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DGFT Releases Special Advance Authorisation (SAA) Scheme for Additional Drawback on 22% of Garment Value for Interlining Portion in Bill of Materials

- 4 HS Chapters 61 and 62 Covered
- 4 Duty Free Advance Authorisation for Fabric Portion to Follow Existing Rules of Pre-import, Actual User Condition and Published Input Output Norms
- 4 Drawback at Cut Rate of 3.3% to 4.7% Allowed on Interlining Portion Representing 22% of Garment Value when Clubbed with Duty Free AA Route for Fabrics



(WTS Fears that scheme may be non-starter since exporters prefer the simplicity Customs duty free jobbing notification for CMT (Cut-Make-Trim) operation where fabric is supplied by buyer on Job Work basis.

Too many conditions for manufacturing with less than 1% rise in DBK on full Garment Value in the New SAA for Garments!)

1A – DGFT Notification No. 21/2015-2020 dated 11th August 2016

Effect of this Notification: A new scheme called Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories of Chapter 61 & 62 of ITC(HS) Classification is introduced with effect from 1st September 2016 wherein exporters are entitled for an authorisation for fabrics including inter lining on pre-import basis, and All Industry Rate of Duty Drawback for non-fabric inputs on the exports.

Subject: Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories. Amendments in FTP 2015-2020.

21-Ntfn In exercise of the powers conferred by Section 11.08.2016 5 of the Foreign Trade (Development and (DGFT) Regulation) Act, 1992, as amended, read with Para 1.02 of the Foreign Trade Policy, 2015-2020, the Central Government hereby makes the following amendments in the Foreign Trade Policy (FTP) 2015-2020 with effect from 1st September 2016, namely:

2. Below existing para 4.04, a new para 4.04A is added as follows:

4.04A Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing accessories.

Duty free import of fabric under 'Special Advance Authorisation Scheme for export of Articles of Apparel and Clothing Accessories' shall be allowed, as per Customs Notification issued for this scheme, for export of items covered under Chapter 61 and 62 of ITC(HS) Classification of Export and Import, subject to the following terms and conditions:

- (i) The authorisation shall be issued based on Standard Input output Norms (SION) or prior fixation of norms by Norms Committee.
- (ii) The authorisation shall be issued for the import of relevant fabrics including inter lining only as input. No other input, packing material, fuel, oil and catalyst shall be allowed for import under this authorisation.
- (iii) Exporters shall be eligible for All Industry Rate of Duty Drawback, for non fabric inputs, as determined by Central Government for this scheme. For the purpose of value addition norm of para 4.08 of FTP, the value of any other input used on which benefit of Drawback is claimed or intended to be claimed shall be equal to 22% of the FOB value of export realised. Minimum value addition shall be as per para 4.09 of FTP.
- (iv) Where the exporter desires to claim drawback determined

and fixed by Central Excise Authority (brand rate), he shall follow para 4.15 of FTP regarding declarations to be made in application for the authorisation and make export under claim for brand rate. In such cases the value addition shall be as per para 4.08 of FTP. Minimum value addition shall be as per para 4.09 of FTP.

(v) Authorisation, and the fabric imported, shall be subject actual user condition. The same shall be non transferable even after completion of export obligation. However fabric imported may be transferred for job work as permitted by Central Excise (excluding to units located in areas eligible for area based exemption from Central Excise Duty). Invalidation of the authorisation shall not permitted.

(vi) The fabric imported shall be subject to pre-import condition and it shall be physically incorporated in the export product (making normal allowance for wastage). Only Physical exports shall fulfil the export obligate.

(vii) Provisions of paragraphs 4.02, 4.05(a), 4.13(i), 4.13(ii), 4.14, 4.15, 4.17, 4.19, 4.21(i), 4.21(ii), 4.21(iii), 4.21(v), 4.22(i), and 4.24 of Foreign Trade Policy shall be applicable insofar as they are not inconsistent with this scheme.

Crude Rises to \$45.38

Crude Oil (Indian Basket) from 08 - 15 Aug 2016

	08 Aug	09 Aug	10 Aug	11 Aug	15 Aug
(\$/bbl)	42.46	42.46	41.97	41.82	45.38
(Rs/bbl)	2833.68	2843.13	2801.43	2795.77	3032.70
(Rs/\$)	66.74	66.96	66.74	66.86	66.83

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas

1B – Customs Notification on Special Advance Authorisation(SAA) for Duty Free Fabric Import

Nfn 45 In exercise of the powers
13.08.2016 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 exempts
fabrics (including interlining) imported into India
against a valid Special Advance Authorisation
(hereinafter referred to as the said authorisation)
issued by the Regional Authority in terms of
paragraph 4.04A of the Foreign Trade Policy from
the whole of the duty of customs leviable thereon
which is specified in the First Schedule to the
Customs Tariff Act, 1975 (51 of 1975) (hereinafter
referred to as the Customs Tariff Act) and from the
whole of the additional duty, safeguard duty and
anti-dumping duty leviable thereon, respectively,
under sections 3, 8B and 9A of the Customs Tariff
Act, subject to the following conditions, namely :-

(i) that the said authorisation is produced before
the proper officer at the time of clearance for debit;
(ii) that the said authorisation is meant for import
of fabric only and bears,-

(a) the name and address of the importer and the
supporting manufacturer in cases where the
authorisation has been issued to a merchant
exporter; and

(b) the description and other specifications of the
fabrics to be imported and the description,
quantity and value of exports of the product
falling under Chapter 61 or 62 of the said First
Schedule to the Customs Tariff Act;

(iii) that the fabrics imported corresponds to
the description and other specifications (where
applicable) mentioned in the authorisation and are
in terms of para 4.12 of the Foreign Trade Policy
and the value and quantity thereof are within the
limits specified in the said authorisation;

(iv) that the importer at the time of clearance of
the imported fabric executes a bond with such
surety or security and in such Form and for such
sum as may be specified by the Deputy Commis-
sioner of Customs or Assistant Commissioner of
Customs, as the case may be, binding himself
to pay on demand an amount equal to the duty
leviable, but for the exemption contained herein,
on the imported materials in respect of which the
conditions specified in this notification are not
complied with, together with interest at the rate
of fifteen per cent. per annum from the date of
clearance of the said materials:

Provided that in relation to the said authorisation
issued to a merchant exporter, the bond required
to be executed by the importer in terms of this
notification shall be executed jointly by the mer-
chant exporter and the supporting manufacturer
binding themselves jointly and severally to comply
with the conditions specified in this notification;

(v) that the imports and exports are undertaken
through the seaports, airports or through the inland
container depots or through the land customs
stations as mentioned in the Table 2 annexed
to the Notification No.16/2015 - Customs dated
01.04.2015 or a Special Economic Zone notified
under section 4 of the Special Economic Zones
Act, 2005 (28 of 2005):

Provided that the Commissioner of Customs
may, by special order or a public notice and subject
to such conditions as may be specified by him,
permit import and export through any other Sea-

port, Airport, Inland Container Depot or through
a Land Customs Station within his jurisdiction;

(vi) that the export is made subject to pre-im-
port condition on the fabrics in terms of notified
Standard Input Output Norms (SION) or under
prior fixation of norms for fabric only;

(vii) that the export obligation as specified in
the said authorisation (both in value and quantity
terms) is discharged within the period specified
in the said authorisation or within such extend-
ed period as may be granted by the Regional
Authority through physical exports of products
(in which the pre-imported fabric is physically
incorporated) falling under Chapter 61 or 62
of the First Schedule to the Customs Tariff Act
manufactured in India which are specified in the
said authorisation;

(viii) that the importer produces evidence of
discharge of export obligation to the satisfac-
tion of the Deputy Commissioner of Customs or
Assistant Commissioner of Customs, as the
case may be, within a period of sixty days of the
expiry of period allowed for fulfillment of export
obligation, or within such extended period as
the said Deputy Commissioner of Customs or
Assistant Commissioner of Customs, as the case
may be, may allow;

(ix) that the said authorisation shall not be
transferred and the said fabrics shall not be
transferred or sold;

Provided that the said fabrics may be trans-
ferred to a job worker for processing subject to
complying the conditions specified in the relevant
Central Excise notifications permitting transfer of
materials for job work;

Provided further that, no such transfer for pur-
poses of job work shall be effected to the units

located in areas eligible for area based exemptions
from the levy of excise duty in terms of notification
Nos. 32/1999-Central Excise dated 08.07.1999,
33/1999-Central Excise dated 08.07.1999,
39/2001- Central Excise dated 31.07.2001,
56/2002- Central Excise dated 14.11.2002,
57/2002- Central Excise dated 14.11.2002,
49/2003- Central Excise dated 10.06.2003,
50/2003- Central Excise dated 10.06.2003,
56/2003- Central Excise dated 25.06.2003, 71/03-
Central Excise dated 09.09.2003, 8/2004- Central
Excise dated 21.01.2004 and 20/2007- Central
Excise dated 25.04.2007.

2. Where the fabrics are found defective or unfit
for use, the said fabrics may be re-exported back
to the foreign supplier within six months from
the date of clearance of the said fabrics or such
extended period not exceeding a further period
of six months as the Commissioner of Customs
may allow:

Provided that at the time of re-export, the fab-
rics are identified as the same fabric which was
imported to the satisfaction of the Deputy Com-
missioner of Customs or Assistant Commissioner
of Customs, as the case may be.

Explanation, – For the purposes of this noti-
fication,-

(I) "Foreign Trade Policy" means the Foreign
Trade Policy, 2015-2020, published by the Gov-
ernment of India in the Ministry of Commerce and
Industry issued vide notification No. 01/2015-
2020, dated the 1st April 2015 as amended from
time to time;

(II) "Regional Authority" means the Director Gen-
eral 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 authorisation under the said Act.

3. This notification shall come into force on the
1st day of September 2016.

[F. No. 605/42/2016-DBK]

1C – Duty Drawback Circular on Special Advance Authorisation (SAA) for Fabrics with Drawback on Lining Partion

Subject: Special Advance Authorization under para 4.04A of FTP 2015-20 in combination with All Industry Rates (AIRs) of Duty Drawback

37-CBEC Attention of field formations is
13.08.2016 drawn to the DGFT Notification
(DoR) No. 21/2015-2020 dated 11th

August 2016 which has notified
para 4.04A in the FTP 2015-20 providing for duty
free pre-import of fabric (including interlining) only
under a Special Advance Authorisation Scheme
wherein the said fabric gets physically incorpo-
rated (making normal allowance for wastage) in
goods of Chapter 61 and 62 of ITC(HS) that are
physically exported to fulfil the export obligation.
In this Scheme, the exporters can also be eligi-
ble for All Industry Rates of Duty Drawback as
specifically determined by Central Government
in which case, for the purpose of value addition
norm of para 4.08 of FTP, the value of any other
input used on which benefit of Drawback is claimed
or intended to claimed has been specified in the
DGFT notification as equal to 22% of the FOB
value of export realized. However, option to
claim drawback determined and fixed by Central
Excise Authority (brand rate) under Rule 7 of the
Drawback Rules 1995 remains in which case the
value of inputs (other than the fabric imported duty
free under the Special Advance Authorization)
continues to be based on actuals. The notification

may be downloaded from dgft.gov.in.

2. To give effect to the Special Advance Authori-
sation Scheme, the Notification No.45/2016-Cus-
toms dated 13th August, 2016 has been issued
providing exemption to fabrics (including inter-
lining) from import duty subject to conditions
specified therein. Further, Notification No.
110/2016-Customs (NT) dated 13th August, 2016
has been issued providing, subject to the speci-
fied conditions, the alternative All Industry Rates
(AIRs) of drawback in the Drawback Schedule for
the exports made against the Special Advance
Authorisation in discharge of export obligations in
terms of Notification No. 45/2016-Customs dated
13th August, 2016. These notifications may be
downloaded from cbec.gov.in.

3. For the alternative AIRs relevant tariff item has
to be suffixed with suffix 'C' or suffix 'D' for the
situation when Cenvat facility has not been availed
or when Cenvat facility has been availed, respec-
tively, instead of the usual suffix 'A' or suffix 'B'. In
the option to claim Brand Rate of duty drawback in
terms of rule 7 of the Drawback Rules 1995 with
the Special Advance Authorization, the procedure
in Annexure 1 with Circular No. 29/2015-Cus
dated 16.11.2015 has relevance. However, the

exporter shall have to declare the figure '9807' as identifier (in the shipping bill under the Drawback details) followed by the tariff item number of the goods as shown in column (1) of the Schedule and followed by the character 'D'. Based on this, the shipping bill shall be processed for payment of provisional drawback amount equivalent to the Customs portion of these alternative AIRs.

4. The above mentioned DGFT and Customs notifications are effective from 1st September 2016. The CBEC's Systems Directorate is making all the necessary EDI related arrangements for

implementation including specifying the appropriate new scheme code that would need to be declared by exporters making exports under the Special Advance Authorization Scheme cum AIR Drawback and these shall be publicized to exporters in advance by the Systems Directorate.

5. Suitable public notices and standing order should be issued for guidance of the trade and officers in terms of this Circular. Difficulties, if any, may be brought to notice of the Board.

F.No.605/42/2016-DBK

1D – Customs Notification 110 (NT) dated 13th August 2016

110-Cus(NT) In exercise of the powers
13.08.2016 conferred by sub-section (2)
(DoR) of section 75 of the Customs Act,
1962 (52 of 1962), sub-section (2) of section 37 of the Central Excise Act, 1944 (1 of 1944), and section 93A and sub-section (2) of section 94 of the Finance Act, 1994 (32 of 1994), read with rules 3 and 4 of the Customs, Central Excise Duties and Service Tax Drawback Rules, 1995, the Central Government, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.110/2015-Customs (N.T.), dated the 16th November, 2015, published vide number G.S.R. 861 (E), dated the 16th November, 2015, namely:-
2. In the said notification, in the Notes and conditions, in paragraph (10), after clause (b), the

following proviso shall be **inserted**, namely:-

"Provided that where exports are made against Special Advance Authorisation issued under paragraph 4.04A of the Foreign Trade Policy 2015-20 in discharge of export obligations in terms of Notification No. 45/2016-Customs dated 13th August, 2016, the rates of drawback specified in the said Schedule shall apply as if in the said Schedule- (i) the heading A and heading B are heading C and heading D, respectively; and (ii) the entries in columns (4), (5), (6) and (7) against the Tariff items in the said Schedule below all Chapters, except Chapter 61 and 62, are NIL, and those in Chapters 61 and 62 are as specified in the Table annexed hereto;"

3. In the said notification, after the Schedule, the following Table shall be inserted, namely:-

[Table available at worldtradescanner.com]

In-bond Procedure for Movement of Goods EOUs Substituted with Procurement Certificate Based Movement

Subject: Removal of mandatory warehousing requirements for EOUs, STPIs, EHTPs etc. - amendment in paras 6.01, 6.13, 6.19 and 6.28 of FTP 2015-2020.

23-Ntnf In exercise of the powers conferred by Section 5 of the Foreign Trade (Development
13.08.2016 and Regulation) Act, 1992, as amended, read with Para 1.02 of the Foreign Trade
(DGFT) Policy, 2015-2020, the Central Government hereby makes the following amendments in the Foreign Trade Policy (FTP) 2015-2020 with immediate effect:-

SNo	Para No	Existing Para	Revised Para
1.	6.01	(g) An EOU engaged in agriculture, animal husbandry, aquaculture, floriculture, horticulture, pisciculture, viticulture, poultry or sericulture may be permitted to remove specified goods in connection with its activities for use outside bonded area.	(g) An EOU engaged in agriculture, animal husbandry, aquaculture, floriculture, horticulture, pisciculture, viticulture, poultry or sericulture may be permitted to remove specified goods in connection with its activities for use outside the premises of the unit.
2	6.13	(a) Transfer of manufactured goods from one EOU / EHTP / STP / BTP unit to another EOU / EHTP / STP / BTP unit is allowed with prior intimation to concerned Development Commissioners of the transferer and transferee units as well as concerned Customs authorities, following procedure of in-bond movement of goods. Transfer of manufactured goods shall also be allowed from EOU / EHTP / STP / BTP unit to a SEZ developer or unit as per procedure prescribed in SEZ Rules, 2006.	(a) Transfer of manufactured goods from one EOU / EHTP / STP / BTP unit to another EOU / EHTP / STP / BTP unit is allowed with prior intimation to concerned Development Commissioners of the transferer and transferee units as well as concerned Customs authorities, as per following procedure for movement of goods: i. Any procurement by one unit from another should be supported by a Procurement Certificate or pre-authenticated procurement certificates, as applicable; ii. The supply of the goods from one unit to another shall be based upon the usual commercial documents, such as, invoice and delivery challan; iii. Upon receipt of goods, copies of documents shall be provided to the jurisdictional office of the sending and receiving unit by way of intimation. Transfer of manufactured goods shall also be allowed from EOU / EHTP / STP / BTP unit to a SEZ developer or unit as per procedure prescribed in SEZ Rules, 2006.

Zero Excise on Ethanol Produced from Molasses to Oil Companies for Blending with Petrol Withdrawn

30-CE In exercise of the powers
10.08.2016 conferred by sub-section (1)
(DoR) 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 amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012-Central Excise, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 163(E), dated the 17th March, 2012, namely:-

In the said notification, in the Table, serial number **40A** and the entries relating thereto shall be **omitted.**

[F. No. 354/78/2009-TRU (Pt.)]

41-CE(NT) In exercise of the powers
10.08.2016 conferred by section 37 of
(DoR) the Central Excise Act, 1944
(1 of 1944) and section 94
of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely:-

- (1) These rules may be called the CENVAT Credit (Ninth Amendment) Rules, 2016.
- (2) They shall come into force on the date of their publication in the Official Gazette.
- In the CENVAT Credit Rules, 2004, in rule 6, in sub-rule (6), clause (ix) shall be omitted.

[F. No. 354/78/2009-TRU (Pt.)]

Import of Consumer Electronic Items for Personal Use thru Post Enhanced to Rs. 50,000 from 20,000 (No Duty Concession)

Effect of the notification: C.I.F. value of import of consumer electronic items at any one time by any person through post or otherwise for personal use is enhanced to Rs. 50,000.

22-Ntnf In exercise of powers
12.08.2016 conferred by Section 3 of the
(DGFT) Foreign Trade (Development
and Regulation) Act, 1992,

the Central Government hereby amends Clause 3(1)(i)(h) of Foreign Trade (Exemption from application of Rules in certain cases) order, 1993 as under:

Existing provision: Consumer electronic items (except hearing aids and life-saving equipments, apparatus and appliances and parts thereof): Provided that the c.i.f. value of goods imported as aforesaid at any one time shall not exceed **rupees two thousand**

Amended provision: Consumer electronic items (except hearing aids and life-saving equipments, apparatus and appliances and parts thereof): Provided that the c.i.f. value of goods imported as aforesaid at any one time shall not exceed **rupees fifty thousand**

3	6.19	(b) Existing EHTP / STP units may also apply for conversion / merger to EOU unit and vice-versa. In such cases, units will remain in bond and avail exemptions in duties and taxes as applicable.	(b) Existing EHTP / STP units may also apply for conversion / merger to EOU unit and vice-versa. In such cases, units will avail exemptions in duties and taxes as applicable.
4	6.28	An EOU which intends to set up warehousing facilities outside the EOU premises and outside the jurisdiction of DC, at a place near to the port of export, to reduce lead time for delivery of goods overseas and to address unpredictability of supply orders, is permitted to do so subject to the provisions related to export warehousing as per terms and conditions of Notifications issued by the Department of Revenue.	Deleted

Bonded Warehousing Provisions in EOUs Substituted with Rule Based Movements

Subject: Removal of mandatory warehousing requirements for EOUs, STPIs, EHTPs etc. - Amendment in (i) paras 6.06, 6.20 and 6.40 of Hand Book of Procedures(HBP) 2015-2020; and (ii) Appendix 6E, 6G, 6H, 6M, 5C and ANF 6A, ANF 6B of Appendices and Aayat Niryat Forms of FTP 2015-2020.

25-PN In exercise of powers conferred under paragraph 1.03 of the Foreign Trade Policy 2015-2020, the Director General of Foreign

Trade hereby makes the following amendments in (i) paras 6.06, 6.20 and 6.40 of Hand Book of Procedures(HBP) 2015-20 and (ii) Appendix 6E, 6G, 6H, 6M, 5C and ANF 6A, ANF 6B of Appendices and Aayat Niryat Forms of FTP 2015-20:

Amendments in Hand Book of Procedures(HBP) 2015-20:

1. Para 6.06

Existing Para: (b) Procedure as prescribed under Customs / Central Excise rules for EOUs and units in EHTP / STP / BTP will be followed and **appropriate bond executed with Customs/ Central Excise authorities.**

Revised Para: (b) Procedure as prescribed under Customs / Central Excise rules for EOUs and units in EHTP / STP / BTP will be followed.

2. Para 6.20

Existing Para: (c) STP Units / EHTP Units / Software EOUs may also use all duty free equipment/ goods for training purpose (including commercial training), subject to condition that no duty free equipment/goods shall be installed **outside bonded premises** for this purpose.

Revised Para: (c) STP Units / EHTP Units / Software EOUs may also use all duty free equipment/ goods for training purpose (including commercial training), subject to condition that no duty free equipment / goods shall be installed **outside premises of the unit** for this purpose.

3. Para 6.40

Existing Para: (d) Eligible EOUs may install one fax machine and two computers in their administrative/registered office **outside bonded premises** under prior intimation to jurisdictional Asstt. / Deputy Commissioner of Customs or Central Excise.

Revised Para: (d) Eligible EOUs may install one fax machine and two computers in their administrative / registered office **outside premises of the unit** under prior intimation to jurisdictional Asstt. / Deputy Commissioner of Customs or Central Excise.

Amendments in Appendices and ANFs:

1. Appendix 6E, Annexure- II

Existing Para: 10. Sanction of bonding facilities:
Yes No

a. if "yes" date on which warehousing licence issued

b. if "no" date on which customs/excise approached.

Revised Para: Deleted

2. Appendix 6G

Existing Para: 1.(e) An application for sale of goods in DTA (as per EOU Scheme) by the EOUs shall be submitted to the Development Commissioner concerned in the application as given in ANF-6C. The application shall be certified by an independent Chartered Accountant/Cost Accountant and endorsed by the **Bond Officer** of Customs/Central Excise having jurisdiction over the unit. The Development Commissioner concerned will determine the extent of the DTA sale admissible and issue authorization in terms of value. However, EOUs having status holder certificate can sell finished goods into DTA under para 6.08 (a) of Foreign Trade Policy under intimation to concerned Development Commissioner and Jurisdictional Central Excise Authority in terms of Para 6.40 (h) of HBP. DTA sale in terms of para 6.08 (a) of Policy shall be allowed only after adjustment of advance DTA sale permission is granted.

Revised Para: 1.(e) An application for sale of goods in DTA (as per EOU Scheme) by the EOUs shall be submitted to the Development Commissioner concerned in the application as given in ANF-6C. The application shall be certified by an independent Chartered Accountant/Cost Accountant and endorsed by the **Jurisdictional Officer** of Customs/Central Excise having jurisdiction over the unit. The Development Commissioner concerned will determine the extent of the DTA sale admissible and issue authorization in terms of value. However, EOUs having status holder certificate can sell finished goods into DTA under para 6.08 (a) of Foreign Trade Policy under intimation to concerned Development Commissioner and Jurisdictional Central Excise Authority in terms of Para 6.40 (h) of HBP. DTA sale in terms of para 6.08 (a) of Policy shall be allowed only after adjustment of advance DTA sale permission is granted.

3. Appendix 6H

Existing Para: 3.(v) (i) Chartered Accountant's Certificate / Cost Accountant's Certificate, meeting the following criteria, certifying receipt of the goods as shown in **ANNEXURE-II** in the **bonded premises**, scrutiny of original invoice/bill of the supplier and proof of payment against each invoice/bill and its reconciliation with 'C' Form. In case of IT enabled services (ITES)/Business Process Outsourcing (BPO) units, reconciliation

with 'C' form will not be necessary as they are not eligible for issue of 'C' form.

Revised Para: 3.(v) (i) Chartered Accountant's Certificate / Cost Accountant's Certificate, meeting the following criteria, certifying receipt of the goods as shown in **ANNEXURE-II** in the **premises of the unit**, scrutiny of original invoice/bill of the supplier and proof of payment against each invoice/bill and its reconciliation with 'C' Form. In case of IT enabled services (ITES)/Business Process Outsourcing (BPO) units, reconciliation with 'C' form will not be necessary as they are not eligible for issue of 'C' form.

4. Appendix 6H Annexure-I

Existing Para: Application for claiming reimbursement of Central Sales Tax against 'C' Form and in case of IT enabled Services (ITES)/Business Process Outsourcing (BPOs) Units without 'C' form for the goods brought into the **bonded Premises** of the EOU/EHTP/STP for the quarter ending on _____
Point No. 5 of Annexure-I of Appendix 6H is as under:

5. Details of the goods brought into units

(a) Name and address of the supplier (including the name of the state where the supplier is located)
(b) Description of Goods

(c) Quantity

(d) Value

(e) Date of purchases of goods

(f) Date of receipt of goods in the Customs Bonded Premises of the EOU unit

(g) Total amount of CST paid against 'C' Form

(h) Total amount of CST paid (Without 'C' form) by ITES/BPO Unit

(i) Sales Tax Registration No. (with date of issue) of the supplier under Section 7 of the Central Sales Tax Act, 1956.

Revised Para: Application for claiming reimbursement of Central Sales Tax against 'C' Form and in case of IT enabled Services (ITES)/ Business Process Outsourcing (BPOs) Units without 'C' form for the goods brought into the **premises** of the EOU/EHTP/STP for the quarter ending on _____
Point No. 5 of Annexure-I of Appendix 6H shall be substituted as under:

5. Details of the goods brought into units

(a) Name and address of the supplier (including the name of the state where the supplier is located)
(b) Description of Goods

(c) Quantity

(d) Value

(e) Date of purchases of goods

(f) Date of receipt of goods in the premises of the EOU unit

(g) Total amount of CST paid against 'C' Form

(h) Total amount of CST paid (Without 'C' form) by ITES/BPO Unit

(i) Sales Tax Registration No. (with date of issue) of the supplier under Section 7 of the Central Sales Tax Act, 1956.

5. Appendix 6H Annexure-II

Existing Para: (i) The following documents/ records have been furnished by the applicant and have been examined and verified by me/us, namely material handling register certified by the zone administration/**Bonding Officer**, original invoice/bill, books of accounts and I Bank statement.

Revised Para: (i) The following documents/ records have been furnished by the applicant and have been examined and verified by me/ us, namely material handling registers certified

by the zone administration/Jurisdictional Officer, original invoice/bill, books of accounts and I Bank statement,

6. Appendix 6M

Existing Para: DTA units intending to get converted into EOU/EHTP/STP/BTP unit will follow the procedure as below for such conversion:-

- (1) Apply to concerned Development Commissioner (DC) in a manner as applicable to new units.
- (2) After getting approval of the project and obtaining Letter of Permission (LOP) from DC, execute Legal Undertaking (LUT) in prescribed format with DC.

(3) Thereafter, apply for private bonded licence to concerned Customs/Central Excise authority with execution of B-17 Bond.

(3.1) If the unit is having outstanding export commitment under advance authorization scheme, following procedure before execution of Bond with customs and Central Excise Authority

need to be adopted:

(v) The unit will approach the Customs/Central Excise Authority for execution of B-17 bond:

Revised Para: DTA units intending to get converted into EOU/EHTP/STP/BTP unit will follow the procedure as below for such conversion:-

- (1) Apply to concerned Development Commissioner (DC) in a manner as applicable to new units.
- (2) After getting approval of the project and obtaining Letter of Permission (LOP) from DC, execute Legal Undertaking (LUT) in prescribed format with DC.

(3) Deleted.

(3.1) If the unit is having outstanding export commitment under advance authorization scheme, following procedure needs to be adopted :

(v) Deleted.

7. ANF 6A Annexure

Existing Para: (f) Are you agreeable to have your whole unit customs bonded as required

under the EOU scheme?

Revised Para: (f) Deleted.

8. ANF 6B

Existing Para: 4. (g) Date of bonding licence obtained from jurisdictional C.E. under section 58 & 65 of Customs ACT, 1962.

(h) Date of execution of B-17 bond.

Revised Para: 4. (g) & (h) Deleted

9. Appendix 5C

Existing Para: I. (a)(i) Copy of ARO/Back to back inland letter of credit of Advance Authorisation for intermediate supplies or Supply invoices or ARE-3 duly certified by the **Bond Office of EOU** concerned showing that supplies have been received.

Revised Para: I. (a)(i) Copy of ARO/Back to back inland letter of credit of Advance Authorisation for intermediate supplies or Supply invoices or ARE-3 duly certified by the **Jurisdiction Office of EOU** concerned showing that supplies have been received.

TPP and RCEP: ANZEA and Japan in Linking Role

With TPP spearheaded by the U.S. and RCEP led by China, there has been a lot of attention lately on how the two countries are using the FTAs to benefit themselves and keep each other out of their respective regional economic arrangements. Meanwhile, the Association of Southeast Asian Nations (ASEAN) and its member states are also playing an important role in the future of trade arrangements in the Asia-Pacific. ASEAN is concerned not only about the welfare effects of TPP and RCEP on its member states, but also about their impact on the development of ASEAN as an economic community.

TPP and RCEP on ASEAN – The Noodle Bowl Effect

One of the most widely recognized benefits for ASEAN of these high-level regional agreements is to calm the “noodle bowl” effect of small, overlapping FTAs. As common frameworks, RCEP and TPP are expected to help unify the trade standards in ASEAN’s other FTAs.

Recent studies, including a working paper from the Asian Development Bank, have expressed concerns that the two FTAs may affect ASEAN solidarity and hinder its internal economic cooperation and integration.

The current TPP talks include just four ASEAN member states: Brunei, Malaysia, Singapore, and Vietnam. Some ASEAN members have shown reluctance to join the talks because of the demanding requirements for regulatory convergence in areas such as intellectual property rights (IPR), state-owned enterprises, and competition. Moreover, strict entry requirements make the agreement less attractive. For example, newcomers will have to negotiate with all incumbents on a bilateral basis before they can join, which will significantly prolong the negotiation period and increase their negotiation costs.

IPRs to the Fore

The absence of six ASEAN member states from the TPP talks poses a possible threat to the internal economic integration of ASEAN.

For example, within the TPP there is the issue of ASEAN’s regulatory coordination of IPR. Due to large development gaps among its 10 members, harmonizing the IPR provisions is a tough task for ASEAN. TPP’s demanding requirements could not only put a burden on the four ASEAN signatories, but also pose a challenge to cooperation within ASEAN, as it is likely to further widen the gap in IPR regulation among member countries.

Moreover, some scholars argue that TPP’s welfare effects on ASEAN are unpredictable. Recent studies show that the agreement favors the four ASEAN members already engaged in the current TPP talks. But the ASEAN economies that have not yet joined TPP talks, such as Thailand and Indonesia, will gain only modestly, or even experience some loss, as current trade partners like the U.S. and Japan divert some of their trade to TPP members such as Vietnam and Malaysia for preferable tariff and regulatory treatment.

Electronics Sector in TPP

It is also likely that TPP will influence the global

value chain of some specific industries and sectors. Vietnam and Malaysia are likely to benefit from new electronics supply chains under TPP. But these benefits may come at a cost to other ASEAN members. Electronics sectors in Cambodia and Laos are expected to experience slower growth, or even some losses, as American and Japanese companies move their assembly lines to TPP members in Asia and Latin America. Moreover, Cambodia and Laos, two of the fastest-growing economies in Asia, may miss some chances to improve manufacturing productivity and advance sustainable development by participating in global supply chains.

ASEAN for RCEP Enlarge Existing RTAs

Because ASEAN is unlikely to exert much influence as an economic community on the current TPP talks, it has focused most of its efforts on the RCEP talks. RCEP is perceived as an expansion of the five FTAs that already exist between ASE-

AN and its six partners – China, India, Japan, South Korea and Australia, and New Zealand. Based on these five existing ASEAN-centered FTAs, ASEAN has sought to attain “functional centrality” in RCEP, whereby it would act as a platform for cooperation and have stronger negotiating power to secure its own interests in the talks. One of ASEAN’s goals is that RCEP take a more pragmatic approach to accepting less-developed ASEAN members. In this way, ASEAN expects that RCEP negotiations will support its efforts to improve ASEAN internal economic cooperation and integration. Compared to TPP, RCEP is expected to bring income gains that are more balanced among ASEAN member states.

To realize those gains, however, negotiations must yield results beyond the five existing FTAs between ASEAN and its six trade partners. But here the talks face challenges from both ASEAN members and non-members. For example, with huge differences between the existing FTAs, the tariff elimination coverage of RCEP is currently targeted at 90 percent, with all five FTAs to be adjusted accordingly. However, if India, with the lowest commitment to elimination (78.8 percent), cannot meet this objective end, the RCEP talks will likely lower the target to achieve consensus. This will reduce ASEAN’S economic gains from RCEP, because the tariff elimination coverage will not significantly improve the current FTAs for ASEAN.

There are other divergent interests within ASEAN, among which security concerns about China are the most significant source of division over RCEP. With the escalation of South China Sea disputes between China and several ASEAN members over the past decade, the deterioration of diplomatic relations has put a strain on ASEAN and China’s joint efforts at economic integration.

ASEAN’s Role in FTA Negotiations

In general, the outcomes of both FTAs will largely depend on the quality and breadth of negotiations by ASEAN as a unified group. Regarding the TPP, ASEAN should voice its preference for a more inclusive approach for future TPP talks. Including all ten ASEAN member states in the talks will help narrow the development gaps among ASEAN members and facilitate the future efforts at ASEAN economic integration.

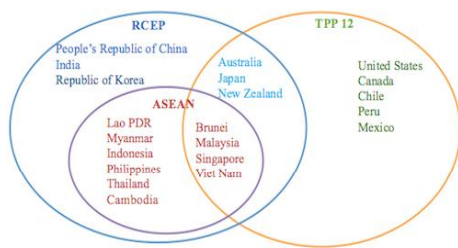


Figure 1: ASEAN, RCEP, and TPP member states

Crude, Food and Fertilizers Down in July

- Metals, Precious Metals, Natural Gas, Cotton and Rubber Rise
- Sugar, Bananas and Woodpulp, Steady

In July, energy prices fell 4.8% and non-energy commodities slipped 0.5%. Food prices dropped by 3.0%. Beverages rose 1.5%. Raw materials and fertilizers fell by 1.4% and 5.0%, respectively. Metals and minerals increased 5.3%, and precious metals rose by 6.6%.

Up

Coal; Natural gas; Coffee and Tea; Groundnuts; Rice; Beef
Plywood; Logs, Malaysia; Cotton and Rubber;
Aluminium, Copper, Iron Ore, Lead, Nickel, Tin and Zinc
Gold, Silver and Platinum

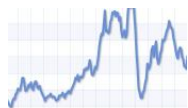
Down

Crude; Cocoa, Coconut oil; Copra; Fishmeal; Groundnut oil
Palm oil; Palmkernel oil

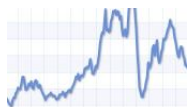
Soybean meal, Soybean oil and Soybeans
Barley; Maize; Wheat; Sheep Meat; Oranges
Sawnwood; DAP, Potassium chloride and Urea

Steady

Sorghum; Bananas; Chicken and Sheep Meat
Shrimp; World Sugar
Woodpulp; Rock phosphate and TSP



	Monthly averages			Quarterly averages					Annual averages		
	2016			2015			2016		2013	2014	2015
	May	Jun	Jul	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jan-Dec	Jan-Dec	Jan-Dec
Energy											
Coal, Australia \$/mt	51.5	53.2	63.1	59.0	57.5	52.3	50.9	51.9	84.6	70.1	57.5
Coal, Colombia \$/mt	44.4	46.8	54.2	54.3	50.4	48.0	42.7	44.8	71.9	65.9	52.5
Coal, South Africa \$/mt	54.0	57.6	63.0	60.7	54.3	51.1	51.5	54.8	80.2	72.3	57.0
Crude oil, average \$/bbl	45.9	47.7	44.1	60.5	48.8	42.2	32.7	44.8	104.1	96.2	50.8
Crude oil, Brent \$/bbl	47.1	48.5	45.1	62.1	50.0	43.4	34.4	46.0	108.9	98.9	52.4
Crude oil, Dubai \$/bbl	44.0	45.8	42.6	61.4	49.9	41.2	30.6	42.9	105.4	96.7	51.2
Crude oil, WTI \$/bbl	46.7	48.8	44.7	57.8	46.4	42.0	33.2	45.5	97.9	93.1	48.7
Natural gas, Index 2010=100	46.5	54.9	59.4	74.2	72.2	61.4	52.2	49.5	112.1	111.7	73.3
Natural gas, Europe \$/mmbtu	4.0	4.1	4.5	7.3	6.9	6.3	4.8	4.1	11.8	10.1	7.3
Natural gas, US \$/mmbtu	1.9	2.6	2.8	2.7	2.7	2.1	2.0	2.1	3.7	4.4	2.6
Natural gas, LNG Japan \$/mmbtu	5.9	6.0	6.0	9.2	9.2	8.9	7.7	6.1	16.0	16.0	10.4
Beverages											
Cocoa \$/kg	3.10	3.12	3.05	3.07	3.25	3.30	2.98	3.10	2.44	3.06	3.14
Coffee, arabica \$/kg	3.42	3.65	3.79	3.54	3.36	3.31	3.31	3.49	3.08	4.42	3.53
Coffee, robusta \$/kg	1.85	1.89	2.00	1.98	1.87	1.79	1.65	1.84	2.08	2.22	1.94
Tea, average \$/kg	2.55	2.65	2.73	2.79	2.85	2.76	2.36	2.57	2.86	2.72	2.71
Tea, Colombo auctions \$/kg	3.05	2.95	3.10	3.00	2.83	2.85	2.82	2.98	3.45	3.54	2.96
Tea, Kolkata auctions \$/kg	2.49	2.74	2.80	2.56	2.78	2.52	1.89	2.59	2.73	2.58	2.42
Tea, Mombasa auctions \$/kg	2.12	2.27	2.31	2.80	2.95	2.91	2.38	2.14	2.40	2.05	2.74
Oils and Meals											
Coconut oil \$/mt	1,445	1,563	1,508	1,115	1,067	1,109	1,273	1,531	941	1,280	1,110
Copra \$/mt	963	1,048	1,008	737	708	737	855	1,019	627	854	735
Fishmeal \$/mt	1,514	1,586	1,549	1,523	1,472	1,524	1,465	1,526	1,747	1,709	1,558
Groundnuts \$/mt	1,200	1,260	1,367	1,290	1,193	1,175	1,158	1,208	1,378	1,296	1,248
Groundnut oil \$/mt	1,600	1,700	1,673	1,346	1,332	1,298	1,277	1,550	1,773	1,313	1,337
Palm oil \$/mt	706	683	651	664	574	570	631	704	857	821	623
Palmkernel oil \$/mt	1,234	1,312	1,274	957	802	831	1,032	1,283	897	1,121	909
Soybean meal \$/mt	434	467	443	391	398	358	328	419	545	528	395
Soybean oil \$/mt	791	798	789	774	736	743	749	795	1,057	909	757
Soybeans \$/mt	422	457	434	394	385	372	370	424	538	492	390
Grains											
Barley \$/mt	172.6	171.5	155.0	201.4	199.9	186.8	183.1	172.0	202.2	138.2	194.3
Maize \$/mt	169.0	179.9	161.8	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
	May	Jun	Jul	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jan-Dec	Jan-Dec	Jan-Dec
Rice, Thailand 5% \$/mt	433.0	441.0	442.0	385.3	374.0	368.0	379.0	423.0	505.9	422.8	386.0
Rice, Thailand 25% \$/mt	415.0	422.0	424.0	372.3	361.7	359.0	370.0	407.7	473.0	382.2	372.6
Rice, Thailand A1 \$/mt	414.4	426.8	417.9	387.6	375.8	365.3	372.8	408.2	474.0	425.1	386.0
Rice, Vietnam 5% \$/mt	377.3	372.5	361.6	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	171.8	173.0	151.6	216.1	183.3	179.6	190.5	177.4	312.2	284.9	204.5
Wheat, US SRW \$/mt	189.9	187.0	166.5	205.2	196.4	200.6	190.0	189.9	276.7	245.2	206.4
Other Food											
Bananas, EU \$/kg	0.93	0.94	0.93	0.92	0.90	0.88	0.91	0.94	1.02	1.04	0.90
Bananas, US \$/kg	0.99	0.99	1.00	0.97	0.95	0.93	1.03	0.99	0.92	0.93	0.96
Meat, beef \$/kg	3.96	4.00	4.14	4.47	4.55	3.91	3.72	3.95	4.07	4.95	4.42
Meat, chicken \$/kg	2.47	2.47	2.46	2.55	2.55	2.50	2.47	2.46	2.29	2.43	2.53
Meat, sheep \$/kg	4.71	4.66	4.41	5.38	5.07	4.82	4.51	4.64	5.17	6.39	5.22
Oranges \$/kg	0.76	0.88	0.97	0.62	0.65	0.73	0.69	0.78	0.97	0.78	0.68
Shrimp, Mexico \$/kg	10.69	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	0.36	0.36	0.36	0.36	0.36	0.37	0.43	0.43	0.36
Sugar, US domestic \$/kg	0.60	0.61	0.62	0.54	0.54	0.56	0.57	0.61	0.45	0.53	0.55
Sugar, World \$/kg	0.38	0.43	0.43	0.29	0.27	0.32	0.31	0.38	0.39	0.37	0.30
Raw Materials											
Timber											
Logs, Cameroon \$/cum	395.8	393.2	387.3	387.0	389.3	383.2	385.8	395.2	463.5	465.2	388.6
Logs, Malaysia \$/cum	273.3	282.3	286.0	245.4	243.6	245.2	258.2	275.7	305.4	282.0	246.0
Plywood ¢/sheets	501.2	517.7	524.5	450.1	446.8	449.8	473.7	505.8	560.2	517.3	451.2
Sawnwood, Cameroon \$/cum	696.4	681.1	630.4	734.0	742.8	727.2	686.0	687.7	749.2	789.5	732.6
Sawnwood, Malaysia \$/cum	792.0	774.7	717.1	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
Other Raw Materials											
Cotton, A Index \$/kg	1.55	1.63	1.79	1.59	1.56	1.53	1.48	1.57	1.99	1.83	1.55
Rubber, RSS3 \$/kg	1.63	1.49	1.59	1.79	1.48	1.28	1.32	1.61	2.79	1.95	1.57
Rubber, TSR20 \$/kg	1.36	1.26	1.28	1.51	1.34	1.19	1.15	1.37	2.52	1.71	1.37
Fertilizers											
DAP \$/mt	349.0	346.0	341.0	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	264.0	256.0	228.0	307.0	302.7	297.0	283.0	263.0	379.2	297.2	302.9
TSP \$/mt	284.0	285.0	285.0	380.0	380.0	380.0	328.0	282.3	382.1	388.3	385.0
Urea, E. Europe \$/mt	200.0	191.0	177.0	277.0	268.3	250.6	208.7	198.3	340.1	316.2	272.9
Metals and Minerals											
Aluminum \$/mt	1,551	1,594	1,629	1,770	1,592	1,494	1,514	1,572	1,847	1,867	1,665
Copper \$/mt	4,695	4,642	4,865	6,057	5,267	4,885	4,675	4,736	7,332	6,863	5,510
Iron ore \$/dmt	55	52	57	58	55	47	48	56	135	97	56
Lead \$/mt	1,708	1,713	1,835	1,942	1,717	1,682	1,738	1,718	2,140	2,095	1,788
Nickel \$/mt	8,660	8,928	10,263	13,056	10,579	9,423	8,508	8,823	15,032	16,893	11,863
Tin \$/mt	16,707	16,967	17,826	15,590	15,230	15,077	15,439	16,902	22,283	21,899	16,067
Zinc \$/mt	1,869	2,026	2,183	2,192	1,843	1,612	1,677	1,917	1,910	2,161	1,932
Precious Metals											
Gold \$/toz	1,261	1,276	1,337	1,193	1,124	1,107	1,181	1,260	1,411	1,265	1,161
Platinum \$/toz	1,036	984	1,088	1,127	986	907	914	1,005	1,487	1,384	1,053
Silver \$/toz	16.9	17.3	20.0	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

Engineering Exports Crash 12.1% in July following Curbs thru Safeguards and Anti-dumping on Import Competition

- 4 Sector Accounts for a Quarter of All Exports
- 4 RMG Falls by 6%
- 4 Total Fall 6.6%, Only Four Out of 30 Sectors Show Positive Growth
- 4 Official Gold Import Crash to One third Over Previous Month to Just \$1.1bn, Smuggling Takes Over due to High Duty and Excise Duty of 1% on Jewellery
- 4 Iron and Steel Down One Third, Thanx to MIP and Safeguard Duty

I. Merchandise Trade

Exports (including re-exports)

During July, 2016 exports were valued at US\$ 21689.57 million (Rs.145770.39 crore) which was 6.84 per cent lower in Dollar terms (1.61 per cent lower in Rupee terms) than the level of US\$ 23281.20 million (Rs. 148149.92 crore) during July, 2015. Cumulative value of exports for the period April-July 2016-17 was US\$ 87001.34 million (Rs.582731.37 crore) as against US\$ 90271.16 million (Rs.573364.73crore) registering a negative growth of 3.62 per cent in Dollar terms and positive growth of 1.63 per cent in Rupee terms over the same period last year.

Non-petroleum exports in July 2016 are valued at US\$ 19192.86 million against US\$ 20089.35 million in July 2015, a decrease of 4.46%. Non-petroleum exports during April to July 2016 are valued at US\$ 77899.43 million as compared to US\$ 78777.84 million for the corresponding period in 2015, a reduction of 1.12%.

The growth in exports have fallen for USA (-6.57%), Japan (-1.80%), China (-5.49%) but European Union exhibited positive growth (1.37%) for May 2016 over the corresponding period of previous year as per latest WTO statistics.

Imports

Imports during July 2016 were valued at US\$

29450.97 million (Rs.197932.93 crore) which was 19.03 per cent lower in Dollar terms and 14.48 per cent lower in Rupee terms over the level of imports valued at US\$ 36372.07 million (Rs.231453.65 crore) in July,2015. Cumulative value of imports for the period April-July 2016-17 was US\$ 113996.75 million (Rs.763687.22 crore) as against US\$ 136252.57 million (Rs.865388.34 crore) registering a negative growth of 16.33 per cent in Dollar terms and 11.75 per cent in Rupee terms over the same period last year.

Crude Oil and Non-Oil Imports:

Oil imports during July, 2016 were valued at US\$ 6820.34 million which was 28.10 percent lower than oil imports valued at US\$ 9486.12 million in the corresponding period last year. Oil imports during April-July, 2016-17 were valued at US\$ 25666.96 million which was 25.01 per cent lower than the oil imports of US\$ 34225.78 million in the corresponding period last year.

Non-oil imports during July, 2016 were estimated at US\$ 22630.63 million which was 15.83 per cent lower than non-oil imports of US\$ 26885.95 million in July, 2015. Non-oil imports during April-July 2016-17 were valued at US\$ 88329.79 million which was 13.42 per cent lower than the level of such imports valued at US\$ 102026.79 million in April-July, 2015-16.

II. Trade In Services (for June, 2016, as per the RBI Press Release dated 12th August 2016)

Exports (Receipts)

Exports during June 2016 were valued at US\$ 13322 Million (Rs. 89652.93 Crore) registering a negative growth of 1.03 per cent in dollar terms as compared to positive growth of 4.28 per cent during May 2016 (as per RBI's Press Release for the respective months).

Imports (Payments)

Imports during June 2016 were valued at US\$ 8389 Million (Rs. 56455.37 Crore) registering a positive growth of 5.89 per cent in dollar terms as compared to positive growth of 10.29 per cent during May 2016 (as per RBI's Press Release for the respective months).

III. Trade Balance

Merchandise: The trade deficit for April-July, 2016-17 was estimated at US\$ 26995.41 million which was lower than the deficit of US\$ 45981.41 million during April-July, 2015-16.

Services: As per RBI's Press Release dated 12th August 2016, the trade balance in Services (i.e. net export of Services) for June, 2016 was estimated at US\$ 4933 million. The net export of services for April- June, 2016-17 was estimated at US\$ 16196 million which is lower than net export of services of US\$ 16487 million during April- June, 2015-16. (The data for April-June 2015-16 and 2016-17 has been derived by adding April-June month wise QE data of RBI Press Release).

Overall Trade Balance: Overall the trade balance has improved. Taking merchandise and services together, overall trade deficit for April- July 2016-17 is estimated at US\$ 10799.41 million which is 63.38 percent lower in Dollar terms than the level of US\$ 29494.41 million during April-July 2015-16. (Services data pertains to April-June 2016 as June 2016 is the latest data available as per RBI's Press Release dated 12th August 2016)

Merchandise Trade

	<i>(Provisional \$mn)</i>	
	July	April-July
Exports(including re-exports)		
2015-16	23281.20	90271.16
2016-17	21689.57	87001.34
%Growth2016-17/ 2015-16	-6.84	-3.62
Imports		
2015-16	36372.07	136252.57
2016-17	29450.97	113996.75
%Growth2016-17/ 2015-16	-19.03	-16.33
Trade Balance		
2015-16	-13090.87	-45981.41
2016-17	-7761.40	-26995.41

Services Trade

	<i>(Provisional \$mn)</i>	
	June 2016-17	
Exports (Receipts)	13322.00	
Imports (Payments)	8389.00	
Trade Balance	4933.00	

Source: RBI Press Release dated 12th August 2016

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*See details in www.worldtradescanner.com