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World Biggest Economies Face \$7.6 Trillion Bond Tab as Rally Seen Fading

Led by Japan's \$3 trillion and the U.S.'s \$2.8 trillion, the amount coming due for the Group of Seven nations and Brazil, Russia, India and China is up from \$7.4 trillion at this time last year. Ten-year bond yields will be higher by year-end for at least seven of the countries, forecasts show.

After Italy, France has the most amount of debt coming due, at \$367 billion, followed by Germany at \$285 billion. Canada has \$221 billion, while Brazil has \$169 billion, the U.K. has \$165 billion, China (PRCH) has \$121 billion and India \$57 billion. Russia has the least maturing, or \$13 billion.

Governments of the world's leading economies have more than \$7.6 trillion of debt maturing this year, with most facing a rise in borrowing costs.

Led by Japan's \$3 trillion and the U.S.'s \$2.8 trillion, the amount coming due for the Group of Seven nations and Brazil, Russia, India and China is up from \$7.4 trillion at this time last year. Ten-year bond yields will be higher by year-end for at least seven of the countries, forecasts show.

The International Monetary Fund cut its forecast for growth this year to 4 percent from a prior estimate of 4.5 percent as Europe's debt crisis spreads, the U.S. struggles to reduce a budget deficit exceeding \$1 trillion and China's property market cools.

Competition for Buyers

The amount needing to be refinanced rises to more than \$8 trillion when interest payments are included. Coming after a year in which Standard & Poor's cut the U.S.'s rating to AA+ from AAA and put 15 European nations on notice for possible downgrades, the competition to find buyers is heating up.

While most of the world's biggest debtors had little trouble financing their debt load in 2011, with Bank of America Merrill Lynch's Global Sovereign Broad Market Plus Index gaining 6.1 percent, the most since 2008, that may change.

Italy auctioned 7 billion euros (\$9.14 billion) of debt on Dec. 29, less than the 8.5 billion euros targeted. With an economy sinking into its fourth recession since 2001, Prime Minister Mario Monti's government must refinance about \$428 billion of securities coming due this year, the third-most, with another \$70 billion in interest payments.

Rising Costs

Borrowing costs for G-7 nations will rise as much as 39 percent from 2011, based on forecasts of 10-year government bond yields by economists and strategists surveys. China's 10-year yields may remain little changed, while India's are projected to fall to 8.02 percent from 8.36 percent. The survey doesn't include estimates for Russia and Brazil.

After Italy, France has the most amount of debt coming due, at \$367 billion, followed by Germany at \$285 billion. Canada has \$221 billion, while Brazil has \$169 billion, the U.K. has \$165 billion, China (PRCH) has \$121 billion and India \$57 billion. Russia has the least maturing, or \$13 billion.

Rising borrowing costs forced Greece, Portugal and Ireland to seek bailouts from the European Union and IMF. Italy's 10-

year yields exceeded 7 percent last month, a level that preceded the request for aid from those three nations.

The two biggest debtors, Japan and the U.S., have shown little trouble attracting demand.

Japan benefits by having a surplus in its current account, which is the broadest measure of trade and means that the nation doesn't need to rely on foreign investors to finance its budget deficits. The U.S. benefits from the dollar's role as the world's primary reserve currency.

Japan's 10-year bond yields, at less than 1 percent, are the second-lowest in the world, after Switzerland, even though its debt is about twice the size of its economy.

The U.S. attracted \$3.04 for each dollar of the \$2.135 trillion in notes and bonds sold last year, the most since the government began releasing the data in 1992. The U.S. drew an all-time high bid-to-cover ratio of 9.07 for \$30 billion of

four-week bills it auctioned on Dec. 20 even though they pay zero percent interest.

The U.S. pays an average interest rate of about 2.18 percent on its outstanding debt, down from 2.51 percent in 2009.

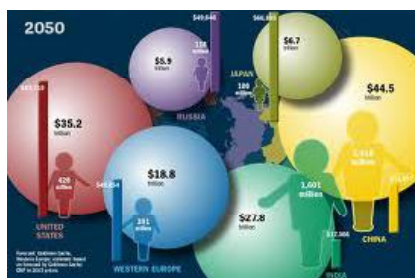
Central Banks

Central banks are bolstering demand by either keeping interest rates at record lows or reducing them, and by purchasing bonds in a policy know as quantitative easing.

The Federal Reserve has said it will keep its target rate for overnight loans between banks between zero and 0.25 percent through mid-2013, and is now selling \$400 billion of its short-term Treasuries and reinvesting the proceeds into longer-term government debt in a program traders dubbed Operation Twist.

The Bank of Japan has kept its key rate at or below 0.5 percent since 1995, and expanded the asset-purchase program last year to 20 trillion yen (\$260 billion). The Bank of England kept its main rate at a record low 0.5 percent last month, and left its asset-buying target at 275 billion pounds (\$431 billion).

The European Central Bank reduced its main refinancing rate twice last quarter, to 1 percent from 1.5 percent. It followed those moves by allotting 489 billion euros of three-year loans to euro-region lenders.



HS2012 Comes into Effect from 1 Jan 2012 >>>

November Dollar Export Rise 3.87%, Imports Up 24.55%

Exports (Including Re-Exports)

India's exports during November, 2011 were valued at US\$ 22321.64 million (Rs.113519.82 crore) which was 3.87 per cent higher in Dollar terms (17.34 per cent higher in Rupee terms) than the level of US\$ 21489.49 million (Rs. 96742.01) during November, 2010. Cumulative value of exports for the period April-November 2011 -12 was US\$ 192694.38 million (Rs 893094.16 crore) as against US\$ 144659.95 million (Rs.661055.88 crore) registering a growth of 33.21 per cent in Dollar terms and 35.10 per cent in Rupee terms over the same period last year.

Imports

India's imports during November, 2011 were valued at US\$ 35922.43 million (Rs.182688.55 crore) representing a growth of 24.55 per cent in Dollar terms (40.70 per cent in Rupee terms) over the level of imports valued at US\$ 28842.33 million (Rs. 129843.26 crore) in November, 2010. Cumulative value of imports for the period April-November, 2011-12 was US\$ 309530.45 million (Rs.1435304.79 crore) as against US\$ 237664.08 million (Rs. 1085780.54 crore) registering a growth of 30.24 per cent in Dollar terms and 32.19 per cent in Rupee terms over the same period last year.

Crude Oil and Non-Oil Imports

Oil imports during November, 2011 were valued at US\$ 10307.1 million which was 32.28 per cent higher than oil imports valued at US\$ 7792.1 million in the corresponding period last year. Oil imports during April-November, 2011-12 were valued at US\$ 94116.5 million which was 42.67 per cent higher than the oil imports of

US\$ 65967.8 million in the corresponding period last year.

Non-oil imports during November, 2011 were estimated at US\$ 25615.3 million which was 21.69 per cent higher than non-oil imports of US\$ 21050.2 million in November, 2010. Non-oil imports during April - November, 2011-12 were valued at US\$ 215413.9 million which was 25.46 per cent higher than the level of such imports valued at US\$ 171696.3 million in April - November, 2010-11.

Trade Balance

The trade deficit for April-November, 2011-12 was estimated at US\$ 116836.07 million which was higher than the deficit of US\$ 93004.13 million during April-November, 2010-11.

Exports & Imports : (US \$ Million)

	(Provisional)	
	November	April-November
Exports(including re-exports)		
2010-11	21489.49	144659.95
2011-12	22321.64	192694.38
%Growth2011-12/ 2010-2011	3.87	33.21
Imports		
2010-11	28842.33	237664.08
2011-12	35922.43	309530.45
%Growth2011-12/ 2010-2011	24.55	30.24
Trade Balance		
2010-11	-7352.84	-93004.13
2011-12	-13600.79	-116836.07

Hong Kong Keeps Ban on Chinese Poultry Imports after Flu Link Found

Poultry imports from the part of southern China where a man died from the H5N1 virus remain banned in Hong Kong after genetic tests linked the man's strain of the disease to the version found in wild birds in the city.

The import of live, chilled and frozen poultry, and eggs, from within a 13-kilometer (8-mile) radius of the man's home in Shenzhen were suspended for 21 days starting Jan. 1, according to a Centre for Food Safety statement posted on New Year's Day.

Avian flu is a serious public health concern with the potential to cause a pandemic, the Centers for Disease Control and Prevention says. Since 2003, more than 500 people have

been infected with the H5N1 strain worldwide, of whom about 60 percent have died, according to the Atlanta-based agency.

Gene sequencing done on samples from the patient in Shenzhen shows the virus is "very similar" to strains recently detected in wild birds in Hong Kong, according to an e-mail from the city's Department of Health.

Two dead black-headed gulls found in Tuen Mun and Lantau Island in Hong Kong tested positive for the virus, according to a government statement on 2 January. The birds were found Dec. 30 and Jan. 1. The Agriculture, Fisheries and Conservation Department is conducting further tests on the animals.

Service Tax Refund for a Wide Range of Goods Exported from India

The Central Government has issued a notification today to provide average rates of service tax refund, ranging from 0.03% to 0.20% of the F.O.B. value of export, for a wide range of goods exported from India. The average rate of refund is in respect of 18 identified services used beyond the factory gate. This is being done to implement the simplified scheme.

An announcement was made to this effect by the Union Finance Minister Pranab Mukherjee in his Budget Speech 2011 for introducing a simplified scheme for the refund of service tax paid on services used for export of goods on the lines of drawback of duties.

As in the case of payment of duty drawback, the service tax refund will be enabled by the Indian Customs EDI System resulting in the amounts getting directly credited into the exporters' bank accounts within a few days of confirmation of export without additional export documentation. Customs Officers have separately been vested with powers of Central Excise/Service Tax Officers for this purpose.

The scheme adds to the e-enabled service delivery to exporting community, limits public interface as well as reduces transaction costs in obtaining refunds.

Dollar Trades Near One-Week Low Versus Euro Amid Global Growth Optimism

The dollar traded 0.4 percent from its lowest in a week versus the euro before reports forecast to show orders at U.S. factories grew and the nation's services industry expanded, damping demand for safer assets.

The greenback on 2 January slid versus all of its most-traded peers as reports this week showed manufacturing in the U.S. and China improved in December, suggesting production is weathering strains from Europe's debt crisis. Indonesia's rupiah declined for a third day on speculation the central bank will reduce borrowing costs to support the economy as inflation slows.

The dollar traded at \$1.3033 per euro in Tokyo after dropping 0.9 percent to \$1.3050 on 2 January, when it fell as low as \$1.3077, the weakest since Dec. 28. The U.S. currency fetched 76.68 yen from 76.74. The euro was at 99.94 yen from 100.14 in New York.

Dollar-Rupee Rate at NSE Futures

Trade Date	Open Price	High Price	Low Price	Close Price	Daily Settlement Price	Open Interest	No. of Contracts	Value (Rs. lakhs)	RBI Reference rate
03-Jan-12	53.4925	53.5925	53.4375	53.5200	53.5200	1189166	1190539	637209	53.2288
02-Jan-12	53.5000	54.1800	53.4400	53.5850	53.5850	1044173	718415	384896	53.2975
30-Dec-11	53.6125	53.6750	53.4250	53.4900	53.4900	1024262	1298165	695212	53.2660
29-Dec-11	53.7325	53.8800	53.5400	53.6675	53.6675	1083352	1360531	730913	53.3585
28-Dec-11	53.4400	53.8850	53.4350	53.6025	53.6025	1090744	1471315	789936	53.2145

[Source: NSE and RBI Website]

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WEEKLY INDEX OF CHANGES

HS2012 Comes into Effect from 1 Jan 2012

- Code Changes in Notifications
- For Details Refer to Finance Act 2011 or pp Q/79 of September 2011 Edition of Big's Easy Reference Customs Tariff

Ntfn 117 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby directs that each of the notifications of the Government of India in the Ministry of Finance (Department of Revenue) specified in column (2) of the Table hereto annexed shall be amended in the manner specified in the corresponding entry in column (3) of the said Table, namely:-

Table

SNo.	Notification No. and Date	Amendments
(1)	(2)	(3)
1.	25/1999-Customs, dated the 28 th February, 1999	In the said notification, in the Table,- (i) against S.No.225 , in column (2), for the figures "28349019", the figures "38249090" shall be substituted. (ii) against S.No.234 , in column (2), for the figures "25289010", the figures "25280020" shall be substituted.
2.	22/2007-Customs, dated the 1st March, 2007	In the said notification, in the Table, against S. No. 6 in column (2), for the figures "2939 43 00", the figures "2939 43 00, 2939 44 00" shall be substituted.
3.	27/2011-Customs, dated the 1 st March, 2011	In the said notification, in the Table,- (i) against S. No. 4 , for the entry in column (2) the entry "0908 31, 0908 32" shall be substituted; (ii) against S. No. 8 , for the entry in column (2) the entry "1202 30, 120241" shall be substituted; (iii) against S. No. 9 , for the entry in column (2) the entry "1202 42" shall be substituted;

2. This notification shall come into force with effect from 1st January, 2012.

[F.No.341/15/2011-TRU] (Pt-I)

Ntfn 118 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on 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.20/2006-Customs, dated the 1st March,2006**, published in the Gazette of India, Extraordinary, vide number G.S.R.92 (E),dated the 1st March, 2006,namely:-
In the said notification, in the Table,-
(i) against **S.No. 47**, for the entry in column (2), the entry "0801" shall be substituted;
(ii) against **S.No. 53**, for the entry in column (2), the entry "1701 13 10, 1701 14 10" shall be substituted;
2. This notification shall come into force with effect from 1st January, 2012.
[F.No.341/15/2011-TRU (Pt-I)]

Ntfn 119 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), read with section 91 and 94 of the Finance (No. 2) Act, 2004 (23 of 2004), 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. 69/2004-Customs, dated the 9th July, 2004** published in the Gazette of India, Extraordinary, vide G.S.R. 411 (E), dated the 9th July, 2004, namely:-
In the said notification, in the Table, against **S. No. 4**, for the entry in column (2), the entry "Areca nut falling under subheading 0802 80" shall be substituted.
2. This notification shall come into force with effect from 1st January, 2012.
[F.No.341/15/2011-TRU (Pt-I)]

Ntfn 120 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on 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. 21/2002-Customs, dated the 1st March, 2002** which was published in the Gazette of India, Extraordinary, vide G.S.R. 118 (E) dated the 1st March, 2002, namely: -
In the said notification, in the Table, -
(i) against **S. No. 2A**, for the entry in column (2), the entry "030616 or 030617" shall be substituted;
(ii) against **S. No. 15**, for the entry in column (2), the entry "08026100, 08026200, 08027000 or 08029000" shall be substituted;

Export Tariff on Iron Ore Raised to 30% from 20%

Ntfn 129 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.27/2011-Customs, dated the 1st March, 2011, published in the Gazette of India, Extraordinary, vide number G.S.R.153 (E),dated the 1st March, 2011,namely:-

In the said notification, in the Table,-

(i) **S.No. 21** and the entries relating thereto shall be **omitted**;

(ii) **S.No. 22** and the entries relating thereto shall be **omitted**.

[F.No.354/290/2011-TRU]

Anti-dumping Duty on Polypropylene – Entries Relating to Saudi Arabia in Notification Omitted

Ntfn 130 In exercise of the powers conferred by sub-section (1) read with sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975), the Central Government hereby amends notification no. 119/2010-Customs, dated 19th November, 2010, published in the Gazette of India, Extraordinary, Part-II, section 3, subsection (i), vide number G.S.R. 919 (E) dated 19th November, 2010, in so far as it relates to the imposition of anti-dumping duty and as such, revokes the duty imposed on imports of the subject goods originating in or exported from Saudi Arabia, and for that purpose amends the Table to the said notification, in the manner given below, namely:-

In the Table to the said notification, **serial numbers 5 to 13** (both inclusive) and the entries relating thereto, shall be **omitted** with effect from the date of publication of this notification in the Official Gazette.

[File No. 354/140/2009-TRU (Pt-I)]

(iii) against **S. No. 18AA**, for the entry in column (2), the entry "10011900 or 10019910" shall be substituted;

(iv) against **S. No. 20**, for the entry in column (2), the entry "10051000,1017, 100821 or 100829" shall be substituted;

(v) against **S. No. 45A**, for the entry in column (2), the entry "20089300,20098100, 20099000,220290" shall be substituted;

(vi) against **S. No. 488A**, for the entry in column (2), the entry "2710" shall be substituted;

(vii) against **S. No. 571**, for the entry in column (2), the entry "0303" shall be substituted.

2. This notification shall come into force with effect from 1st January, 2012.

[F.No. 341/15/2011-TRU]

42-CE 30.12.2011 (DoR) In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944) read with sub-section (3) of Section 3 of the Additional Duties of Excise (Goods of Special importance) Act, 1957 (58 of 1957), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby directs that each of the notifications of the Government of India in the Ministry of Finance (Department of Revenue), specified in column (2) of the Table hereto annexed shall be amended or further amended, as the case may be, in the manner specified in the corresponding entry in column (3) of the said Table, namely:-

SNo.	Notification number and date	Amendments
(1)	(2)	(3)
1.	62/1995-Central Excise, dated the 16th March, 1995	In the said notification, in the TABLE, against S. No. 16 , in column (2), for the figures "2852 00 00", the figures "2852 10 00, 2852 90 00" shall be substituted.
2.	20/2005-Central Excise, dated the 13th May, 2005	In the said notification, in the Table,- i. against S.No.4 , in column (2), for the figures "2403 10 10", the figures "2403 11 10" shall be substituted. ii. against S.No.5 , in column (2), for the figures "2403 10 90", the figures and word "2403 11 90 or 2403 19 90" shall be substituted.

[F. No. 341/15/2011-TRU (PT.2)]

43-CE 30.12.2011 (DoR) In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby directs that each of the notifications of the Government of India in the Ministry of Finance (Department of Revenue), specified in column (2) of the Table hereto annexed shall be amended or further amended, as the case may be, in the manner specified in the corresponding entry in column (3) of the said Table, namely :-

Table

SNo.	Notification number and date	Amendments
(1)	(2)	(3)
1.	74/1993-Central Excise, dated the 28th February, 1993	In the said notification, in the Table, against S. No. 2 , in column (2), after figures "2845", for the words, signs and figures "tariff item 2852 00 00 (other than organic compounds of mercury)", the words, signs and figures "tariff item 2852 (other than organic compounds of mercury)" shall be substituted.
2.	09/1996-Central Excise, dated the 23rd July, 1996	In the said notification, in the Table,- (i) against S. No.1 , for the entry in column (2), the entry "2403 19 21" shall be substituted; (ii) against S. No. 1B , for the entry in column (2), the entry "2403 11 10" shall be substituted.
3.	03/2006-Central Excise, dated the 01st March, 2006	In the said notification, in the Table, (i) against S.No.33 , for the entry in column (2), the entry "2403 11 10" shall be substituted. (ii) against S.No.34 , for the entry in column (2), the entry "2403 11 10" shall be substituted. (iii) against S.No.35 , for the entry in column (2), the entry "2403 11 90 or 2403 19 90" shall be substituted. (iv) against S.No.36 , for the entry in column (2), the entry "2403 19 21" shall be substituted. (v) against S.No.37 , in column (2), for the entry in column (2), the entry "2403 19 21" shall be substituted. (vi) against S.No.38 , for the entry in column (2), the entry "2403 19 29" shall be substituted.
4.	4/2006-Central Excise, dated the 1st March, 2006	In the said notification, in the Table,- (i) against S. No.17 , for the entry in column (2), the entry "2710 12" shall be substituted; (ii) against S. No.62AA , for the entry in column (2), the entry "3002" shall be substituted;

		(iii) against S. No.96A , for the entry in column (2), the entry "4811 59 10" shall be substituted;
5.	5/2006-Central Excise, dated the 1st March, 2006	In the said notification, in the Table, against S.No. 5A , for the entry in column (2), the entry "6406 (except 6406 90 40 and 6406 90 50)" shall be substituted.
6.	2/2008-Central Excise, dated the 1st March, 2008	In the Table to the said notification,- (i) against S. No. 5 , for the figure "1701 11 20" in the entry in column (2), the figures and word "1701 13 20 and 1701 14 20" shall be substituted; (ii) against S. No. 15 , for the entry in column (2), the entry "2710 12 19, 2710 12 20, 2710 12 90 and 2710 20 00" shall be substituted; (iii) against S. No. 19 , for the figure "2852 00 00" in column (2), the figures "2852 10 00, 2852 90 00" shall be substituted; (iv) against S. No. 37 , for the figures and words "4818 (except tariff items 4818 40 10 and 4818 40 90)" in column (2), the figure "4818" shall be substituted.
7.	18/2009-Central Excise dated the 7th July, 2009	In the said notification, in clause (a) , for the figures and words "2710 11 11, 2710 11 12 and 2710 11 13", the figures and words "2710 12 11, 2710 12 12 and 2710 12 13", shall be substituted.
8.	1/2011-Central Excise, dated the 1st March, 2011	In the said notification, in the Table,- (i) against S. No.3 , for the entry in column (2), the entry "1501" shall be substituted; (ii) S. No. 66 and the entries relating thereto shall be omitted ; (iii) S. No. 67 and the entries relating thereto shall be omitted ; (iv) S. No. 71 and the entries relating thereto shall be omitted ; (v) after S. No. 130 and the entries relating thereto, the following S. No. and entries shall be inserted , namely:- (1) (2) (3) "131 9619 All goods"
9.	2/2011-Central Excise, dated the 1st March, 2011	In the said notification, in the Table,- (i) S. No. 34 and the entries relating thereto shall be omitted ; (ii) S. No. 35 and the entries relating thereto shall be omitted ; (iii) after S. No. 76 and the entries relating thereto, the following S. No. and entries shall be inserted , namely:- (1) (2) (3) "77 9619 All goods"

2. This notification shall come into force with effect from 1st January, 2012.

[F.No.341/15/2011-TRU (Pt-2)]

44-CE 30.12.2011 (DoR) In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944) read with sub-section (3) of section 136 of the Finance Act, 2001 (14 of 2001), 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. **26/2001-Central Excise, dated the 11th May, 2001**, published in the Gazette of India, Extraordinary, vide number G.S.R.347 (E), dated the 11th May, 2001, namely:-

In the said notification, in the Table,

(i) against **S. No.2**, for the entry in column (2), the entry "2403 19 21" shall be substituted;

(ii) against **S. No.4**, for the entry in column (2), the entry "2403 11 10" shall be substituted;

2. This notification shall come into force with effect from 1st January, 2012.

[F.No. 341/15/2011-TRU(Pt.2)]

45-CE
30.12.2011
(DoR)

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944) read with sub-section (3) of section 136 of the Finance Act, 2001 (14 of 2001), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. **21/2005-Central Excise, dated the 13th May, 2005** which was published in the Gazette of India, Extraor-

dinary, vide number G.S.R. 294(E) of the same date, namely:-
In the said notification, in the Table,
(i) against the **S.No.1**, in column (2), for the figures "2403 10 10", the figures "2403 11 10" shall be substituted;
(ii) against the **S.No.2**, in column (2), for the figures "2403 10 90", the figures "2403 19 90" shall be substituted.
2. This notification shall come into force with effect from 1st January, 2012.
[F.No.341/15/2011-TRU (Pt-2)]

Amendments in Concessions under Indo-Thai FTA

HS Codes Substituted According to HS2012 Changes with effect from 1 Jan 2012

Ntnf 115
28.12.2011
(DoR)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on 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.85/2004-Customs, dated the 31st August, 2004, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 560 (E), dated the 31st August, 2004, namely:-
In the said notification, in the Table,-
(i) against **S.No. 6**, for the entry in column



(2), the entry "100111 and 100119" shall be substituted;
(ii) against **S.No. 7**, for the entry in column (2), the entry "100191 and 100199" shall be substituted;
(iii) against **S.No. 73**, for the entry in column (2), the entry "85234120 to 85234150 and 85234950 to 85234970" shall be substituted;
(iv) for **S.No.73A**, and the entries relating thereto, the following shall be substituted, namely:-
73A 85234110 Unrecorded Compact Disc (audio), compact disc readable
(v) **S. No.73B** and the entries relating thereto shall be **omitted**;
2. This notification shall come into force with effect from the 1st day of January, 2012.
[F.No. 354/213/2002-TRU(Pt.I)]

Major Ports must take Permission from Government before Leasing Premises in Customs Area

Subject: *Handling of Cargo in Customs Areas Regulations, 2009 – Clarification.*

54-CBEC
29.12.2011
(DoR)

Attention is invited to the provisions of Handling of Cargo in Customs Areas Regulations, 2009 (HCCAR) and various circulars and instructions issued by the Board on the above subject from time to time.
2. At the time of introduction of the said regulations it was explained that it provides for a comprehensive mechanism for handling of goods in a customs area and set out the terms and condition for all facilities where customs cargo is handled. These Regulations also fulfilled the recommendation made by the Public Accounts Committee for formulating appropriate provisions to exercise adequate control over the cargo handling entities to ensure that the adequate infrastructure is set up at all customs areas for efficient handling of imported or export goods.
3. In this context, it is stated that Regulations 5 and 6, provide for conditions to be fulfilled by a Customs Cargo Service Provider (CCSP) and their responsibilities in relation to imported or export goods. Regulation 6(2) particularly provides that CCSP approved for custody of imported or export goods and for handling of such goods shall not lease, gift, sell or sublet or in any

other manner transfer any of the premises in a customs area; or sub-contract or outsource functions permitted or required to be carried out by him in terms of these regulations to any other person, without the written permission of the Commissioner of Customs. The condition of such permission has been provided for the reason that the powers for approval of any place as 'Customs Area' and to approve / appoint a custodian under section 8 and 45 of the Customs Act, 1962, respectively, including the power for suspension or dismissal of such approval is vested with the jurisdictional Commissioner of Customs.
4. In this regard, a reference has been received from the Ministry of Shipping pointing out that the developmental activities in respect of major ports on Public Private Partnership mode are taking place wherein private operators are constructing and operating terminals in the land leased out to them. Such projects require obtaining the approval of Minister of Shipping/ Finance Minister/ Cabinet Committee of Infrastructure depending upon the cost of the project. Hence, they had represented that specific permission from another authority i.e., the Commissioner of Customs is unwarranted. Hence, they had requested to exclude Major port trusts

Last Date for Half Yearly Return of Service Tax Period Apr-Sep 2011 Extended to 6 Jan 2012

[Service Tax Order No. 3 dated 29th December 2011]

In exercise of the powers conferred by Rule 7(4) of the Service Tax Rules 1994 read with notification No. 48/2011-Service Tax dated 19th October 2011, Central Board of Excise and Customs hereby extends the date of submission of half yearly return for the period April 2011 to September 2011, from 26th December 2011 to 6th January 2012.

This is being done in view of the fact that assessee are facing problems in electronic filing of returns due to various reasons.
F. No. 137/99/2011 – Service Tax

from the purview of the said Regulations.
5.1. The matter was examined in detail. At the time of introduction of the said Regulations itself it was clarified vide Board's circular No.13/2009-Customs dated 23.3.2009 that Port Trusts of the notified major ports shall not be required to make an application for approval or renewal under these regulations, since section 45 of the Customs Act, 1962, which provides for approval of custodians, makes an exception to major ports. However, they are required to discharge the responsibilities cast upon them as specified in Regulation 6 which include obtaining written permission from the Commissioner of Customs prior to outsourcing or leasing part of the premises within a customs area. This has been provided in order to take into account the concerns of the revenue for safeguarding the duty on imported goods.
5.2. It is also important to note that the provisions of Section 128 of the Major Port Trusts Act, 1963 provide for saving of the right of Central Government for collecting duties and of power of Customs officers by specifically providing as follows:
"128. Nothing in this Act shall affect—
(1) the right of the Central Government to collect customs duties ..., or
(2) any power or authority vested in the customs authorities under any law for the time being in force."
6. In view of the above, it is clarified that all cases of lease, gift, sale or subletting or transfer of the premises in any other manner, in a customs area by major ports may be firstly examined to see whether required permission from the Central Government/ Ministry / Cabinet Committee has already been obtained or not. In cases where appropriate authority has already given permission for such lease or transfer of premises, then necessary written permission may be given by the Commissioner for such lease or transfer. On the contrary, if no approval of the Government has been obtained, then appropriate action may be initiated against the erring Custodian under the said Regulations and the Customs Act, 1962.
7. These instructions should be brought to the notice of all the concerned by way of issuance of instructions/ trade notice.
8. Difficulty faced, if any, may be brought to the immediate notice of the Board.
F.No.450/55/2008-Cus.IV (Pt.III)

LDCs Window for 80% Cut under WTO Special Window Enlarged

- Liberia and Comoros Included in the LDCs List
- Negative List Enlarged
- Table Substituted according to HS2012 with effect from 1 January 2012

Ntnf 113 In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on 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 Minis-

try of Finance (Department of Revenue), No. **96/2008-Customs**, dated the 13th August, 2008, published in the Gazette of India, Extraordinary, vide number G.S.R. 590 (E), dated the 13th August, 2008, namely:-

In the said notification,-

(a) in **Appendix I**, for the Table, the following Table shall be substituted, namely-

“Table

SNo	HS Code	Description	Extent of tariff concession (percentage of applied rate of duty)
(1)	(2)	(3)	(4)
1	03028910	All goods	80%
2	03038910	All goods	80%
3	03038930	All goods	80%
4	03038960	All goods	80%
5	03038980	Croacker fish	80%
6	03048910	All goods	80%
7	03061320	All goods	80%
8	040299	All goods	20%
9	06031100	All goods	20%
10	06031200	All goods	20%
11	06031300	All goods	20%
12	06031400	All goods	20%
13	06031500	All goods	20%
14	06031900	All goods	20%
15	06039000	All goods	20%
16	07019000	All goods	12%
17	07081000	All goods	8%
18	07082000	All goods	8%
19	07089000	All goods	8%
20	07131000	All goods	8%
21	07132000	All goods	8%
22	07133100	All goods	8%
23	07133200	All goods	8%
24	07133300	All goods	8%
25	071334	All goods	8%
26	071335	All goods	8%
27	071339	All goods	8%
28	07134000	All goods	8%
29	07135000	All goods	8%
30	07139010	All goods	8%
31	08011100	All goods	20%
32	080290	Areanuts	48%
33	080410	All goods	16%
34	08043000	All goods	60%
35	08045020	All goods	12%
36	08051000	All goods	8%
37	08052000	All goods	16%
38	08059000	All goods	16%
39	08061000	All goods	8%
40	080620	All goods	8%
41	08071100	All goods	16%
42	08072000	All goods	16%
43	081290	All goods	12%
44	08131000	All goods	16%
45	081340	All goods	8%
46	090420	Chilly, dried or crushed or ground	12%
47	090421	All goods	12%
48	090422	All goods	12%
49	09061110	All goods	12%
50	09062000	All goods	12%
51	090710	All goods	72%
52	090720	All goods	72%
53	090811	All goods	36%
54	090812	All goods	36%
55	09082100	All goods	40%
56	09082200	All goods	40%
57	091011	All goods	12%
58	091012	All goods	12%
59	091030	Turmeric, fresh or powder	12%
60	09109100	All goods	12%
61	091099	All goods other than thyme and bay leaves	12%
62	11052000	Flakes of Potatoes	12%
63	110630	Flour, meal or powder of the products of Chapter 8	20%
64	130190	Lac	12%
65	15071000	All goods	40%
66	150790 10	All goods	40%
67	15081000	All goods	40%
68	150890	Edible Grade Groundnut Oil	40%
69	151000 10	All goods	40%
70	15111000	All goods	40%
71	151190	Refined Palm Oil or Palmolein	40%
72	151211	All goods	40%
73	151219	All goods	40%
74	15122100	All goods	40%
75	151229	Edible grade cotton seed oil	40%
76	15131100	All goods	40%
77	15131900	All goods	40%
78	151321	All goods	40%
79	151329	All goods	40%
80	151411	All goods	40%
81	151419	All goods	40%
82	151491	All goods	40%
83	15151100	All goods	40%
84	151519	All goods	40%
85	15152100	All goods	40%
86	151529	All goods	40%
87	151530	All goods	40%
88	151550	All goods	40%
89	151590	All goods	40%
90	151620	All goods	40%
91	151710	All goods	40%
92	151790	All goods	40%
93	16010000	All goods	40%
94	16023200	All goods	40%
95	170113	All goods	40%
96	170114	All goods	40%
97	17011200	All goods	40%
98	17019100	All goods	40%
99	170199	All goods	40%
100	18010000	All goods	24%
101	190590 10	All goods	16%
102	20029000	Tomato concentrate	40%
103	20086000	All goods	40%
104	20089100	All goods	40%
105	200893	All goods	40%
106	200899	All goods	60%
107	20091900	All goods	48%
108	20095000	All goods	48%
109	281700	Zinc oxide	8%
110	300390	Ayurvedic medicines	40%
111	300410	All goods	40%
112	300420	All goods	48%
113	320411	All goods	40%
114	320412	All goods	40%
115	320413	All goods	40%
116	320414	All goods	40%
117	320416	All goods	40%
118	320417	All goods	40%
119	320419	All goods	40%
120	320649 10	All goods	40%
121	330119 10	Citronella Oil (java type)	40%
122	330129	All goods	40%
123	330300	All goods	48%
124	33041000	All goods	48%
125	33042000	All goods	60%
126	33043000	All goods	48%
127	330491	All goods	60%
128	330499	All goods	60%
129	330510	All goods	60%
130	330590	Hair oils	8%
131	330610	Tooth powder, Tooth paste	48%
132	330710	All goods	48%
133	330730	All goods	48%
134	33074100	All goods	48%
135	330790	All goods	48%
136	340111	All goods	48%
137	340119	House hold and laundry soap	40%
138	35011000	All goods	40%
139	35019000	All goods	40%
140	350510	All goods	40%
141	39151000	All goods	40%
142	39152000	All goods	40%
143	391530	All goods	40%
144	391590	All goods	40%
145	391610	All goods	8%
146	391620	All goods	8%
147	391690	All goods	8%
148	39171010 or 39171020	All goods	40%
149	391721	All goods	40%
150	39172200	All goods	48%
151	391723	All goods	48%
152	391729	All goods	48%
153	39173100	All goods	48%
154	39173210 or 39173220 or 391732 90	All goods	40%
155	39173300	All goods	40%
156	391739	All goods	40%
157	39174000	All goods	40%
158	391810	All goods	40%
159	391890	All goods	40%
160	39191000	All goods	40%
161	391990	All goods	40%
162	392010	Other plates,	40%

163	392020	Other plates, sheets, film, foil and strip, of polymers of propylene; non-cellular and not reinforced, laminated, supported or similarly combined with other materials.	40%
164	392030	Other plates, sheets, film, foil and strip, of polymers of styrene, non-cellular and not reinforced, laminated, supported or similarly combined with other materials.	40%
165	39204300	Other plates, sheets, film, foil and strip, of polymers of vinyl chloride, non-cellular and not reinforced, laminated, supported or similarly combined with other materials, containing by weight not less than 6% of plasticizers	40%
166	39204900	Other plates, sheets, film, oil and strip, of other polymers of vinyl chloride, non-cellular and not reinforced, laminated, supported or similarly combined with other materials	40%
167	392051	Other plates, sheets, film, foil and strip, of polymethyl methacrylate, non-cellular and not reinforced, laminated, supported or similarly combined with other materials.	40%
168	392059	Other plates, sheets, film, foil and strip, of other acrylic polymers, non-cellular and not reinforced, laminated, supported or similarly combined with other materials.	40%
169	392061	Other plates, sheets, film, foil and strip, of polycarbonates, non-cellular and not reinforced, laminated, supported or similarly combined with other materials	40%
170	392062	Other plates, sheets, film, foil and strip, of polyethylene terephthalate, non-cellular and not reinforced, laminated, supported or similarly combined with other materials	40%

380	62093000	All goods	48%	431	721310	All goods	40%		reproducing	82	08094000	All goods				
381	620990	All goods	48%	432	721320	All goods	40%		apparatus (satellite	83	08121000	All goods				
382	62101000	All goods	48%	433	721391	All goods	40%		receivers)	84	08133000	All goods				
383	621020	All goods	48%	434	721399	All goods	40%	455	852872	Colour reception	85	081350	All goods			
384	621040	All goods	48%	435	721410	All goods	40%		apparatus for	86	090111	All goods				
385	62105000	All goods	48%	436	721420	All goods	40%		television whether	87	09011200	All goods				
386	62111100	All goods	48%	437	72143000	All goods	40%		or not incorporating	88	090121	All goods				
387	62111200	All goods	48%	438	721491	All goods	40%		radio broadcast	89	090122	All goods				
388	62112000	All goods	48%	439	73158200	All goods	40%		receivers or sound	90	090190	All goods				
389	62113200	All goods	48%	440	73181400	All goods	40%		or video recording or	91	090210	All goods				
390	62113300	All goods	48%	441	73181900	All goods	40%		reproducing	92	090220	All goods				
391	62113900	All goods	48%	442	841451	All goods	48%	456	853620	apparatus	93	090230	All goods			
392	62114100	All goods	48%	443	850110	All goods	8%	457	85363000	All goods	40%	94	090240	All goods		
393	62114900	All goods	48%	444	85012000	All goods	8%	458	85371000	All goods	40%	95	090411 or			
394	62121000	All goods	48%	445	850140	All goods	8%	459	85372000	All goods	40%		09041200	All goods		
395	62122000	All goods	48%	446	850152	All goods	8%	460	853929	All goods	48%	96	090510	All goods		
396	62123000	All goods	48%	447	850440	All goods	40%	461	853931	All goods	48%	97	090520	All goods		
397	621290	All goods	48%	448	850490	All goods	40%	462	854411	All goods	48%	98	090831	All goods		
398	62132000	All goods	48%	449	850940	All goods	40%	463	854419	All goods	48%	99	090832	All goods		
399	621390	All goods	48%	450	85161000	All goods	40%	464	854420	All goods	40%	100	090921	All goods		
400	62143000	All goods	40%	451	85162900	All goods	40%	465	854449	Other electric	48%	101	090922	All goods		
401	62144000	All goods	40%	452	85164000	All goods	40%		conductors of		102	090931	All goods			
402	621600	All goods	40%	453	85166000	All goods	40%		a voltage not		103	090932	All goods			
403	621710	All goods	40%	454	85287100	Colour reception	40%		exceeding 80 volts		104	090940	All goods			
404	621790	All goods	40%			apparatus for			(not fitted with		105	091020	All goods			
405	640110	All goods	48%			television whether		466	902830	All goods	40%	106	091099	Thyme; bay		
406	640192	All goods	48%			or not incorporating		467	903033	All goods	40%		leaves			
407	640199	All goods	48%			radio broadcast		468	940421	All goods	40%	107	100111	All goods		
408	640212	All goods	40%			receivers or sound or		469	96031000	All goods	40%	108	100119	All goods		
409	640219	All goods	60%			video recording or						109	100191	All goods		
410	640220	Rubber slippers	8%									110	100199	All goods other		
411	640220	Other footwears	48%										111	10051000	than meslin	
		with upper straps												112	10059000	All goods
		or thongs												113	100610	All goods
		assembled to the												114	10062000	All goods
		sole by means of												115	100630	All goods
		plugs.												116	10064000	All goods
412	640291	All goods	40%	1	02071200	All goods		37	070960	All goods		117	100710	All goods		
413	640299	Other footwear,	40%	2	02071300	All goods		38	07097000	All goods		118	100790	All goods		
		incorporating a		3	02071400	All goods		40	070992	All goods		119	100821	All goods		
		protective metal		4	02074300	All goods		41	070993	All goods		120	100829	All goods		
		toe-cap.		5	02075300	All goods		42	070999	All goods		121	100840	All goods		
414	64031200	Ski-boots,	40%	6	04014000	All goods		43	07101000	All goods		122	100850	All goods		
		cross country		7	04015000	All goods		44	07102100	All goods		123	100860	All goods		
		ski footwear and		8	040210	All goods		45	07102200	All goods		124	100890	All goods		
		snowboard boots.		9	04022100	All goods		46	07102900	All goods		125	11010000	All goods		
415	640319	Other sports	40%	10	040229	Whole Milk		47	07103000	All goods		126	11021000	All goods		
		footwear with				Powder		48	07104000	All goods		127	11022000	All goods		
		outer soles of		11	040291	All goods		49	071080	All goods		128	11029000	All goods		
		leather, rubber or		12	040410	Whey powder		50	07109000	All goods		129	110311	All goods		
		others		13	04051000	Butter		51	07114000	All goods		130	11031300	All goods		
416	64034000	Other footwear,	40%	14	04052000	Dairy spreads with		52	07115100	All goods		131	11031900	All goods		
		incorporating a				milk content of		53	071190	All goods other		132	11032000	All goods		
		protective metal				atleast				than capers		133	11041200	All goods		
		toe-cap.				75% but less than		54	07122000	All goods		134	11041900	All goods		
417	640391	Footwear made	48%			80% by weight		55	07123100	All goods		135	11042200	All goods		
		on a base or		15	040590	Butter Oil		56	071290	All goods		136	11042300	All goods		
		platform of wood,		16	040590	Ghee or melted		57	07141000	All goods		137	11042900	All goods		
		not having an inner				butter		58	07142000	All goods		138	11043000	All goods		
		sole or a protective						59	080112	All goods		139	11051000	All goods		
		metal toe-cap,		17	04061000	All goods		60	080119	All goods		140	11061000	All goods		
		covering the ankle		18	04062000	All goods		61	080132	All goods		141	110620	All goods		
418	640399	Footwear made	48%	19	04063000	All goods		62	08021100	All goods		142	11071000	All goods		
		on a base or		20	04064000	All goods		63	08021200	All goods		143	11072000	All goods		
		platform of wood,		21	04069000	All goods		64	08023100	All goods		144	11081100	All goods		
		not having an inner		22	04090000	All goods		65	08023200	All goods		145	11081200	All goods		
		sole or a protective		23	050610	Crushed bone		66	08025100	All goods		146	11081300	All goods		
		metal toe-cap, not		24	07011000	All goods		67	08025200	All goods		147	11081400	All goods		
		covering the ankle		25	07020000	All goods		68	080270	All goods		148	110819	All goods		
419	640411	All goods	48%	26	070310 10	Onions (fresh)		69	080290	All goods		149	11082000	All goods		
420	640419	All goods	60%	27	07032000	All goods		70	08031000	All goods		150	11090000	All goods		
421	64052000	All goods	48%	28	07041000	All goods		71	08039000	All goods		151	12011000	All goods		
422	64059000	All goods	60%	29	07042000	Brussels sprouts		72	080420	All goods		152	120241	Of seed quality		
423	680221	All goods	8%	30	07049000	All goods		73	08044000	All goods		153	120242	All goods		
424	681011	All goods	8%	31	07051100	All goods		74	08054000	All goods		154	12030000	All goods		
425	690100	All goods	40%	32	07051900	All goods		75	08055000	All goods		155	120400	All goods		
426	70101000	All goods	8%	33	07061000	All goods		76	08071900	All goods		156	12051000	Low erucic acid		
427	70132800	All goods	8%	34	070690	All goods		77	08081000	All goods						
428	70133700	All goods	8%	35	07070000	All goods		78	08082000	All goods						
429	72022100	All goods	16%	36	07073000	All goods		79	08092000	All goods						
430	72022900	All goods	16%					80	08093000	All goods						

(b) for Appendix II, the following shall be substituted, namely-

“Appendix II

SNo	HS Code	Description
(1)	(2)	(3)
1	02071200	All goods
2	02071300	All goods
3	02071400	All goods
4	02074300	All goods
5	02075300	All goods
6	04014000	All goods
7	04015000	All goods
8	040210	All goods
9	04022100	All goods
10	040229	Whole Milk Powder
11	040291	All goods
12	040410	Whey powder
13	04051000	Butter
14	04052000	Dairy spreads with milk content of atleast 75% but less than 80% by weight
15	040590	Butter Oil
16	040590	Ghee or melted butter
17	04061000	All goods
18	04062000	All goods
19	04063000	All goods
20	04064000	All goods
21	04069000	All goods
22	04090000	All goods
23	050610	Crushed bone
24	07011000	All goods
25	07020000	All goods
26	070310 10	Onions (fresh)
27	07032000	All goods
28	07041000	All goods
29	07042000	Brussels sprouts
30	07049000	All goods
31	07051100	All goods
32	07051900	All goods
33	07061000	All goods
34	070690	All goods
35	07070000	All goods
36	07073000	All goods

37	070960	All goods
38	07097000	All goods
40	070992	All goods
41	070993	All goods
42	070999	All goods
43	07101000	All goods
44	07102100	All goods
45	07102200	All goods
46	07102900	All goods
47	07103000	All goods
48	07104000	All goods
49	071080	All goods
50	07109000	All goods
51	07114000	All goods
52	07115100	All goods
53	071190	All goods other than capers
54	07122000	All goods
55	07123100	All goods
56	071290	All goods
57	07141000	All goods
58	07142000	All goods
59	080112	All goods
60	080119	All goods
61	080132	All goods
62	08021100	All goods
63	08021200	All goods
64	08023100	All goods
65	08023200	All goods
66	08025100	All goods
67	08025200	All goods
68	080270	All goods
70	080290	All goods
71	08031000	All goods
72	08039000	All goods
73	080420	All goods
74	08044000	All goods
75	08054000	All goods
76	08055000	All goods
77	08071900	All goods
78	08081000	All goods
79	08082000	All goods
80	08092000	All goods
81	08093000	All goods

82	08094000	All goods
83	08121000	All goods
84	08133000	All goods
85	081350	All goods
86	090111	All goods
87	09011200	All goods
88	090121	All goods
89	090122	All goods
90	090190	All goods
91	090210	All goods
92	090220	All goods
93	090230	All goods
94	090240	All goods
95	090411 or	
	09041200	All goods
96	090510	All goods
97	090520	All goods
98		

157	12059000	rape seeds	211	230610	All goods	266	46019900	All goods	315	72107000	All goods
158	120600	All goods	212	230620	All goods	267	46021100	All goods	316	721220	All goods
159	120721	All goods	213	230630	All goods	268	46021200	All goods	317	721230	All goods
160	120729	All goods	214	23064100	All goods	269	460219	All goods	318	72124000	All goods
161	120740	All goods	215	23064900	All goods	270	46029000	All goods	319	721250	All goods
162	120750	All goods	216	230650	All goods	271	480300	All goods	320	721499	All goods
163	12079100	All goods	217	23066000	All goods	272	48099000	Carbon or similar copying paper	321	721720	All goods
164	120710	All goods	218	230690	All goods	273	48111000	All goods other than floor coverings on a base of paper or of paperboard, whether or not cut to size	322	722220	All goods
165	120730	All goods	219	230990	All goods	274	48171000	All goods	323	722240	All goods
166	120760	All goods	220	240110	All goods	275	48172000	All goods	324	72271000	All goods
167	120770	All goods	221	240120	All goods	276	481730	All goods	325	72272000	All goods
168	120799	All goods	222	24013000	All goods	277	482110	All goods	326	722790	All goods
169	12081000	All goods	223	240210	All goods	278	482190	All goods	327	722810	All goods
170	12089000	All goods	224	240220	All goods	279	48236100	All goods	328	72282000	All goods
171	12101000	All goods	225	240290	All goods	280	48236900	All goods	329	722830	All goods
172	12102000	All goods	226	240311	All goods	281	500200	All goods	330	72284000	All goods
173	13012000	All goods	227	240319	All goods	282	500300	All goods	331	722850	All goods
174	130190	All goods	228	24039100	All goods	283	500400	All goods	332	722860	All goods
175	13021100	All goods	229	240399	All goods	284	500500	All goods	333	722870	All goods
176	14011000	All goods	230	251020	All goods	285	500600	All goods	334	722880	All goods
177	151499	All goods	231	25151100	All goods	286	50071000	All goods	335	74031100	All goods
178	18020000	All goods	232	251512	All goods	287	500720	All goods	336	74031200	All goods
179	18031000	All goods	233	251520	All goods	288	50079000	All goods	337	74031300	All goods
180	18032000	All goods	234	25221000	All goods	289	72021100	All goods	338	740400	All goods
181	18040000	All goods	235	253090	All goods	290	72021900	All goods	339	740710	All goods
182	18050000	All goods	236	271000	All goods	291	72023000	All goods	340	740811	All goods
183	18061000	All goods	237	271019	All goods	292	72024100	All goods	341	740819	All goods
184	190110	All goods	238	271111	All goods	293	72024900	All goods	342	760200	All goods
185	20091200	All goods	239	280920	All goods	294	72025000	All goods	343	76081000	All goods
186	22030000	All goods	240	28141000	All goods	295	72026000	All goods	344	780200	All goods
187	22041000	All goods	241	350691	All goods	296	72027000	All goods	345	84143000	All goods
188	220421	All goods	242	360500	All goods	297	72028000	All goods	346	84182100	All goods
189	220429	All goods	243	380610	All goods	298	72029100	All goods	347	842810	All goods
190	22043000	All goods	244	381220	All goods	299	72029200	All goods	348	84501100	All goods
191	22051000	All goods	245	40013000	All goods	300	72029300	All goods	349	87011000	All goods
192	22059000	All goods	246	40030000	All goods	301	720299	All goods	350	870120	All goods
193	22060000	All goods	247	40040000	All goods	302	72041000	All goods	351	870130	All goods
194	220710	All goods	248	40051000	All goods	303	720421	All goods	352	870190	All goods
195	220820	All goods	249	400520	All goods	304	720429	All goods	353	89059000	All goods"
196	220830	All goods	250	400591	All goods	305	72043000	All goods			
197	220840	All goods	251	40121100	All goods	306	72044100	All goods			
198	220850	All goods	252	40121200	All goods	307	72044900	All goods			
199	22086000	All goods	253	40121300	All goods	308	72045000	All goods			
200	220870	All goods	254	401219	All goods	309	720918	All goods			
201	220890	All goods	255	401220	All goods	310	720928	All goods			
202	230210	All goods	256	401290	All goods	311	721030	All goods			
203	23023000	All goods	257	40161000	All goods	312	72104100	All goods			
204	23024000	All goods	258	40169200	All goods	313	72104900	All goods			
205	23025000	All goods	259	401700	All goods	314	72106100	All goods			
206	23031000	All goods	260	46012100	All goods						
207	23032000	All goods	261	46012200	All goods						
208	23033000	All goods	262	46012900	All goods						
209	230400	All goods	263	46019200	All goods						
210	230500	All goods	264	46019300	All goods						
			265	46019400	All goods						

(c) in the Schedule, after serial number 27 and the entries relating thereto, the following serial numbers and entries shall be added, namely:-

SNo.	Name of the Country
"28	Republic of Liberia
29	Union of Comoros"

2. This notification shall come into force with effect from the 1st day of January, 2012.

[F. No. 354/189/2005-TRU (Vol II)]

Supplies to Non Mega Power Projects Eligible for Advance Authorisation or DFIA only under Para 8.3(a) of FTP

- Deemed Export Drawback Facility under Para 8.3(b) Withdrawn
- Only Mega Power Projects will get AAL/Drawback/ Refund of Excise Duty

Subject: Amendment in Para 8.4.4(iv) of FTP

92-Ntn(RE) In exercise of the powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992, as amended, read with paragraph 1.3 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendments in Paragraph 8.4.4 (iv) of Foreign Trade Policy, 2009-2014 (RE 2010).

2. At present Paragraph 8.4.4 (iv) of FTP contains a sentence "Supplier shall be eligible for benefits listed in paragraph 8.3(a) and (b) of

FTP, whichever is applicable." This sentence would now be replaced by a new sentence, "In respect of non mega power projects, supplier shall be eligible for benefit listed in paragraph 8.3 (a) of FTP." Accordingly paragraph 8.4.4 (iv), incorporating this amendment would read as under:

Amended Para 8.4.4(iv) of FTP (amended sentence has been highlighted)

"Supply of Capital goods and spares upto 10% of FOR value of capital goods to power projects in terms of paragraph 8.2(g), shall be

entitled for deemed export benefits provided the ICB procedures have been followed at Independent Power Producer (IPP) / Engineering and Procurement Contract (EPC) stage. However, in regard to mega power projects, the requirement of ICB would not be mandatory, if the requisite quantum of power has been tied up through tariff based competitive bidding or if the project has been awarded through tariff based competitive bidding. Benefit of deemed exports shall also be available for renovation / modernization of power plants. **In respect of non mega power projects, supplier shall be eligible for benefits listed in paragraph 8.3(a) of FTP.** However, supply of goods required for setting up of any mega power project as specified in S.No. 400 of DoR Notification No. 21/2002- Customs dated 1.3.2002, as amended, shall be eligible for deemed export benefits as men-

tioned in paragraph 8.3(a), (b) and (c) of FTP, whichever is applicable, if such mega power project complies with the threshold generation capacity specified therein, in Customs Notification.

Further, supply of goods required for the expansion of existing mega power project as specified in Sl. no 400A of DoR Notification No. 21/2002- Customs dated 1.3.2002, as amended

shall also be eligible for deemed export benefits as mentioned in paragraph 8.3 (a), (b) and (c) of FTP, whichever is applicable.”

3. Effect of this amendment

Supplies to non mega power projects shall henceforth be entitled to benefits for Deemed Exports only under Para 8.3(a) of FTP, viz., Advance Authorisation / Advance Authorisation for annual requirement / DFIA.

Deemed Export Benefits only for Goods Manufactured in India – No Benefits if Imported Goods are used as such by Project Authority or Supplied as such by Contractor

Subject: Clarification on Deemed Export benefits when imported capital goods are directly supplied as such to Project Authority.

50-Pol.Cir Policy Interpretation
28.12.2011 Committee in its meeting held
(DGFT) on 15.03.2011 had *inter-alia*
clarified as under:

“Issue of claiming Deemed Export benefits in cases of import made by the project authority was discussed. After detailed deliberation, it was decided that if the Bill of Entry is in the name of project authority deemed export benefits would not be available (such cases will be ineligible for grant of Deemed Export benefits). “

2. Deemed exports benefits are admissible in terms of paragraph of 8.2 of FTP, if goods are manufactured in India. In the case of non mega power projects, for instance, if capital goods such as boilers, turbines, generators (BTGs) are being supplied to project authorities, then deemed export benefits are admissible only if

such BTGs are manufactured in India. If these are imported and supplied as such, then such supplies do not amount to deemed exports, and hence deemed export benefits will not be admissible.

3. Accordingly, in continuation to PIC clarification, as given in paragraph 1 above, it is further clarified that in case capital goods have been imported by the contractor/sub-contractor and supplied as such to project authorities, then custom duties paid on such imports can not be refunded back as deemed export duty drawback under paragraph 8.3(b) of FTP.

4. All Regional Authorities may take note of this clarification for processing/review of deemed export claims.

5. This issues with the approval of Hon'ble Minister of Commerce, Industry & Textiles.

Ceiling on Dyes Portion is Enhanced to 26% from 14% for Specialty Textiles Licence

Subject: Amendment in General Note No.5 for Textiles (Product Code: J).

88-PN(RE) In exercise of the powers
27.12.2011 conferred under Paragraph 2.4
(DGFT) of the Foreign Trade Policy,
2009-2014 and Paragraph 1.1
of Handbook of Procedures (Vol.1), the Director General of Foreign Trade hereby makes the following amendment/additions in the Handbook of Procedures, Vol.2, 2009-2014, as amended.

2. The General Note No.5 for Textiles (Product Code: J) is substituted as under:-

(Addition to the earlier note is given in bold for quick reference)

General Note No. 5: -

“Wherever import of dyes is permitted, the same will be restricted to 12% of FOB value within the overall CIF value of the licence.

Wherever, import of dyes and chemicals has been permitted, the same will be restricted to 14% of FOB value within the overall CIF value of the licence except in respect of J.28 where the same will be restricted to 16% of FOB value within the overall CIF value of the licence. For specialty textile products like Fire Retardant textile product as well as for Water, Oil and Stain repellent textile products, the same will be restricted to 26% of FOB value within the overall CIF value of the licence.”

3. Effect of Public Notice

The existing ceiling of 14% of FOB value within the overall CIF value of the licence will be enhanced to 26% of FOB value for specialty textile products like Fire Retardant textile product as well as for Water, Oil and Stain repellent textile products.

ER-3 Quarterly Return for SSI Units

31-CE(NT) In exercise of the powers
30.12.2011 conferred by rule 12 of the
(DoR) Central Excise Rules, 2002
and sub-rule (7) of rule 9 of the CENVAT Credit Rules, 2004, the Central Board of Excise and Customs hereby makes the following amendment in the Notification of the Government of India, Ministry of Finance, Department of Revenue, number 16/2011-Central

Excise (N.T.), dated the 18th July, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R . 541(E), dated 18th July, 2011, namely:-
2. In the said notification, after part “(C)”, the following entry shall be inserted, namely:-

“(D) The assessee referred to in the second proviso to the sub-rule (1) of rule 12 shall file

return in Form ER-3 for the quarter beginning from the 1st October, 2011 and ending with the 31st December, 2011”.

F.No. 201/06/2010-CX.6

Quarterly Return for Old Textile Units under Rule 12

32-CE(NT) In exercise of the powers
30.12.2011 conferred by section 37 of
(DoR) the Central Excise Act, 1944 (1
of 1944), the Central

Government hereby makes the following rules further to amend the Central Excise Rules, 2002, namely :-

1. Short title and commencement.- (1) These rules may be called the Central Excise (Fifth Amendment) Rules, 2011.

(2) They shall come into force on the 31st day of January, 2012.

2. In the Central Excise Rules, 2002, in rule 12, in sub-rule (1),-

(i) the second proviso shall be omitted;

(ii) in the third proviso for the words “Provided also that”, the words “Provided further that” shall be substituted;

F.No. 201/06/2010-CX.6

Powers of Central Excise Officers in Relation to Service Tax Refund

33-CE(NT) In exercise of the powers
30.12.2011 conferred by sub-rule (1) of
(DoR) rule 3 of the Central Excise
Rules, 2002 and rule 3 of the

Service Tax Rules, 1994, the Central Board of Excise and Customs hereby appoints the Customs Officers of the rank specified in column (2) of the Table below as the Central Excise Officers of corresponding ranks specified in column (3) of the said Table and invests them with all the powers conferred by or under the Central Excise Act, 1944 and the rules made thereunder and the powers under Chapter V of the Finance Act, 1994 and such powers shall be exercised as Central Excise Officers in relation to service tax refunds arising out of Notification No. 52/2011-Service Tax, dated 30.12.2011 and all matters arising thereunder and in the jurisdiction mentioned in Notification No. 15/2002-CUSTOMS (N.T.), dated 7th March, 2002, as amended from time to time.

SNo.	Customs Officers	Central Excise Officers
(1)	(2)	(3)
1.	Commissioner	Commissioner
2.	Additional Commissioner	Additional Commissioner
3.	Joint Commissioner	Joint Commissioner
4.	Assistant Commissioner or Deputy Commissioner	Assistant Commissioner or Deputy Commissioner
5.	Appraiser	Superintendent
6.	Examiner	Inspector
7.	Preventive Officer	Inspector

[F. No. 201/19/2011- CX.6]

DGFT Clarification on Registration of Contracts of Cotton and Cotton Yarn with DGFT

Subject: Clarification regarding registration of contracts of cotton and cotton yarn with DGFT.

51-Pol.Cir Through Notification No. 40 (RE-2010)/2009-14 dated 28.12.2011 31.03.2011, export of **cotton yarn** was made "Free" (DGFT) subject to registration of export contracts with DGFT, for ITC(HS) Code 5205, 5206 & 5207. Procedure for registration of contracts of cotton yarn was notified through Policy Circular No. 27 of 01.04.2011. Thereafter, Trade Notice No. 19 dated 30.08.2011 stipulating of penalty for failure to of Policy Circular No. 2. Notification No. 62 02.08.2011, removed **ton** for the remaining 11 (October-Septem- (HS codes-5201 & 5203) was made "Free" subject to registration of export contracts with DGFT. Procedure for registration of contracts of cotton was notified through Notification No. 63 of 04.08.2011. This procedure continues for the current cotton year w.e.f. 01.10.2011 except that the performance guarantee is no longer required in terms of Notification No. 74 (RE-2010)/2009-14 dated 12.09.2011.



3. Many representations have been received from RAs and exporters seeking clarification about revalidation, cancellation or partial modifications of RCs as well as about imposition of penalty in case of failure to export full quantity of cotton and cotton yarn in terms of notifications/ Policy Circulars referred above. The issues raised have been examined and accordingly the following clarifications are issued:

SNo.	Issues raised	Clarification
1	Can the request for cancellation of RCs issued for cotton prior to 01.08.2011 under following categories be accepted: (i) Partially utilized (ii) Completely unutilized alongwith request for RC with another buyer. (iii) Completely unutilized and requested for surrender/ cancellation of RCs.	Notification No. 63 of 04.08.2011 provided that RCs issued before 01.08.2011 would lose its validity unless revalidated. In view of above, requests for cancellation/ surrender of partially utilized/ unutilized RCs issued prior to 01.08.2011 for export of cotton should be accepted by RAs without invoking any penalty clause.
2	Can the request for cancellation of RCs issued for cotton, cotton yarn and cotton waste under following categories be accepted: (i) Partially utilized (ii) Completely unutilized along with request for RC with another buyer. (iii) Completely unutilized and requested for surrender/ cancellation of RCs.	In terms of Notification No. 62 dated 02.08.2011, the exporters have the option to obtain more than one RCs. Therefore, in case any exporter wants to surrender some RCs as unutilized/ partially utilized, a penalty of Rs. 10,000/- plus 1% of the FOB value of shortfall quantity in excess of allowance of -5% should be imposed.
3	A variation of -5% in weight against RCs for cotton yarn has been allowed. Whether the same is applicable for raw cotton and cotton waste also.	Yes. The same dispensation will also apply in case of cotton(HS codes 5201 & 5203). For RCs of cotton waste (HS code 5202) issued prior to 01.10.2011, the same will be applicable.
4	Can the request for (i) change in buyers detail be accepted. (ii) change in buyers name be accepted.	It is permitted with the condition that export has to be completed within the validity of RC.
5	Can the request for extension of RC validity period be accepted.	The validity of RCs shall remain 30 days. But, one time revalidation for 15 days from the date of expiry of RCs can be permitted.

6	Whether the tolerance limit of - 5% in weight for export of cotton be regularized if the firm pays a penalty of Rs. 10,000/- + 1% of the value of shortfall in excess of allowance of 5%.	Yes.
7	In case, RC application was made by the firm alongwith copy of FIRC or LC from a particular firm as a proof of receiving advance payment against the contract. But, when they submitted the proof of export, it is seen that they have not made the export to the assigned buyer as per RC. They have requested to clarify whether party should be insisted to explain why exports were not made to the assigned buyer from whom payment was received by way of FIRC/LC.	Many contracts are entered into with the foreign buyers having addresses in different countries whereas the consignee is of different countries. If such is the case, as per the contract and LC, then it should be accepted. But, in cases other than this penal provisions should be invoked.
8	In case of cotton yarn/yarn waste in the event of surrender of RC within validity or after expiry of validity, RC surrendered shall be treated as non-fulfillment of quantity and the case is to be regularized as per Trade Notice No. 19 dated 30.08.2011.	Such cases should be regularized by way of imposition of penalty.
9	Whether request for amendment of quantity (either enhancing or reducing) may be accepted.	The same is permitted with the condition that export has to be completed within the validity of RC.
10	Whether loading of cargo meant for export(by rail/road) at any place in the country within the validity of RC should be accepted as fulfillment of export.	No. The goods which have been physically handed over to the customs at relevant ports and Let Export Order(LEO) issued within the validity of RC can only be treated as fulfillment of export against RC.
4.	This issues with the approval of Director General of Foreign Trade.	

Tariff Value on Brass Scrap and Poppy Seeds Down by US\$37/MT and US\$74/MT Respectively

89-Cus(NT) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), (DoR) the Board, being satisfied that it is necessary and expedient 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. 36/2001-Cus (N. T.), dated, the 3rd August 2001, namely: -

In the said notification, for the Table, the following Table shall be substituted namely:-

"Table			
SNo.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	447 (i.e. no change)
2	1511 90 10	RBD Palm Oil	476 (i.e. no change)
3	1511 90 90	Others – Palm Oil	462 (i.e. no change)
4	1511 10 00	Crude Palmolein	481 (i.e. no change)
5	1511 90 20	RBD Palmolein	484 (i.e. no change)
6	1511 90 90	Others – Palmolein	483 (i.e. no change)
7	1507 10 00	Crude Soyabean Oil	580 (i.e. no change)
8	7404 00 22	Brass Scrap (all grades)	3993
9	1207 91 00	Poppy seeds	1970

[F. No. 467/2/2011-Cus.V]

Automatic Service Tax Refund to Exporters on All Industry Rate Allowed

An announcement was made by Hon'ble Finance Minister in the Budget Speech 2011 for introducing a simplified scheme for the refund of service tax paid on services used for export of goods on the lines of drawback of duties.

To implement the simplified scheme, the Government has issued notification No. 52/2011 - Service Tax effective 3rd January 2012 that will provide average rates of service tax refund, ranging from 0.03% to 0.20% of the F.O.B. value of export, for a wide range of goods exported from India. The average rate of refund is in respect of 18 identified services used beyond the factory gate.

As in the case of payment of duty drawback, the service tax refund will be enabled by the Indian Customs EDI System resulting in the amounts getting directly credited into the exporters' bank accounts within a few days of confirmation of export without additional export documentation. Customs Officers have separately been vested with powers of Central Excise/Service Tax Officers for this purpose.

The scheme adds to the e-enabled service delivery to exporting community, limits public interface as well as reduces transaction costs in obtaining refunds.

52-ST In exercise of the powers
30.12.2011 conferred by sub-section (1)
(DoR) of section 93 of the Finance
Act, 1994 (32 of 1994)
(hereinafter referred to as the said Act) and in
supersession of the Government of India in the
Ministry of Finance (Department of Revenue)
notification 17/2009 - Service Tax, dated the 7th
July, 2009, published in the Gazette of India,
Extraordinary, part II, section 3, subsection (i)
vide number G.S.R. 489(E), dated the 7th July,
2009, except as respects things done or omitted
to be done before such supersession, the Cen-
tral Government, on being satisfied that it is
necessary in the public interest so to do, hereby
exempts the taxable services specified in col-
umn (3) of the Table below (hereinafter referred
to as specified services) falling under sub-
clauses of clause (105) of section 65 of the said
Act, received by an exporter of goods (hereinaf-
ter referred to as the exporter) and used for
export of goods (hereinafter referred to as said
goods), from the whole of the service tax levi-
able thereon under section 66 and section 66A
of the said Act, subject to the specified condi-
tions:

Provided that—

(a) the exemption shall be provided by way of
refund of service tax paid on the specified
services used for export of the said goods;

(b) the exemption shall be claimed either on
the basis of rates specified in the Schedule of
rates annexed to this notification (hereinafter
referred to as the Schedule), as per the proce-
dure specified in paragraph 2 or on the basis of
documents, as per the procedure specified in
paragraph 3;

(c) no CENVAT credit of service tax paid on the
specified services used for export of the said
goods has been taken under the CENVAT Credit
Rules, 2004;

(d) the exemption shall not be claimed by a Unit
or Developer of a Special Economic Zone;

(2) the exemption shall be given effect to in the
following manner, namely:-

(a) manufacturer-exporter, who is registered
as an assessee under the Central Excise Act,
1944 (1 of 1944) or the rules made thereunder
shall register his central excise registration num-
ber and bank account number with the customs;

(b) exporter who is not so registered under the
provisions referred to in clause (a), shall regis-
ter his service tax code number and bank ac-

count number with the customs;

(c) service tax code number referred to in clause
(b), shall be obtained by filing a declaration in
Form A-2 to the Assistant Commissioner of
Central Excise or the Deputy Commissioner of
Central Excise, as the case may be, having
jurisdiction over the registered office or the
head office, as the case may be, of such ex-
porter;

(d) the exporter shall make a declaration in the
electronic shipping bill or bill of export, as the
case may be, while presenting the same to the
proper officer of customs, to the effect that—

(i) the refund of service tax paid on the
specified services is claimed as a percentage of
the declared FOB value of the said goods, on
the basis of rate specified in the Schedule;

(ii) no further refund shall be claimed in
respect of the specified services, under proce-
dure specified in paragraph 3 or in any other
manner, including on the ground that the refund
obtained is less than the service tax paid on the
specified services;

(e) service tax paid on the specified services
eligible as refund under this exemption, shall be
calculated by applying the rate specified for
goods of a class or description, in the Schedule,
as a percentage of the FOB value of the said
goods;

(f) amount so calculated as refund shall be
deposited in the bank account of the exporter;

(g) shipping bill or bill of export on which refund
has been claimed on the basis of rate specified
in the Schedule, by way of procedure specified
in this paragraph, is not eligible for refund claim
on the basis of documents, specified in para-
graph 3;

(h) where the refund involved in a shipping bill
or bill of export is less than rupees fifty, the
same shall not be allowed;

(3) the exemption shall be given effect to in the
following manner, namely:-

(a) the exporter claiming the exemption has
actually paid the service tax on the specified
service used for export of the said goods;

(b) the person liable to pay service tax under
section 68 of the said Act on the specified
service provided to the exporter and used for
export of the said goods shall not be eligible to
claim exemption for the specified service;

(c) exemption by way of refund claimed by
following the procedure specified in this para-
graph shall be subject to the conditions speci-

fied against the specified service in column (4)
of the said Table;

(d) the manufacturer-exporter, who is regis-
tered as an assessee under the Central Excise
Act, 1944 (1 of 1944) or the rules made thereun-
der, shall file a claim for refund of service tax
paid on the specified service to the Assistant
Commissioner of Central Excise or the Deputy
Commissioner of Central Excise, as the case
may be, having jurisdiction over the factory of
manufacture in Form A-1;

(e) the exporter who is not so registered
under the provisions referred to in clause (d),
shall before filing a claim for refund of service
tax, file a declaration in Form A-2, seeking
allotment of service tax code , to the Assistant
Commissioner of Central Excise or the Deputy
Commissioner of Central Excise, as the case
may be, having jurisdiction over the registered
office or the head office, as the case may be, of
such exporter;

(f) the Assistant Commissioner of Central
Excise or the Deputy Commissioner of Central
Excise, as the case may be, shall, after due
verification, allot a service tax code number to
the exporter referred to in clause (e), within
seven days from the date of receipt of the said
Form A-2;

(g) on obtaining the service tax code, ex-
porter referred to in clause (e), shall file the
claim for refund of service tax to the Assistant
Commissioner of Central Excise or the Deputy
Commissioner of Central Excise, as the case
may be, having jurisdiction over the registered
office or the head office, as the case may be, in
Form A-1;

(h) the claim for refund shall be filed within
one year from the date of export of the said
goods.

Explanation.- For the purposes of this clause
the date of export shall be the date on which the
proper officer of Customs makes an order per-
mitting clearance and loading of the said goods
for exportation under section 51 of the Customs
Act, 1962 (52 of 1962);

(i) where the refund involved in a claim is less
than rupees five hundred, the same shall not be
allowed;

(j) where the total amount of refund sought
under a claim is upto 0.25% of the total FOB
value of export goods and the exporter is regis-
tered with the Export Promotion Council spon-
sored by Ministry of Commerce or Ministry of
Textiles, Form A-1 shall be submitted along with
relevant invoice, bill or challan, or any other
document including documents specified in
column (4) of the said Table for each taxable
service, in original, issued in the name of the
exporter, evidencing payment for the specified
service used for export of the said goods and the
service tax payable, certified in the manner
specified in sub-clauses (A) and (B);

(A) if the exporter is a proprietorship concern
or partnership firm, the documents enclosed
with the claim shall be self-certified by the
exporter and if the exporter is a limited com-
pany, the documents enclosed with the claim
shall be certified by the person authorised by
the Board of Directors;

(B) the documents enclosed with the claim
shall also contain a certificate from the exporter

or the person authorised by the Board of Directors, to the effect that specified service to which the document pertains has been received, the service tax payable thereon has been paid and the specified service has been used for export of the said goods under the shipping bill number;

(k) where the total amount of refund sought under a claim is more than 0.25% of the total FOB value of export goods, the procedure specified in clause (j) above shall stand modified to the extent that the certification prescribed thereon, in sub-clauses (A) and (B) shall be made by the Chartered Accountant who audits the annual accounts of the exporter for the purposes of the Companies Act, 1956 (1 of 1956) or the Income Tax Act, 1961(43 of 1961), as the case may be;

(l) the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise, as the case may be, shall, after satisfying himself,-

(i) that the service tax refund claim filed in Form A-1 is complete in every respect;

(ii) that the specified documents have been enclosed after due certification;

(iii) that refund has not been already received on the shipping bills or bills of export on the basis of procedure prescribed in paragraph 2; and

(iv) that the refund claimed is arithmetically

accurate,

refund the service tax paid on the specified service within a period of one month from the receipt of said claim:

Provided that where the Assistant Commissioner of Central Excise or the Deputy Commissioner of Central Excise, as the case may be, has reason to believe that the claim, or the enclosed documents are not in order or that there is a reason to deny such refund, he may, after recording the reasons in writing, take action, in accordance with the provisions of the said Act and the rules made thereunder;

(4) Where any refund of service tax paid on specified service utilized for export of said goods has been allowed to an exporter but the sale proceeds in respect of said goods are not received by or on behalf of the exporter, in India, within the period allowed by the Reserve Bank of India under section 8 of the Foreign Exchange Management Act, 1999 (42 of 1999), including any extension of such period, such refund shall be deemed never to have been allowed and recovered under the provisions of the said Act and the rules made thereunder, as if it is a recovery of service tax erroneously refunded;

(5) This notification shall come into effect on the 3rd day of January, 2012.

[Table available at our website www.worldtradesScanner.com]

Four Documents Required for Service Tax Registration

[Service Tax Order No. 02 dated 13th December 2011]

In exercise of the powers conferred by Rule 4(1A) of the Service Tax Rules 1994, Central Board of Excise and Customs hereby specifies the following documents that are required to be submitted by the person who has made an application for registration under Rule 4(1) of the Rules ibid:

- Copy of Permanent Account Number (PAN)
- Proof of Residence
- Constitution of the Applicant.
- Power of Attorney in respect of authorised person (s).

2. It is further stated that the above docu-

ments must be submitted to the concerned authority within a period of 15 days from the date of filing of the application for registration. Failure to do so would lead to rejection of the registration application.

3. It is also clarified that the time limit of seven days from date of receipt of application or intimation under Rule 4(5A), within which the registration is to be granted by the Superintendent of Central Excise or Service Tax, as referred to in Rule 4(5) shall be reckoned from the date the application for registration is complete in all respects.

F. No. 137/120/2011 – Service Tax

Service Tax Exemption on Transport of Goods by Rail Extended to April

51-ST 30.12.2011 (DoR) In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994)

(hereinafter referred to as the Finance Act), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.09/2010-

Service Tax, dated the 27th February, 2010, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section(i), vide number G.S.R. 153 (E), dated the 27th February, 2010, namely:-

2. In the said notification, in para 3, for the word 'January', the word 'April', shall be substituted.

[F. No. B-1/2/2010-TRU]

Service Tax Exemption on Transport of Goods in Containers by Rail Extended to April

50-ST 30.12.2011 (DoR) In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994)

(hereinafter referred to as the Finance Act), the Central Government, on being satisfied that it is

necessary in the public interest so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.08/2010-Service Tax, dated the 27th February, 2010, published in the Gazette of India, Extraordinary,

Service Tax on Rail Containers for Export Goods Extended to April

49-ST 30.12.2011 (DoR) In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994) (hereinafter referred to as the Finance Act), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.07/2010-Service Tax, dated the 27th February, 2010, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section(i), vide number G.S.R. 151 (E), dated the 27th February, 2010, namely:-

2. In the said notification, in para 2, for the word 'January', the word 'April', shall be substituted.

[F. No. B-1/2/2010-TRU]

Part II, section 3, sub-section(i), vide number G.S.R. 152 (E), dated the 27th February, 2010, namely:-

2. In the said notification, in para 2, for the word 'January', the word 'April', shall be substituted.

[F. No. B-1/2/2010-TRU]

Export Credit of US\$40mn to Maldives

Sub: Exim Bank's Line of Credit of USD 40 million to the Government of the Republic of Maldives

AP(DIR Srs) Cir.61 27.12.2011 (RBI) Export-Import Bank of India (Exim Bank) has concluded an Agreement dated August 12, 2011 with the Government of the Republic of Maldives,

making available to the latter, a Line of Credit (LOC) of USD 40 million (USD forty million) for



financing eligible goods, services, machinery and equipment including consultancy services to be exported from India for the

purpose of financing the construction of 500 housing units in Maldives. The goods, services, machinery and equipment 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 per cent of the contract price shall be supplied by the seller from India and the remaining 25 per cent goods and services (other than consultancy services) may be procured by

the seller for the purpose of Eligible Contract from outside India.

2. The Credit Agreement under the LOC is effective from October 25, 2011 and the date of execution of Agreement is August 12, 2011. Under the LOC, the last date for opening of Letters of Credit and Disbursement will be 48 months from the scheduled completion date(s) of contract(s) in the case of project exports and 72 months (August 11, 2017) from the execution date of the Credit Agreement in the case of supply contracts.

3. Shipments under the LOC will have to be declared on GR / 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 sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

RBI Allows Hedging of Rupee ECBs to NRIs

Sub: External Commercial Borrowings (ECB) denominated in Indian Rupees (INR) - hedging facilities for non-resident entities

AP(DIR Srs) Attention of Authorized Dealers
Cir.63 Category – I (AD Category – I)
29.12.2011 banks is invited to the Foreign
(RBI) Exchange Management

(Foreign Exchange Derivative
Contracts) Regulations, 2000 dated May 3, 2000
[Notification No. FEMA 25/RB-2000 dated May
3, 2000], as amended from time to time.

2. In terms of A.P. (Dir Series) Circular No. 27
dated September 23, 2011,

i. "eligible borrowers" have been permitted
to avail of ECBs designated in INR from foreign
equity holders under the automatic/ approval
route, as the case may be, as per the extant
ECB guidelines.

ii. NGOs engaged in microfinance activi-
ties have been permitted to avail of ECBs desig-
nated in INR, under the automatic route, from
overseas organisations and individuals as per
the extant ECB guidelines.

In order to facilitate the same, it has been
decided to allow non-residents to hedge their
currency risk in respect of ECBs denominated
in Indian Rupees, with AD Category I banks in
India, as per the details given in the Annex.

3. Necessary amendments to the Notification
No. FEMA.25/RB-2000 dated May 3, 2000 [For-
eign Exchange Management (Foreign Exchange
Derivative Contracts) Regulations, 2000] are
being notified separately.

4. AD Category - I banks may bring the con-
tents of this circular to the notice of their con-
stituents and customers.

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

Annex

[Annex to A.P. DIR Circular No.63 dated December 29, 2011]

ECBs denominated in INR - Hedging Facilities for Non-Resident Entities

Purpose

To hedge the currency risk arising out of ECBs
designated in INR with AD Category- I banks in
India.

Products

Forward foreign exchange contracts with rupee
as one of the currencies, foreign currency-INR
options and foreign currency-INR swaps.

Operational Guidelines, Terms and Condi- tions

• The foreign equity holder / overseas
organisation or individual approaches the AD
bank in India with a request for forward cover in
respect of underlying transaction for which he
needs to furnish appropriate documentation
(scanned copies would be acceptable), on a
pre-deal basis to enable the AD bank in India to
satisfy itself that there is an underlying ECB
transaction, and details of his overseas banker,
address, etc. The following undertakings also
need to be taken from the customer -

• That the same underlying exposure has not
been hedged with any other AD Category- I
bank/s in India.

• If the underlying exposure is cancelled, the
customer will cancel the hedge contract imme-
diately.

• The amount and tenor of the hedge should
not exceed that of the underlying transaction
and should be in consonance with the extant
regulations regarding tenor of payment / real-
ization of the proceeds.

• On due date, settlement is to be done through
the correspondent bank's Vostro or the AD
bank's Nostro accounts. AD banks in India may
release funds to the beneficiaries only after
sighting funds in Nostro / Vostro accounts.

• The contracts, once cancelled, cannot be
rebooked.

• The contracts may, however, be rolled over
on or before maturity subject to maturity of the
underlying exposure.

• On cancellation of the contracts, gains may
be passed on to the customer subject to the
customer providing a declaration that he is not
going to rebook the contract or that the contract
has been cancelled on account of cancellation
of the underlying exposure.



Export Credit of US\$168mn to Congo

*Sub: Exim Bank's Line of
Credit of USD 168 million to the Government of
the Democratic Republic of Congo*

AP(DIR Srs) Export-Import Bank of India
Cir.62 (Exim Bank) has concluded an
27.12.2011 Agreement dated July 11,
(RBI) 2011 with the Government of

the Democratic Republic of
Congo, making available to the latter, a Line of
Credit (LOC) of USD 168 million (USD one
hundred sixty eight million) for financing eligible
goods, services, machinery and equipment in-
cluding consultancy services to be exported
from India for the purpose of financing Ketende
Hydro-electric Project in Congo. The goods,
services, machinery and equipment including
consultancy services from India for exports un-
der 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 per cent of the contract
price shall be supplied by the seller from India
and the remaining 25 per cent goods and ser-
vices (other than consultancy services) may be
procured by the seller for the purpose of Eligible
Contract from outside India.

2. The Credit Agreement under the LOC is
effective from October 20, 2011 and the date of
execution of Agreement is July 11, 2011. Under
the LOC, the last date for opening of Letters of
Credit and Disbursement will be 48 months from
the scheduled completion date(s) of contract(s)
in the case of project exports and 72 months
(July 10, 2017) from the execution date of the
Credit Agreement in the case of supply con-
tracts.

3. Shipments under the LOC will have to be
declared on GR / 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 remit-
tance after realization of full payment of con-
tract value subject to compliance with the pre-
vailing instructions for payment of agency com-
mission.

5. AD Category-I banks may bring the con-
tents of this circular to the notice of their ex-
porter 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.

Exchange Rates for Customs Valuation

Dollar Rises by 65 paise to Rs. 53.25, Euro Falls Marginally

The current notification No. 88-Customs(NT) dated 28th December 2011 supersedes notification 82-Customs(NT) dated 28th November 2011.

88-Cus(NT) In exercise of the powers conferred by section 14 of 28.12.2011 the Customs Act, 1962 (52 of 1962), and in (DoR) supersession of the notification of the Government of India in the Ministry of Finance (Department of

Revenue) **No. 82/2011-Customs(NT) dated 28th November 2011** vide number S.O. 2684(E), dated the 28th November, 2011, 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 1st January, 2012** be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SNo	Currency	Imported Goods		Exported Goods	
		Current	Previous	Current	Previous

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

SNo	Currency	Current	Previous	Current	Previous
1	Australian Dollar	54.30	51.30	53.10	49.95
2	Canadian Dollar	52.35	50.35	51.15	49.20
3	Danish Kroner	9.40	9.50	9.15	9.20
4	EURO	69.90	70.20	68.30	68.60
5	Hong Kong Dollar	6.85	6.75	6.75	6.65
6	Norwegian Kroner	9.00	9.00	8.70	8.70
7	Pound Sterling	83.45	81.65	81.65	79.85
8	Swedish Kroner	7.80	7.60	7.55	7.40
9	Swiss Franc	57.10	57.30	55.80	55.95
10	Singapore Dollar	41.30	40.20	40.35	39.35
11	US Dollar	53.25	52.60	52.45	51.75

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

SNo	Currency	Current	Previous	Current	Previous
1	Japanese Yen	68.65	68.30	66.90	66.55

[F.No.468/15/2011-Cus.V]

Qualified Foreign Investors (QFIS) Allowed to Directly Invest in Indian Equity Market

In a major policy decision, the Central Government has decided to allow Qualified Foreign Investors (QFIs) to directly invest in Indian equity market in order to widen the class of investors, attract more foreign funds, and reduce market volatility and to deepen the Indian capital market. QFIs have been already permitted to have direct access to Indian Mutual Funds schemes pursuant to the Budget announcement 2011-12. Today's decision is a next logical step in the direction.

Foreign Capital inflows to India have significantly grown in importance over the years. These flows have been influenced by strong domestic fundamentals and buoyant yields reflecting robust corporate sector performance.

In the present arrangement relating to foreign portfolio investments, only FIIs/sub-accounts and NRIs are allowed to directly invest in Indian equity market. In this arrangement, a large number of Qualified Foreign Investors (QFIs), in particular, a large set of diversified individual foreign nationals who are desirous of investing in Indian equity market do not have direct access to Indian equity market. In the absence of availability of direct route, many QFIs find difficulties in investing in Indian equity market.

As a first step in this direction, QFIs have been permitted direct access to Indian Mutual Funds schemes pursuant to the Budget announcement 2011-12. As a next logical step, it has now been decided to allow QFIs to directly invest in Indian equity market in order to widen the class of investors, attract more foreign funds, and reduce market volatility and to deepen the Indian capital market.

Commodity Spot Prices in India – 31 December 2011 to 03 January 2012

These commodity prices are taken from Multi Commodity Exchange of India (Mumbai) at 6 pm every day.

Commodity	Unit	Market	(Rs.)		
			31-Dec	02-Jan	03-Jan
CER (Carbon Trading)	1 MT	Mumbai	NA	NA	NA
Chana	100 KGS	Delhi	3323	3333	3337
Masur	100 KGS	Indore	3025	3046	3050
Potato	100 KGS	Agra	NA	NA	NA
Potato TKR	100 KGS	Tarkeshwar	NA	NA	NA
Areca nut	100 KGS	Mangalore	NA	NA	NA
Cashewkern	1 KGS	Quilon	NA	NA	NA
Cardamom	1 KGS	Vandanmedu	592.8	596.4	604.3
Coffee ROB	100 KGS	Kushalnagar	NA	NA	NA
Jeera	100 KGS	Unjha	NA	NA	NA
Pepper	100 KGS	Kochi	NA	NA	NA
Red Chili	100 KGS	Guntur	NA	NA	NA
Turmeric	100 KGS	Nzmbad	5280	5363	5450
Guar Gum	100 KGS	Jodhpur	NA	NA	NA
Maize	100 KGS	Nzmbad	1143	1150	1150
Wheat	100 KGS	Delhi	1212.1	1216.7	1225
Mentha Oil	1 KGS	Chandausi	1493.4	1497.4	1489.3
Cotton Seed	100 KGS	Akola	NA	NA	NA
Castorsd RJK	100 KGS	Rajkot	3963.5	3974.5	4043
Guar Seed	100 KGS	Bikaner	6850	7131	7400
Soya Bean	100 KGS	Indore	2475	2502.5	2536.5
Mustrdsd JPR	20 KGS	Jaipur	724.25	730.9	729.85
Sesame Seed	100 KGS	Rajkot	6200	6063	6138
Coconut Oil Cake	100 KGS	Kochi	NA	NA	NA
RCBR Oil Cake	1 MT	Raipur	NA	NA	NA
Kapaskhali	50 KGS	Akola	1218.2	1222.7	1239.8
Coconut Oil	100 KGS	Kochi	7956	7956	7956
Refsoy Oil	10 KGS	Indore	720.85	737.5	745
CPO	10 KGS	Kandla	546.5	550	556.4
Mustard Oil	10 KGS	Jaipur	793.4	794.9	801.8
Gnutoilexp	10 KGS	Rajkot	1021.7	1025	1035
Castor Oil	10 KGS	Kandla	NA	NA	NA
Crude Oil	1 BBL	Mumbai	5264	5264	5264
Furnace Oil	1000 KGS	Mumbai	NA	NA	NA
Sourcrd Oil	1 BBL	Mumbai	NA	NA	NA
Brent Crude	1 BBL	Mumbai	5720	5720	5720
Gur	40 KGS	Muzngr	NA	NA	NA
Sugars	100 KGS	Kolhapur	2826	2839	2839
Sugarm	100 KGS	Delhi	3109	3111	3105
Natural Gas	1 mmBtu	Hazirabad	159.2	159.2	159.2
Rubber	100 KGS	Kochi	19762	19579	19532
Cotton Long	1 Candy	Kadi	NA	NA	NA
Cotton Med	1 Maund	Sriganganagar	NA	NA	NA
Jute	100 KGS	Kolkata	2130.5	2134	2140
Gold	10 GRMS	Ahmd	27170	27136	27425
Gold Guinea	8 GRMS	Ahmd	21823	21796	22028
Silver	1 KGS	Ahmd	50010	50073	51100
Sponge Iron	1 MT	Raipur	NA	NA	NA
Steel Flat	1000 KGS	Mumbai	NA	NA	NA
Steel Long	1 MT	Gobindgarh	NA	NA	NA
Copper	1 KGS	Mumbai	403.5	403.5	403.5
Nickel	1 KGS	Mumbai	973.6	973.6	998.1
Aluminium	1 KGS	Mumbai	104.95	104.95	106.85
Lead	1 KGS	Mumbai	105.45	105.45	107.7
Zinc	1 KGS	Mumbai	97.35	97.35	98.5
Tin	1 KGS	Mumbai	1009.25	1009.25	1025

(Source: MCX Spot Prices)

The QFIs shall include individuals, groups or associations, resident in a foreign country which is compliant with FATF and that is a signatory to IOSCO's multilateral MoU. QFIs do not include FII/sub-accounts.

Salient Features of the Scheme:

1. RBI would grant general permission to QFIs for investment under Portfolio Investment Scheme (PIS) route similar to FIIs.
2. The individual and aggregate investment limit for QFIs shall be 5% and 10% respectively of the paid up capital of Indian company. These limits shall be over and above the FII and NRI

investment ceilings prescribed under the PIS route for foreign investment in India.

3. QFIs shall be allowed to invest through SEBI registered Qualified Depository Participant (DP). A QFI shall open only one demat account and a trading account with any of the qualified DP. The QFI shall make purchase and sale of equities through that DP only.

4. DP shall ensure that QFIs meet all KYC and other regulatory requirements, as per the relevant regulations issued by SEBI from time to time. QFIs shall remit money through normal banking channel in any permitted currency (freely

convertible) directly to the single rupee pool bank account of the DP maintained with a designated AD category - I bank. Upon receipt of instructions from QFI, DP shall carry out the transactions (purchase/sale of equity).

5. DP shall be responsible for deduction of applicable tax at source out of the redemption proceeds before making redemption payments to QFIs.

6. Risk management, margins and taxation on such trades by QFIs may be on lines similar to the facility available to the other investors.

The scheme is expected to help increase the depth of the Indian market and in combating volatility beside increasing foreign inflows into the country.

SEBI and RBI are expected to issue relevant circulars to operationalise the scheme by January 15, 2012.

Bold Reforms and Stability In Policy Required to Push Exports – FIEO President

Reacting to the trade data for the month of November, 2011, Mr Ramu S Deora, President, FIEO maintained that despite all odds and dismal global situation, we would be able to reach USD 275 billion target by the end of this fiscal. FIEO Chief, however, cautioned that trade deficit would not be less than USD 150 billion in 2011-12. Indian exports during April-November, 2011 recorded a 33.2% growth to reach US 192.7 billion dollar. India exports for November 2011 grew by 17% to touch US\$ 22.2 billion.

During April-November 2011, petroleum & oil products exports amounted to 39.5 billion US \$ registering the growth of 62.3%; engineering, (US \$ 40.7 billion) which registered the growth of 22.3% % over the last year. Cotton fabrics, made ups, 13.7% (US \$ 4.4 billion); electronics, 17% (US \$ 5.83 billion); readymade garments 28% (US \$ 8.4 billion). Basic Chemicals registered the growth of 34% (US \$ 6.7 billion), Drugs 21% (US \$ 7.9 billion). Gems & Jewellery 56.5% (US \$ 30.1 billion).

Mr Deora felt that in order to boost exports and arrest trade deficit, Government should provide export finance at concessional rate not more than 7% for MSME and 9% for large business houses. It is understood that keeping in view the present global downward trend even in England, ECB has offered 25 basis points reduced rate of interest for supporting their export industry.

With the abnormal increase in the cost of inputs and packaging material, our exports are day by day becoming uncompetitive nullifying the scope of margins offered by rupee depreciation. It is of utmost important that we have consistency in our reforms and policies in order to maintain our image as a reliable supplier in the global market and any stumbling blocks that halt reforms conveys a wrong signal overseas adversely affecting inflow of dollar in the country. Mr Deora felt that all political parties should come on board on issues pertaining to reforms so that Aam Aadmi is not deprived of day to day commodities at a reasonable cost.

WORLD TRADE SCANNER

World Biggest Economies Face \$7.6 Trillion Bond Tab as Rally Seen Fading	397
November Dollar Export Rise 3.87%, Imports Up 24.55%	398
Hong Kong Keeps Ban on Chinese Poultry Imports after Flu Link Found	398
Service Tax Refund for a Wide Range of Goods Exported from India	398
Dollar Trades Near One-Week Low Versus Euro Amid Global Growth Optimism	398
Qualified Foreign Investors (QFIS) Allowed to Directly Invest in Indian Equity Market	411
Commodity Spot Prices in India – 31 December 2011 to 03 January 2012	411
Bold Reforms and Stability In Policy Required to Push Exports – FIEO President	412

BIG's WEEKLY INDEX OF CHANGES

Foreign Trade Policy

50-Pol.Cir/28.12.2011	Deemed Export Benefits only for Goods Manufactured in India...	406
51-Pol.Cir/28.12.2011	DGFT Clarification on Registration of Contracts of Cotton and Cotton Yarn with DGFT	407
92-Ntfn(RE)/28.12.2011	Supplies to Non Mega Power Projects Eligible for Advance Authorisation or DFIA only under Para 8.3(a) of FTP	405
88-PN(RE)/27.12.2011	Ceiling on Dyes Portion is Enhanced to 26% from 14% for Specialty Textiles Licence	406

Customs

Ntfn 113/23.12.2011	LDCs Window for 80% Cut under WTO Special Window...	402
Ntfn 115/28.12.2011	Amendments in Concessions under Indo-Thai FTA	401
Ntfn 117-118/29.12.11	HS2012 Comes into Effect from 1 Jan 2012	399
Ntfn 119-120/30.12.2011		
Ntfn 129/30.12.2011	Export Tariff on Iron Ore Raised to 30% from 20%	399
Ntfn 130/30.12.2011	Anti-dumping Duty on Polypropylene – Entries Relating to Saudi Arabia in Notification Omitted	399
88-Cus(NT)/28.12.2011	Exchange Rates for Customs Valuation – Imports and Exports	411
89-Cus(NT)/30.12.2011	Tariff Value on Brass Scrap and Poppy Seeds ...	407

Central Excise

42-45-CE/30.12.2011	HS2012 Comes into Effect from 1 Jan 2012	400
31-CE(NT)/30.12.2011	ER-3 Quarterly Return for SSI Units	406
32-CE(NT)/30.12.2011	Quarterly Return for Old Textile Units under Rule 12	406
33-CE(NT)/30.12.2011	Powers of Cen Ex. Officers in Relation to Service Tax Refund	406

CBEC Circulars

54-CBEC/29.12.2011	Major Ports must take Permission from Government before Leasing Premises in Customs Area	401
--------------------	--	-----

Service Tax

02-ST(O)/13.12.2011	Four Documents Required for Service Tax Registration	409
03-ST(O)/29.12.2011	Last Date for Half Yearly Return of Service Tax Period Apr-Sep 2011 Extended to 6 Jan 2012	401
49-ST/30.12.2011	Service Tax on Rail Containers for Export Goods Extended...	409
50-ST/30.12.2011	Service Tax Exemption on Transport of Goods in Containers by Rail Extended to April	409
51-ST/30.12.2011	Service Tax Exemption on Transport of Goods by Rail Extended	409
52-ST/30.12.2011	Automatic Service Tax Refund to Exporters on All Industry Rate Allowed	408

RBI Circulars [AP(DIR Series)]

Cir. 61/27.12.2011	Export Credit of US\$40mn to Maldives	409
Cir. 62/27.12.2011	Export Credit of US\$168mn to Congo	410
Cir. 63/29.12.2011	RBI Allows Hedging of Rupee ECBs to NRIs	410