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India Hikes Veg Oil Duty 5% to Mop up 13% Fall in Palm Oil

India has raised the import taxes on crude and refined edible oils by 5 percentage points to mop up the gains from fall in Palm Oil by 13% \$551 in August. The Government will get more revenue but consumer price will remain steady. The increase not make any difference to the flood of supplies from Malaysia and Indonesia given rock-bottom world prices.

Consumption in the world's biggest buyer of cooking oils is rising rapidly, and the low world prices are throwing several Indian mills out of business and forcing farmers to switch to crops other than oilseeds, such as soybeans.

Crude vegetable oils duty in now 12.5 percent and refined oils is 20 percent.

Imports will still be 21 percent higher at 14 million tonnes in the year to October as local demand rises by as much as 5.5 percent annually.

India consumes about 19 million tonnes of vegetable oils, widely used in its calorie-heavy, deep-fried foods. Annual demand rises at least a million tonnes only on account of the population jumping by 22 million.



The dependence on foreign oils is as high as 70 percent, though the fall in prices in palm oil by \$300 a tonne since January last year has kept the import bill around \$10 billion a year.

Apart from a global glut, the sharp drop in petroleum crude prices have meant that too little palm is getting diverted to convert into renewable fuels. Last year, about 30 percent of the 200 million tonnes of palm oil produced in the world was used for bio fuels and other industrial use.

The cost of India's purchases of edible oils, the third-highest item on its import bill after petroleum and gold, were expected to rise about 40 percent to \$14 billion this fiscal year.

Massive imports have cut local soybean prices by about a fifth in the past four months, discouraging farmers from expanding oilseed planting. Still, local soyoil is way above imported palm oil.

In the past 20 years, India's edible oil output has risen only about a third. Imports, however, have surged twelve fold.

Notification – Vegetable Oils Import Duty Hiked by 5%

Ntfn 46 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government (DoR) being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 12/2012-Customs, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R.185(E), dated the 17th March, 2012, namely:-

In the said notification, -

(A) in the Table,-

(i) against S.No.51, for the entries occurring in column (4) against clauses (A), (B) and (C) of item II of column (3), the entry "12.5%" shall respectively be substituted;

(ii) against S.No.55, for the entry in column (4), the entry "12.5%" shall be substituted;

(iii) against S.No. 56, for the entry in column (4), the entry "20%" shall be substituted;

(iv) against S.No.57, for the entry in column (4), the entry "12.5%" shall be substituted;

(v) against S.No. 58, for the entry in column (4), the entry "20%" shall be substituted;

(vi) against S.No. 59, for the entry in column (4), the entry "20%" shall be substituted;

(vii) against S.No. 62, for the entry in column (4), the entry "12.5%" shall be substituted;

(viii) against S.No. 63, for the entry in column (4), the entry "20%"

shall be substituted;

(ix) against S.No. 65, for the entry in column (4), the entry "12.5%" shall be substituted;

(x) against S.No. 66, for the entry in column (4), the entry "20%" shall be substituted;

(xi) against S.No. 69, for the entry in column (4), the entry "20%" shall be substituted;

(xii) against S.No. 71, for the entry in column (4), the entry "20%" shall be substituted.

Bunker Fuel Exemption Procedure for Indian Flag Vessels between Coastal Ports Rationilised

(B) in the ANNEXURE, in Condition No. 101, under the column heading "Conditions", -

(a) for clause (iii), the following clause shall be substituted, namely:-

(iii) such ships or vessels carry containerised cargo namely, export-import cargo or empty containers or domestic cargo, between such ports;"

(b) for clause (iv), the following clause shall be substituted, namely:-

Crude Moves in \$45 Band

Crude Oil (Indian Basket) from 16 - 22 Sept 2015

| | 16 Sept | 17 Sept | 18 Sept | 21 Sept | 22 Sept |
|----------|---------|---------|---------|---------|---------|
| (\$/bbl) | 45.50 | 46.29 | 45.62 | 44.86 | 45.06 |
| (Rs/bbl) | 3025.69 | 3078.12 | 3007.60 | 2949.46 | 2957.23 |
| (Rs/\$) | 66.50 | 66.50 | 65.93 | 65.75 | 65.63 |

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas

(iv) such ships or vessels file an import manifest (IGM) or an export manifest (EGM), as the case may be, in each leg of the voyage;”;

Gorakhpur – Haryana, Kudankulam Nuclear Power Projects Notified for Duty Exemption

(C) in List 33, after item number (6) and the entries relating thereto, the following shall be inserted, namely:-

7. Gorakhpur Haryana Anu Vidyut Pariyojana (GHAVP) Units -1 and 2 (700 MW x2)

8. Kudankulam Nuclear Power Project (KKNPP) Units – 3 and 4 (1000 MW x 2)”.

[F. No. 354/126/2014-TRU]

Vegetable Oil - Extract from Notification 12/17.03.2012 as amended by 46/17.09.2015

| SNo. | HS Code | Item description | Standard Rate | Addl Duty | Condi- tion No. |
|------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------|-----------------|
| 51. | 15. | I. The following goods, other than of edible grade, namely:- *** | | | |
| | | II. The following goods, of edible grade namely,- | | | |
| | | (A) Crude palm oil falling under heading 1511, having an acid value of 4 or more and total carotenoid (as beta carotene) in the range of 250 mg/kg. to 2500 mg/kg., in loose or bulk form for manufacture of refined oil, refined palmolein, vanaspati, bakery shortening or inter-esterified fats | 12.5% 7.5% 2.5% Nil | - | 5 |
| | | (B) Crude Palmolein falling under heading 1511, having an acid value of 4 or more and total carotenoid (as beta carotene) in the range of 500 mg/kg. to 2500 mg/kg., in loose or bulk form for manufacture of refined oil, refined palmolein, vanaspati, bakery shortening or inter-esterified fats | 12.5% 7.5% 2.5% Nil | - | 5 |
| | | (C) Fractions of crude palm oil (other than crude palmolein) falling under heading 1511, having an acid value of 2 or more and total carotenoid (as beta carotene) in the range of 500 mg/kg. to 2500 mg/kg., in loose or bulk form | 12.5% 7.5% 2.5% Nil | - | - |

Explanation.-For the purposes of this entry, “Crude palm oil” means fixed vegetable oils, fluid or solid, obtained by pressure, if they have undergone no processing other than decantation, centrifugation or filtration, provided that, in order to separate the oils from solid particles only mechanical force, such as gravity, pressure or centrifugal force, has been employed, excluding any absorption filtering process, fractionalization or any other physical or chemical process. If obtained by extraction an oil shall continue to be considered as “crude”, provided it has undergone no change in colour, odour or taste when compared with corresponding oil obtained by pressure

[12/11.07.2014 - SNo. 51(I) - Nil from 7.5%; 05/17.02.2014 - SNo. 51(I) substituted]

[46/17.09.2015 – SNo. 51(II) - 12.5% from 7.5%; 34/24.12.2014 - SNo. 51(II) - 7.5% from 2.5%; 02/23.01.2013 - 2.5% from Nil]

| | | | | | |
|-----|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|---|---|
| 55. | 15071000 | All goods [46/17.09.2015 - 12.5% from 7.5%; 34/24.12.2014 - 7.5% from 2.5%; 02/23.01.2013 - 2.5% from Nil] | 12.5% 7.5% 2.5% Nil | - | - |
| 56. | 15079010 | All goods [46/17.09.2015 - 20% from 15%; 34/24.12.2014 - 15% from 10%; 02/20.01.2014 - 10% from 7.5%] | 20% 15% 10% 7.5% | - | - |
| 57. | 1508, 1509, 1510, 1512, 1513, 1514, or 1515 | All goods, crude and edible grade [46/17.09.2015 – 12.5% from 7.5%; 34/24.12.2014 - 7.5% from 2.5%; 02/23.01.2013 - 2.5% from Nil] | 12.5% 7.5% 2.5% Nil | - | - |
| 58. | 1508,1509, 1510, 1512, | All goods, refined and edible grade | 20% 15% 10% 7.5% | - | - |

| | | | | | |
|--------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|---|---|
| 1513, 1514 or 1515 | [46/17.09.2015 - 20% from 15%; 34/24.12.2014 - 15% from 10%; 02/20.01.2014 - 10% from 7.5%] | | | | |
| 59. | 1511 90 | All goods [46/17.09.2015 - 20% from 15%; 34/24.12.2014 - 15% from 10%; 02/20.01.2014 - 10% from 7.5%] | 20% 15% 10% 7.5% | - | - |
| 62. | 15121110 | All goods [46/17.09.2015 – 12.5% from 7.5%; 34/24.12.2014 - 7.5% from 2.5%; 02/23.01.2013 - 2.5% from Nil] | 12.5% 7.5% 2.5% Nil | - | - |
| 63. | 15121910 | All goods [46/17.09.2015 - 20% from 15%; 34/24.12.2014 - 15% from 10%; 02/20.01.2014 - 10% from 7.5%] | 20% 15% 10% 7.5% | - | - |
| 65. | 1514 11 or 1514 91 | All goods, edible grade [46/17.09.2015 - 12.5% from 7.5%; 34/24.12.2014 - 7.5% from 2.5%; 02/23.01.2013 - 2.5% from Nil] | 12.5% 7.5% 2.5% Nil | - | - |
| 66. | 1514 19 or 1514 99 | All goods, edible grade [46/17.09.2015 - 20% from 15%; 34/24.12.2014 - 15% from 10%; 02/20.01.2014 - 10% from 7.5%] | 20% 15% 10% 7.5% | - | - |
| 69. | 1516 20 | All goods, edible grade [46/17.09.2015 - 20% from 15%; 34/24.12.2014 - 15% from 10%; 02/20.01.2014 - 10% from 7.5%] | 20% 15% 10% 7.5% | - | - |
| 71. | 1517 10 21, 1517 90 10, 1517 90 20, 1518 00 11, 1518 00 21 or 15180031 | All goods, edible grade [46/17.09.2015 - 20% from 15%; 34/24.12.2014 - 15% from 10%; 02/20.01.2014 - 10% from 7.5%] | 20% 15% 10% 7.5% | - | - |

[Source: Big's Easy Reference Customs Tariff 2015 - 2016]

PM Modi's US Visit Stage: \$2.5-bn Attack Chopper Deal and Kerry-Sushma Dialogue

Prime Minister Narendra Modi arrives in the US on Wednesday for a visit centred on an Indian community reception for him at San Jose, and meetings with Fortune 500 CEOs in New York and the Moghuls of Silicon Valley. He will compete with China, the other Asian giant for attention as Xi will be around for a week.

\$2.5bn Attack Helicopter

The Union Cabinet cleared the \$2.5 billion Apache attack helicopter deal ahead of the September 23-29 visit.

Also on Tuesday, External Affairs Minister Sushma Swaraj, Commerce Minister Nirmala Sitharaman, US Secretary of State John Kerry and Commerce Secretary Penny Pritzker led their respective delegations in the “Strategic and Commercial” dialogue, an elevation of the dialogue agreed upon during President Barack Obama’s January visit.

Modi is scheduled to meet President Obama on September 28, on the last working day of his visit. He will address the UN Sustainable Development summit, where the post-2015 agenda will be adopted, and attend a special summit on climate change called by the UN Secretary-General.

Visit to Ireland

Narendra Modi will be paying a visit to Ireland on September 23. During his visit the Prime Minister will hold discussions with Prime Minister Enda Kenny of Ireland. The Irish Prime Minister will also host a Working Lunch in honour of the visiting dignitary.

The meeting will provide an opportunity for the two leaders to review bilateral relations between the two countries as well as to discuss regional and global matters of mutual interest.

Ireland has a 26,000 strong Indian Community. Engagement with the diaspora provides another commonality between India and Ireland, which has a 70 million strong diaspora spread across the world.

The Prime Minister will depart from Dublin for New York the same day.

Xi Jinping in US, China on the Defensive

President Xi Jinping made his first state visit to US on 22 September at the West Coast starting off with Seattle. He condemned piracy in which the Chinese are said to be adept. He also defended China's intervention to prop up the crashing stock market. China's economy, by one measure, is now the world's largest, and its military is a growing force in Asia. When Obama and Xi last met, in Beijing in November, they agreed to reduce carbon emissions and to improve military communication. In Washington, they are likely to expand on those agreements, and to send reassuring signals to investors, after a summer of stock-market turmoil. Still, tensions in the world's most important diplomatic relationship are unmistakably climbing.

The United States has given the nation the full splendor of a state visit – including a twenty-one-gun salute and a black-tie dinner – on just three occasions, each at a different political moment. For instance, when President Jiang Zemin visited, in 1997, he was a reluctant supplicant. China was saddled with sanctions brought on by the crackdown in Tiananmen Square, and it craved investment – its economy then was smaller than Italy's.

Trump Demands

Xi arrives just as both countries are experiencing a wave of nationalism. Last month, after a drop in China's stock markets and a devaluation of its currency triggered a plunge on Wall Street, Donald Trump, the Republican Presidential front-runner, called on President Obama to cancel Xi's gala and "get him a McDonald's hamburger." Trump also demanded "a big uncoupling" of the two economies, and tariffs on Chinese imports of up to twelve per cent. "They want our people to starve," he told Fox News. "They're taking our business away."

Recently, China has sent its own wary, often conflicting messages to the United States. As the economic boom has slowed, the Party has promoted an alternative source of legitimacy, emphasizing the Communists' triumph in ending a "century of humiliation," suffered at the hands of Japan and Western imperial powers. *People's Daily*, the Party's official mouthpiece, maintains an online page entitled "America's Strategy to Contain China Will Never Change."

Meet the Leaders

Xi is due to make a policy speech at a banquet at the hotel in the evening in the company of Microsoft Corp co-founder Bill Gates, the chief executives of Boeing Co and Starbucks Corp and other local luminaries.



For the Chinese side, Xi's meetings with Obama and U.S. business leaders offer the chance to bolster the president's stature at home, building on a high-profile military parade earlier this month to mark the end of World War Two, while deflecting attention from the country's recent stock market rout, slowing economy and a chemical explosion at a Tianjin warehouse that killed over 160 people.

Among the few concrete agreements expected to result from the Obama-Xi summit has been a military-to-military confidence building step aimed at reducing the risk of aerial collisions between warplanes in areas such as the South China Sea through adoption of common rules of behavior.

Boeing Tour

The Chinese president is due to tour Boeing's widebody plant and the nearby Microsoft campus on Wednesday, and will later meet Warren Buffett, Apple Inc Chief Executive Tim Cook and Amazon.com head Jeff Bezos, among 30 U.S. and Chinese business leaders at a roundtable discussion.

U.S. tech companies are seeking to expand access to the Chinese consumer market. Even if no formal agreements are reached, the presidential blessing "sends an important message to Chinese leadership" to help them, said Ed Lazowska, Bill and Melinda Gates chair of computer science at the University of Washington.

China Challenges Boeing and Airbus

For Boeing, the visit could bring a formal announcement of plans for an aircraft finishing plant in China. The plant would help Boeing's Chinese sales, analysts say, and help counter a threat from Commercial Aircraft Corp of China Ltd, which is developing a single-aisle aircraft to challenge the top-selling Boeing 737 and Airbus A320 planes.

US Accused of Market Manipulation

Foreign companies describe the atmosphere as less welcoming. When the stock market slid, *Financial News*, another official paper, accused Goldman Sachs, Morgan Stanley, and other investment banks of provoking a market "stampede," and theorized that foreigners were trying to stop China from becoming a financial rival. (The actual role of foreign investors in Chinese stock markets is minimal; UBS estimates that foreigners hold about one per cent of China's \$6.4-trillion domestic market value.)

At a grand military parade in Beijing this month, marking the seventieth anniversary of the end of the Second World War, President Xi announced a cut of three hundred thousand members of the armed

forces – more than a tenth of the personnel – in an effort to consolidate and modernize the military. "War is the sword of Damocles that still hangs over mankind," Xi said, before ushering a flotilla of tanks, drones, and other weapons down the Avenue of Eternal Peace. For the first time, China paraded its DF-21D anti-ship ballistic missiles, which American military analysts call "carrier killers," because they could deny U.S. aircraft carriers access to the East China Sea and the South China Sea.

Hacking

Among the preparations leading up to Xi's visit, the thorniest subject has proved to be hacking – not cyber espionage, which many countries, including the United States, use to gather intelligence about other governments, but hacking of corporate secrets and intellectual property. For years, the Obama Administration and American businesses declined to discuss the breadth of attacks traced to China, in the hope of quietly solving the problem and preserving relations. The business community has lost patience. In the past year, the F.B.I. has reported a 53% rise in the number of Chinese cyber attacks aimed at commercial espionage. Earlier this month, the White House threatened to put sanctions on Chinese companies and individuals. Obama said that cyber theft is an "act of aggression" that will be met with "countervailing actions" unless both sides can rapidly agree to rules of conduct.

\$600bn Trade

Amid the anxieties, it is easy to overlook a powerful fact: trade between China and the U.S. has grown from \$2 billion in 1979 to \$592 billion last year, making the two nations more interdependent than ever before. When Henry Kissinger made his secret trip to Beijing, in 1971, with the aim of opening relations, the two countries were united, above all, by a common adversary. For the moment, it may be enough for them to accept that neither is powerful enough to survive alone.

Xi and his wife touched down in an Air China 747 at Paine Field, adjacent to the massive plant where Boeing Co makes its largest jets, some 25 miles (40 km) north of Seattle. They were welcomed by Washington state Governor Jay Inslee.

Yuan Pressure

China's economy faces downward pressure but is still operating within a proper range, China says exchange rate reform will continue and there was no basis for sustained depreciation in the yuan.

China also feels that moves to make Yuan an international currency sparked off the Goldman Sachs attacks which forced the series of devaluation.

The United States will urge Xi to avoid "quick fixes" for its economy, such as devaluing its currency to boost exports, White House chief economist Jason Furman said.

WEEKLY INDEX OF CHANGES

Bond Condition on ATA Carnet for Exhibitions Goes But ITPO Approval in Ntnfn 3/89 Remains

• Bond Condition under Ntnfn 157/90 Remains

Subject: Amendment in Para 2.63 of HBP, 2015-20.

37-PN In exercise of powers conferred under Paragraph 2.04 of the
21.09.2015 Foreign Trade Policy, 2015-20, the Director General of Foreign Trade
(DGFT) hereby amends the Para 2.63 (a) of Handbook of Procedures, 2015-20 as under:

| Existing Para 2.63 (a) of HBP, 2015-20 | Revised Para 2.63 (a) of HBP, 2015-20 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Import / export of exhibits, which are freely importable/exportable, including construction and decorative materials required for the temporary stands of foreign / Indian exhibitors at exhibitions, fair or similar show or display for a period of six months on re-export / re-import basis, shall be allowed without an Authorisation on submission of a bond/ security to Customs and ATA Carnet. | Import / export of exhibits, which are freely importable/exportable, including construction and decorative materials required for the temporary stands of foreign / Indian exhibitors at exhibitions, fair or similar show or display for a period of six months on re-export / re-import basis, shall be allowed without an Authorisation on submission of a bond/ security to Customs or ATA Carnet. |

2. Effect of this Public Notice

For temporary import / export of exhibits without Authorisation, the condition of submitting of both bond/ security to Customs and ATA Carnet have been replaced by either bond / security to Customs or ATA Carnet.

Bunker Fuel Excise Exemption Procedure for Indian Flag Vessels between Coastal Ports Rationalised

41-CE In exercise of the powers
17.09.2015 conferred by sub-section (1) of
(DoR) 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 number G.S.R.163(E), dated the 17th March, 2012, namely: -

In the said notification, in the ANNEXURE, in Condition No. 52, under the column heading "Conditions", -
(a) for clause (iii), the following clause shall be substituted, namely:-
(iii) such ships or vessels carry containerised cargo namely, export-import cargo or empty containers or domestic cargo, between such ports;";
(b) for clause (iv), the following clause shall be substituted, namely:-
(iv) such ships or vessels file an import manifest (IGM) or an export manifest (EGM), as the case may be, in each leg of the voyage;".
[F. No. 354/126/2014-TRU]

Permanent UNSC Seat : Global Policing Burden for India's Men and Materials

The US has said it is committed to India's inclusion as a permanent member of the UN Security Council, days after the General Assembly adopted a negotiating text for the long-pending reforms of the powerful wing of the world body. The reaffirmation from the US comes in the backdrop of the maiden India US Strategic and Commercial Dialogue.

Both sides committed to ensuring that the Security Council continues to play an effective role in maintaining international peace and security as envisioned in the UN Charter, it said.

According to the joint statement, both India and the US are committed to continued engagement on Security Council reform in the UN Intergovernmental Negotiations (IGN) on Security Council Reform. India-US partnership is a significant contributor to the peace, stability and prosperity in the Indian Ocean and Asia-Pacific regions and around the globe, the statement said.

Building on successful cooperation in Asia, the two countries welcomed continued cooperation

under the Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region agreed by US President Barack Obama and Prime Minister Narendra Modi.

The US also commended India's leadership in evacuating foreign nationals including US citizens, from conflict in Yemen, as well as cooperation between the US and India on providing post-earthquake relief in Nepal.

India and the US resolved that they would work as partners in responding to the needs of civilians in global crises. Both countries also welcomed Japan's participation in the MALABAR 2015 naval exercise later this year.

Pledging to continue high level consultations on Afghanistan, both the countries agreed that a sovereign, independent and prosperous Afghanistan is in the interest of peace and security in the region, and will contribute to the global efforts to combat terrorism and extremism.

The two countries also expressed satisfaction at the convening of the first meeting of an up-

HDPE Removed from Duty Free List for Optical Fibre Cables

Ntnfn 47 In exercise of the powers
22.09.2015 conferred by sub-section (1)
(DoR) of section 25 of the Customs
Act, 1962 (52 of 1962), the

Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.12/2012-Customs, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 185(E), dated the 17th March, 2012, namely:-

In the said notification, in List 5, for item (11), the following item shall be substituted, namely:-
(11) Nylon-12 / Ether Ester Elastomer.

[F.No.332/7/2015-TRU]

graded UN and Multilateral Dialogue in February 2015, the first meeting of the Space Security Dialogue in March 2015, and the first India-US consultations on Africa in April 2015.

(Given that India is unlikely to get the veto power which will be restricted to five victors of World War II, a permanent seat in the Security Council (SC) will place an obligation on India to implement the SC resolutions dictated by the super powers. Thus the acquisition of latest arms and armaments from US and Europe will be used for world policing. The docile armed forces of the Army, Navy and Air Force will be embroiled in conflicts and peace keeping beyond the Indian borders. The white man is tired of fighting the wars. It's the turn of the Browns to do the dirty work of fighting for the cause!!).

Chief Commissioner can Adjudicate Orders of Principal Commissioner

94-Cus(NT) In exercise of the powers
18.09.2015 conferred by sub-section(1)
(DoR) of section 5 of the Custom Act,
1962 (52 of 1962), the Central

Board of Excise and Customs hereby invests the officers specified in column (1) of the Table below, with the powers of the Customs Officer of the rank specified in column (2) of the said Table, in the jurisdiction specified in Notification No. 77/2014-Customs (N.T.), dated the 16th September, 2014 published in the Gazette of India, part-II, section 3, Sub-Section(i), vide G.S.R. 654 (E), dated the 16th September, 2014, namely:-

| Table | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| (1) | (2) |
| Customs Officer | Rank of the Customs Officer whose powers is to be exercised |
| All Principal Commissioners who have been given additional charge of a Chief Commissioner vide Office Order of the Central Board of Excise and Customs No. 126/2015, dated the 20 th August, 2015 | The Chief Commissioner |

Dollar Is Overvalued?



The dollar is unlikely to strengthen against the euro and yen unless the Federal Reserve raises interest rates more than once in the coming months, according to Amundi Asset Management, which oversees about \$1 trillion.

"The U.S. dollar is already overvalued against the euro and yen from most of the fundamental models". The market does not believe that the Fed can hike much more in the future."

Amundi's view contrasts with Goldman Sachs Group Inc., which said this month that the euro may fall up to 10 U.S. cents as the European Central Bank is set to increase currency-weakening stimulus to meet its inflation target. The yen will weaken to 130 versus the dollar next year as Bank of Japan Governor Haruhiko Kuroda is set to

boost monetary stimulus in October, Goldman Sachs analysts.

Fed's Outlook

The dollar has surged 15 percent in the past 12 months to \$1.1134 per euro and 10 percent to 119.83 yen. Strategists expect the greenback to strengthen to 125 yen and \$1.07 against the euro at the end of year.

The dollar remains undervalued against many Asian counterparts. The currencies of Malaysia, Indonesia and Taiwan were among the worst performers against the dollar since China's shock devaluation of the yuan on Aug. 11 triggered a global market rout.

The Chinese yuan devaluation has exposed the over-valuation problem of many Asian currencies.

China in SAARC Threatens India's Dominance

The famous China-Pakistan Economic Corridor (CPEC), which is touted as a 'flagship project' of the One Belt, One Road plan. Project aims at providing a link between the overland Silk Road Economic Belt and the Maritime Silk Road (through Gwadar Port). It is estimated that the investment envisaged under the CPEC project could make China one of the leading investors in Pakistan, accounting for about 20% of Pakistan's GDP.

It also offers China greater connectivity to the Indian Ocean region and beyond through Pakistan.

China's influence can be witnessed even in India's most-friendly eastern neighbor, Nepal. Recently, China has been investing heavily to enhance strategic ties with Nepal; it has opened *Kyirong* land-port between Tibet and Nepal which is bound to affect the regional strategic balance.

China seems to be silently playing its cards to influence the geopolitical environment of South Asia. Silent moves, though, are now growing into

powerful voices seeking and demanding full SAARC membership for China.

China entered SAARC as an observer in 2005, supported by most member states; observer states collaborate with SAARC members on specific initiatives, but do not have voting rights.

However, as recently as November 2014 during the SAARC summit in Nepal, China expressed its interest in joining the regional bloc as a full-member state. Pakistan has been battling vociferously for China's full-membership as well.

China's entry into SAARC

China's entry can give a much needed push to the regional bloc as its global economic influence can strengthen the region's positioning at international forums; China can also help fulfill investment needs of member-states. Yet, China's inclusion in SAARC might develop a strong Pakistan-China alliance which may work against India. China, as a full-member in SAARC, may also veto important decisions that hamper the region's progress.

Denmark Needs Immigration to Boost 1.5% Growth Rate

GDP growth could be stuck at 1.5% if country can't lure more engineers and science majors

Denmark is lagging behind its neighbors when it comes to economic growth and it needs skilled foreigners to catch up.

The problem is that Denmark has transformed itself into not a very welcoming place over the past decade with the region's strictest immigration laws.

That's now putting its expansion at peril. The \$350 billion economy has been slower to recover from the global financial crisis than its Scandinavian neighbors. The central bank also cut growth forecasts last week amid declining consumer spending and exports.

One reason for the anemic revival is a lack of immigration. The central bank now warns that in less than three years there will be a labor shortage in all parts of the economy. The total shortfall just in engineering and science-related jobs will swell to more than 13,000 in 10 years, according

to Denmark's largest industry lobby.

"The price, for example, of engineers will just keep going up until jobs are filled". "That will hurt competitiveness and curb growth and not as many people will be hired."

About 9 percent of Denmark's population of 5.7 million are immigrants. In Sweden about 16.5 percent of the population were foreign born and in Norway they account for 12 percent.

The central bank painted an even grimmer picture last week forecasting structural growth could be as low as 1 percent a year without a labor force expansion.

To help remedy the looming crisis, companies including Microsoft Corp. and Siemens AG have formed an alliance with the Confederation of Danish Industry. It aims to fill jobs by encouraging students to study engineering and science, and prioritizing research in technology.

Yet Europe's migration crisis shows just how little attraction Denmark has among foreigners, in particular after the country placed ads in the Middle East warning people off from coming.

Kavita Gupta Addl DGFT Mumbai Moves to Textile Commissioner Mumbai for Two Years

Ms. Kavita Gupta, IAS (MH:1985), Addl DGFT (Additional Secretary level), Mumbai under Department of Commerce, Ministry of Commerce and Industry as Textile Commissioner (Additional Secretary level) under Ministry of Textiles by upgrading the post to the level of Additional Secretary for a period of two years or till further orders, whichever is earlier vice Ms. Kiran Soni Gupta, IAS (RJ:1985) on her appointment as Additional Secretary and Financial Adviser, Ministry of Youth Affairs and Sports; and

Appointment of Ms. Kiran Soni Gupta, IAS (RJ:1985), Textile Commissioner (Additional Secretary level) under Ministry of Textiles as Additional Secretary and Financial Adviser, Ministry of Youth Affairs and Sports by upgrading the post to the level of Additional Secretary for a period of two years or till further orders, whichever is earlier vice Ms. Sujata Prasad, ICAS (1983), Joint Secretary and Financial Adviser, Ministry of Coal who is holding additional charge.

EU Wants TRIPS Waiver Forever on Pharma Products for LDCs

Move Counters India's Foray in Sector

The European Commission announced this week that it will support the least developed countries' (LDCs) request for easier access to cheaper medicines through an indefinite exemption from WTO intellectual property rules for pharmaceuticals.

"Although patents stimulate innovation in developed and emerging economies, intellectual property rules should be a non-issue when the world's poorest are in need of treatment," declared EU Trade Commissioner Cecilia Malmström.

The exemption "will give the least developed countries the necessary legal certainty to procure or to produce generic medicines," she said.

It would simply be unacceptable for the US to oppose the duration requested by LDCs and to instead require LDCs to return repeatedly to the TRIPS Council every few years for successive short-term extensions, reads a letter from leading NGOs.

The TRIPS Council is the WTO body tasked with administering the organisation's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

Access to cheaper medicines

Earlier this year, the WTO's poorest members led by Bangladesh tabled a proposal for extending indefinitely their transitional period for enforcing global trade rules protecting pharmaceutical patents and clinical data, as well as a related waiver involving patent protection and exclusive marketing rights for pharmaceutical and agricultural chemical products.

Should this transitional period expire in January 2016, as it is currently set to do, some WTO

members argue that requiring LDCs to enforce these rules could constrain their capacity to make or procure low-cost generic medicines.

The proposal tabled by Bangladesh on behalf of the LDC Group back in February requested that the transition period for LDCs remain in force for as long as those countries remain under that category, citing among other reasons the health burdens that result from high rates of HIV and other diseases in their countries.

In June 2013, WTO members agreed to extend the transition period for LDCs to implement the overall TRIPS agreement until July 2021. That extension, according to the same decision, noted that it occurred "without prejudice to another WTO Council Decision of 2002 on the extension of the LDC transition period for "certain obligations with respect to pharmaceutical products" that expires in 2016.

The next TRIPS Council is scheduled to take place from 15-16 October.

Euro 500mn Farmer Aid Package in EU

EU agriculture ministers have approved a Euro 500 million aid package to be disbursed to the farm sector, following a series of protests staged by thousands of farmers across the bloc against falling dairy and livestock prices.

An extraordinary meeting of the Agriculture Council was convened last week in Brussels to review this package of aid measures, with a subsequent meeting held this past Tuesday to discuss the terms in further detail. The European Commission said the aid was intended to help farmers deal with cash flow difficulties, as well as to stabilise markets and address problems with the functioning of the supply chain.

The decision to distribute aid, said European Commission Vice President Jyrki Katainen, is meant as a "robust and decisive response" to what some farm groups say is a crisis in the industry. The dairy sector is facing a "state of emergency," the UK's National Farmers Union has said, after a 20 percent fall in the wholesale price of milk in the past year.

Member states will be able to advance up to 70 percent of direct payments under the terms of the aid package. This would include, officials say, voluntary coupled support – which essentially

links subsidies to the type or volume of farm production – as well as young farmers' payments. Eighty-five percent of area-based rural development payments may now also be advanced.

Under current rules within the EU's Common Agricultural Policy (CAP), member states would otherwise be limited to advancing a maximum of 50 percent of direct payments and 75 percent of rural development aid.

Dairy Crashes

Global dairy prices have been plummeting for the past several months. On the one hand, supply has been plentiful as a result of good weather boosting production.

At the same time, demand has fallen due to a number of global factors. For example, Russia – one of the EU's biggest markets for dairy exports has set an embargo on European food products as retaliation for the bloc's sanctions over the crisis in Ukraine. Meanwhile, a global oversupply of milk, droughts in certain member states, and decreased demand from China have all contributed to create a milk glut, the Commission noted in its market analysis, resulting in difficult conditions for many dairy farmers.

European Commission Draft on Investment Court

The European Commission released on Wednesday a long-awaited draft proposal on a possible "investment court system," one that it says could replace the controversial investor-state dispute settlement system in all current and future investment negotiations – starting with the planned Transatlantic Trade and Investment Partnership (TTIP).

Negotiations with the US on this bilateral trade and investment deal are now over two years in, with reports generally indicating the talks to be lagging.

The talks specifically on TTIP investor protections and investor-state dispute settlement have been on hold since early 2014, after the European Commission announced it would be suspending these in order to solicit public comment on the matter.

Court system

According to the Commission's draft proposal, this new public Investment Court System for TTIP would feature both a first-instance Tribunal as well as an Appeal Tribunal, with publicly appointed, qualified judges.

The former tribunal would have 15 judges, including five EU nationals, five US nationals, and five from other countries. The latter tribunal would have six members, with two EU nationals, two US

nationals, and two from other countries. The Appeal Tribunal would follow similar principles to that of the WTO's Appellate Body, which is the highest court at the latter organisation.

Right to regulate

The Commission document also includes a series of fundamental principles of treatment that foreign investors would be able to rely upon when choosing to invest in a partner country. To file a complaint with the Investment Court, an investor would have to claim that one of these guarantees has been violated by a host country.

These include guarantees against expropriation without compensation; the possibility of transferring investment-related funds; commitments to ensure fair and equitable treatment and physical security; commitments that governments respect obligations to investors that are written and legally binding; and guarantees of compensation for those losses that arise in specific circumstances, such as armed conflicts.

Domestic versus international courts

Another concern that has been raised in the past by ISDS opponents is whether such international courts would supersede the authority of domestic ones.

The draft proposal attempts to respond to such concerns, essentially suggesting that investors may first present cases domestically. However, if

Commodity Stocks Fall, Govt Bonds Rally With Yen

Sliding commodity prices sparked a selloff in higher-yielding assets, with mining stocks dragging down equities, while the dimming outlook for inflation boosted government bonds.

From coal to zinc, raw materials are under pressure on concern the global economy is slowing. Glencore Plc fell more than 7 percent, leading European mining stocks toward the lowest close since 2009, and futures signaled U.S. shares will tumble. The longest-maturity Treasuries led gains and the yen strengthened against all of its 16 major peers.

Zinc retreated 1.5 percent to the lowest since June 2010 at 10:18 a.m. in London, while nickel fell 0.8 percent as China's imports of the refined metal slumped to the smallest in four months. Copper fell 2.5 percent.

European coal for 2016 dropped below \$50 a metric ton for the first time amid slumping demand from China. Prices have declined 25 percent so far in 2015, heading for a fifth straight year of drops in the benchmark year-ahead contract.

they wish to have their case heard by the Investment Tribunal – for instance, in cases where the domestic system does not have the needed investor guarantees – any ongoing domestic proceedings must then be withdrawn.

The document also includes a series of provisions regarding the interpretation of domestic laws when addressing these international investment disputes. For one, the Investment Tribunal's interpretation of a party's domestic law must be in line with that of domestic courts. Furthermore, the tribunal's interpretation would not be at all binding on domestic courts.

South Africa Allows US Chicken in Special Deal

The US and South Africa have reportedly made progress on the technical health and sanitary discussions related to the imports of poultry, pork, and beef meat from the United States, following a strategic dialogue held this week.

This development comes after growing frustrations from Washington over the alleged lack of implementation of the Paris agreement reached in June, which was meant to pave the way for the re-entry of US chicken imports to the South African market.

Since 2000, imports of certain US chicken products into South Africa had been subject to anti-dumping duties of above 100 percent, which US poultry meat exporters deemed unfair. Under the Paris agreement, South Africa committed to end these duties on US chicken and resume imports, initially at levels of 65,000 tonnes a year.

A separate set of actions was then envisaged in order to resolve the remaining sanitary issues related to poultry, pork, and beef after South Africa raised concerns over an avian influenza outbreak – an infectious viral disease of birds which can sometimes spread to poultry – in several US states. This led the former to delay the effective implementation of the agreement.

Kurds cannot Sell Oil in U.S.

US Court Upholds Iraq on Technicality

- Court says Kurdish crude oil cargo discharged in Israel
- Companies like DNO, Genel Energy have been caught in dispute

Iraq's self-ruled Kurds can't sell Iraqi crude oil in the U.S. under a court decision that puts a fresh hurdle in the path of Kurdish efforts to achieve financial independence from the central government in Baghdad.

The U.S. Court of Appeals for the Fifth Circuit in New Orleans dismissed an attempt by the Kurdistan Regional Government to overturn a judge's earlier decision against its planned sale of oil to an unidentified buyer in the U.S. The KRG's eventual sale of the disputed cargo in Israel made the appeal moot, the court said in a ruling.

The case began last year when Iraq's central government sued to seize a tanker loaded with crude from the country's Kurdish region that had sailed to the Gulf of Mexico and anchored 60 miles (97 kilometers) off the coast of Texas. The appeals court upheld an order by a judge in Houston requiring the KRG to notify him before trying in the future to sell any oil in the U.S.

"The KRG mooted this appeal through its voluntary decision to discharge the cargo in Israel," the court said Monday in its 13-page ruling. "In so doing, the KRG severely weakened its argument."

Resisting Control

Iraq's minority Kurds, who historically have resisted control by governments in Baghdad, are independently developing oil reserves they say may total 45 billion barrels – equivalent to almost a third of Iraq's total deposits, according to BP Plc data. When the KRG sought to export oil on its own last year, the central government waged a legal battle to stop Kurdish cargoes from unloading, including the tanker that reached the Texas coast.

Oil companies including DNO ASA and Genel Energy Plc that operate in the Kurdish region have been caught up in the dispute over revenue from crude sales between the KRG and the central government.

ChAFTA (China – Australia FTA) Undoes Abbott He Falls to Turnbull Charge



Experts speculate that the growing domestic opposition to the China-Australia free trade agreement is one reason why members of the Liberal Party questioned Abbott's leadership credibility, despite his earlier successes in concluding negotiations for trade deals with Japan and South Korea, both of which were later ratified.

Abbott's policies largely focused on expanding economic growth by increasing exports of Australia's three top commodities, including iron ore mineral, coal, and liquefied natural gas (LNG). The deal with Adani on coal was also concluded in this period.

In 2014, iron ore exports comprised 56 percent of Australia's exports to China, one of Australia's key Asian trading partners.

The recent economic turbulence in China has resulted in decreased demand for Australian exports and is among the leading causes of the current economic downturn.

In recognition of Australia's vulnerabilities and to increase competitiveness, Abbott attempted to diversify an export-focused economy by making progress on a China-Australia free trade agreement that has been a decade in the making.

The deal formally referred to as ChAFTA witnessed a landmark event in June when both countries formally signed the 17-chapter long agreement.

The FTA would substantially increase Australia's access to certain Chinese services sectors, while also making 85 percent of Australian goods exports duty-free upon entry into force, moving to 95 percent over time, among other provisions.

Labour affected

However, recent pushback from labour union leaders, as well as concerns raised by some Labor Party members over whether the deal could negatively impact domestic labourers, has put the agreement's future in jeopardy.

BIG's Weekly Index of Changes No 26/23-29 September 2015

Exchange Rates for Customs Valuation

Rupee Falls to Rs. 67.05 against Dollar for Import w.e.f. 18 Sept 2015, Euro at Rs. 76.10

93-Cus(NT) In exercise of the powers conferred by section 14 of 17.09.2015 the Customs Act, 1962 (52 of 1962), and in super session of the notification of the Central Board of Excise & Customs No.84/2015-CUSTOMS (N.T.), dated the 3rd (DoR)

September, 2015, 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 18th September, 2015 be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

| SNo. | Currency | Imported Goods | | Exported Goods | |
|------|----------|----------------|----------|----------------|----------|
| | | Current | Previous | Current | Previous |
| (1) | (2) | (3) | | | |
| | | (a) | | | (b) |

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

| | | | | | |
|-----|---------------------|--------|--------|--------|--------|
| 1. | Australian Dollar | 48.10 | 47.30 | 46.85 | 45.90 |
| 2. | Bahrain Dinar | 181.70 | 180.85 | 171.20 | 170.90 |
| 3. | Canadian Dollar | 50.80 | 50.55 | 49.70 | 49.45 |
| 4. | Danish Kroner | 10.20 | 10.10 | 9.95 | 9.85 |
| 5. | EURO | 76.10 | 75.35 | 74.25 | 73.55 |
| 6. | Hong Kong Dollar | 8.65 | 8.65 | 8.50 | 8.50 |
| 7. | Kuwait Dinar | 226.80 | 225.70 | 214.25 | 213.25 |
| 8. | Newzeland Dollar | 42.90 | 42.75 | 41.60 | 41.60 |
| 9. | Norwegian Kroner | 8.25 | 8.15 | 8.05 | 7.90 |
| 10. | Pound Sterling | 103.25 | 102.60 | 101.00 | 100.35 |
| 11. | Singapore Dollar | 47.95 | 47.30 | 47.00 | 46.35 |
| 12. | South African Rand | 5.10 | 5.10 | 4.80 | 4.80 |
| 13. | Saudi Arabian Riyal | 18.25 | 18.20 | 17.25 | 17.20 |
| 14. | Swedish Kroner | 8.10 | 7.95 | 7.90 | 7.75 |
| 15. | Swiss Franc | 69.30 | 69.25 | 67.50 | 67.50 |
| 16. | UAE Dirham | 18.65 | 18.55 | 17.60 | 17.55 |
| 17. | US Dollar | 67.05 | 66.85 | 66.00 | 65.80 |

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

| | | | | | |
|----|----------------|-------|-------|-------|-------|
| 1. | Japanese Yen | 55.95 | 55.60 | 54.75 | 54.35 |
| 2. | Kenya Shilling | 64.75 | 65.25 | 61.20 | 61.60 |

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

Turnbull, the new Premier has repeatedly voiced support for this trade agreement in the past, and made specific reference to the deal's importance as a "foundation to prosperity" during his speech on Monday explaining why he was challenging Abbott to be premier.

The Liberal Party is now looking to Turnbull to build consensus between lawmakers ahead of a vote expected before year's end on the enabling legislation that would allow the agreement to enter into force. Prior to the vote, a joint parliamentary committee is set to release a report regarding the FTA in mid-October.

Repeal of Carbon Tax, No Trading of Emissions

The leadership reshuffling has also drawn the interest of climate watchers, given the long-standing differences between Turnbull and his predecessor on this subject.

Abbott passed sweeping climate policy reforms during his time in office, most particularly the repeal of the country's controversial carbon tax, which in turn resulted in a cascade of criticism from both the international community and industry experts tired of policy uncertainties.

The carbon tax was in place for barely two years, having been enacted during the tenure of then-Prime Minister Julia Gillard of the Labor Party. Had it remained in place, the tax would have transitioned into an emissions trading scheme this year.

In its place, Abbott put a voluntary emissions reduction scheme, entitled the Emissions Reduction Fund, through which the government purchases emissions reductions from pre-approved projects on the basis of price per tonne of carbon dioxide, following an auction process.

The crediting and purchasing elements of that system are now in operation, with the safeguard mechanism of the plan due to debut next year.

The latter aims to ensure that emissions paid for under the Fund are not counteracted by an increase of emissions in other sectors.

Russia's Plan to Crack Tor Crumbles

The group that won the government contract is abandoning the project.

The Kremlin was willing to pay 3.9 million rubles (\$59,000) to anyone able to crack Tor, a popular tool for communicating anonymously over the Internet. Now the company that won the government contract expects to spend more than twice that amount to abandon the project.

The Central Research Institute of Economics, Informatics, and Control Systems – a Moscow arm of Rostec, a state-run maker of helicopters, weapons, and other military and industrial equipment – agreed to pay 10 million rubles (\$150,000) to hire a law firm tasked with negotiating a way out of the deal, according to a database of state-purchase disclosures. Lawyers from Pleshakov, Ushkalov and Partners will work with Russian officials on putting an end to the Tor research project, along with several classified contracts, the government documents say.

Last year, Russia's Interior Ministry posted a contract seeking a group "to study the possibility

of obtaining technical information on users and users' equipment of Tor anonymous network." A spokesman for the Interior Ministry department that placed the Tor order declined to comment on Tuesday. The Rostec research group declined to comment.

Tor, an acronym for "the onion router," is free software that sends each user's network traffic across various nodes around the globe, encrypting it at every layer, and making it extremely difficult to track. Tor has been adopted by hackers, criminals, and political dissidents worldwide. Edward Snowden, the former U.S. intelligence contractor currently living in Russia, is an avid Tor supporter. The number of users in Russia has jumped about 40 percent from the beginning of the year, to more than 175,000, according to data from the Tor Project, which develops the service. The Tor Project, a nonprofit funded in part by the U.S. government, had \$3.53 million in revenue in 2013, the last year it reported financials on its website.

Export Credit of \$26.24mn to Nicaragua for Building of Carlos Fonseca Substation

Sub: Exim Bank's Got supported Line of Credit of USD 26.24 million to the Government of Republic of Nicaragua.

AP(DIR Srs) Export-Import Bank of India
Cir.14 (Exim Bank) has entered into
16.09.2015 an Agreement dated March
(RBI) 25, 2015 with the Government of
Republic of Nicaragua, for

making available to the latter, a Government of India supported Line of Credit (LOC) of USD 26.24 million (USD Twenty Six million and Two Hundred and Forty Thousand) for financing building of Carlos Fonseca substation, 95 km transmission lines and expansion of three substations (Villa El Carmen, Las Colinas & San Rafael del Sur) in the Republic of Nicaragua. The goods, machinery, equipment and services including consultancy services from India for exports under this agreement are those which are eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under this agreement, the goods and services including consultancy services of the value of at least 75% of the contract price shall be supplied by the seller from India and the remaining 25% goods and services (other than consultancy services) may be procured by the seller for the purpose of the eligible contract from outside India.

2. The credit agreement under the LOC is effective from August 10, 2015 and the date of execution of agreement is March 25, 2015. The last date for opening of letters of credit and disbursement will be 48 months from the scheduled completion date of contract in the case of project exports and March 24, 2021 (72 months from the execution date of the credit agreement) in the case of other supply contracts.

3. Shipments under the LOC will have to be declared on EDF/ SDF Forms as per instructions issued by the Reserve Bank from time to time.

4. No agency commission is payable under the above LOC. However, if required, the exporter may use his own resources or utilize balances in his Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorised Dealer Category- I (AD Category-I) banks may allow such remittance after realization of full payment of contract value subject to compliance with the prevailing instructions for payment of agency commission.

5. AD Category-I banks may bring the contents of this circular to the notice of their exporter constituents and advise them to obtain full details of the Line of Credit from the Exim Bank's office at Centre One, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005 or log on to www.eximbankindia.in.

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

WIndex No. 26 – 23-29 September 2015

DIndex* WIndex

DIndex Delivered Daily by Email

World Trade

| | | |
|------------------------------------------------------------------------------------|------|------------|
| • PM Modi's US Visit Stage: \$2.5-bn Attack Chopper Deal and Kerry-Sushma Dialogue | 6195 | 178 |
| • Xi Jinping in US, China on the Defensive | 6194 | 179 |
| • Permanent UNSC Seat : Global Policing Burden for India's Men and Materials | 6196 | 180 |
| • Dollar Is Overvalued? | 6197 | 181 |
| • China in SAARC Threatens India's Dominance | 6198 | 181 |
| • Denmark Needs Immigration to Boost 1.5% Growth Rate | 6199 | 181 |
| • EU Wants TRIPS Waiver Forever on Pharma Products for LDCs | 6200 | 181 |
| • Kavita Gupta Addl DGFT Mumbai Moves to Textile Commissioner Mumbai for Two Years | 6201 | 181 |
| • Euro 500 Million Farmer Aid Package in EU | 6202 | 182 |
| • European Commission Draft on Investment Court | 6203 | 182 |
| • Commodity Stocks Fall, Govt Bonds Rally With Yen | 6204 | 182 |
| • South Africa Allows US Chicken in Special Deal | 6205 | 182 |
| • Kurds cannot Sell Oil in U.S. | 6206 | 183 |
| • ChAFTA (China – Australia FTA) Undoes Abbott | 6207 | 183 |

Foreign Trade Policy

| | | |
|---------------------------------------------------------------------------------------------------------------|------|------------|
| • Bond Condition on ATA Carnet for Exhibitions Goes But ITPO Approval in Ntfn 3/89 Remains – 37-PN/21.09.2015 | 6191 | 180 |
|---------------------------------------------------------------------------------------------------------------|------|------------|

Customs

| | | |
|---------------------------------------------------------------------------------------------------------------------|------|------------|
| • India Hikes Veg Oil Duty 5% to Mop up 13% Fall in Palm Oil – 46/17.09.2015 | 6187 | 177 |
| • HDPE Removed from Duty Free List for Optical Fibre Cables – 47/22.09.2015 | 6192 | 179 |
| • Rupee Falls to Rs. 67.05 against Dollar for Import w.e.f. 18 Sept 2015, Euro at Rs. 76.10 – 93-Cus(NT)/17.09.2015 | 6188 | 183 |
| • Chief Commissioner can Adjudicate Orders of Principal Commissioner – 94-Cus(NT)/18.09.2015 | 6193 | 179 |

Central Excise

| | | |
|------------------------------------------------------------------------------------------------------------------------|------|------------|
| • Bunker Fuel Excise Exemption Procedure for Indian Flag Vessels between Coastal Ports Rationalised – 41-CE/17.09.2015 | 6189 | 179 |
|------------------------------------------------------------------------------------------------------------------------|------|------------|

RBI Circular [AP(DIR Series)]

| | | |
|---------------------------------------------------------------------------------------------------------|------|------------|
| • RBI Simplifies Guidelines for Opening New Branches by Money Changers – Cir.12/10.09.2015 | 6180 | - |
| • Export Credit of \$26.24mn to Nicaragua for Building of Carlos Fonseca Substation – Cir.14/16.09.2015 | 6190 | 184 |

*See details in www.worldtradesScanner.com