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New ACP Program for VIP Customs Clearance

- 4 Special Green Channel for Big Companies Enlarged to Include Erstwhile AEO
- 4 Small Players to Wait in the Sun in "Normal" Red Channel
- 4 Programme Designed for 12000 Importers who Account for 85% of All Import Value in a Subset 30,000 Major Importers (Total Importer-Exporter in India 7.50 lakhs)
- 4 Adverse Notice Criteria for Non Recognition Revised, Only Serious Cases will be Noticed

Subject: Review of entity based facilitation programmes viz. Accredited Client Programme (ACP) and Authorized Economic Operator (AEO) programme - Revised Guidelines.

33-CBEC Please refer to the CBEC Circulars no.42/ 2005
22.07.2016 dated 24.11.2005 as amended regarding the
(DoR) ACP scheme and circular no 28/2012-Customs
dated 16.11.2012 regarding AEO programme.

2. The Board has decided to merge the two facilitation schemes namely ACP and AEO into a combined three-tier AEO programme, and also enhance the scope of these programmes so as to provide further benefits to the entities who have demonstrated strong internal control system and willingness to comply with the laws administered by the Central Board of Excise and Customs. The prominent features of the new programme are:

Program Features

- 4 Inclusion of Direct Port Delivery of imports to ensure just-in-time inventory management by manufacturers – clearance from wharf to warehouse
- 4 Inclusion of Direct Port Entry for factory stuffed containers meant for export by AEOs
- 4 Special focus on small and medium scale entities – any entity handling 25 import or export documents annually can become part of this programme
- 4 Provision of Deferred Payment of duties – delinking duty payment and Customs clearance
- 4 Mutual Recognition Agreements with other Customs Administrations
- 4 Faster disbursement of drawback amount
- 4 Fast tracking of refunds and adjudications
- 4 Extension of facilitation to exports in addition to imports
- 4 Self-certified copies of FTA / PTA origin related or any other certificates required for clearance would be accepted
- 4 Request based on-site inspection /examination
- 4 Paperless declarations with no supporting documents
- 4 Recognition by Partner Government Agencies and other Stakeholders as part of this programme
- 3. The revised AEO Programme is appended to this Circular.



4. Board Circulars No. 42/2005 dated 24.11.2005 as amended regarding the ACP scheme and No. 28/2012-Customs dated 16.11.2012 regarding AEO programmes and superseded with issue of this circular.

5. All the entities already certified under AEO Programme pursuant to Circular No 37/2011- Cus., dated 23.08.2011 and No. 28/2012-Customs dated 16.11.2012 would now be accorded the status of AEO-T2 or AEO-LO, as the case may

be, and shall be entitled to benefits as per this circular subject to their adherence to prescribed standards and guidelines issued in this regard.

6. The entities already accorded the ACP status pursuant to Circular No. 42/2005 dated 24.11.2005 as amended are being granted one time opportunity for transition to the AEO status in terms of this circular. They are required to submit their applications in terms of this circular within 90 days. In the meantime,

they are being provisionally granted the status of AEO-T1 till a decision is taken on their application.

7. Suitable Public Notice and Standing Orders may be issued. Further, Director General, Directorate General of Performance Management, Chief Commissioners of Central Excise and Chief Commissioner of Customs are requested to give wide publicity to the revised AEO Programme.

F.No.450/179/2009-Cus.IV(Pt)

[Full text available at worldtradescanner.com]

Crude Down to \$41.69

Crude Oil (Indian Basket) from 20 - 26 July 2016

	20 July	21 July	22 July	25 July	26 July
(\$/bbl)	43.68	43.96	42.69	42.43	41.69
(Rs/bbl)	2934.22	2954.40	2866.08	2853.33	2808.63
(Rs/\$)	67.17	67.20	67.14	67.24	67.37

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas

Authorized Economic Operator (AEO) Programme

(Circular No. 33/2016-Customs dated 22.7.2016)

1.5 Benefits of an AEO Certificate

The scope of the benefits to the AEOs based on their categories would be as mentioned below:

1.5.1 AEO-T1

- 4 They shall be accorded high level of facilitation in imports and export of their consignments, thereby ensuring shorter cargo release time.
- 4 Facility of Direct Port Delivery (DPD) of their import Containers and/ or Direct Port Entry (DPE) of their Export Containers would be available to them. However, this facility will be dependent on the volume of their Import/ Export trade in terms of number of containers.
- 4 ID cards to be granted to authorized personnel for hassle free entry to Custom Houses, CFSs and ICDs.
- 4 Wherever feasible, they will get separate space earmarked in Custodian's premises.
- 4 In case they are required to furnish a Bank Guarantee, the quantum of the Bank Guarantee would be 50% of that required to be furnished by an importer/ exporter who is not an AEO Certificate Holder. However, this exemption from Bank guarantee would not be applicable in cases where the Competent Authority orders furnishing of Bank Guarantee for provisional release of seized goods.
- 4 Investigations, if any, in respect of Customs, Central Excise and Service Tax cases would be completed, as far as possible, in six to nine months.
- 4 Dispute resolution at the level of Adjudicating Authorities in respect of Customs, Central Excise and Service Tax cases would be done preferably and as far as possible within six months.
- 4 They will not be subjected to regular transactional PCA, instead of that onsite PCA will be conducted once in two years only.
- 4 They will get an e-mail regarding arrival/ departure of the vessel carrying their consignments.
- 4 24/7 clearances on request at all sea ports and airports – No Merchant Overtime Fee (MOT) charges need to be paid.

1.5.2 AEO-T2 (T1 Plus)

The following benefits would be provided over and above the benefits offered in T1:

- 4 They shall be accorded higher level of facilitation (as compared to AEO-T1 in imports and export of their consignments).
- 4 For Importers/Exporters not opting for DPD/ DPE, seal verification/scrutiny of documents by Custom officers would be waived. Consignments would be given out of charge or let export order, as the case may be, without any scrutiny by the officers.
- 4 The containers selected for scanning will be scanned on priority, by giving front line of treatment.
- 4 Facility of deferred payment of duty will be provided, from a date to be notified
- 4 Faster disbursal of drawback amount within 72 hours of EGM submission, from a date to be notified
- 4 The BEs/SBs selected for Assessment and/ or Examination will be processed on priority by the Customs officers.

- 4 Facility of self -sealing of export goods would be allowed without the requirement to seek case to case base permission from the authorities
- 4 Faster completion of Special Valuation Branch ('SVB') proceedings in case of related party imports and monitoring of such cases for time bound disposal in terms of new guidelines
- 4 In case they are required to furnish a Bank Guarantee, the quantum of the Bank Guarantee would be 25% of that required to be furnished by an importer/ exporter who is not an AEO Certificate Holder. However, this exemption from Bank guarantee would not be applicable in cases where the Competent Authority orders furnishing of Bank Guarantee for provisional release of seized goods.
- 4 They will be given facility to paste MRP stickers in their premises.
- 4 They will not be subjected to regular transactional PCA instead of that onsite PCA will be conducted once in three years only.
- 4 They will be given access to their consolidated import/export data through ICEGATE from a date that would be communicated separately.
- 4 They will be provided the facility of submitting paperless declarations with no supporting documents in physical form.
- 4 All Custom Houses will appoint a "Client Relationship Manager" (CRM) at the level of Deputy /Assistant Commissioner as a single point of interaction with them. The CRM would act as voice of the AEO within Customs in relation to legitimate concerns and issues of AEO and would assist in getting procedural and operational issues resolved by coordinating with different sections within Customs as well as other stakeholders.

- 4 The refund/Rebate of Customs/Central Excise duty and Service Tax would be granted within 45 days of the submission of complete documents.
- 4 They will get trade facilitation by a foreign Customs administration with whom India enters into a Mutual Recognition Agreement/ Arrangement.

1.5.3 AEO-T3 (T1 + T2)

The following benefits would be provided over and above the benefits offered in T2:

- 4 They shall be accorded highest level of facilitation, as compared to AEO-T2, in imports and export of their consignments.
- 4 Their containers will not be selected for scanning except on the basis of specific intelligence. Further when any container is selected for scanning, top most priority will be given for scanning.
- 4 The assessing/examining custom officer will rely on the self-certified copies of documents submitted by them without insisting upon original documents.
- 4 They would not be required to furnish any Bank Guarantee. However, this exemption from Bank guarantee would not be applicable in cases where the Competent Authority orders furnishing of Bank Guarantee for provisional release of seized goods.
- 4 An approach based on Risk based interventions, in case of requirements originating from the Acts administered by other Government Agencies/Departments, will be adopted for providing better facilitation in imports and export of their consignments.
- 4 On request, they will be provided on-site inspection /examination.
- 4 The refund/Rebate of Customs/Central Excise duty and Service Tax would be granted within 30 days of the submission of complete documents.

1.5.4 AEO-LO:

Entity	Facilities to be provided
Logistic Service Providers	(a) Waiver of bank Guarantee in case of trans-shipment of goods under Goods imported (Condition of Trans-shipment) Regulations, 1995. (b) Facility of Execution of running bond. (c) Exemption from permission on case to case basis in case of transit of goods. In case of international transshipped cargo (Foreign to Foreign), for the pre-sorted containers wherein Cargo does not require segregation, ramp to ramp or tail to tail transfer of cargo can be effected without Customs escorts.
Custodians or	(a) Waiver of bank Guarantee under Handling of cargo in Customs Area Terminal Operators Regulations 2009. (b) Extension of approval for custodians under regulation 10(2) of the 'Handling of cargo in Customs Area Regulation 2009' for period of 10 years.
Customs Brokers	(a) Waiver of Bank Guarantee to be furnished under regulation 8 of the CBLR, 2013. (b) Extended validity (till validity of AEO status) of licenses granted under regulation 9 of the CBLR 2013. System Manager to incorporate date of validity of AEO from time to time in the System Directory (c) Waiver from fee for renewal of license under sub regulation (2) of regulation 11 of CBLR, 2013.
Warehouse Operators	(a) Faster approval for new warehouses within 7 days of submission of complete documents (b) Waiver of antecedent verification envisaged for grant of license for warehouse under circular 26/2016 (c) Waiver of solvency certificate requirement under circular 24/2016 (d) Waiver of security for obtaining extension in warehousing period under circular 21/2016 (e) Waiver of security required for warehousing of sensitive goods under circular 21/2016

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CBEC Gets Good Marks in Self Financed Survey

The Central Board of Excise & Customs (CBEC) had requested FICCI to conduct a tax payers' experience survey with the objective of garnering a feedback on impact that reforms undertaken during the last two years had on the ground. FICCI outsourced the survey to KPMG and they jointly reached out to 40000-45000 potential respondents across India. The survey was accompanied with a flier detailing the reforms carried out by the CBEC in the last two years (attached).

The key question of the survey was – "Do you feel a perceptible change in policies of the CBEC by way of becoming liberal and friendly to the taxpayer?" An overwhelming number of respondents, 72%, responded with a "yes" The fact that a tax department had the gumption to ask such a question and the tax payer's having actually acknowledged positively, both are a harbinger of increasing maturity of the regulatory eco system of India.

The questionnaire centred upon four themes –

- 4 Interaction experience with senior and junior functionaries of the department
- 4 Dispute resolution
- 4 Information Technology Enabled Services
- 4 Refund claims
- 4 Evaluation of sectoral reforms undertaken by the CBEC.

As business demographics would suggest, respondents from Maharashtra outnumbered all states, with respondents making up for 30%, Delhi followed at number 2, with 11%. Sectoral responses showed that 46% respondents from service industry, 39% from manufacturing and 15% from the trading community. This trend reveals the importance that service tax has acquired over the years, broadening the tax payer base and accounting for Rs. 2, 11,456 crore which is 26% of the Indirect Tax revenue.

The responses showed that 45% of the respondents saw an attitudinal change in senior functionaries (Commissioner level and above); and 51% acknowledged an improvement at the ground level, at the level of inspectors and above. This should come as heartening news for India Inc, as it is the inspector raj which is considered as the most stubborn stumbling block to improving the tax environment. In wake of widespread allegations of tax terrorism, which has most often been cited as a barrier to entry of foreign investment in manufacturing, the survey sought an opinion on whether the CBEC administration was becoming less adversarial. 32% of the respondents answered in the affirmative, which is indicative of an improving trend but does show that much needs to be done. The most outstanding achievement of the CBEC was getting the customs single window project off-the-block on 1st April 2016. Interestingly, USA had also launched its single window in the same period but had to eventually stagger dates for accommodating different government agencies and had to in fact drop FDA altogether for the time being. In India's case the project was a top most priority with the PMO and Cabinet Secretary, which brought together 6 ministries on a single window. CBEC's team evolved a unique methodology to solve teething problems by creating a whatsapp group for continuously receiving a feedback on operational issues faced by the trade and disseminating solutions. At the ports, customs brokers made their own whatsapp groups to share experiences and information.

The implementation of the project has shown the power of the digital applications in problem solving and CBEC's adaptability in being able to successfully leverage it. In a short span of time, the single window has had a huge impact on custom clearance processes. The survey saw respondents acknowledge the improvement. 76% respondents found improvement in customs clearance process. For a highly IT driven department, it was also very heartening to note that 75% of the respondents were satisfied by the IT enabled services.

Responses on sectoral reforms also generally received a thumbs up, including refunds. 49% of respondents acknowledged a positive change in processing of refunds. Of most interest to foreign businesses were responses to reforms undertaken in SVB (transfer pricing in customs) where 89% of the respondents indicated improvements. Similarly, responses on legislative changes carried

out to warehousing in the budget also elicited a positive response from 85% of the respondents. Considering the make in India initiative, central excise has been a major area of focus. 92% of the respondents have acknowledged CBEC's success in simplification of customs & excise business processes.

After this poll, FICCI & KPMG have also given to the CBEC a wish list of respondents. The 10 MUST Dos are:

1. Infuse attitudinal changes
2. Focus on Tax evaders
3. Simplify Procedures
4. Fast track adjudication
5. Reduce litigation
6. Expedite refunds
7. Introduce e-communication
8. Improve website and IT Platform
9. Enhance training
10. Improve Office infrastructure

Surety Requirements under IGCR 2016 – How Not to Make in India

- 4 A case study of a typical exemption with 27% duty foregone.
- 4 Typical unit will go bankrupt summoning resources for Surety.
- 4 Working capital will be crowded out by sureties!
- 4 Prohibited goods can be released against 25% security under Sec 111 of CA, SEZ goods only 25% but IGCR import for manufacture under "Make in India" 100% security without running bond!

Sample Calculations

	Rs Cr.
A Annual Production	60,000
B Value add @ 20% in Manufacture	10,000
C Parts, Components Accessories Import	50,000
D Import Budget per Manufacture (Assume 50 Importers)	1,000
E Monthly Import	83
F Production Cycle 3 months	250

Surety Requirements

	Month			
	1	2	3	Cum at month 3
A Import Purchase	83	83	83	250
B Consumption	60	70	80	210
C Inventory	23	36	39	39
D Surety amount @ 27% duty foregone on (A) import purchase	22	44	56	66
E Surety on inventory in Running Bond Mode (not applicable now)	6	10	17	

START-UP INDIA STATES CONFERENCE

Highlights of Speech by Commerce and Industry Minister Nirmala Sitharaman

23rd July 2016



India is buzzing with entrepreneurial activity like never before and is at the forefront of an entrepreneurial revolution. India has been pegged at 3rd place behind USA and

UK in terms of the number of Startups. Close to 4,400 technology startups exist in India and the number is expected to reach 12,000+ by 2020, driven by a young and diverse entrepreneurial ecosystem.

We have recognised the need to handhold and guide startups particularly in their early growth stage. To meet this, we have operationalised the StartUp India Hub on 1st April 2016 to resolve

queries and to provide handholding support to Startups. The hub has been able to resolve more than 13,500 queries received from Startups through telephone, email and Twitter.

Certificate of Eligibility

We have also recognized the need of incentivizing innovative startups because we are aware that they are the engines of growth. The Finance Act, 2016 has made provision for Startups to get income tax exemption for 3 years in a block of 5 years, if they are incorporated between 1st April 2016 and 31st March 2019. Tax exemption on investments above Fair Market Value have also been introduced for investments made in Startups. To avail these benefits one must get a Certificate of

Eligibility from the Inter-Ministerial Board of DIPP. The Inter Ministerial Board examines the eligibility of recognized Startups, which are incorporated after April 1, 2016, for tax benefits.

Funding is perhaps the most important input because from day one any entrepreneur will need funds to develop his ideas and give it a concrete shape. A 'fund of funds' of Rs.10,000 crores for Startups has been established which is managed by SIDBI. The fund will invest in SEBI registered Alternative Investment Funds (AIFs) which, in turn, will invest in Startups. Thus, this fund acts as an enabler to attract private capital in the form of equity, quasi-equity, soft loans and other risk capital for Startups.

Startups need to concentrate on the idea they are working on and not worry about compliances under various Acts. Startups working in areas covered under the list of 36 "white" category industries have been exempted from all the applicable compliances under 3 Environment Laws viz. the Water (Prevention & Control of Pollution) Act, 1974; the Water (Prevention & Control of Pollution) Cess (Amendment) Act, 2003 and the Air (Prevention & Control of Pollution) Act, 1981.

Startups also need to be assisted during that stage when they are scaling up and trying to venture into new markets. To that end, we have made provision for relaxed norms on prior experience and turnover for public procurement for micro and small enterprises in the Procurement Policy of Ministry of MSME.

More than 250 incubators have been recognized by Government of India to provide recommendation to startups. In order to augment the existing list of incubators, a module to recognize incubators has been launched. This shall enable incubators to obtain recognition from Government of India, allowing them to issue recommendation letters to Startups. 7 proposals for Research Parks, 16

proposals for TBIs and 13 proposals for Startup centers have been recommended by the National Expert Advisory Committee (NEAC) formed by MHRD. These proposals shall be implemented in the current financial year.

The guidelines for harnessing private sector expertise to set up incubators, annual grand challenge for innovative solutions to problems posed by industry and Government departments, annual grand challenge for incubators and establishment of tinkering labs have been formulated and published on Startup India website. DIPP has written to top 50 companies requesting them to support the initiative under their CSR activities by setting up new incubators or scale up existing incubators in collaboration with educational institutes.

Letters of Recommendation

Letter of recommendation by incubators to ascertain the innovativeness of a product, service or process is an important requirement for startups to obtain recognition. In response to the feedback on the difficulties faced by startups in obtaining such recommendation a cap has been put on the maximum fee that can be charged by the incubators for providing Letter of Recommendation to Startups.

Certificate of Recommendation

Innovation is the core of a Startup and protection of Intellectual property is imperative. A panel of facilitators has been constituted for providing assistance and support in filing applications for Intellectual Property Rights (IPR), wherein, DIPP would bear the facilitation cost. In order to avail IPR-related benefits, rebate in fee upto 80% and free of cost facilitation in filing IPR applications, a Startup would now be required to obtain only a Certificate of Recognition from DIPP and would not be required to be examined by the Inter-Ministerial Board, as was being done earlier.

Eligibility conditions and criteria for granting the AEO certificate

3.1 Who can apply for AEO certificate?

3.1.1 Anyone involved in the international supply chain that undertakes Customs related activity in India can apply for AEO status irrespective of size of the business. These may include exporters, importers, logistic providers (e.g. carriers, airlines, freight forwarders, etc.), Custodians or Terminal Operators, Customs House Agents and Warehouse Owners. Others who may qualify include port operators, authorized couriers, stevedores. The list is not exhaustive.

3.1.2 Businesses that are not involved in Customs related work / activities will not be entitled to apply. This means that in general, banks, insurance companies, consultants and the like categories of businesses will not be eligible for AEO status.

3.1.3 Application for AEO status will only cover the legal entity of the applicant and will not automatically apply to a group of companies.

3.1.4 There is no provision to grant AEO status to specific site, division or branch of legal entity of the applicant. The application must cover all the activities and locations of the legal entity involved in the international supply chain and the prescribed criteria will be applied across all those activities and locations.

Other Points

General Provisions

- 1.1 Introduction
- 1.2 Three tier AEO programme for importers and exporters (AEO-T1, AEO-T2, and AEO-T3)
- 1.3 Single Tier AEO Programme for Logistics Providers, Custodians or Terminal Operators, Customs Brokers and Warehouse Operators
- 1.4 Treatment of existing AEOs and ACPs

Application for an AEO certificate

- 3.2 Legal Compliance
- 3.3 Managing commercial and (where appropriate) transport records
- 3.4 Financial solvency
- 3.5 Safety and security
- 3.5.2 Procedural Security
- 3.5.3 Premises Security
- 3.5.4 Cargo Security
- 3.5.5 Conveyance Security
- 3.5.6 Personnel Security
- 3.5.7 Business Partner Security
- 3.5.8 Security Training and Threat Awareness

Procedure for issuing AEO certificates

- 4.1 Acknowledgement of application
- 4.2 Return of application
- 4.3 Rejection of application
- 4.4 Processing of application
- 4.5 Certification

Post-Certification Provisions

- 5.1 Validity of AEO Certificate
- 5.2 Renewal of AEO certificate
- 5.3 Maintenance of AEO Status
- 5.4 Review of AEO Status
- 5.5 Suspension or downgrading of AEO Status
- 5.6 Restoration of suspended/ downgraded AEO Status
- 5.7 Revocation of AEO Status

ED and DRI to Crack Down on Cos for Non Realization of Export Proceeds after Claiming Drawback

[PIB (MoF) Press Release dated 21st July 2016]

SIT directs Enforcement Directorate to take necessary action under FEMA with respect to 216 Companies with respect to the period before 1st March, 2016 and 572 Companies for the period after 1st March, 2016 for which each such Company had export proceeds pending for realisation for more than Rs. 100 crore.

SIT also directed Directorate of Revenue Intelligence (DRI) to check from its database on how many Companies have claimed duty drawback but have failed to bring export proceeds, take necessary action against them as per law; Asks RBI to immediately develop an institutional mechanism and IT system to not only immediately red flag those cases where exports have been outstanding in violation of FEMA guidelines but share the complete data with Enforcement Directorate and Directorate of Revenue Intelligence on a monthly basis.

As per RBI regulations, all exporters have to bring foreign exchange into the country as export proceeds within one year of the date of exports. The data on whether a particular exporter has brought export proceeds into the country is maintained by RBI.

Not bringing export proceeds is a violation of Foreign Exchange Management Act (FEMA) as it amounts to illicitly parking funds abroad.

Further, exporters can claim duty drawback on exports made with respect to taxes paid on inputs to exports. Any exporter can claim duty drawback only if the exporter has brought export proceeds into the country.

It is important for Directorate of Revenue Intelligence (DRI) also to have this data so that they could cross check the data and see if any exporter who has not brought in export proceeds has claimed duty drawback or not. The country thus loses on two counts – first by not getting proceeds of exports for exports made and secondly wrongful claim of duty drawback.

The Special Investigation Team (SIT) had asked RBI to give details of exports made where exports proceeds were yet to be utilised even after a period of more than one year. In response, RBI provided data on Export outstanding for shipping bills prior to 1st March, 2014 pending for more than one year as well as data on export outstanding for shipping bills on or after 1st March, 2014 pending for more than one year.

The data was reviewed in SIT meeting held on 12th and 13th July, 2016. From the data provided by RBI, it emerged that huge amount of export proceeds have not been realized. The SIT directed as follows :

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Glyphosate Classification as Plant Growth Regulator or Retardant Depends upon Usage, New Opinion of CBEC

Sub: Classification of Micronutrients, Multi-micronutrients, Plant Growth Regulators and Fertilizers-clarification regarding classification of Glyphosates.

1039-CBEC Kind attention is invited to Board
21.07.2016 Circular No. 1022/10/2016-CX
(DoR) dated 06.04.2016 on the above
subject. Representations have

been received from the members of the trade requesting clarification regarding Glyphosate Isopropyl amine (Glyphosate 360 Acid) which was placed under the category of Plant Growth Retardant in the annexure to the circular at Table I in the opinion received from IARI. 2. To bring clarity on the issue, opinion was again sought from Indian Agricultural Research Institute (IARI). The relevant portion of the opinion received is produced below:

"...Glyphosate is a broad-spectrum non-selective, systemic herbicide. Glyphosate is registered as herbicide in more than 160 countries including India, with more than 1.4 billion pounds applied every year on many food and non-food field crops as well as non-crop areas where total vegetation control is desired. Major use of Glyphosate has been exclusively grouped under Herbicide category by CIBRC, Ministry of Agriculture, Govt. of India.

Glyphosate is among the most widely used herbicide by volume. Worldwide, more than 8,00,000 tonnes of glyphosate products are used, value of which is perhaps more than the value of all other herbicides combined. The herbicide is used to kill weeds by inhibiting a plant enzyme involved in the synthesis of three aromatic amino acids: tyrosine, tryptophan, and phenylalanine.

When applied at lower rates, glyphosate acts as plant growth regulator similar to 2, 4-D, a synthetic form of auxin. Latter like glyphosate is one of the oldest and most widely available herbicides in the world, commercially available worldwide since 1945..."

3. In view of the above, it is directed that the classification of Glyphosate may be done in accordance with the aforesaid clarification provided by IARI i.e. depending upon its usage. Difficulty faced, if any, in implementing the circular should be brought to the notice of the Board.

F. No. 106/03/2013-CX.3

Tamarind Kernel Powder Classified under Heading 1302 32 90 of CETA, 1985

4 Earlier Classification as Vegetable Extract in 1106 30 10 Rescinded

Sub: Classification of Tamarind Kernel Powder under CETA, 1985.

1037-CBEC Representations have been
19.07.2016 received from the members of
(DoR) the trade requesting clarification
regarding classification of

tamarind kernel powder. It has been stated in these representations that there is divergence in the field regarding practice of classification of tamarind kernel powder.

Manufacture

2.1 The issue has been examined after taking inputs from the field formations. The process of converting tamarind seed into powder involves drying of tamarind seed in a rotary drum at 100° C. This drying is done of pure tamarind seed and without addition of any chemical compound. After drying, the tamarind seed is fed into disintegrator to remove the black skin. The inner kernel of tamarind seed obtained is then pulverised to fine powder in a pulveriser and the powder thus obtained is sieved in a sieving machine. The tamarind seed powder after sieving may be packed in gunny bags and sold. The tamarind kernel powder obtained from the above process is plain (unmodified) tamarind kernel powder.

2.2 Plain (unmodified) tamarind kernel powder may be further processed with heat or chemical treatment to obtain modified (treated) tamarind kernel powder. The primary difference between unmodified (plain) kernel powder and modified (treated) kernel powder is that the former is not soluble in cold water or water at room temperature, while the latter is soluble in cold water or water at room temperature. In order to use the unmodified powder as a thickener, it must be mixed into hot/boiling water and stirred constantly to form a paste. Modified powder, on the other hand, is mixed using a high speed stirrer, into

cold water or water at room temperature. This forms a paste and can be used as a thickener paste. Tamarind Kernel Powder, both plain and treated, are manufactured products and are used inter alia in textile and printing industry.

Classification

3. There are two tariff items where classification of tamarind kernel powder may be considered namely 1106 3010 and 1302 32 90. Chapter 11 of the Central Excise Tariff Act (CETA), 1985 covers products of milling industry. Heading 1106 covers flour, meal and powder of the products of Chapter 8. Chapter 8 covers edible fruits and nuts. Tamarind as an edible fruit, whether fresh or dried, is classified under the respective Tariff Headings of Chapter 8. Tariff item 1106 30 10 specifically covers flour, meal and powder of tamarind (as a product of Chapter 8). Therefore, Tariff item 1106 30 10 would cover flour, meal and powder derived from the pulp that is fleshy edible portion of tamarind fruit and not from the seeds of tamarind. Tamarind kernel powder can therefore not be classified under CETH 1106 30 10.

4. Chapter Heading 1302 of the CETA, 1985 covers vegetable saps and extracts, pectic substances, pectinates and pectates, agar-agar and other mucilages and thickeners, whether or not modified, derived from vegetable products. Further, sub-heading 1302 32 covers 'mucilages and thickeners, whether or not modified, derived from locust beans, locust bean seeds or guar seeds'. Thus, sub-heading 1302 32 would inter alia cover products used as thickeners which are derived from seeds. HSN Explanatory Notes C(5) to the Heading 1302 specifically covers cotyledon

(kernel) flour of tamarind seeds even if modified by heat or chemical treatment. In view of above, it is directed that tamarind kernel powder shall be classified under tariff item 1302 32 90 of CETA, 1985 as a product derived from the seed of the tamarind fruit. The said classification shall apply to both treated (modified) tamarind kernel powder and plain (unmodified) tamarind kernel powder.

5. Board Circular F. No. 10/18/86-CX.I dated 14.08.1986, issued on the above subject, is hereby rescinded. Difficulty faced, if any, in implementing the circular should be brought to the notice of the Board.

F.No.116/17/2016-CX.3

Supplies to SEZ to Paid in Forex from 01.04.2016, Rupee Payment Ok before Date

Subject: Closure Of EPCG authorizations in case of supplies to SEZ units which have been made prior to 01.4.2015 and where exports proceeds have not been realized through Foreign Currency Account (FCA) of the SEZ unit.

10-TN Attention is invited to Para
20.07.2016 5.7.2 of HBP 2009-14. Para 5.7.2
(DGFT) of HBP 2004-09 (RE: 2008) and the relevant Paras of the earlier policies Para 5.7.2 stipulates as under

"Export proceeds shall be realized in freely convertible currency except for deemed exports. Exports to SEZ units/Supplies to developers / Co-developers, irrespective of currency of realization would also be counted for discharge of Export obligation"

2. The matter has been examined. it is reiterated that, Para 5.7.2 of HBP 2009-14 read with relevant Paras of earlier policies did not stipulate that DTA units supplying goods under EPCG scheme to SEZ units had to realise payment from Foreign Currency Account (FCA) of SEZ unit, for discharge of Export Obligation. Moreover Rule 30 (8) of SEZ Rules, 2006 do not stipulate that it is mandatory for SEZ units to make payment to EPCG authorisation holders from Foreign Currency Account (FCA) of the unit.

3. It has been decided, in consultation with SEZ Division of Department of Commerce, that closure / redemption / EODC may be allowed in cases where EPCG authorisation holder has made supplies to SEZ units and has not realised the proceeds from the Foreign Currency Account (FCA), in case of supplies which have been made prior to 1.4.2015.

4. However, it is further clarified that Para 5.11 of HBP 2015-20 under the current FTP provides that exports to SEZ units /supplies to developers /co-developers shall be taken in to account for discharge of EO provided payment is realised from Foreign Currency Account of the SEZ unit. Hence condition of Para 5.11 of HBP 2015-20 shall have to be complied in respect of EPCG authorisations issued under FTP 2015 -20. Para 5.11 of HBP shall also be applicable in respect of EPCG authorizations issued under the earlier policies but where exports have been made on or after 01.04.2015 or payments have been realised after 31.03.2015.

5. This issues with the approval of Director General of Foreign Trade.

Articles and Parts of Jewellery at 1% Excise Duty Manufacture without Cenvat Credit on Inputs (12.5% with Cenvat Credit)

Silver Jewellery Exempted

26-CE 26.07.2016 (DoR) In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, 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-Central Excise, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide G.S.R. 163 (E), dated the 17th March, 2012, namely:- In the said notification, (A) in the Table, for serial number 199 and the entries relating thereto, the following shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)
"199	7113	(I) Articles of jewellery (II) Parts of articles of jewellery (III) Articles of silver jewellery, other than those studded with diamond, ruby, emerald or sapphire	1% 1% Nil	16 16 -";

Explanation. – For the purposes of this exemption,-

An article of jewellery or part of article of jewellery or both, produced or manufactured from an alloy (including a sintered mixture and an inter-metallic compound) containing precious metal may be treated as an article of jewellery or part of article of jewellery or both of a precious metal, if any one precious metal constitutes as much as 2% by weight of the article of jewellery or part of article of jewellery or both (excluding the weight of the precious or semi-precious stones, mounted or set), in accordance to the following:

- an article of jewellery or part of article of jewellery or both, containing 2% or more, by weight, of platinum is to be treated as an article of jewellery or part of article of jewellery or both, of platinum;
- an article of jewellery or part of article of jewellery or both, containing 2% or more, by weight, of gold but not platinum, or less than 2% by weight, of platinum, is to be treated as an article of jewellery or part of article of jewellery or both, of gold;
- other articles of jewellery or parts of articles of jewellery or both, containing 2% or more, by weight, of silver are to be treated as articles of jewellery or parts of articles of jewellery or both, of silver.

Condition 16 given below:

If the said excisable goods are manufactured from inputs or capital goods on which appropriate duty of excise leviable under the First Schedule to the Excise Tariff Act or additional duty of customs under section 3 of the Customs Tariff Act, 1975 (51 of 1975) has been paid and no credit of such excise duty or additional duty of customs on inputs or capital goods has been taken by the manufacturer of such goods (and not the buyer of such goods) under rule 3 or rule 13 of the CENVAT Credit Rules, 2004.

Explanation.- For the purposes of this condition, appropriate duty or appropriate additional duty includes nil duty or concessional duty, whether or not read with any relevant exemption notification for the time being in force.

[F. No. 354/25/2016 –TRU (Pt.-I)]

New Deal for Excise Duty on Gold Jewellery - Notifications Issued on 26.07.2016

Reference	Subject
1040/28/2016-CX	Small Scale Exemption upto Rs. 15 crs for Jewellery Manufacture
1041/29/2016-CX	No Excise Audit for First Two Years of Production
1042/30/2016-CX	No Excise Registration for Jewellery Exporters (but many exceptions)
1043/31/2016-CX	Special Procedures for Excise Jewellery Sales Prescribed State VAT Records to Double for Excise Special Procedure for Job Work Outside 214/86-CE Devised
1044/32/2016-CX	Gold Jewellery Out of Excise Inspector Raj?
1045/33/2016-CX	New Deal for Excise Duty on Gold Jewellery Amnesty for Stocks before Budget 2016
29/2016-CE	Gold Jewellery Excluded from "Handicrafts" Definition
28/2016-CE	Small Scale Exemption of Rs. 10 crs on Jewellery
27/2016-CE	Articles of Jewellery Outside Material Liabile to Duty only on Value Added
40/2016-CENT	Exemption to Gold Jewellery under SSI from Rule 9 of CE Rules 2002
39/2016-CENT	Exemption to File Return Electronically under 17/2006-CE(NT)
38/2016-CENT	Excise Registration 35/2001-CE(NT) Amended for Jewellery Registration
37/2016-CENT	Quarterly Return ER-8 Form Amended for Gold Jewellery
36/2016-CENT	Cenvat Credit Rules 2004 Amended for Gold Jewellery
35/2016-CENT	Central Excise Rules 2002 Amended for Gold Jewellery
34/2016-CENT	Jewellery Collection of Duty Rules 2016 Notified with Stock Registration Form
33/2016-CENT	Tariff Value of Gold Jewellery Fixed at "First Sale Value" of Manufacturer

Micro/Mini SD Cards to get Zero Duty under IT Agreement, CBEC Classifies Item under 8523 51 00 – Item in Zero Duty after Coverage at SNo. 3 in 24/2005

[CBEC Instruction dated 20th July 2016]



Subject: Extension of benefit of Notification No. 24/2005 dated 01.03.2005 (Sr. No. 3) {as amended by Notification No. 132/2006-Customs dated 30.12.2006 (Serial No. 15)} to Micro/Mini SD cards.

Representations have been received from the trade on the subject above.

2. The matter has been examined by the Board and it is observed that benefit of Notification No. 24/2005 dated 01.03.2005 (Sr. No. 3) (as amended by Notification No. 132/2006-Customs dated 30.12.2006 (Serial No. 15)) is extendable to Micro/Mini SD cards classified under CTH 8523 51 00 of the first schedule of the Customs Tariff.

3. Suitable Public Notice/Standing Order may be issued for the benefit of all stakeholders and Departmental officers.

4. All pending assessments, if any, may be finalized accordingly.

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

F. No. 528/43/2016-STO (TU)

Hotels Not to Include Tax in Forex Earnings for Claiming SEIS/SFIS Reward

Subject: Deduction of State/Central Taxes collected from the customers while calculating foreign earnings for SFIS/SEIS Schemes.

11-TN 21.07.2016 (DGFT) The CAG audit team has during the audit of Served From India Scheme files observed that

charges made on Accommodation, Services, Food etc. invariably include State/Central Taxes collected from the Customers such as VAT, Luxury Tax on sale of Food items and Service Tax and such taxes paid by the Customers to Government through the Service Provider should not have been included for issuance of SFIS.

2. The issue has been examined in this Directorate in consultation with Department of Revenue and it is observed that:

Para 3.6.4.3 of FTP 2004-2009 provides that:

All Service providers (other than hotels and restaurants) shall be entitled to duty credit equivalent to 10% of the foreign exchange earned by them in the preceding financial year.

Para 3.6.4.4 of FTP 2004-2009 provides that:

Hotels of one-star and above (including managed hotels and heritage hotels) approved by the Department of Tourism, and other Service providers in the tourism sector registered with the Department of Tourism, shall be entitled to duty credit equivalent to 5% of the foreign exchange earned by them in the preceding financial year.

Para 3.18 (i) of HBP 2004-09 further specifies that:

Only such foreign exchange remittances as are earned as amounts in lieu of the services

rendered by the Service Exporter would be counted for computation of the entitlement under this scheme.

These provisions have been carried forward in Para 3.12.4 of FTP 2009-14 and Para 3.6.1 of HBP 2009-14.

Similarly, in Para 3.10 and Para 3.09 of FTP 2015-20 for SEIS scheme, these provisions exist.

3. In the above context, attention is drawn to the fact that the FTP specifies that "Service providers shall be entitled to duty credit equivalent of the foreign exchange earned by them". The Handbook of Procedures also specifies that "only such foreign exchange remittances as are earned as amounts in lieu of the services rendered by the service exporter would be counted for computation of the entitlement under this scheme". The State/Central taxes payable by the Customer to Governments are collected from the Customer by the Service Provider on behalf of the Governments concerned. Hence, such taxes are not earnings of the service provider, as per the above provisions.

4. In light of the CAG observation, attention of all RAs, is drawn towards the above provisions for strict compliance and calculation of the entitlement only on the basis of receipt of foreign exchange earned by exporters, which does not include the taxes collected.

5. The issues with the approval of Director General of Foreign Trade.

Manual Signature can Substitute Digital Signature for Excise, Says CBEC

Sub: Manual signatures on digitally signed invoices.

1038-CBEC Attention is invited to Notification No. 18/2015-Central 19.07.2016 Excise (NT) dated 06.07.2015 by which conditions, (DoR) safeguards and procedures in relation to authentication of invoices by digital signatures were specified.

Representations have been received from the trade requesting for clarification on whether a manufacturer who opts to authenticate invoices with digital signature can simultaneously also authenticate invoices by manual signature. The need for the trade to simultaneously use digital and manual signature has apparently arisen because many of the customers of a manufacturer or service provider, who receive goods and services under cover of an invoice authenticated by a digital signature, do not have the requisite Information Technology infrastructure to accept or receive such invoices electronically. In such situations they demand manually authenticated invoices from manufacturers or service providers who otherwise issue digitally signed invoices.

2. The issue has been examined. It is hereby clarified that a manufacturer or a service provider who opts to issue invoices authenticated by digital signature may print a copy of such invoice and sign them manually and forward the same to such customers who are unable to accept or receive the digitally signed invoices. Such invoices in effect would be authenticated by two signatures, digital signature as well as manual signature and would be considered to be in conformity with rule 11 of Central Excise Rules, 2002 or Rule 4A, 4B and 4C of the Service Tax Rules, 1994. Such invoices would also be a valid document to avail CENVAT credit.

3. Difficulty, if any, in implementing the circular should be brought to the notice of the Board.

F.No.224/44/2014-CX.6

Anti-dumping Duty on Rubber Chemical PX13 from EU, China Extended Till 27 July 2017 in Review

Ntfn 35-ADD Whereas, the designated authority vide notification No. 26.07.2016 15/05/2016-DGAD, dated the 8th July, 2016, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 8th July, 2016, 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 certain Rubber Chemicals, namely, MOR, PX13 and TDQ, falling under Chapters 29 and 38 of the First Schedule to the Customs Tariff Act, originating in, or exported from, European Union and People's Republic of China, imposed vide notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.67/2011-Customs, dated the 28th July, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.582(E), dated the 28th July,

Exchange Rates for Customs Valuation

Rupee Gains 5 paise against Dollar to Rs. 68.15 w.e.f 22 July 2016

102-Cus(NT) In exercise of the powers conferred by section 14 of the 21.07.2016 Customs Act, 1962 (52 of 1962), and in supersession of (DoR) the notification of the Central Board of Excise & Customs No. 96/2016-CUSTOMS (N.T.), dated the 06th July, 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 22nd 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
Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees					
1.	Australian Dollar	51.30	51.50	49.50	49.75
2.	Bahrain Dinar	184.60	185.00	172.25	172.65
3.	Canadian Dollar	52.40	53.10	50.75	51.45
4.	Danish Kroner	10.15	10.25	9.80	09.90
5.	EURO	75.45	76.25	72.95	73.70
6.	Hong Kong Dollar	8.80	8.80	8.55	8.55
7.	Kuwait Dinar	230.00	230.55	215.20	215.75
8.	Newzeland Dollar	47.85	49.45	46.20	47.75
9.	Norwegian Kroner	8.10	8.25	7.80	7.95
10.	Pound Sterling	91.15	91.40	86.90	87.15
11.	Singapore Dollar	50.40	50.80	48.75	49.20
12.	South African Rand	4.85	4.75	4.55	4.45
13.	Saudi Arabian Riyal	18.55	18.55	17.35	17.40
14.	Swedish Kroner	8.00	8.15	7.70	7.85
15.	Swiss Franc	69.55	70.50	67.10	68.25
16.	UAE Dirham	18.95	18.95	17.75	17.75
17.	US Dollar	68.15	68.20	66.45	66.55
18.	Chinese Yuan	10.25	10.25	9.90	09.95

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

1.	Japanese Yen	63.80	67.05	61.75	64.85
2.	Kenya Shilling	68.55	68.90	64.10	64.40

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

2011, and has requested 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 further amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.67/2011-Customs, dated the 28th July, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.582(E), dated the 28th July, 2011, namely:-

In the said notification, after paragraph 3 and before the Explanation, the following paragraph shall be inserted, namely: -

"4. Notwithstanding anything contained in paragraph 3, this notification shall remain in force up to and inclusive of the 27th day of July, 2017, unless revoked earlier."

[F.No.354/131/2005 -TRU (Pt-2)]

Quality Standards for Import of Goods

Increase of tariff or imposition of Quantitative Restriction are measures to regulate the volume of imports of particular commodities. Technical regulations, also called mandatory standards, play a much more important role globally in checking import of poor quality goods.

WTO Agreement on Technical Barriers to Trade (TBT) empowers member countries to mandate standards on goods with the objective of maintaining national security requirements; prevention of deceptive practices; protection of environment, animal or plant life or health; human health or safety. Similarly, WTO Agreement on Sanitary and Phytosanitary (SPS) Measures empowers member countries to mandate standards on goods with the objective of protecting human, animal or plant life or health.

Various ministries and agencies in Government of India like Food Safety and Standards Authority of India (FSSAI), Ministry of Steel, Department of Electronics & Information Technology, etc. are pursuing these objectives and have mandated standards in the recent past. Any standard mandated by the national authority is equally applicable to domestically manufactured products as well as imported products.

Also, the Department of Commerce has been organizing National Standards Conclaves to sensitize stakeholders/ministries to meet the objectives of the standards like protection of human

health or safety, animal or plant life or health, the prevention of deceptive practices, national security requirements or the environment with a view to protect the interests of consumers. The central government is also pursuing the agenda with the state governments and last year, five regional standards conclaves were organized to generate awareness across the country.

This information was given by the Minister of State (Independent Charge) in the Ministry of Commerce & Industry Smt. Nirmala Sitharaman in a written reply in Rajya Sabha on 20 July.

Fourteen Coastal Eco Zones to be Developed by Sagarmala Corp

With the aim to provide impetus to the 'Make In India' initiative and promote port-led industrialization, the Ministry of Shipping organized a workshop on 'Coastal Economic Zones' under its Sagarmala Programme today, at New Delhi. The workshop focused on the 14 Coastal Economic Zones (CEZs) which have been identified under the National Perspective Plan of Sagarmala.

The workshop apprised the participants that these CEZs will be aligned to relevant ports in the maritime states and will house Coastal Economic Units for setting up manufacturing facilities. The CEZs have been conceptualized as a spatial-economic region which could extend along 300-500 km of coastline and around 200-300 km inland from the coastline. Each CEZ will be an agglomeration of coastal districts within a State.

Leveraging the port eco-system these CEZs will provide the geographical boundary within which port led industrialization will be developed. The CEZs have been envisaged to tap synergies with the planned industrial corridors like Vizag Chennai Industrial Corridor and Delhi Mumbai Industrial Corridor.

Dr. Alok Srivastava, Additional Secretary, said "The Sagarmala Programme has been conceptualized by the centre, however active participation from the States is highly essential to make this a success."

The Workshop was attended by representatives from various Central Ministries, State Governments, autonomous bodies, private sector and was well received by the participants. During the interaction in the workshop, valuable suggestions were made by the participants.

By incorporation of the inputs from the various maritime state governments, the CEZ perspective plans will be finalized. Detailed Master Plans will be prepared by the Sagarmala Development Company and more projects will be identified. The Sagarmala Development Company has recently been approved by the Cabinet.

Contd.. P/140

Enforcement Directorate to take necessary action under FEMA wherever needed and specially with respect to 216 Companies with respect to the period before 1st March, 2016 and 572 Companies for the period after 1st March, 2016 for which each such Company had export proceeds pending for realisation for more than Rs. 100 crores and inform SIT on action taken.

Directorate of Revenue Intelligence (DRI) to check from its database on how many Companies have claimed duty drawback but have failed to bring export proceeds, take necessary action against them as per law and inform SIT of action taken.

RBI may immediately develop an institutional mechanism and IT system to not only immediately red flag those cases where exports have been outstanding in violation of FEMA guidelines but share the complete data with Enforcement Directorate and Directorate of Revenue Intelligence on a monthly basis.

Yen Falls on \$265bn Abe Stimulus Report, Europe Advances China Stocks Sink; Oil Drops



The yen dropped as Japan's Prime Minister was reported to commit to a \$265 billion stimulus package. Chinese stocks tumbled and crude oil extended its slump, while European shares advanced for a third day.

Japan's currency weakened 0.9 percent against the dollar after Kyodo News said that Shinzo Abe announced plans for more than 28 trillion yen (\$265 billion) in spending to boost the economy. The Nikkei 225 Stock Average climbed 1.7 percent, while the yield on Japan's two-year notes fell to a record. Crude fell a fifth day, slipping below \$43 a barrel. The Stoxx Europe 600 Index added 0.3 percent.

Japan's financial markets have been whipped this week by speculation about the amount of money the government will commit to buoying the economy, and whether any stimulus will come as a coordinated effort with the Bank

of Japan. The U.S. central bank is projected to keep borrowing costs on hold Wednesday, despite an uptick in bets on tightening this year.

Currencies

After a two-day, 1.4 percent advance, the yen weakened to 105.72 per dollar as of at 8:01 a.m. in London.

Abe's stimulus plan will include 13 trillion yen in "fiscal measures".

The Australian dollar jumped, then reversed gains, after data showed inflation quickened.

New Zealand's currency fell 0.5 percent. The Bloomberg Dollar Spot Index, a gauge of the greenback against 10 major peers, added 0.3 percent following Tuesday's 0.3 percent drop.

Stocks

Automakers led gains on the European equity gauge after PSA Group, the region's second-biggest carmaker, said first-half earnings jumped 32 percent.

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*See details in www.worldtradescanner.com