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# WORLD TRADE SCANNER

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## Rupee Purchases upto 25k Allowed in Duty Free Shops

*Subject: - Sale of goods at Duty Free Shops in Indian Currency.*

31-CBEC Please refer to Circular No. 495/7/2005 – CusVI  
06.07.2016 dated 28th September 2005 regarding the  
(DoR) ceiling in payments in Indian currency of  
Rs. 5000/- for purchases by passengers at duty  
free shops at International Airports.

2. RBI has vide Notification no. FEMA 6 (R) / RB – 2015 dated  
29th December 2015 permitted export from and import into  
India of Indian currency up to an amount not exceeding Rs.  
25,000/- (Rupees twenty five thousand) per person. Any person  
resident in India is permitted to take  
outside India (other than to Nepal  
or Bhutan) or bring into India (other  
than from Nepal or Bhutan) currency  
notes up to an amount not exceeding  
Rs. 25,000/-. Similarly, any person  
resident outside India, not being a  
citizen of Pakistan or Bangladesh,  
and visiting India, has also been  
allowed to take outside India or bring  
into India, Indian currency notes  
upto an amount not exceeding Rs.  
25,000/-.

3. In view of the aforesaid regulations  
notified by the RBI, the Board has reviewed the circular dated  
28th September 2005. It has been decided that in consonance  
with the regulation of the RBI, passengers shall be permitted  
to purchase goods at duty free shops in Indian rupees up to an  
amount not exceeding Rs. 25,000/-.

4. Representations have also been received from travelers that  
duty free shops neither display prices in Indian Rupees nor display  
India made goods at duty free shops, which depreciates the  
visibility of Indian manufactured products and Indian currency.  
This issue was discussed during the course of consultations  
with Duty Free Shop operators. It was explained that CBEC has  
provided the facility of duty free procurement of excisable goods  
by Duty Free shop operators and the procedure has been pre-

scribed under circular no. 970 / 04 / 2013-Cx dated 23rd May  
2013 read with Notification 7/2013 C.E(NT) dated 23rd May  
2013. They were also requested to display prices of goods in  
Indian currency alongside of international currencies. It was  
also suggested that as a measure of transparency and fair  
practice, they should display the rate of exchange published  
by the commercial banks for conversion of foreign currency or  
the rate of exchange notified by the CBEC on a fortnightly basis  
for import and export of goods. The Industry representatives

were agreeable to implementing  
the above measures.

5. Accordingly, Principal Com-  
missioners / Commissioners of  
Customs may advise the Duty  
Free Shop operators of the revised  
permitted limits for purchase of  
goods in Indian currency at Duty  
Free shops. Information relating to  
the use of Indian currency at duty  
free shops should be displayed at  
all DFSs. It may be ensured that  
DFSs display the rate of exchange  
as published by the commercial

banks for conversion of foreign currency or the rate of ex-  
change notified by the CBEC on a fortnightly basis for import  
and export of goods. Similarly, websites of DFS / Airports must  
be kept accurately updated with regard to the facility and limit  
in use of Indian currency for making purchases. It may also  
be ensured that duty free shop operators are familiarized with  
the procedures for procuring excisable goods, duty free, from  
factories in terms of the procedure prescribed from time to  
time. The display of prices of goods by DFSs in Indian Rupees  
should also be complied with at the earliest.

6. Difficulties, if any, may be brought to the notice of the Board.  
F.No: 473 / 05 / 2015 – LC



## WCO Highlights World Informal Trade in Tobacco

Initiated and coordinated by the WCO, 101 Customs administra-  
tions took part in GRYPHON II, a two month operation focusing  
on Customs controls associated with shipments of tobacco  
products which began on 1 March 2016 and ended 31 April 2016.

The Operation aimed across the entire range of Customs control  
and clearance processes, including checks on duty free outlets,  
free zones, bonded warehouses, as well as express and postal  
shipments in relation to illicit trade in tobacco.

GRYPHON II resulted in seizure of 729 million cigarettes,  
287,000 cigars, and 250 tonnes of other tobacco products seized.  
They included genuine branded cigarettes, counterfeit cigarettes,  
and cigarettes from brands categorized as 'cheap whites'. Com-  
ponents of machines used to manufacture cigarettes were also  
seized along with bulk cash and more  
than 12 million excise duty stamps.

Moreover, eight illegal tobacco factories have been disman-  
tled, over 50 criminals were arrested and several investigations  
are still ongoing in a vital effort to disrupt and break down  
criminal networks behind this trade.

**Contd.. 122**

### Crude Down to \$43.96

Crude Oil (Indian Basket) from 05 - 12 July 2016

|          | 05 July | 07 July | 08 July | 11 July | 12 July |
|----------|---------|---------|---------|---------|---------|
| (\$/bbl) | 45.15   | 45.17   | 43.29   | 42.98   | 43.96   |
| (Rs/bbl) | 3043.20 | 3049.16 | 2920.05 | 2886.06 | 2951.49 |
| (Rs/\$)  | 67.40   | 67.50   | 67.46   | 67.14   | 67.15   |

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas

## Iron Ore's Rapid Surge Shows Steel Revival

Iron ore's rally to a two-month high just prompted Macquarie Group Ltd. to sound the alarm as the bank says gains may be well beyond fundamentals, with abundant supply from miners, inventories stacking up at China's ports and steel production set to contract.

Speculation about stimulus in China has helped to lift prices. The note asked whether iron ore was "getting carried away again?"

Iron ore was caught up in a speculative rally in China earlier this year as prices soared in April, prompting a host of banks to warn that the surge wouldn't last, after which rates cratered. Last week, Australia cut its price outlook for 2017 by 20 percent, citing prospects for increased supply just as steel output in China shrinks further. Goldman Sachs Group Inc. said recent stimulus in China hadn't brought a meaningful increase in steel demand, according to a report received on Wednesday.

Ore with 62 percent content delivered to Qingdao fell 0.4 percent to \$59.15 a dry metric ton, according to Metal Bulletin Ltd. on Wednesday, a day after prices gained to the highest level since May 5. The material capped a three-month rally in April with a 23 percent gain that month, only

to collapse in May.

Recent advances in iron ore and steel were also linked by Macquarie to lower trader product inventories in China.

More iron ore is being shipped, and analysts have flagged the risk that prices will probably weaken into the year-end. On Monday, data showed that cargoes from the world's biggest bulk-export terminal in Australia rose to a record in June, three days after the government cut its price forecast.

### Record Volumes

On Wednesday, official data from China showed that the country both imported a record volume of iron ore in the first half, and shipped out the most steel ever in the period. Ore imports were 494 million tons between January and June, 9.1

percent more than a year earlier, while exports of steel neared 10 million tons a month.

Steel demand in China is shrinking for the first time in a generation as growth slows and the government steers a transition away from a metal-intensive economy reliant on investment to one where services play a bigger role. That's resulted in the declining sensitivity of steel consumption to credit flows in China, according to Goldman.



## WTO Holds E-Commerce Discussions on Digital Divide between the Poor and Rich

How to advance WTO discussions on e-commerce was in the spotlight in Geneva this week, as the permanent missions of Mexico, Indonesia, Korea, Turkey, and Australia (MIKTA) held a workshop on the subject. The MIKTA group was set up nearly three years ago during a ministerial-level meeting in Seoul, with the group outlining a series of shared objectives where, they argued, they could make a contribution in "protecting public goods and strengthening global governance."

The objective of last week's workshop in Geneva was two-fold, said Korean Ambassador to the WTO Choi Kyonglim during his opening remarks. One was to raise the visibility of the MIKTA group both within the WTO and in the trade context in general, while the other was to build awareness on digital trade and e-commerce.

### Azevêdo: Internet access key, Digital divide

Azevêdo told the audience that internet penetration increased from 6.5 percent to 43 percent at the global level between 2000 and 2015. Furthermore, in 2013 global business-to-consumer (B2C) e-trade was estimated at US\$1.2 trillion, while business-to-business (B2B) e-trade exceeded US\$15 trillion.

The WTO chief called upon the international community to ensure that these opportunities are made available to all, particularly given that four billion people across various developing countries remain offline. Moreover, 850 million out of the one billion people living in least developed countries (LDCs) are not internet users.

Some regions that have access still struggle to engage in e-commerce, with Africa and the Middle-East accounting for less than two percent of the global e-commerce market.

The Director-General added that barriers remain in areas such as low levels of consumer trust,

along with noting room for improvement in related laws and regulations, among others.

### Cutting costs, boosting engagement

There is need to reduce the costs of digital infrastructure, as well as those for logistics and customs. Other issues raised included the lack of compliance with legal and fiscal requirements on foreign e-market, along with the need for coherence, or at least recognition, of other countries' laws dealing with consumer protection online.

Streamlining cross border transit of low value goods trade – an area of growth enabled by online platforms – was also a topic of discussion. Raising and harmonising "de minimis" limits, below which shipments would not be subject to tariffs, and resolving related and differing approaches taxation among countries were areas identified for potential gains. Such developments could also seek to shift the current item-by-item approach for such charges on small shipments – which are very burdensome for smaller companies – to consolidated systems that could reduce transaction costs for small shippers.

### Data privacy, MSMEs

One of the sessions was dedicated to data flows, privacy, and consumer protection – a hot-button topic in this field, particularly given the proliferation of new trade deals and the efforts to adopt a new US-EU Data Privacy Shield following the invalidation of the Safe Harbour Framework.

During that session, participants discussed the need to find the right balance between data protection and data flows at the national level, as well as to improve global compatibility so as not to hinder trade.

Participants also reviewed how progress on these areas would facilitate the engagement of micro, small, and medium-sized enterprises (MSMEs) in e-commerce, given that such com-

panies cannot afford high compliance costs and uncertainty, unlike larger businesses. This will contribute to boost consumers' trust in buying from MSMEs in the digital environment, and not to rely only on bigger, well-known suppliers.

### WTO options?

WTO has had a work programme on the subject since 1998, with discussions taking place under the Council for Trade in Services, Council for Trade in Goods, the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Council, and the Committee on Trade and Development. These then report to the General Council.

Although progress on the e-commerce work programme has been slow, the issue received some new impetus recently in the TRIPS Council agenda this past June, for the first time since 2003. Meanwhile, negotiators meeting informally under the Services Council's "Special Session" this week reportedly saw interest in holding more talks on the services dimension of the issue.

There is need for harmonising e-commerce practices and procedures; fostering consumer protection; and ensuring enforcement through the WTO dispute settlement mechanism to enhance predictability.

Other areas raised included efforts to provide better measurements on e-trade; apply the trade policy review mechanism to the digital economy; enhance trade facilitation around e-commerce; update the Telecommunications Services Reference Paper to guarantee more competition; revisiting market access commitments on financial and logistics services; and determining whether there is need to negotiate rules on data flows and localisation.

Some participants suggested that there was no need to "reinvent the wheel" in terms of creating new rules, suggesting that there was nothing in the WTO agreements which ruled out their applicability to e-commerce. Some cited as examples past trade disputes with an online component, such as an online gambling case between the US and Antigua and Barbuda (DS285) and a US-China row over alleged Chinese restrictions on trade in audio-visual products (DS363).

There was broad agreement that there remained a need to adapt the trade infrastructure to streamline e-commerce and ensure that the e-commerce agenda lived up to its potential for development and inclusion.

### Contd.. 121

The analysis of the seizures indicates that smugglers used sophisticated concealment methods by camouflaging illicit tobacco products in a variety of cover loads, including scrap metal, furniture, sneakers, timber, cement, charcoal and plastic housewares. Many of these cover loads were often of low value and were used by smugglers to ensure the highest profit margin.

Operation GRYPHON II confirmed a well-known fact that Free Trade Zones are used for illicit trade. Consignments travelling between free zones were reported to have been 'lost' or to have disappeared.

During Operation GRYPHON II, several shipments of cigarettes were targeted because their supply chains had no commercial logic. They were departing from Asian countries, crossing the Mediterranean region, arriving in South America and later returning to Asia.

## WEEKLY INDEX OF CHANGES

### Board Defines Express 'Site' in S.No. 186 of 12-CE/17.03.2012— Goods Manufactured at the Site of Construction for use in Construction Work

Sub: Scope of word 'site' appearing in Notification No. 12/2012-Central Excise, dated 17.03.2012.

1036-CBEC Representations have been received from the trade (DoR) regarding difficulties being faced in availing of benefit of exemption applicable to goods manufactured at the site of construction for use in construction work at such site vide S. No. 186 of Notification No. 12/2012-Central Excise, dated 17.03.2012, as amended. The issue is, how should the expression "site" used and defined in the aforesaid notification be interpreted, particularly for projects which run long distances, such as construction of road, laying of pipelines or laying of railway tracks etc.

2.1 The issue has been examined in the Board. The expression site has been defined in the notification (ibid) as "any premises made available for the manufacture of goods by way of a specific mention in the contract or agreement for such construction work, provided that the goods manufactured at such premises are solely used in the said construction work only".

2.2 It is clear from the definition that the expression "site" cannot be given a restrictive meaning while interpreting the same so long as the premises under consideration for availing benefit of exemption under S.No. 186 of Notification No. 12/2012-Central Excise, dated 17.03.2012 fulfils following conditions:-

i. The said premises are made available to the manufacturer of goods by way of a specific mention in the contract/agreement for such

construction work.

ii. The goods under Chapter 68 (except 6804, 6805, 6811, 6812 and 6813), for which exemption is claimed are manufactured at the said premises; and

iii. Such goods manufactured at the said premises are exclusively used for the construction work, as per the relevant contract or agreement.

3. It appears that in some field formations, the distance at which goods manufactured at site is used in the project, has been considered as criteria for examining the eligibility of goods for exemption. This is an extraneous criteria not flowing from the language used in the notification, particularly when the expression "site" stands explained in the notification. As explained in para 2.2 above, the eligibility criteria must flow from the plain reading of the explanation of the expression "site" in the notification.

4. In view of the above, it is hereby directed that each case may be decided taking into consideration the facts of the individual case, examined in light of the clarification given above. Circular No. 456/22/99-CX, dated 18.05.1999 is hereby rescinded.

5. Field formations and trade may be suitably informed. Difficulty experienced, if any, in implementing the circular should be brought to the notice of the Board.

F.No.68/1/2016-CX.I

### Weak Yuan Pushes China Exports

4 Overseas shipments fell 4.8 percent from a year earlier, imports dropped 8.4 percent

The yuan posted a fifth straight drop last week, the longest losing streak this year, signaling policy makers are more tolerant of further weakening. With tepid global demand and businesses proving reluctant to invest, the government has been stepping up spending to keep its growth target

of at least 6.5 percent this year in sight. (The hopes of Yuan as a reserve currency and choice of invoicing to replace dependence on the dollar are fading)

4 China sees "obvious" obstacles in foreign trade amid a severe and complex environment, the customs administration said in a statement accompanying the data.

4 Exports face downward pressure in the third quarter, a customs administration official said at a briefing in Beijing. Trade will remain sluggish, exporters face increasing labor costs while other countries are competing with cheaper wages.

4 Exports to U.S. fell 10.4 percent, while those to Brazil plunged 21.5 percent.

4 Imports from Canada slumped 44.6 percent,

and from U.S. dropped 12.7 percent.

CNY weakened by 6.5% against the currency basket so far this year. However, there has been little improvement in China's exports so far. Trade data clearly suggest a fast CNY depreciation will have very limited impact on boosting exports. This could well be why Chinese authorities have allowed the yuan to drift lower in recent weeks. The inability to boost exports is likely to increase the pressure on the yuan in the short term, which in turn could well see it decline further towards 6.80 against the US dollar.

China's domestic economy is not growing fast enough for domestic consumption of imports to rise by

more than the foreign consumption of Chinese goods. China's manufacturing regime is going strong (more or less), revealing that the nation continues to generate a large percentage of the goods that the world consumes. The economy has not, in fact, restructured sufficiently toward a consumption-based economy, even though domestic consumption is slowly rising. This suggests that as commodity prices rise again, Chinese export growth will expand.



### Cotton Textiles EPC Registration Required for Zero Duty Concessions to Goods Imported for the Manufacture of Cotton Garments

Nfn 42 In exercise of the powers  
11.07.2016 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 amendment 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, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 185(E), dated the 17th March, 2012, namely:-

In the said notification, in the ANNEXURE, in Condition No. 28A, for the words "the Apparel Export Promotion Council or the Synthetic and Rayon Textile Export Promotion Council", occurring at both places, the words "the Apparel Export Promotion Council or the Synthetic and Rayon Textile Export Promotion Council or the Cotton Textiles Export Promotion Council" shall be substituted.

[F. No. 354/230/2013-TRU]

### Mandatory Physical Verification of Garments Factory for Excise Registration Exempted

32-CE(NT) In exercise of the powers  
11.07.2016 conferred by rule 9 of the  
(DoR) Central Excise Rules, 2002,  
the Central Board of Excise

and Customs hereby makes the following further amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 35/2001-Central Excise (N.T.) dated the 26th June, 2001, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide G.S.R. 464 (E), dated the 26th June, 2001, namely :- In the said notification, in clause (8), after sub-clause (iii), the following sub-clause shall be inserted, namely,-

"(iv) Every manufacturing factory or premises engaged in the manufacture or production of goods falling under Chapters 61, 62 or 63 (except laminated jute bags falling under headings or tariff item 6305, 6309 00 00 or 6310) of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) bearing a brand name or sold under a brand name and having a retail sale price (RSP) of one thousand rupees and above, shall be exempted from sub-clauses (i) and (ii) above."

[F. No. 354/230/2013 -TRU]

4 Reuters Poll-sterling seen at \$1.32 in One Month, \$1.27 in Six and \$1.29 in 12 months (\$1.46, \$1.48 and \$1.50 in June Poll)

4 Brent Crude up by \$2 a Barrel, Gains more than 4 pct, on Recovery Rally after 2-Month lows

## Crude, Coal and Precious Metals, Food Rise in June

- Fertilizers, Wheat, Rubber, Iron Ore and Copper Down
- Natural Gas, Bananas and Woodpulp, Steady

In June, energy prices increased by 5.1%, and the prices of non-energy commodities rose by 2.1%. Food prices picked up by 4.1%. Raw materials went down by 0.7%, and fertilizers dropped by 2.2%. Metals and minerals went up by 0.3%, and precious metals rose by 1.2%.

### Up

Coal; Crude; Cocoa, Coffee and Tea  
Coconut oil; Copra; Fishmeal; Groundnuts and Groundnut oil  
Palmkernel oil; Soybean meal, Soybean oil and Soybeans  
Maize; Rice; Beef; Oranges; World Sugar  
Plywood; Logs, Malaysia; Cotton; TSP  
Aluminium, Lead, Nickel, Tin and Zinc; Gold, Silver and

### Down

Palm oil; Vietnam Rice; Wheat  
Sawnwood; Rubber; DAP, Potassium chloride and Urea  
Copper, Iron Ore; Platinum

### Steady

Natural gas; Barley; Sorghum; Bananas  
Chicken and Sheep Meat; Shrimp; Woodpulp; Rock phosphate



|                                 | Monthly averages |       |       | Quarterly averages |         |         |         |         | Annual averages |         |         |
|---------------------------------|------------------|-------|-------|--------------------|---------|---------|---------|---------|-----------------|---------|---------|
|                                 | 2016             |       |       | 2015               |         | 2016    |         |         | 2013            | 2014    | 2015    |
|                                 | Apr              | May   | Jun   | Apr-Jun            | Jul-Sep | Oct-Dec | Jan-Mar | Apr-Jun | Jan-Dec         | Jan-Dec | Jan-Dec |
| <b>Energy</b>                   |                  |       |       |                    |         |         |         |         |                 |         |         |
| Coal, Australia \$/mt           | 50.8             | 51.5  | 53.4  | 59.0               | 57.5    | 52.3    | 50.9    | 51.9    | 84.6            | 70.1    | 57.5    |
| Coal, Colombia \$/mt            | 43.1             | 43.9  | 46.6  | 54.3               | 50.4    | 48.0    | 42.7    | 44.6    | 71.9            | 65.9    | 52.5    |
| Coal, South Africa \$/mt        | 52.7             | 54.0  | 57.3  | 60.7               | 54.3    | 51.1    | 51.5    | 54.7    | 80.2            | 72.3    | 57.0    |
| Crude oil, average \$/bbl       | 40.8             | 45.9  | 47.7  | 60.5               | 48.8    | 42.2    | 32.7    | 44.8    | 104.1           | 96.2    | 50.8    |
| Crude oil, Brent \$/bbl         | 42.3             | 47.1  | 48.5  | 62.1               | 50.0    | 43.4    | 34.4    | 46.0    | 108.9           | 98.9    | 52.4    |
| Crude oil, Dubai \$/bbl         | 39.0             | 44.0  | 45.8  | 61.4               | 49.9    | 41.2    | 30.6    | 42.9    | 105.4           | 96.7    | 51.2    |
| Crude oil, WTI \$/bbl           | 41.0             | 46.7  | 48.8  | 57.8               | 46.4    | 42.0    | 33.2    | 45.5    | 97.9            | 93.1    | 48.7    |
| Natural gas, Index 2010=100     | 47.1             | 46.8  | 55.0  | 74.2               | 72.2    | 61.4    | 52.2    | 49.6    | 112.1           | 111.7   | 73.3    |
| Natural gas, Europe \$/mmbtu    | 4.1              | 4.0   | 4.1   | 7.3                | 6.9     | 6.3     | 4.8     | 4.1     | 11.8            | 10.1    | 7.3     |
| Natural gas, US \$/mmbtu        | 1.9              | 1.9   | 2.6   | 2.7                | 2.7     | 2.1     | 2.0     | 2.1     | 3.7             | 4.4     | 2.6     |
| Natural gas, LNG Japan \$/mmbtu | 6.4              | 6.3   | 6.3   | 9.2                | 9.2     | 8.9     | 7.7     | 6.3     | 16.0            | 16.0    | 10.4    |
| <b>Agriculture</b>              |                  |       |       |                    |         |         |         |         |                 |         |         |
| <b>Beverages</b>                |                  |       |       |                    |         |         |         |         |                 |         |         |
| Cocoa \$/kg                     | 3.08             | 3.10  | 3.13  | 3.07               | 3.25    | 3.30    | 2.98    | 3.10    | 2.44            | 3.06    | 3.14    |
| Coffee, arabica \$/kg           | 3.40             | 3.42  | 3.64  | 3.54               | 3.36    | 3.31    | 3.31    | 3.49    | 3.08            | 4.42    | 3.53    |
| Coffee, robusta \$/kg           | 1.77             | 1.85  | 1.89  | 1.98               | 1.87    | 1.79    | 1.65    | 1.84    | 2.08            | 2.22    | 1.94    |
| Tea, average \$/kg              | 2.51             | 2.56  | 2.58  | 2.79               | 2.85    | 2.76    | 2.36    | 2.55    | 2.86            | 2.72    | 2.71    |
| Tea, Colombo auctions \$/kg     | 2.94             | 3.05  | 2.93  | 3.00               | 2.83    | 2.85    | 2.82    | 2.97    | 3.45            | 3.54    | 2.96    |
| Tea, Kolkata auctions \$/kg     | 2.55             | 2.50  | 2.54  | 2.56               | 2.78    | 2.52    | 1.89    | 2.53    | 2.73            | 2.58    | 2.42    |
| Tea, Mombasa auctions \$/kg     | 2.04             | 2.12  | 2.27  | 2.80               | 2.95    | 2.91    | 2.38    | 2.14    | 2.40            | 2.05    | 2.74    |
| <b>Food</b>                     |                  |       |       |                    |         |         |         |         |                 |         |         |
| <b>Oils and Meals</b>           |                  |       |       |                    |         |         |         |         |                 |         |         |
| Coconut oil \$/mt               | 1,586            | 1,445 | 1,563 | 1,115              | 1,067   | 1,109   | 1,273   | 1,531   | 941             | 1,280   | 1,110   |
| Copra \$/mt                     | 1,045            | 963   | 1,048 | 737                | 708     | 737     | 855     | 1,019   | 627             | 854     | 735     |
| Fishmeal \$/mt                  | 1,478            | 1,514 | 1,586 | 1,523              | 1,472   | 1,524   | 1,465   | 1,526   | 1,747           | 1,709   | 1,558   |
| Groundnuts \$/mt                | 1,163            | 1,200 | 1,250 | 1,290              | 1,193   | 1,175   | 1,158   | 1,204   | 1,378           | 1,296   | 1,248   |
| Groundnut oil \$/mt             | 1,350            | 1,600 | 1,700 | 1,346              | 1,332   | 1,298   | 1,277   | 1,550   | 1,773           | 1,313   | 1,337   |
| Palm oil \$/mt                  | 722              | 706   | 683   | 664                | 574     | 570     | 631     | 704     | 857             | 821     | 623     |
| Palmkernel oil \$/mt            | 1,304            | 1,234 | 1,312 | 957                | 802     | 831     | 1,032   | 1,283   | 897             | 1,121   | 909     |
| Soybean meal \$/mt              | 355              | 434   | 467   | 391                | 398     | 358     | 328     | 419     | 545             | 528     | 395     |
| Soybean oil \$/mt               | 796              | 791   | 798   | 774                | 736     | 743     | 749     | 795     | 1,057           | 909     | 757     |
| Soybeans \$/mt                  | 393              | 422   | 457   | 394                | 385     | 372     | 370     | 424     | 538             | 492     | 390     |
| <b>Grains</b>                   |                  |       |       |                    |         |         |         |         |                 |         |         |
| Barley \$/mt                    | 172.0            | 171.7 | 171.5 | 201.0              | 200.3   | 187.2   | 182.8   | 171.7   | 202.2           | 137.6   | 194.3   |
| Maize \$/mt                     | 164.4            | 169.0 | 179.9 | 168.4              | 169.3   | 167.2   | 159.9   | 171.1   | 259.4           | 192.9   | 169.8   |



|                            | Monthly averages |        |        | Quarterly averages |         |         |         |         | Annual averages |         |         |
|----------------------------|------------------|--------|--------|--------------------|---------|---------|---------|---------|-----------------|---------|---------|
|                            | 2016             |        |        | 2015               |         | 2016    |         |         | 2013            | 2014    | 2015    |
|                            | Apr              | May    | Jun    | Apr-Jun            | Jul-Sep | Oct-Dec | Jan-Mar | Apr-Jun | Jan-Dec         | Jan-Dec | Jan-Dec |
| Rice, Thailand 5% \$/mt    | 395.0            | 433.0  | 441.0  | 385.3              | 374.0   | 368.0   | 379.0   | 423.0   | 505.9           | 422.8   | 386.0   |
| Rice, Thailand 25% \$/mt   | 386.0            | 415.0  | 422.0  | 372.3              | 361.7   | 359.0   | 370.0   | 407.7   | 473.0           | 382.2   | 372.6   |
| Rice, Thailand A1 \$/mt    | 383.5            | 414.4  | 426.8  | 387.6              | 375.8   | 365.3   | 372.8   | 408.2   | 474.0           | 425.1   | 386.0   |
| Rice, Vietnam 5% \$/mt     | 371.0            | 377.3  | 372.5  | 351.3              | 337.4   | 355.7   | 361.7   | 373.6   | 392.4           | 407.2   | 351.8   |
| Sorghum \$/mt              | 173.9            | 173.9  | 173.9  | 215.2              | 190.0   | 176.3   | 173.9   | 173.9   | 243.3           | 207.2   | 204.7   |
| Wheat, US HRW \$/mt        | 187.5            | 171.8  | 173.9  | 216.1              | 183.3   | 179.6   | 190.5   | 177.7   | 312.2           | 284.9   | 204.5   |
| Wheat, US SRW \$/mt        | 192.8            | 189.9  | 187.0  | 205.2              | 196.4   | 200.6   | 190.0   | 189.9   | 276.7           | 245.2   | 206.4   |
| <b>Other Food</b>          |                  |        |        |                    |         |         |         |         |                 |         |         |
| Bananas, EU \$/kg          | 0.94             | 0.93   | 0.94   | 0.92               | 0.90    | 0.88    | 0.91    | 0.94    | 1.02            | 1.04    | 0.90    |
| Bananas, US \$/kg          | 0.99             | 0.99   | 0.99   | 0.97               | 0.95    | 0.93    | 1.03    | 0.99    | 0.92            | 0.93    | 0.96    |
| Meat, beef \$/kg           | 3.91             | 3.96   | 4.00   | 4.47               | 4.55    | 3.91    | 3.72    | 3.95    | 4.07            | 4.95    | 4.42    |
| Meat, chicken \$/kg        | 2.46             | 2.47   | 2.47   | 2.55               | 2.55    | 2.50    | 2.47    | 2.46    | 2.29            | 2.43    | 2.53    |
| Meat, sheep \$/kg          | 4.56             | 4.71   | 4.71   | 5.38               | 5.07    | 4.82    | 4.51    | 4.66    | 5.17            | 6.39    | 5.22    |
| Oranges \$/kg              | 0.71             | 0.76   | 0.88   | 0.62               | 0.65    | 0.73    | 0.69    | 0.78    | 0.97            | 0.78    | 0.68    |
| Shrimp, Mexico \$/kg       | 11.02            | 10.69  | 10.69  | 15.65              | 15.43   | 10.50   | 10.83   | 10.80   | 13.84           | 17.25   | 14.36   |
| Sugar, EU domestic \$/kg   | 0.37             | 0.37   | 0.37   | 0.36               | 0.36    | 0.36    | 0.36    | 0.37    | 0.43            | 0.43    | 0.36    |
| Sugar, US domestic \$/kg   | 0.61             | 0.60   | 0.61   | 0.54               | 0.54    | 0.56    | 0.57    | 0.61    | 0.45            | 0.53    | 0.55    |
| Sugar, World \$/kg         | 0.34             | 0.38   | 0.43   | 0.29               | 0.27    | 0.32    | 0.31    | 0.38    | 0.39            | 0.37    | 0.30    |
| <b>Raw Materials</b>       |                  |        |        |                    |         |         |         |         |                 |         |         |
| <b>Timber</b>              |                  |        |        |                    |         |         |         |         |                 |         |         |
| Logs, Cameroon \$/cum      | 396.7            | 395.8  | 393.2  | 387.0              | 389.3   | 383.2   | 385.8   | 395.2   | 463.5           | 465.2   | 388.6   |
| Logs, Malaysia \$/cum      | 271.7            | 273.3  | 282.3  | 245.4              | 243.6   | 245.2   | 258.2   | 275.7   | 305.4           | 282.0   | 246.0   |
| Plywood ¢/sheets           | 498.4            | 501.2  | 517.7  | 450.1              | 446.8   | 449.8   | 473.7   | 505.8   | 560.2           | 517.3   | 451.2   |
| Sawnwood, Cameroon \$/cum  | 685.8            | 696.4  | 681.1  | 734.0              | 742.8   | 727.2   | 686.0   | 687.7   | 749.2           | 789.5   | 732.6   |
| Sawnwood, Malaysia \$/cum  | 780.0            | 792.0  | 774.7  | 834.8              | 844.9   | 827.1   | 780.3   | 782.3   | 852.8           | 897.9   | 833.3   |
| Woodpulp \$/mt             | 875.0            | 875.0  | 875.0  | 875.0              | 875.0   | 875.0   | 875.0   | 875.0   | 823.1           | 876.9   | 875.0   |
| <b>Other Raw Materials</b> |                  |        |        |                    |         |         |         |         |                 |         |         |
| Cotton, A Index \$/kg      | 1.53             | 1.55   | 1.63   | 1.59               | 1.56    | 1.53    | 1.48    | 1.57    | 1.99            | 1.83    | 1.55    |
| Rubber, RSS3 \$/kg         | 1.72             | 1.67   | 1.58   | 1.79               | 1.46    | 1.26    | 1.31    | 1.66    | 2.79            | 1.96    | 1.56    |
| Rubber, TSR20 \$/kg        | 1.48             | 1.37   | 1.28   | 1.52               | 1.34    | 1.20    | 1.15    | 1.38    | 2.52            | 1.71    | 1.37    |
| <b>Fertilizers</b>         |                  |        |        |                    |         |         |         |         |                 |         |         |
| DAP \$/mt                  | 358.0            | 349.0  | 346.0  | 469.0              | 464.3   | 419.3   | 366.7   | 351.0   | 444.9           | 472.5   | 458.9   |
| Phosphate rock \$/mt       | 115.0            | 115.0  | 115.0  | 115.0              | 117.0   | 122.8   | 116.0   | 115.0   | 148.1           | 110.2   | 117.5   |
| Potassium chloride \$/mt   | 269.0            | 264.0  | 256.0  | 307.0              | 302.7   | 297.0   | 283.0   | 263.0   | 379.2           | 297.2   | 302.9   |
| TSP \$/mt                  | 278.0            | 284.0  | 285.0  | 380.0              | 380.0   | 380.0   | 328.0   | 282.3   | 382.1           | 388.3   | 385.0   |
| Urea, E. Europe \$/mt      | 204.0            | 200.0  | 191.0  | 277.0              | 268.3   | 250.6   | 208.7   | 198.3   | 340.1           | 316.2   | 272.9   |
| <b>Metals and Minerals</b> |                  |        |        |                    |         |         |         |         |                 |         |         |
| Aluminum \$/mt             | 1,571            | 1,551  | 1,591  | 1,770              | 1,592   | 1,494   | 1,514   | 1,571   | 1,847           | 1,867   | 1,665   |
| Copper \$/mt               | 4,873            | 4,695  | 4,633  | 6,057              | 5,267   | 4,885   | 4,675   | 4,733   | 7,332           | 6,863   | 5,510   |
| Iron ore \$/dmt            | 61               | 55     | 52     | 58                 | 55      | 47      | 48      | 56      | 135             | 97      | 56      |
| Lead \$/mt                 | 1,732            | 1,708  | 1,709  | 1,942              | 1,717   | 1,682   | 1,738   | 1,716   | 2,140           | 2,095   | 1,788   |
| Nickel \$/mt               | 8,879            | 8,660  | 8,906  | 13,056             | 10,579  | 9,423   | 8,508   | 8,815   | 15,032          | 16,893  | 11,863  |
| Tin \$/mt                  | 17,033           | 16,707 | 16,962 | 15,590             | 15,230  | 15,077  | 15,439  | 16,900  | 22,283          | 21,899  | 16,067  |
| Zinc \$/mt                 | 1,855            | 1,869  | 2,023  | 2,192              | 1,843   | 1,612   | 1,677   | 1,916   | 1,910           | 2,161   | 1,932   |
| <b>Precious Metals</b>     |                  |        |        |                    |         |         |         |         |                 |         |         |
| Gold \$/toz                | 1,242            | 1,261  | 1,276  | 1,193              | 1,124   | 1,107   | 1,181   | 1,260   | 1,411           | 1,266   | 1,161   |
| Platinum \$/toz            | 994              | 1,036  | 984    | 1,127              | 986     | 907     | 914     | 1,005   | 1,487           | 1,384   | 1,053   |
| Silver \$/toz              | 16.4             | 16.9   | 17.3   | 16.4               | 14.9    | 14.8    | 14.9    | 16.9    | 23.8            | 19.1    | 15.7    |

\$ = US dollar; ¢ = US cent; bbl = barrel; cum = cubic meter; dmtu = Dry Metric Ton Unit; kg = kilogram; mmbtu = million British thermal units; mt = metric ton; toz = troy oz; n.a. = not available; n.q. = no quotation

## Anti-dumping Duty on Tetrafluoroethane from China – Marginal Cut in Review

Ntfn 30-ADD Whereas, the designated authority, vide notification No.15/23/2014-DGAD, dated the 10th April, 2015, published in the Gazette of India, Extraordinary, Part I, Section 1, had initiated a review in the matter of continuation of anti-dumping duty on imports of 1,1,1,2-Tetrafluoroethane or R-134a (hereinafter referred to as the subject goods) falling under tariff item 2903 39 19 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), originating in or exported from People's Republic of China (hereinafter referred to as the subject country) imposed vide notification of the Government of India, in the Ministry of Finance (Department of Revenue) No. 61/2011-Customs, dated the 15th July, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R.539(E), dated the 15th July, 2011; And whereas, in the matter of review of anti-dumping duty on import of the subject goods, originating in or exported from the subject country, the designated authority in its final findings, published vide notification No.15/23/2014-DGAD, dated the 30th May, 2016, in the Gazette of India, Extraordinary, Part I, Section 1, has come to the conclusion that-

(i) there is continued dumping of the subject goods from the subject country;

(ii) imports are significantly undercutting the prices of the domestic industry and are depressing the domestic prices;

(iii) the financial performance of the domestic industry has deteriorated and the dumped imports from the subject country continue to cause injury to the domestic industry;

(iv) dumping of the subject goods from the subject country is likely to continue if the current anti-dumping duty ceases, and has recommended continued imposition of the anti-dumping duty on the subject goods, originating in or exported from the subject country;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, read with rules 18 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, after considering the aforesaid final findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, falling under the tariff item of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column (2), originating in the countries as specified in the corresponding entry in column (4), exported from the countries as specified in the corresponding

entry in column (5), produced by the producers as specified in the corresponding entry in column (6), exported by the exporters as specified in the corresponding entry in column (7), and imported into India, an anti-dumping duty at the rate equal to the amount as specified in the corresponding entry in column (8) in the currency as specified in the corresponding entry in column (10) and as per unit of measurement as specified in the corresponding entry in column (9) of the said Table, namely:-

\*Note: The cGMP certified R-134a is excluded from the purview of the product under consideration.

2. The anti-dumping duty imposed under this notification shall be effective for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be paid in Indian currency.

**Explanation.-** For the purposes of this notification, rate of exchange applicable for the purposes of calculation of such anti-dumping duty shall be the rate which is specified in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), issued from time to time, in exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and the relevant date for the determination of the rate of exchange shall be the date of presentation of the bill of entry under section 46 of the said Customs Act.

[F.No.354/24/2010-TRU (Pt.-2)]

**Table**

| SNo. | Tariff item | Description of goods*                | Country of origin                         | Country of export                         | Producer | Exporter | Amount | Unit     | Currency  |
|------|-------------|--------------------------------------|---|---|----------|----------|--------|----------|-----------|
| (1)  | (2)         | (3)                                  | (4)                                       | (5)                                       | (6)      | (7)      | (8)    | (9)      | (10)      |
| 1.   | 2903 39 19  | 1,1,1,2- Tetrafluoroethane or R-134a | People's Republic of China                | People's Republic of China                | Any      | Any      | 1.22   | kilogram | US Dollar |
| 2.   | 2903 39 19  | -do-                                 | People's Republic of China                | Any other than People's Republic of China | Any      | Any      | 1.22   | kilogram | US Dollar |
| 3.   | 2903 39 19  | -do-                                 | Any other than People's Republic of China | People's Republic of China                | Any      | Any      | 1.22   | kilogram | US Dollar |

### Anti-dumping Duty on Tetrafluoroethane – China Entries Omitted from Ntfn 61/2011-Cus dated 15.07.2011

Ntfn 31-ADD In exercise of the powers conferred by sub-section (1) and sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975), read with rules 18, 20 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, 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.61/2011-Customs, dated the 15th July, 2011, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (i), vide number G.S.R.539(E), dated the 15th July, 2011, namely:- In the said notification, in the Table, serial numbers 1 to 6 and the entries relating thereto shall be omitted;

[F.No.354/24/2010-TRU (Pt.-2)]

### Sugar Duty Exempted on Advance Authorization Based Export

Ntfn 41 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendment 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 serial number 62 and the entries relating thereto the following entry shall be inserted, namely:-



| (1) | (2)  | (3)  | (4)   |
|-----|------|--|-------|
| *63 | 1701 | Sugar exported against a valid Advance Authorization issued by the Regional Authority that is to say the Director General of Foreign Trade appointed under section 6 of the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992) or an officer authorized by him to grant an authorization under the said Act subject to the conditions that:<br>(a) Exports are effected in proportion to the import of raw sugar against the said Advance Authorization;<br>(b) Advance Authorization holder has not got the said Authorization invalidated;<br>(c) Advance Authorization holder has not procured raw sugar from the domestic market;<br>(d) At the time of clearance of export consignment at port, the exporter submits a copy of the bill of entry as documentary proof of import of raw sugar under the said Advance Authorization to the jurisdictional proper officer of customs. | Nil*. |

[F.No.354/260/2015 -TRU]

## Last Date for Filing Application for TRQ on Maize by STEs for FY2016-17 Extended Till 8 August 2016

**Effect of this Public Notice:** The date for filing applications by STEs for TRQ on Maize for FY 2016-17 is extended till 8th August, 2016

22-PN 11.07.2016 (DGFT) In exercise of powers conferred under paragraph 2.04 of the Foreign Trade Policy (2015-20), the Director General of Foreign Trade hereby relaxes the provision as in Para 2.62 (I) of Handbook of Procedure, 2015-20 as under:

"The time limit for submitting completed applications in ANF-2M for allocation of Tariff Rate Quota (TRQ) on Maize is extended till 8th August, 2016"

2. Accordingly, all eligible entities (State Trading Enterprises-STE) desirous of availing quota to import 5,00,000 metric tons of Maize(Corn) for the year 2016-17 under Para 2.60 of HBP, 2015-20 may submit their application in ANF 2M to DGFT, Udyog Bhavan, New Delhi - 110011 along with prescribed documents and fees on or before 8th August, 2016.

## Hosur (TN) and Nattakkam Village (Kottayam Kerala) ICD Included in Port of Registration for Export Promotion Scrips

**Effect of this Public Notice:** ICDs located at Hosur (Tamil Nadu) and Nattakkam Village (Kottayam Taluk and District) are included under para 4.37 (a) Hand Book of Procedures (2015-2020) for availing export promotion benefits.

*Sub: Inclusion of Inland Container Depots located at Hosur (Tamil Nadu) and Nattakkam Village (Kottayam Taluk/District) as a Port of Registration under Para 4.37 of Hand Book of Procedures (2015-2020).*

20-PN 01.07.2016 (DGFT) In exercise of powers conferred under Paragraph 1.03 of the Foreign Trade Policy 2015-2020, the Director General of Foreign Trade hereby amends para 4.37 (a) of Handbook of Procedures (2015-2020):-

Hosur (Tamil Nadu) and Nattakkam Village (Kottayam Taluk and District) shall be added at the end of ICDs listed in paragraph 4.37 (a) of Hand Book of Procedures (2015-2020) related to Port of Registration.

(In the revised edition of Hand Book of Procedures name of this Port would be placed in correct alphabetical order).

## RBI Discontinues Submission of Bank Guarantee Reports for Service Imports with Immediate Effect

*Sub: Discontinuation of Reporting of Bank Guarantee on behalf of service importers.*

AP(DIR Srs) Cir.01 07.07.2016 (RBI) Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to para no. 5 of the Master Direction No.8 dated January 01, 2016 on 'Other Remittance Facilities' in terms of which, AD Category-I banks were permitted to issue guarantees in favour of a non-resident service pr

vider on behalf of their resident customers importing services, subject to the conditions laid therein. AD Category-I banks were also advised vide para no.1, Part X of the Master Direction on 'Reporting under Foreign Exchange Management Act, 1999' dated January 1, 2016, to report to the Chief General Manager-in-Charge, Foreign Exchange Department, Foreign Investments Division (EPD), Reserve Bank of India, Central Office, Mumbai-400001 details about invocation of bank guarantee for service imports.

2. On a review of the reporting requirements and to reduce the burden of compliance, AD Category I banks are advised to discontinue submission of such reports with immediate effect. They may, however, maintain records of such invocations and furnish the required details to RBI whenever sought.

3. The Master Direction No. 18 dated January 01, 2016 is being updated to reflect the changes.

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

## Exchange Rates for Customs Valuation

### Rupee Gains 10 paise against Dollar to Rs. 68.20 w.e.f 7 July 2016

96-Cus(NT) 06.07.2016 (DoR) In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in supersession of the notification of the Central Board of Excise & Customs No. 87/2016-CUSTOMS (N.T.), dated the 16th June, 2016, except as respects things done or omitted to be done before such supersession, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currency specified in column (2) of each of Schedule I and Schedule II annexed hereto into Indian currency or vice versa, shall, **with effect from 07th July, 2016**, be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

| SNo.   | Currency            | Imported Goods |          | Exported Goods |          |
|--|---------------------|----------------|----------|----------------|----------|
|  |                     | Current        | Previous | Current        | Previous |
| <b>Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees</b> |                     |                |          |                |          |
| 1.   | Australian Dollar   | 51.50          | 49.70    | 49.75          | 47.95    |
| 2.   | Bahrain Dinar       | 185.00         | 185.25   | 172.65         | 172.90   |
| 3.   | Canadian Dollar     | 53.10          | 52.45    | 51.45          | 50.75    |
| 4.   | Danish Kroner       | 10.25          | 10.35    | 09.90          | 9.95     |
| 5.   | EURO                | 76.25          | 76.85    | 73.70          | 74.30    |
| 6.   | Hong Kong Dollar    | 8.80           | 8.80     | 8.55           | 8.55     |
| 7.   | Kuwait Dinar        | 230.55         | 230.70   | 215.75         | 215.90   |
| 8.   | Newzeland Dollar    | 49.45          | 46.95    | 47.75          | 45.15    |
| 9.   | Norwegian Kroner    | 8.25           | 8.30     | 7.95           | 8.00     |
| 10.  | Pound Sterling      | 91.40          | 98.90    | 87.15          | 95.75    |
| 11.  | Singapore Dollar    | 50.80          | 49.85    | 49.20          | 48.30    |
| 12.  | South African Rand  | 4.75           | 4.45     | 4.45           | 4.20     |
| 13.  | Saudi Arabian Riyal | 18.55          | 18.60    | 17.40          | 17.40    |
| 14.  | Swedish Kroner      | 8.15           | 8.30     | 7.85           | 8.00     |
| 15.  | Swiss Franc         | 70.50          | 69.55    | 68.25          | 67.10    |
| 16.  | UAE Dirham          | 18.95          | 19.00    | 17.75          | 17.80    |
| 17.  | US Dollar           | 68.20          | 68.30    | 66.55          | 66.60    |
| 18.  | Chinese Yuan        | 10.25          | 10.45    | 09.95          | 10.10    |

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

|    |                |       |       |       |       |
|----|----------------|-------|-------|-------|-------|
| 1. | Japanese Yen   | 67.05 | 62.90 | 64.85 | 60.90 |
| 2. | Kenya Shilling | 68.90 | 69.15 | 64.40 | 64.65 |

[F.No.468/01/2016-Cus.V]

## Only High Value ECB Cases with Empowered Committee in RBI

*Sub: External Commercial Borrowings (ECB) – Approval Route cases.*

AP(DIR Srs) Cir.80 30.06.2016 (RBI) Attention of Authorized Dealer Category-I (AD Category-I) banks is invited to paragraph no. D.15 of Annex to A.P. (DIR Series) Circular No.32 dated November 30, 2015 and paragraph no. 2.11 of Master Direction No.5 dated January 1, 2016 on External Commercial Borrowings, Trade Credit,

Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers, in respect of ECB cases coming under the approval route. In terms of the aforesaid Circular/Direction, cases coming under the approval route were required to be considered by an Empowered Committee set up by the Reserve Bank based on the parameters stated therein.

2. With a view to rationalizing and expediting the process of giving approval, it has been decided that ECB proposals received in the Reserve Bank above a certain threshold limit (refixed from time to time) be placed before the Empowered Committee. The Reserve Bank will take a final decision in the cases taking into account the recommendation of the Empowered Committee.

3. All other aspects of the ECB policy shall remain unchanged. AD Category - I banks may bring the contents of this circular to the notice of their constituents and customers.

4. The Master Direction No. 5 dated January 01, 2016 is being updated to reflect the changes.

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

## EU Commission: CETA to Face Votes in National Parliaments

### 4 Nations Assert themselves, Follow Brexit

The European Commission proposed that a planned trade deal with Canada be signed and provisionally applied, while also announcing that it would be submitting the pact for approval from all EU national parliaments, as well as the European Parliament and Council.

#### Provisional implementation

The news marked a change in stance by the EU's executive arm, which previously said that the deal would not need to go to national parliaments, citing the Treaty of Lisbon.

Specifically, if a deal's provisions fall exclusively under EU competences, it would only need to go to the Council and the European Parliament.

However, if it features provisions that address areas falling under the responsibility of EU member states, this qualifies the agreement as "mixed" – therefore meaning that individual member states would need to ratify the accord in their own legislatures as well. Examples where this could occur would be investment, or some regulatory matters.

Given that the issue of "mixity" has arisen repeatedly in EU trade policy process, Commission officials flagged a pending ruling by the European Court of Justice (ECJ) on whether a separate deal with Singapore also requires national parliament approval as having the potential to give much-needed legal clarity.

While the ruling will be specific to the deal with Singapore, officials say that it could help clear up long-standing differences between the Council and the Commission on how to interpret the provisions of the Lisbon Treaty which relate to trade deals. The EU's executive arm requested the ruling in October 2014.

Meanwhile, the Commission has suggested that the pact could be applied "provisionally" until the full ratification process is completed.

The news of the Commission's decision comes at a trying time for the EU's trade policy, as it works to clinch another deal with the United States this year, while also navigating the potential implications for its trade agenda from the UK's vote to leave the EU.

Meanwhile, the heated public debate over the merits of trade deals – including CETA – has already spilled over into discussions in some EU national legislatures.

For example, the Belgian regional parliament of Wallonia has said it would need to see guarantees on certain issues before approving CETA, while Bulgaria and Romania have raised separate concerns regarding visa-free travel with Canada that could make it difficult to give their sign-off to the

The process of negotiating the EU-Canada pact already dates back several years, kicking off in 2009. The pact has attracted significant public scrutiny since the talks began, and even after

negotiations were concluded in 2014.

Following the legal scrub of the pact, the two sides announced earlier this year that they had revised the investment protection parts of the deal to incorporate an EU proposal for an investment court system, while stressing the "right to regulate" in the public interest by domestic governments.

Officials said at the time that the changes were designed to answer concerns by citizens and businesses on both sides of the Atlantic. However, the debate failed to die down, with concerns continuing to arise over how effective these reforms would be, among other aspects of the deal.

Meanwhile, speculation had grown in recent weeks as to how the Commission would propose treating the deal in the ratification stage, particularly in light of earlier statements by both the EU and Canada that they hoped to see the deal signed this year and implemented in 2017.



### Notification on 15% Interest for Warehoused Goods beyond 90 Days Rescinded

98-Cus(NT) 08.07.2016 (DoR) In exercise of the powers conferred by clause (ii) of sub-section (2) of section 61 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs, being satisfied that it is necessary in the public interest so to do, hereby rescinds the notification of the Government of India in the Ministry of Finance (Department of Revenue), number 18/2003-Customs, dated 1st march 2003, published in the Gazette of India, Extraordinary, Part II, Section 3, sub-section(i), vide number G.S.R. 173(E), dated the 1st March 2003, except as respects things done or omitted to be done before such rescission.  
F.No.484/23/2016-LC

### Rupee Value under Indo-USSR Deferred Payment Protocols Revised to Rs. 83.5796140 from 23 June 2016

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

AP(DIR Srs) Cir.79/30.06.2016 Attention of Authorized Dealer Category-I (AD Category-I) banks is invited to A.P. (DIR Series) Circular No. 41 dated February 04, 2016 wherein the

Rupee value of the Special Currency Basket was indicated as Rs. 80.9604520 effective from January 25, 2016.

2. AD Category-I banks are advised that a further revision has taken place on June 20, 2016 and accordingly, the Rupee value of the Special Currency Basket has been fixed at Rs. 83.5796140 with effect from June 23, 2016.

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 section 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.

#### WIndex No. 16 – 13 - 19 July 2016

##### DIndex Delivered Daily by Email

##### Foreign Trade Policy

|                  | DIndex*   | WIndex |
|------------------|---|--------|
| 20-PN/01.07.2016 | Hosur (TN) and Nattakkam Village (Kottayam Kerala) ICD Included in Port of Registration for Export Promotion Scrips | 127    |
| 22-PN/11.07.2016 | Last Date for Filing Application for TRQ on Maize by STEs for FY2016-17 Extended Till 8 August 2016                 | 127    |

##### Customs

|                     |  |     |
|---------------------|--|-----|
| Ntfn 41/06.07.2016  | Sugar Duty Exempted on Advance Authorization Based Export  | 126 |
| Ntfn 42/11.07.2016  | Cotton Textiles EPC Registration Required for Zero Duty Concessions to Goods Imported for the Manufacture of Cotton Garments | 123 |
| 30-ADD/11.07.2016   | Anti-dumping Duty on Tetrafluoroethane from China – Marginal Cut in Review   | 126 |
| 31-ADD/11.07.2016   | Anti-dumping Duty on Tetrafluoroethane – China Entries Omitted from Ntfn 61/2011-Cus dated 15.07.2011                        | 126 |
| 96-Cus(NT)/06.07.16 | Rupee Gains 10 paise against Dollar to Rs. 68.20 w.e.f 07.07.2016  | 127 |
| 98-Cus(NT)/08.07.16 | Notification on 15% Interest for Warehoused Goods beyond 90 Days Rescinded   | 128 |

##### Excise

|                    |  |     |
|--------------------|--|-----|
| 32-CE(NT)/11.07.16 | Mandatory Physical Verification of Garments Factory for Excise Registration Exempted | 123 |
|--------------------|--|-----|

##### CBEC Circular

|                    |  |     |
|--------------------|--|-----|
| 31-CBEC/06.07.2016 | Rupee Purchases upto 25k Allowed in Duty Free Shops  | 121 |
| 1036-CBEC/06.07.16 | Board Defines Express 'Site' in SNo. 186 of 12-CE/17.03.2012 – Goods Manufactured at the Site of Construction... | 123 |

##### RBI Circular [AP(DIR Series)]

|                   |  |     |
|-------------------|--|-----|
| Cir.79/30.06.2016 | Rupee Value under Indo-USSR Deferred Payment Protocols Revised to Rs. 83.5796140 from 23 June 2016 | 128 |
| Cir.80/30.06.2016 | Only High Value ECB Cases with Empowered Committee in RBI  | 127 |
| Cir.01/07.07.2016 | RBI Discontinues Submission of Bank Guarantee Reports for Service Imports with Immediate Effect    | 127 |

\*See details in [www.worldtradescanner.com](http://www.worldtradescanner.com)