55	45.05
12.	South African Rand	5.35	5.30	5.05	5.00
13.	Saudi Arabian Riyal	17.15	17.20	16.20	16.25
14.	Swedish Kroner	7.25	7.35	7.10	7.20
15.	Swiss Franc	65.55	65.50	64.00	63.95
16.	UAE Dirham	17.50	17.55	16.55	16.60
17.	US Dollar	62.95	63.20	61.95	62.20

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

1.	Japanese Yen	53.05	52.75	51.85	51.55
2.	Kenya Shilling	68.75	70.00	64.95	66.05

[F.No.468/01/2015-Cus.V]

(i) The manufacturer of drug for formulations will print the barcode as per GS1 Global Standard at different packaging levels to facilitate tracking and tracing of their products. The details are as follows:

#### (a) Primary Level:

Incorporation of two dimensional (2D) barcode encoding unique and universal global product identification code in the format of 14 digits Global Trade Item Number (GTIN) along with batch number, expiry date and a unique serial number of the primary pack. The bar code labelling at primary level is exempted till further notification, however the above mentioned details are required to be printed in human readable form.

#### (b) Secondary Level:

Incorporation of one or two dimensional (1D or 2D) barcode encoding unique and universal global product identification code in the format of 14 digits Global Trade Item Number (GTIN) along with batch number, expiry date and a unique serial number of the secondary pack.

#### (c) Tertiary Level:

Incorporation of one dimensional (1D) barcode encoding unique and universal global product identification code in the format of 14 digits Global Trade Item Number (GTIN) along with batch number, expiry date and a unique serial number [Serial Shipping Container Code (SSCC)] of the Tertiary pack.

[See full text of Notification at our website [www.worldtradesScanner.com](http://www.worldtradesScanner.com)]

Windex No. 04 – 22-28 April 2015	DIndex	WIndex
<b>Dindex Delivered Daily by Email</b>		
<b>World Trade</b>		
• Supreme Court rules against Notional 1% Addition to Import Value for Loading/ Unloading Charge where Actuals are Available	5852	17
• CBEC gets PM Award for IT Excellence	5854	17
• Modi goes Shopping in Paris, Picks up 36 Rafale Fighters for \$200mn(?) each for Delivery in 2017(?)	5834	18
• Exports in March Fall 21%, Year 2014-15 Ends in Negative Growth	5853	18
• Sixty Three Commissioners Upgraded to Principal Commissioner in CBEC	5833	18
<b>Foreign Trade Policy</b>		
• Meetings Hours 3 to 5 PM at DGFT Headquarters for Non Officials – 01-TN/20.04.2105	5845	21
• MEP on Onions Cut to US\$250/MTs from US\$300/MTs – 02-Ntfn(RE)/07.04.2015	5827	24
• Quota Sugar Export to EU and USA on Free List Subject to APEDA Control and Ceiling – 03-Ntfn(RE)/20.04.2015	5839	-
• SEIS – List of Eligible Services and Rates Notified – 03-PN(RE)/01.04.2015	5825	-
• Procedure for Implementation of Track and Trade System for Pharma Exports – 04-PN(RE)/01.04.2015	5826	23
• New Pre Shipment Inspection for Metallic Waste Suspended Till Further Orders, DGFT Working on Practical System with Low Transaction Cost–05-PN(RE)/10.04.15	5824	21
• DGFT Restores Payment through Demand Draft of Application Fee under Appendix 2K – 06-PN(RE)/16.04.2015	5840	20
<b>Customs</b>		
• Merchandise Exports from India Scheme (MEIS) Customs Notification – Zero Duty – Ntfn 24/08.04.2015	5811	21
• SEIS Zero Duty Scheme Customs Notification – Ntfn 25/08.04.2015	5812	22
• Zero Customs Duty for Airborne Early Warning and Control (AEW&C) Programme – 26/09.04.2015	5817	-
• Indiabulls Replaced with RattanIndia in Mega Power Project List in Customs and Excise Notification – Ntfn 27/17.04.2015	5848	-
• Coumarin Anti-dumping Duty Extended Till 22 March 2016 – Pending Review – Ntfn 08-ADD/07.04.2015	5821	-
• Anti-dumping Duty on Flexible Slabstock Polyol from Australia, EU and Singapore – Ntfn 09-ADD/07.04.2015	5820	-
• Anti-dumping Duty Imposed on PVC Paste Resin from Norway and Mexico for Five Years – Ntfn 10-ADD/07.04.2015	5810	-
• Final Anti-dumping Duty on Electrical Insulators of Glass or Ceramics from China on Complaint of Aditya Birla, BHEL, IEC, Modern and WSI – 11-ADD/11.04.2015	5830	-
• Anti-dumping Duty on DVD Extended by One More Year for Review under Sec 9A(5) of CTA, 1975 to 11 April 2016, Malaysia Excluded – Ntfn 12-ADD/11.04.2015	5831	-
• Anti-dumping Duty on Acetone from Chinese Taipei and Saudi Arabia on Complaint of HOCL– Final Findings – Ntfn 13-ADD/16.04.2015	5842	-
• Anti-dumping Duty on Phenol from Thailand and Japan Extended for One More Year upto 18 April 2016 for Review – 14-ADD/17.04.2015	5846	-
• Unloading and Loading of Goods at Khurja (Bulandshahr) ICD Notified – 36-Cus(NT)/07.04.2015	5823	-
• Tariff Value Falls: Poppy Seeds \$215/MTs; Brass Scrap \$11/MTs; Areca Nuts \$16/MTs; Crude Soyabean Oil \$8/MTs; Silver \$19/kg – 37-Cus(NT)/15.04.2015	5837	-
• Rupee Rises by 25 Paise to Rs. 62.95 against Dollar for Customs Valuation on Imports w.e.f. 17 April 2015 – 38-Cus(NT)/16.04.2015	5841	23
• Drawback Directorate Prunes List of Deemed Imported Goods in Export Products under Sec 75 of CTA 1975 – 39-Cus(NT)/16.04.2015	5844	-
• Drawback Rates Reduced to 1.4% from 4% on Zinc Oxide, Drawback Cap Removed– 40-Cus(NT)/16.04.2015	5843	-
<b>Excise</b>		
• MEIS Scheme Zero Excise Duty – 20-CE/08.04.2015	5813	22
• SEIS Zero Duty Scheme Excise Notification – 21-CE/08.04.2015	5814	-
<b>CBEC Circular</b>		
• SAD Refund Claim Limited to One in a Month by Importers at Customs Station – 12-CBEC/09.04.2015	5818	24
• Customs Clearance Facilitation Committee (CCFC) on Non Tariff Barriers for Each Seaport and Airports with Weekly Meets Announced – 13-CBEC/13.04.2015	5838	19
• CBEC Issues Circular on Interpretation of FTP 2015-2020 – 14-CBEC/20.04.2015	5847	19
• Draft Circular on Procedure for Use of Digital Signature on Records and Invoices – CBEC Draft Cir./27.03.2015	5829	-
<b>Service Tax</b>		
• Service Tax on MEIS Exempted – 10-ST/08.04.2015	5815	-
• Service Tax on SEIS Exempted – 11-ST/09.04.2015	5816	-
• Service Tax to Continue at Old Rate of 12.36 percent Till Finance Bill is Passed by Parliament and Converted to after Presidential Assent – 183-ST/10.04.2015	5836	-
<b>RBI Circular [AP(DIR Series)]</b>		
• 49% FDI in Insurance Sector Permitted – Cir.94/08.04.2015	5822	-
<b>*See details in www.worldtradesScanner.com</b>		

## MEP on Onions Cut to US\$250/ MTs from US\$300/MTs

*Subject:- Export Policy of Onions- reduction in Minimum Export Price (MEP).*

02-Ntfn(RE) In exercise of powers  
07.04.2015 conferred by Section 5 of  
(DGFT) the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992), as amended, read with Para 1.02 of the Foreign Trade Policy, 2015-2020, the Central Government hereby makes the following amendment, with immediate effect, in Notification No. 91 (RE- 2013)/2009-14 dated 21.08.2014 read with Notification No. 73 (RE- 2013)/2009-14 dated 12.03.2014 relating to export of onion.

2. The amended para 2 of Notification No. 91 (RE- 2013)/2009-14 dated 21.08.2014 will now read as:

“Export of onion for the item description at Serial Number 51 & 52 of Chapter 7 of Schedule 2 of ITC (HS) Classification of Export & Import Items shall be permitted subject to a Minimum Export Price (MEP) of US\$ 250 per Metric Ton F.O.B. or as notified by DGFT from time-to-time”.

### 3. Effect of this notification

Export of all varieties of onions as described above will be subject to a Minimum Export Price (MEP) of US\$ 250 per MT (reduced from MEP of US\$ 300 per MT earlier).

## SAD Refund Claim Limited to One in a Month by Importers at Customs Station

*Subject: 4% SAD refund claim*

12-CBEC I am directed to refer to  
09.04.2015 the Board Circular No 6/2008  
(DoR) Customs dated 28.04.2008

which prescribes the manner of claim and sanction of 4% SAD refund in terms of notification No. 102/2007-Customs dated 14.09.2007. Further, in terms of Para 4.2 of Board Circular No 6/2008-Customs, dated 28.04.2008, it is provided that an importer can file only one refund claim in month in a Commissionerate. However, representations have been received in the Board that this stipulation is not feasible in the Commissionerate having Customs locations widely spread and in situations where imports are made by an importer from more than one Customs location in a Commissionerate. Accordingly, it is requested that the extant provisions be simplified.

2. The matter has been examined by the Board. As a trade facilitation measure, it is decided that importers may file refund claim of 4% SAD refund in terms of notification No. 102/2007- Customs dated 14.09.2007 at the Customs stations where imports are made. However, the number of such claims at a Customs station shall be limited to one in a particular month.

3. Board Circular No. 6/2008-Customs dated 28.04.2008 stands modified to the above extent.

4. Board desires that above guidelines may be brought to the notice of field formation working under their jurisdiction.

5. Difficulty faced if any, in implementation of this Circular may be brought to the notice of the Board at an early date.