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## Defence Production for Army, Air Force and Navy under Excise Net, CVD Exemption on Parts, Capital Goods and Main Equipment Withdrawn, CENVAT is Main Instrument Set Off



*CVD and SAD exemption for complete equipment import by Government continues. (Its now cheaper to "Buy in India". The end of "Make in India" with a 17.39% duty differential between imports by Government the two streams After accounting for 12.5% CVD and 4% SAD. More than half the supplies to defence are through vendors. These will suffer. – Ed.)*

**TRU Comments:** Exemption from additional duty of customs levied under section 3 of the Customs Tariff Act (both CVD and SAD) in respect of certain entries of notification No.39/96-Customs, dated 23.07.1996 are being withdrawn. Exemption from Basic Customs Duty in respect of these entries, however, would continue. Paragraph 2 of the notification No.39/96-Customs, dated 23.07.1996 as amended by notification No.29/2015-Customs dated 30.04.2015 refers. Further, exemption from Basic Customs Duty, CVD and SAD in respect of direct imports by the Government of India and the State Governments would continue. Notification No.39/96-Customs, dated 23.07.1996 as amended by notification No.29/2015-Customs dated 30.04.2015 [amended S. Nos.9 and 10] refer. **These changes, however, will be effective from 01.06.2015.**

### Notification Text

Ntfn 29 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 30.04.2015 (DoR) 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,-

(A) in the TABLE,-

(i) against S. No. 9, in column (3), the words "or by a person authorised by that Government, or shipped on the order of a Department of that Government and appropriated to such order at the time of shipment" shall be omitted;

(ii) after S. No. 9 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:-

<p>"9A. The following goods required for construction of, or fitment to, ships of Indian Navy or Coast Guard:- (i) machinery, equipment, components and raw materials; (ii) spares and test equipment for maintenance, testing and tuning of imported equipment; (iii) parts required for manufacture of indigenous equipment by Indian suppliers for supply to Indian Navy or Coast Guard.</p>	<p>If imported by a person authorised by the Government of India, or shipped on the order of a Department of that Government and appropriated to such order at the time of shipment.";</p>
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(iii) against S. No. 10, for the entry in column (3), the entry "If the said goods are imported by the Government of India or State Governments." shall be substituted;

(iv) after S. No. 10 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:-

<p>"10A. (i) Aircrafts, aircrafts parts, aircraft engines and aircraft engine parts; (ii) Production tooling including jigs, tools, fixtures, tools and gauges, ground support</p>	<p>If,- (a) the said goods are imported by the contractors of the Government of India, Public Sector Undertakings of the Central Government or</p>
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equipments, test/measuring equipments, scientific and technical instruments, apparatus and equipments including spare parts and components thereof, consumables;  
(iii) Arms, ammunition and military stores;  
(iv) Tools and gauges which are for use only with ammunition and explosives of service use; ammunition chemicals; electric detonators; fire directing and fire control instruments such as range finders, predictors, platters, computers; sight dial; signal equipment including wireless equipment and component parts thereof, used exclusively by the defence services; test equipment for radars for service use; military bridging stores and equipment; ASDIC and ECHO sounding equipment; specialised cameras for Air Force use; mines sweeping gear and parachutes;  
(v) Radars, torpedoes, sonar sets, mine laying gear, diving equipment and their spares, accessories, jigs, tools, testing equipment and components;  
(vi) Spare parts, accessories, jigs, tools, testing equipment, components, special raw materials and half wroughts like steel forgings and castings, to be processed into finished components for armoured and

the State Governments and the sub-contractors of such Public Sector Undertakings; and (b) in the case of imports by contractors or sub-contractors or Public Sector Undertakings referred above, the importer furnishes at the time of import a duty exemption certificate showing :-  
(1) the details of the purchase order placed by the Ministry of Defence or Ministry of Home Affairs, as the case may be on the contractors or sub-contractors and on the said Public Sector Undertakings and the quantity of the items required to be imported to execute the said order; and  
(2) the details of the purchase order placed by the said contractors or sub-contractors or the said Public Sector Undertakings, on their foreign suppliers indicating the description and quantity of the items.  
*Explanation.* - (i) in the case of imports by contractors of the Government of India, who are contractors of Research and Development Laboratories or Establishments under the Ministry of Defence, the certificate shall be signed by the Chief Controller of Research and Development (R) of the said Laboratories or Establishments; (ii) in the case of imports by Public Sector Undertakings of the Central Government under the Ministry of Defence, the certificate shall be signed by the

specialised vehicles peculiar to the defence services;  
 (vii) Guided weapons and their accessories;  
 (viii) Components, spares, jigs, fixtures, tools, dies, moulds and test equipment required for the manufacture and testing of guided weapons and their accessories;  
 (ix) Raw material and special materials required for the manufacture of guided weapons and their accessories;  
 (x) Rock drills and breakers;  
 (xi) All types of ground support equipment for guided weapons and their accessories.

functional Director of such Undertaking; and (iii) in other cases where a certificate is to be furnished by the importer at the time of import in terms of condition (b) above, the certificate shall be signed by an officer not below the rank of a Joint Secretary to the Government of India, in the Ministry of Defence or Ministry of Home Affairs, as the case may be.”.

(B) in paragraph 2, after item (viii) and the entries relating thereto, the following items and entries shall be inserted, namely:-

“(ix) All goods falling under S. No. 7, 9A, 10A, 18, 21, 23, 26, 27, 28 and 36 of the TABLE above.”.

2. This notification shall come into force with effect from the 1st day of June, 2015.

[F.No. 334/5/2015-TRU]

## Excise Duty Exemption to Ordnance Factories Withdrawn

[There are 41 Ordnance Factories manufacturing goods ranging from armoured vehicles, guns, pistols, cannons, Parachutes to shoes. Similarly there are five PSUs, apart from other vendors like BHEL. All these are under excise net now – Ed.]

Excise duty exemption presently available to Ordnance Factories is being withdrawn. S.No.1 and 6 of notification No.62/95-CE dated 16.03.1995 as omitted by notification No.23/2015-Central Excise, dated 30.04.2015 refers. Further, excise duty exemption presently available to Defence PSUs is being withdrawn. S.No.2 and 16 of notification No.63/95-CE dated 16.03.1995 as omitted by notification No.23/2015-Central Excise, dated 30.04.2015 refers. **These changes, however, will be effective from 01.06.2015.**

23-CE In exercise of the powers  
 30.04.2015 conferred by sub-section (1) of  
 (DoR) section 5A of the Central  
 Excise Act, 1944 (1 of 1944)  
 read with sub-section (3) of section 3 of the  
 Additional Duties of Excise (Goods of Special  
 Importance) Act, 1957 (58 of 1957), the Central  
 Government, on being satisfied that it is neces-

sary in the public interest so to do, hereby directs that each of the notifications of the Government of India in the Ministry of Finance (Department of Revenue), specified in column (2) of the Table hereto annexed shall be further amended, in the manner specified in the corresponding entry in column (3) of the said Table, namely :-

Table

S.No.	Notification number and date	Amendments
(1)	(2)	(3)
1.	62/1995-Central Excise, dated the 16th March, 1995 [G.S.R. 254(E), dated the 16th March, 1995]	In the said notification, in the TABLE, - (i) S.No. 1 and the entries relating thereto shall be omitted; (ii) S.No. 6 and the entries relating thereto shall be omitted.
2.	63/1995-Central Excise, dated the 16th March, 1995 [G.S.R.255(E), dated the 16th March, 1995]	In the said notification, in the TABLE, - (i) S.No. 2 and the entries relating thereto shall be omitted; (ii) S.No.16 and the entries relating thereto shall be omitted.

2. This notification shall come into force with effect from the 1st day of June, 2015.

[F.No. 334/5/2015-TRU]

## India to Sign Chabahar Port Deal with Iran, Ignoring U.S. Warning against Haste

India will push ahead this week with plans to build a port in southeast Iran, two sources said, with Prime Minister Narendra Modi keen to develop trade ties with Central Asia and prepared to fend off U.S. pressure not to rush into any deals with Iran.

India and Iran agreed in 2003 to develop a port at Chabahar on the Gulf of Oman, near Iran's border with Pakistan, but the venture has made little progress due to Western sanctions on Iran.

Now, spurred on by Chinese President Xi Jinping's signing of \$46 billion of energy and infrastructure deals with Pakistan, Modi wants to swiftly sign trade agreements with Iran and other

Gulf countries.

“Shipping Minister Nitin Gadkari will travel on a day-long tour to Iran to sign a memorandum of understanding for development of Chabahar port,” a Shipping Ministry source with direct knowledge of the matter told Reuters. The deal will be signed on Wednesday, he said.

The United States cautioned India and others last week against strengthening ties with Iran ahead of a final agreement. But Indian officials said New Delhi could not ignore its national interest and noted a report that a U.S. energy delegation was visiting Iran.

The official said the best chance of a compre-

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hensive nuclear deal with Iran depended on maintaining existing international pressure. He said the United States continued “to have ongoing, frank conversations with India on this issue.”

Iran has also proposed a free-trade agreement with India, a Trade Ministry source said. Rupee-denominated trade with Iran, started in 2012 because of complications arising from sanctions, has almost doubled Indian exports to Tehran in the past two years to \$4 billion.

### Bypassing Pakistan

Building the port would benefit India by cutting transport costs and freight time to Central Asia and the Gulf by about a third.

The port is also central to India's efforts to circumvent Pakistan and open up a route to landlocked Afghanistan where it has developed close security ties and economic interests.

India has already spent about \$100 million to construct a 220-km (140-mile) road in western Afghanistan to link up with Chabahar port.

Last week Modi assured Afghan President Ashraf Ghani of India's commitment to building the port.

At the weekend, Iranian media reported that Iran had turned down an Indian request seeking multi-billion-dollar development rights for the Farzad B gas field.

## Turkey Launches Safeguard Investigation on Porcelain and Ceramic Tableware, Kitchenware

Turkey notified the WTO's Committee on Safe guards that it initiated on 25 April 2015 a safeguard investigation on porcelain and ceramic tableware, kitchenware.

In the notification, Turkey indicated as follows:

“Those who fill out the “Ilgili Taraf Basvuru Formu” (application form) in Turkish and send to the investigating authority within the period of 20 days after the promulgation of the related Communiqué are accepted as interested parties in the investigation. The application form is available at the internet address cited in Article 3.”

### Crude Inches up, Reaches \$65

Crude Oil (Indian Basket) from 29 April - 05 May 2015

	29 Apr	30 Apr	05 May
(\$/bbl)	62.25	63.61	65.03
(Rs/bbl)	3934.20	4044.32	4130.71
(Rs/\$)	63.20	63.58	63.52

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas

## WEEKLY INDEX OF CHANGES

### Budget 2015-16 Reply to Lok Sabha by FM Jaitley Changes in Customs, Excise and Service Tax Announced

[TRU Letter D.O.F.No. 334/5/2015-TRU dated 30 April 2015]

While replying to the discussions on the Finance Bill, 2015 in Lok Sabha today, Finance Minister has announced certain further changes in Central Excise and Customs duty rates. Notifications No.23 to No.27/2015-Central Excise and notifications No.28 to No.30/2015-Customs, all dated 30th April, 2015 have been issued to give effect to these announcements. Notifications No.12 and No.13/2015-Central Excise (N.T.), dated 30th April, 2015 has also been issued in this regard. As regards Service Tax, notification No.12/2015-Service Tax, dated 30.04.2015 has been issued.

2. The changes introduced through these notifications are summarised below. In addition, a clarification regarding applicability of customs duty exemption notifications has also been provided. Unless otherwise stated, all changes in rates of duty take effect from the midnight of 29th April / 30th April, 2015.

#### Customs

1) Basic Customs Duty on raw and refined / white sugar has been increased from 25% to 40%. S.Nos.76, 77 and 78 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refer.

2) Basic Customs Duty on Colemanite and other Boron ores has been reduced from 2.5% to Nil. S.No.113 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refers. S.No.113A has been omitted since ulexite ore, being a boron ore, will be eligible for Nil duty under S.No.113.

3) Basic Customs Duty on natural rubber (NR) has been increased from 20% or Rs. 30 per kg., whichever is lower, to 25% or Rs. 30 per kg., whichever is lower. S.No.252 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refers.

4) Basic Customs Duty on raw silk (not thrown) has been reduced from 15% to 10%. S.No.276 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refers.

5) All Digital Still Image Video Cameras (DSC) falling under tariff item 8525 80 20 irrespective of their specification [including the restriction with reference to video recording time] and their parts are being exempted from Basic Customs Duty. S.No.428A and 429 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refer.

6) Export duty on iron ore fines (below 58% Fe content) [falling under tariff lines 2601 11 41 and 2601 11 42] has been reduced from 30% to 10%. There is no change in the export duty rate on iron ore other than iron ore fines (below 58% Fe content). Notification No.27/2011-Customs, dated

01.03.2011 as amended by notification No.30/2015-Customs, dated 30.04.2015 [new S.No.20A refers].

7) Exemption from additional duty of customs levied under section 3 of the Customs Tariff Act (both CVD and SAD) in respect of certain entries of notification No.39/96-Customs, dated 23.07.1996 are being withdrawn. Exemption from Basic Customs Duty in respect of these entries, however, would continue. Paragraph 2 of the notification No.39/96-Customs, dated 23.07.1996 as amended by notification No.29/2015-Customs dated 30.04.2015 refers. Further, exemption from Basic Customs Duty, CVD and SAD in respect of direct imports by the Government of India and the State Governments would continue. Notification No.39/96-Customs, dated 23.07.1996 as amended by notification No.29/2015-Customs dated 30.04.2015 [amended S. Nos.9 and 10] refer. **These changes, however, will be effective from 01.06.2015.**

#### Excise

1) The speed range for 'jarda scented tobacco' has been divided into two ranges (as in case of chewing tobacco),

a. first upto 300 pouches per minute; and

b. second from 301 onwards,

and the deemed capacity and duty payable have been notified accordingly. Notification No.11/2010-Central Excise (N.T.), dated 27.02.2010 [The Chewing Tobacco and Unmanufactured Tobacco Packing Machines (Capacity Determination and Collection of Duty) Rules, 2010] as amended by notification No.13/2015-Central Excise (N.T.), dated 30.04.2015 [for deemed capacity of production] and notification No.16/2010-Central Excise, dated the 27.02.2010 as amended by notification No.25/2015-Central Excise, dated the 30.04.2015 [for duty payable per machine per month] refer.

2) Excise duty exemption on finishing agents, dye carriers to accelerate the dyeing or fixing of dye-stuffs, printing paste and other products and preparations of any kind used in the same factory for the manufacture of textiles and textile articles has been withdrawn. S.No.133 of notification No.12/2012-Central Excise, dated 17.03.2012 as omitted by notification No.24/2015-Central Excise, dated 30.04.2015 refers.

3) The concessional excise duty (and hence, CVD) of 6% on Hard disk, CD ROM drive, DVD drive or writer, Combo drive, flash memory, micro-processors has been restricted only to actual users for manufacture of computer (PCs/desktops) falling under heading 8471. S.No.255/2012-Central Excise, dated 17.03.2012 as amended by notification No.24/2015-Central Excise, dated 30.04.2015 refers.

4) Excise duty exemption presently available to Ordnance Factories is being withdrawn. S.No.1 and 6 of notification No.62/95-CE dated 16.03.1995 as omitted by notification No.23/2015-Central

Excise, dated 30.04.2015 refers. Further, excise duty exemption presently available to Defence PSUs is being withdrawn. S.No.2 and 16 of notification No.63/95-CE dated 16.03.1995 as omitted by notification No.23/2015-Central Excise, dated 30.04.2015 refers. **These changes, however, will be effective from 01.06.2015.**

5) An Explanation has been inserted in notifications No.14/2015-Central Excise and 15/2015-Central Excise, both dated 01.03.2015 to provide that exemption from Education Cess and Secondary & Higher Education Cess contained therein will also apply to DTA clearances of excisable goods from 100% EOU. Notification No.14/2015-Central Excise, dated 01.03.2015 as amended by notification No.26/2015-Central Excise, dated 30.04.2015; and notification No.15/2015-Central Excise, dated 01.03.2015 as amended by notification No.27/2015-Central Excise, dated 30.04.2015 refers.

#### The CENVAT Credit Rules, 2004 (CCR, 2004):

1) Rule 3(7)(b) of the CCR, 2004 has been amended so as to allow utilisation of credit of Education Cess and Secondary & Higher Education Cess for payment of basic excise duty in the following situations:

a. Education Cess and Secondary & Higher Education Cess on inputs or capital goods **received** in the factory of manufacture of final product on or after the 1st day of March, 2015;

b. Balance 50% Education Cess and Secondary & Higher Education Cess on capital goods **received** in the factory of manufacture of final product in the financial year 2014-15; and

c. Education Cess and Secondary & Higher Education Cess on input services **received** by the manufacturer of final product on or after the 1st day of March, 2015.

Notification No.12/2015-Central Excise (N.T.), dated 30.04.2015 refers.

#### Clarification

The issue as to whether an importer can simultaneously avail the exemption benefits under two notifications, one for Basic Customs Duty and the other for CVD was examined in the Ministry in the matter of import of coal from Indonesia and vide Circular No.41/2013-Customs dated 21.10.2013 it was clarified that an importer while availing of BCD exemption on steam coal under notification No.46/2011-Customs, dated 01.06.2011 can simultaneously avail of concessional CVD at 2% under S.No.123 of notification No.12/2012-Customs, dated 17.03.2012. Drawing the same analogy, in the case of muriate of potash and urea for use in the manufacture of other fertilizers, it was clarified to the Central Excise zone of Visakhapatnam and Bhubaneswar that importers can simultaneously avail benefit of S.No.198 or 203 of notification No.12/2012-Customs, dated 17.03.2012 for concessional rate of BCD and S.No.127 of notification No.12/2012-Central Excise for CVD exemption. Representations have been received regarding divergence in assessment practice in respect of such imports. It is, therefore, clarified that importers can avail of the benefit of notification No.12/2012-Customs, dated 17.03.2012 for the purposes of BCD [i.e. S.No.197 to 203 as amended by notification No.46/2012-Customs, dated 17.08.2012] and simultaneously avail benefit of S.No.127 of notification No.12/

2012-Central Excise, dated 17.03.2012 for the purposes of CVD where such imports are for use in the manufacture of other fertilizers.

#### Service Tax

1) Service tax on services of Life Insurance business provided under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) have been exempted.

2) Service tax on services of Life Insurance business provided under Pradhan Mantri Jan Dhan Yojana (PMJDY) have been exempted.

3) Service tax on services of General Insurance business provided under Pradhan Mantri Suraksha Bima Yojana (PMSBY) have been exempted.

4) Service tax on services by way of collection of contribution under Atal Pension Yojana (APY) have been exempted.

[Notification No.25/2012-Service Tax, dated 20.06.2012 as amended by notification No.12/2015-Service Tax, dated 30.04.2015 [item (p) of entry.26 and items (e) and (f) of entries 26A and 26B refer.]

### Customs Duty on Raw, Refined, White Sugar and Natural Rubber Increased

➤ Colemanite, Other Boron Ores and Raw Silk (not thrown) Reduced

➤ Digital Still Image Video Cameras (DSC) and their Parts Exempted

- *Basic Customs Duty on raw and refined / white sugar has been increased from 25% to 40%. S.Nos.76, 77 and 78 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refer.*
- *Basic Customs Duty on Colemanite and other Boron ores has been reduced from 2.5% to Nil. S.No. 113 of notification No. 12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refers. S.No. 113A has been omitted since ulexite ore, being a boron ore, will be eligible for Nil duty under S.No. 113.*
- *Basic Customs Duty on natural rubber (NR) has been increased from 20% or Rs. 30 per kg., whichever is lower, to 25% or Rs. 30 per kg., whichever is lower. S.No.252 of notification*

*No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refers.*

- *Basic Customs Duty on raw silk (not thrown) has been reduced from 15% to 10%. S.No.276 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refers.*
- *All Digital Still Image Video Cameras (DSC) falling under tariff item 8525 80 20 irrespective of their specification [including the restriction with reference to video recording time] and their parts are being exempted from Basic Customs Duty. S.No.428A and 429 of notification No.12/2012-Customs, dated 17.03.2012 as amended by notification No.28/2015-Customs, dated 30.04.2015 refer.*

Ntnf 28 In exercise of the powers  
30.04.2015 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 makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012-Customs, dated the 17th March, 2012 which was published in the Gazette of India, Extraordinary vide number G.S.R. 185(E), dated the 17th March, 2012, namely: -

In the said notification, in the Table,-

- (i) against S. No. 76, for the entry in column (4), the entry "40%" shall be substituted;
- (ii) against S. No. 77, for the entry in column (4), the entry "40%" shall be substituted;
- (iii) against S. No. 78, for the entry in column (4),

- the entry "40%" shall be substituted;
- (iv) against S. No. 113, for the entry in column (4), the entry "Nil" shall be substituted;
- (v) serial number 113A and the entries relating thereto shall be omitted;
- (vi) in S. No. 252, against item (ii) of column (3), for the entry in column (4), the entry "25% or Rs.30/- per kg, whichever is lower" shall be substituted;
- (vii) against S. No. 276, for the entry in column (4), the entry "10%" shall be substituted;
- (viii) against S. No. 428A, for the entry in column (3), the entry "Digital Still Image Video Cameras" shall be substituted;
- (ix) against S. No. 429, for the entry in column (3), the entry "Parts and components of Digital Still Image Video Cameras" shall be substituted.

[F. No. 334/5/2015-TRU]

### Export Duty on Iron Ore Fines Reduced to 10%

*Export duty on iron ore fines (below 58% Fe content) [falling under tariff lines 2601 11 41 and 2601 11 42] has been reduced from 30% to 10%. There is no change in the export duty rate on iron ore other than iron ore fines (below 58% Fe content). Notification No.27/2011-Customs, dated 01.03.2011 as amended by notification No.30/2015-Customs, dated 30.04.2015 [new S.No.20A refers].*

Ntnf 30 In exercise of the powers  
30.04.2015 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 makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 27/2011-Customs,

dated the 1st March, 2011, published in the Gazette of India, Extraordinary, vide number G.S.R. 153(E), dated the 1st March, 2011, namely:-

In the said notification, in the Table, after S.No. 20 and the entries relating thereto, the following S.No. and the entries shall be inserted, namely :-

"20A 2601 11 41, 2601 11 42 All goods 10%";

[F.No. 334/5/2015-TRU]

### Education Cess will also Apply to DTA Clearances of Excisable Goods from 100% EOU

*An Explanation has been inserted in notifications No.14/2015-Central Excise and 15/2015-Central Excise, both dated 01.03.2015 to provide that exemption from Education Cess and Secondary & Higher Education Cess contained therein will also apply to DTA clearances of excisable goods from 100% EOU. Notification No.14/2015-Central Excise, dated 01.03.2015 as amended by notification No.26/2015-Central Excise, dated 30.04.2015; and notification No.15/2015-Central Excise, dated 01.03.2015 as amended by notification No.27/2015-Central Excise, dated 30.04.2015 refers.*

26-CE In exercise of the powers  
30.04.2015 conferred by sub-section (1)  
(DoR) and sub-section (2A) of  
section 5A of the Central  
Excise Act, 1944 (1 of 1944), read with sections 91 and 93 of the Finance (No.2) Act, 2004 (23 of 2004), the Central Government being satisfied that it is necessary in the public interest 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.14/2015-Central Excise, dated the 1st March, 2015, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 144(E), dated the 1st March, 2015, namely:-  
In the said notification, after the paragraph, the following *Explanation* shall be inserted, namely:-

*"Explanation.- The exemption contained in this notification shall apply to excisable goods which are produced or manufactured by a hundred per cent. export oriented unit and brought to any other place in India in accordance with the provisions of Foreign Trade Policy."*

[F. No. 334/5/2015-TRU]

27-CE In exercise of the powers  
30.04.2015 conferred by sub-section (1)  
(DoR) and sub-section (2A) of  
section 5A of the Central  
Excise Act, 1944 (1 of 1944), read with sections 136 and 138 of the Finance Act, 2007 (22 of 2007), the Central Government being satisfied that it is necessary in the public interest 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.15/2015-Central Excise, dated the 1st March, 2015, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 145(E), dated the 1st March, 2015, namely:-

In the said notification, after the paragraph, the following *Explanation* shall be inserted, namely:-

*"Explanation.- The exemption contained in this notification shall apply to excisable goods which are produced or manufactured by a hundred per cent. export oriented unit and brought to any other place in India in accordance with the provisions of Foreign Trade Policy."*

[F. No. 334/5/2015-TRU]

## Parts of Computers CVD Exemption only for Manufacture

(Flash memories are multi use goods. These too are in the net – Ed.)

The concessional excise duty (and hence, CVD) of 6% on Hard disk, CD ROM drive, DVD drive or writer, Combo drive, flash memory, microprocessors has been restricted only to actual users for manufacture of computer (PCs/desktops) falling under heading 8471. S.No.255/2012-Central Excise, dated 17.03.2012 as amended by notification No.24/2015-Central Excise, dated 30.04.2015 refers.

24-CE In exercise of the powers 2012, namely:-  
30.04.2015 conferred by sub-section (1) In the said notification, in the Table,-  
(DoR) of section 5A of the Central (i) Sl.No. 133 and the entries relating thereto shall be omitted;  
Excise Act, 1944 (1 of 1944), (ii) against Sl.No. 255, -  
the Central Government, being satisfied that it is (a) in column (3), for the words and figures "The following goods, namely:-", the words and figures "The following goods for use in manufacture of computer falling under the heading 8471, namely:" shall be substituted;  
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. 12/2012-Central Excise, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 163(E), dated the 17th March, (b) for the entry in column (5), the entry "2" shall be substituted.

### Amended Text of SNo. 255 is given below

SNo	Chapter or heading or sub-heading or tariff item of the First Schedule	Description of excisable goods	Rate	Condition No.
255	8471 70 or 8473 30 or 8523	The following goods for use in manufacture of computer falling under the heading 8471, namely:- (a) Microprocessor for computer, other than motherboards; (b) Floppy disc drive; (c) Hard disc drive; (d) CD-ROM drive; (e) DVD drive /DVD writers; (f) Flash memory; (g) Combo drive	6%	2

[F. No. 334/5/2015-TRU]

## Cenvatable Invoice by Importer/Manufacturer, Commercial Invoice by Dealer in Transit Sale Cases – CBEC Clarifies

Sub: Clarification regarding Cenvat Credit in transit sale through dealer.

1003-CBEC Kind attention is invited to  
05.05.2015 Notification No. 8/2015– Central  
(DoR) Excise (NT) dated 1-3-2015  
amending Central Excise Rules, 2002 (CER). Representations have been received from trade regarding the scope and purpose of third and fourth proviso inserted in sub-rule (2) of rule 11 particularly with reference to procedural requirement after the amendment where an indenting or unregistered dealer negotiates transit sale. For ease of reference these two provisos are reproduced below –

"Provided also that if the goods are directly sent to any person on the direction of the registered dealer, the invoice shall also contain the details of the registered dealer as the buyer and the person as the consignee, and that person shall take CENVAT credit on the basis of the registered dealer's invoice:

Provided also that if the goods imported under the cover of a bill of entry are sent directly to buyer's premises, the invoice issued by the importer shall mention that goods are sent directly from the place or port of import to the buyer's premises. "

2. Clarification has also been requested by the trade regarding continued applicability of circular no 96/7/95-CX dt 13-2-1995, 137/48/95-CX dt 18-7-1995 and 218/52/96-CX dt 4-6-1996, insofar as these circulars pertain to avilment of credit on strength of original manufacturer's invoice where a dealer including an indenting dealer has pro-

cured order and has arranged direct transport of the goods from the premises of the manufacturer to the premises of the consignee. Further, clarification has also been sought regarding change in the requirement of registration for dealers consequent upon amendment in the rules.

3. The issue involved has been examined. It is clarified that the purpose of inserting the third and fourth provisos in sub-rule (2) of Rule 11 of CER is to allow an additional facility for direct transport of goods from the manufacturer or the importer to the consignee where the consignee avails Cenvat Credit on the basis of the Cenvatable invoice issued by the registered dealer or the registered importer. This facility obviates the need for the goods to be brought to the premises of the registered importer or the registered dealer for subsequent transport of the goods to the consignee.

4. It is further clarified that the provisions of the circulars on the issues referred in Para 3 would continue to apply as no amendment has been made in rule 9 of the Cenvat Credit Rules, 2004 which prescribes the document on the basis of which Cenvat Credit can be availed. No amendments have been made regarding registration requirements also.

5. Various specific issues referred to by the trade are clarified as follows –

(i) Where a registered dealer negotiates sale of an entire consignment from a manufacturer or a registered importer and orders direct transport of

## Raw Sugar Export Obligation Period Reduced to Six Months under Advance Authorisation

Sub: Amendment in Appendix- 4 J relating to Export Obligation Period under Advance Authorizations.

08-PN(RE) In exercise of powers  
01.05.2015 conferred under Para 1.03  
(DGFT) of the Foreign Trade Policy, 2015-20, as amended from time to time, the Director General of Foreign Trade hereby makes the following amendments in the Appendix- 4 J of the Handbook of Procedures 2015-20:-

2. Following Entry is added in the table of Appendix- 4 J related to "Export Obligation Period for specified inputs" with immediate effect:-

SNo.	Import Item(s)	Export Obligation Period from the date of clearance of each import consignment by Customs authority
9)	Raw sugar	6 months

### 3. Effect of this Public Notice

Pre-import condition shall be mandatory for import of "raw sugar" under Advance Authorisation scheme. Export obligation period for "raw sugar" imported under Advance Authorisation has been reduced to six months from the date of clearance of each consignment by customs authority.

## Raw Sugar Import under Duty Free Import Authorisation (DFIA) Not Allowed

Sub: Withdrawal of Duty Free Import Authorisation (DFIA) Scheme for import of raw Sugar.

05-Nfrn(RE) In exercise of the powers  
01.05.2015 conferred by Section 5 of the  
(DGFT) Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with Para 1.02 of the Foreign Trade Policy, 2015-2020, the Central Government hereby amends the following provisions of FTP 2015-20 :

The following sub para (c) is inserted in Para 4.25 of FTP 2015-20

"(c) Duty Free Import Authorisation Scheme shall not be available for import of raw sugar."

### 2. Effect of this Notification

Import of "raw sugar" under Duty Free Import Authorisation (DFIA) scheme is withdrawn with immediate effect.

goods to the consignee, credit can be availed by the consignee on the basis of invoice issued by the manufacturer or the registered importer. In such cases no Cenvatable invoice shall be issued by the registered dealer in favour of the consignee though commercial invoice can be issued. Where a registered dealer negotiates sale of goods from the total stock ordered on a manufacturer or an importer to multiple buyers and orders direct transportation of goods to the consignees and the manufacturer or the importer is willing to issue individual invoices for each sale in favour of the



consignees for such individual sale, the same procedure shall apply.

(ii) Where a registered dealer negotiates sale by splitting a consignment procured from a manufacturer or a registered importer and issues Cenvatable invoices for each of the sale, it would now be possible for the dealer to order direct transport of the consignments as per the individual sales to the consignee without bringing the goods to his godown. This would save time and transportation cost for the dealer adding to ease of doing business. This is a new facility which flows from the amended provisions. Procedure as prescribed in the third proviso of rule 11(2) shall be applicable in such case.

(iii) Where a un-registered dealer negotiates sale of an entire consignment from a manufacturer or a registered importer and orders direct transport of goods to the consignee, credit can be availed by the consignee on the basis of invoice issued by the manufacturer or the registered importer. As the dealer is not registered, there is no question of issuing any Cenvatable invoice by him. Such dealers as in the past can continue to

be un-registered.

(iv) Where goods are sold by the registered importer to an end-user (say a manufacturer) who would avail credit on the basis of importer's invoice and the goods are transported directly from the port or warehouse at the port to the buyer's premises, the amendment prescribes that for such movement the factum of such direct transport to the buyer's premises needs to be recorded in the invoice.

6. It may be noted that the new provisos are meant to improve the ease of doing business by providing an additional facility to the registered dealer or importer for direct dispatch of goods from the manufacturer to the consignee, when he is issuing Cenvatable invoice. They do not withdraw any past facility. These amendments should therefore be harmoniously interpreted with the existing rules and circulars in conformity with the legal provisions, keeping the intention of the Government in mind. Difficulty faced, if any, should be brought to the notice of the Board.

F.No.267/29/2015-CX-8

## Value Limit of Border Trade with China thru Nathula Raised to Rs. 2 lakh, Gunji and Namgaya Shipkila is Rs. 1 lakh

07-PN(RE) In exercise of powers conferred  
01.05.2015 under Paragraph 2.04 of the  
(DGFT) Foreign Trade Policy 2015-  
2020, the Director General of

Foreign Trade hereby makes amendment in para 2.07 (a) (iv) of Handbook of Procedures (2015-2020) which lists categories of importers or exporters exempted from obtaining Importer-Exporter Code(IEC).

2. The existing para 2.07(a) (iv) reads as under:

"Persons importing/exporting goods from/to Nepal, Myanmar through Indo-Myanmar border areas and China (through Gunji, Namgaya Shipkila and Nathula ports), provided CIF value of a single consignment does not exceed Indian Rs.25,000. In case of Nathula port, the applicable value ceiling will be Rs.1,00,000/-."

3. The revised para 2.07 (a) (iv) would read as under:

"Persons importing/exporting goods from/to Nepal; Myanmar (through Indo-Myanmar border areas); and China (through Gunji, Namgaya Shipkila and Nathula ports), provided that the CIF value of single consignment of import/export of goods from/to Nepal; and Myanmar (through Indo-Myanmar border areas) does not exceed Indian Rs. 25,000; and in the case of China, (a) for import/export of goods through Gunji and Namgaya Shipkila, CIF value of single consignment does not exceed Indian Rs.1,00,000/-;and (b) for import/export of goods through Nathula, CIF value of single consignment does not exceed Rs.2,00,000/-."

### 4. Effect of this Public Notice

For border trade between India and China, the CIF value per consignment is being increased from Rs.1,00,000/- to Rs.2,00,000/- in case of Nathula, while for Gunji and Namgaya Shipkila, the existing CIF value limit of Rs.25,000/- is being enhanced to Rs.1,00,000/-.

## Anti-dumping Duty on Polytetrafluoroethylene (PTFE) from Russia Extended Till 2 May 2016 in Review

Ntnf 17-ADD Whereas, the designated  
01.05.2015 authority vide notification No.  
(DoR) 15/2/2015-DGAD, dated the  
13th April, 2015, published in

the Gazette of India, Extraordinary, Part I, Section 1, dated the 13th April, 2015, has initiated review, in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the said rules), in the matter of continuation of anti-dumping duty on "Polytetrafluoroethylene (PTFE)", falling under Tariff Item 3904 61 00 of the First Schedule to the Customs Tariff Act, originating in, or exported from, Russia, imposed vide notification of the Government of India, in the Ministry of Finance

(Department of Revenue), No. 57/2010-CUSTOMS, dated the 3rd May, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 373(E), dated the 3rd May, 2010 and has recommended for extension of anti-dumping duty for a further period of one year, in terms of sub-section (5) of section 9A of the Customs Tariff Act.

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act and in pursuance of rule 23 of the said rules, the Central Government hereby makes the following amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 57/2010-CUSTOMS, dated the 3rd May, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section(i) vide number G.S.R. 373 (E), dated 3rd May, 2010, namely: -

In the said notification, after paragraph 2 and

## Board Orders Fast Clearance of Nepal Relief Goods, Chief Commissioner to Open Special Windows

[CBEC Instruction F.No. 201/03/2015-CX.6 dated 30<sup>th</sup> April 2015]

Sub: Instructions regarding expeditious clearance of export goods to Nepal in the wake of emergency relief operations undertaken in India.

The Ministry of External Affairs has announced "Operation Maitree" under which India has embarked upon massive rescue, relief and evacuation operations in Nepal. A number of organizations / individuals as a part of their contribution to the relief operations may be required to procure relief items for export to Nepal.

2. In this regard, it is hereby directed that field formations may be instructed to ensure all possible facilitation for expeditious procurement of goods meant for cross border supplies to Nepal from India. All procedural formalities, relating to export of relief items under bond or duty free procurement of relief items for export, may be expeditiously completed in order to facilitate export of relief items to Nepal on an urgent basis and where necessary, temporary orders may be issued by the Chief Commissioner to remove difficulty in complying with the procedures prescribed.

3. This issues with the approval of the Adviser (CBEC).

before the Explanation, the following paragraph shall be inserted, namely: -

"3. Notwithstanding anything contained in paragraph 2, this notification shall remain in force up to and inclusive of the 2nd day of May, 2016, unless revoked earlier."

[F.No.354/106/2004-TRU (Pt.I)]

## NAB Transaction Certificate from 1 June for Organic Products Export

Sub: Implementation of the procedure for export of certified organic products notified vide Public Notice No. 73 (RE-2013)/2009-2014 dated 18.11.2014.

10-PN(RE) In exercise of the powers  
05.05.2015 conferred under Paragraph  
(DGFT) 2.04 of the Foreign Trade  
Policy, 2015-2020, Director

General of Foreign Trade hereby makes the following amendment in Public Notice No. 73 (RE-2013)/2009-2014 dated 18.11.2014 read with Public Notice No. 77 (RE-2013)/2009-2014 dated 01.12.2014 and Public Notice No. 78 (RE-2013)/2009-2014 dated 18.12.2014:

2. The procedure for export of all the certified organic products, included in the NPOP document, as notified vide Public Notice No. 73 (RE-2013)/2009-2014 dated 18.11.2014, except Textiles, will come into operation with effect from 01.06.2015.

### 3. Effect of this Public Notice:

Procedure notified vide Public Notice No. 73 (RE-2013)/2009-2014 dated 18.11.2014 for export of Certified Organic Products, except Textiles, would come into effect from 01.06.2015.

## Tariff Value Falls: Crude and RBD Palmolein \$22/MTs; RBD Palm Oil \$23/MTs; Crude Palm Oil \$8/MTs

### Tariff Value Rises: Crude Soyabean Oil \$26/MTs; Gold and Silver \$5/10 gms and \$13/kg

42-Cus(NT) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), 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, TABLE-2, and TABLE-3 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	650
2	1511 90 10	RBD Palm Oil	659
3	1511 90 90	Others – Palm Oil	655
4	1511 10 00	Crude Palmolein	662
5	1511 90 20	RBD Palmolein	665
6	1511 90 90	Others – Palmolein	664
7	1507 10 00	Crude Soyabean Oil	752
8	7404 00 22	Brass Scrap (all grades)	3460
9	1207 91 00	Poppy seeds	2602

**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	393 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	537 per Kilogram

**Table-3**

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tons)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	2264"

[F. No. 467/01/2015-Cus-V Pt.I]

## Merchanting Trade Movement thru Indian to Nepal and Bhutan Allowed

*Sub: Merchanting Trade to Nepal and Bhutan*

AP(DIR Srs) Attention of Authorised Dealer Category-I (AD Category-I) Cir.97 banks is invited to A.P. (DIR Series) Circular No. 115 dated March 28, 2014. In terms of the revised merchanting trade guidelines stipulated therein, for a trade to be classified as merchanting trade, goods

acquired should not enter the Domestic Tariff Area and the state of the goods should not undergo any transformation. Further, the goods involved in the merchanting trade transaction would be the ones that are permitted for exports / imports under the prevailing Foreign Trade Policy (FTP) of India, as on the date of shipment and all the rules, regulations and directions applicable to exports (except Export Declaration Form) and imports (except Bill of Entry), should be complied with for the export leg and the import leg respectively.

2. As Nepal and Bhutan are landlocked countries, there is a facility of transit trade whereby goods are imported from third countries by Nepal and Bhutan through India under the cover of Customs Transit Declarations in

terms of the Government of India Treaty of Transit with these two countries. In consultation with Government of India, it is clarified herein that goods consigned to the importers of Nepal and Bhutan from third countries under merchanting trade from India would qualify as traffic-in-transit, if the goods are otherwise compliant with the provisions of the India-Nepal Treaty of Transit and Indo-Bhutan Treaty of Transit respectively.

3. AD Category-I banks may bring the contents of this circular to the notice of their constituents concerned.

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

## Euro Rises by Rs. 4 to Reach Rs. 71.45 for Customs Valuation on Imports w.e.f. 1 May 2015

41-Cus(NT) In exercise of the powers conferred by Section 14 of the 30.04.2015 Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs hereby makes the following further amendments in the Notification of the Government of India, Ministry of Finance (Department of Revenue) No. 38/2015-CUSTOMS (N.T.) dated the 16th April, 2015 published in the Gazette Of India, Part-II, Section 3, Sub-Section (ii), Extraordinary vide number S.O.1028 (E) dated, the 16th April, 2015, namely:-

In the SCHEDULE-I of the said Notification, for Serial No. 4, 5, 9, 10 and 14 and the entries relating thereto, the following shall be substituted, namely:-

**Schedule-I**

SNo.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
4.	Danish Kroner	9.60	9.35
5.	Euro	71.45	69.70
9.	Norwegian Kroner	8.55	8.30
10.	Pound Sterling	99.15	96.95
14.	Swedish Kroner	7.70	7.50
15.	Swiss Franc	68.95*	67.15*

These rates will be effective from 1st May, 2015.

\*These rates will be effective from 6th May, 2015.

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

## China to End Rare Earths Export Tax

China's Ministry of Finance recently confirmed that it will be ending its export tax on rare earths, starting on 1 May. The policy, along with its past use of export quotas on these minerals, had been the subject of a high-profile WTO dispute that Beijing lost last year.

The tax and quotas had been challenged at the WTO by the EU, US, and Japan, with the organisation's Appellate Body ruling in August 2014 that China's export restrictions on various rare earths, as well as tungsten and molybdenum, are largely inconsistent with trade rules. (See Bridges Weekly, 10 September 2014)

Beijing had argued that the policies were needed in order to help limit the domestic environmental consequences resulting from the extraction and production of rare earths. The complainants, however, had suggested that the restrictions were actually aimed to prop up prices of the minerals, giving Chinese producers an unfair competitive edge.

China is the world's leading producer of rare earths minerals, accounting for approximately 90 percent of global production despite only holding a quarter of rare earths global supply. These minerals are primarily used in manufacturing high-tech products, including clean energy technology goods such as wind turbines and energy-efficient lighting.

Chinese officials have also announced plans to institute a rare earths resource tax domestically, starting on 1 May. The tax would be calculated on an *ad valorem* basis – in other words, depending on value rather than volume.

**Rupee Value under Indo-USSR Deferred Payment Protocols Revised to Rs. 85.4813 w.e.f. 16 April 2015**

Sub: Deferred Payment Protocols dated April 30, 1981 and December 23, 1985 between Government of India and erstwhile USSR

AP(DIR Srs) Attention of Authorised Dealer from September 09, 2014.  
 Cir.96 Category-I (AD Category-I) 2. AD Category-I banks are advised that a further revision has taken place on April 10, 2015 and accordingly, the Rupee value of the Special Currency Basket has been fixed at Rs.85.4813 with effect from April 16, 2015.  
 30.04.2015 banks is invited to A.P.  
 (RBI) (DIR Series) Circular No. 29 dated September 12, 2014  
 wherein the Rupee value of the Special Currency Basket was indicated as Rs. 80.580297 effective

[Full text available at worldtradesScanner.com]

**GST Bill**

- Tax Rate on Revenue Neutral Rate
- 1% Tax on Interstate Commerce for 2 Years by Central Government
- Compensation to States
- Petroleum Products not in GST

As tax rates during Goods and Services Tax (GST) regime will be closely aligned to the Revenue Neutral Rates (RNR) of the Centre and the States, the revenues of the Central and State Governments will not be impacted in the long run. To help States in the transition phase, the Constitution (122nd Amendment) Bill, 2014, which was introduced in the Lok Sabha on 19.12.2014 for amending the Constitution to facilitate introduction of GST in the country provides for;

Levy of an additional tax of goods, not exceeding one per cent in the course of inter-state trade or commerce to be collected by the Government of India for a period of two years, and assigned to the States from where the supply originates;

Compensation to the States for loss of revenue arising on account of implementation of the Goods and Services Tax for a period which may extend to five years;

In the case of petroleum and petroleum products, it has been provided that these goods shall not be subject to the levy of Goods and Services Tax till a date notified on the recommendation of the Goods and Service Tax Council.

This was stated by Arun Jaitley, Union Finance Minister in written reply to a question in the Rajya Sabha on 5 May.

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Customs Valuation Exchange Rates		
17 April 2015	Imports	Exports
<b>Schedule I</b> [Rate of exchange of one unit of foreign currency equipment to Indian Rupees]		
1 Australian Dollar	49.10	47.85
2 Bahrain Dinar	170.40	161.05
3 Canadian Dollar	51.50	50.35
4 Danish Kroner	9.60*	9.35*
5 EURO	71.45*	69.70*
6 Hong Kong Dollar	8.15	8.00
7 Kuwaiti Dinar	213.15	201.00
8 New Zealand Dollar	48.15	46.75
9 Norwegian Kroner	8.55*	8.30*
10 Pound Sterling	99.15*	96.95*
11 Singapore Dollar	46.65	45.55
12 South African Rand	5.35	5.05
13 South Arabian Riyal	17.15	16.20
14 Swedish Kroner	7.70*	7.50*
15 Swiss Franc	68.95**	67.15**
16 UAE Dirham	17.50	16.55
17 U.S. Dollar	62.95	61.95
<b>Schedule II</b> [Rate of exchange of 100 units of foreign currency equivalent to Indian rupees ]		
1 Japanese Yen	53.05	51.85
2 Kenyan Shilling	68.75	64.95

(Source: Customs Notification 38(NT)/16.04.2015)  
 \*w.e.f. 1 May 2015  
 \*\*w.e.f. 6 May 2015