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India Loses Appeal in WTO in Poultry Ban Case

- US Allegation of “Arbitrary and Unjust” Discrimination Upheld
- OIE Used as Support to Establish Discrimination in India

The WTO's Appellate Body ruled in the US' favour last week in its dispute (DS430) over India's import ban on certain agricultural products, largely upholding a previous dispute panel's findings. India had put the ban on poultry import on health grounds stating that imports would lead to spread of avian influenza (AI), otherwise known as bird/avian flu.

(Avian influenza is an infectious viral disease found usually in wild water fowl such as ducks and geese, which can sometimes spread to domestic poultry and cause large-scale outbreaks. The virus has also been reported to cross the species barrier and cause diseases or subclinical infections in humans and other mammals.)



Case history

India's import ban is formed by both the Livestock Importation Act and Statutory Order 1663 (E), among other policies. The former confers the power to regulate livestock imports to respective government agencies and operates through customs notifications with assigned statutory orders.

The Statutory Order 1663 (E) issued in July 2011, imposes import prohibitions on ten categories of products from countries reporting cases of Notifiable Avian Influenza (NAI), which includes both highly pathogenic notifiable avian flu (HPNAI) and low pathogenicity notifiable avian flu (LPNAI).

HPNAI is extremely infectious and can be highly lethal to poultry, along with provoking other serious health complications. Poultry infected with LPNAI, by contrast, may exhibit little to no signs of illness.

Washington challenged New Delhi's import ban in 2012, raising a series of allegations under the WTO's Sanitary and Phytosanitary Measures (SPS) Agreement. This included claims that the ban was not based on international guidelines or a risk assessment, lacked scientific justification, and applied requirements that are not required of like domestic products.

The WTO uses the World Organization for Animal Health (OIE) as the reference organisation for standards relating to animal health and zoonoses, including the latter's Terrestrial Animal

Health Code (OIE Code). Chapter 10.4 of this code is specifically devoted to avian flu, requiring members to notify the agency of any domestic HPNAI cases in birds and the occurrence of certain types of LPNAI in poultry.

Between 2004 and January 2014, the United States did not notify the OIE of any HPNAI outbreaks, but did report LPNAI cases in poultry. From the end of 2003 to March 2013, India notified 95 outbreaks of HPNAI in poultry. As of October 2014, India had never notified an LPNAI poultry case to the OIE.

In its October 2014 report, a dispute panel agreed with the bulk of the US' claims, stating that India's restrictions are not justified through the relevant international standards – in other words, the OIE Code – and “arbitrarily and unjustifiably” discriminated between products from WTO members “where identical or similar conditions prevail.” India then appealed those findings in January.

Risk assessment, Scientific Basis, Automaticity

In its appeal, India contends that the panel incorrectly interpreted and applied Article 2.2 of the SPS Agreement, which sets out a basic requirement for SPS measures not to be maintained without sufficient scientific evidence.

The panel had said that these avian flu measures are inconsistent with that provision automatically as a result of violating two other WTO requirements – namely that SPS measures be based on a risk assessment, while taking into account a non-inclusive list of factors for the assessment.

The Appellate Body emphasised that, although a violation of those requirements may suggest that a WTO member may be imposing an SPS measure without enough scientific evidence, this presumption is not necessarily automatic.

The WTO judges therefore reversed the panel's findings that India's AI measures are inconsistent with Article 2.2 regarding the import ban of two product categories – fresh poultry meat and eggs – from countries reporting LPNAI, since the panel had not reviewed evidence of India's alleged scientific basis for such a ban.

International Standards, Regional Conditions

The Appellate Body sided with the panel and found that India's AI measures are not based on an international standard and that New Delhi is not entitled to benefit from the presumption of consistency of its avian flu measures with WTO rules.

The Appellate Body also agreed with the panel in finding that India's AI measures are not adapted to regional conditions, while using different reasoning. Article 6 of the SPS Agreement requires WTO members to ensure that any SPS measures are adapted to regional characteristics. This also includes provi-

Crude Falls to Reach at \$61

Crude Oil (Indian Basket) from 10 to 16 June 2015

	10 June	11 June	12 June	15 June	16 June
(\$/bbl)	64.00	63.89	62.83	61.76	61.53
(Rs/bbl)	4088.32	4081.93	4023.00	3958.20	3947.15
(Rs/\$)	63.88	63.89	64.03	64.09	64.15

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas

sions with respect to pest- or disease-free areas and areas of low pest or disease prevalence, as well as the respective duties that apply to importing and exporting members in this regard.

In particular, the Appellate Body clarified that the obligation of adaptation of an importing member is a continuing obligation and is not contingent upon whether an exporting member has made the objective demonstration of its regional conditions.

Overall, the Appellate Body found India's AI measures violate Article 6 for requiring bans of all imports from any country that has notified the OIE of avian flu, thus excluding the possibility of allowing imports from AI-free areas within those countries.

Trade Restrictiveness

India's appeal had challenged the panel's finding that the US had identified significantly less trade restrictive alternative measures that would achieve New Delhi's appropriate level of protection.

In order to successfully challenge another member under Article 5.6 of the SPS Agreement, a complainant must establish that there is an alternative measure that is reasonably available taking into account technical and economic feasibility; achieves the member's appropriate level of SPS protection; and is significantly less trade restrictive.

Export Crash 20% in May, Imports Fall 16.52%

A. Exports (including re-exports)

Exports during May, 2015 were valued at US \$22346.75 million (Rs. 142572.92 crore) which was 20.19 per cent lower in Dollar terms (14.14 per cent lower in Rupee terms) than the level of US \$27998.50 million (Rs. 166045.09 crore) during May, 2014. Cumulative value of exports for the period April-May 2015-16 was US \$ 44401.47 million (Rs 280973.36 crore) as against US \$53632.58 million (Rs 320763.69 crore) registering a negative growth of 17.21 per cent in Dollar terms and 12.40 per cent in Rupee terms over the same period last year.

B. Imports

Imports during May, 2015 were valued at US \$32752.99 (Rs. 208965.06 crore) which was 16.52 per cent lower in Dollar terms and 10.19 per cent lower in Rupee terms over the level of imports valued at US \$ 39233.24 million (Rs. 232672.72 crore) in May, 2014. Cumulative value of imports for the period April-May 2015-16 was US \$65800.01 million (Rs 416345.69 crore) as against US \$ 74953.27 million (Rs 448266.65 crore) registering a negative growth of 12.21 per cent in Dollar terms and 7.12 per cent in Rupee terms over the same period last year.

Month	Export	Import
January	23883.60	32205.63
February	21545.33	28392.32
March	23951.16	35744.68
April	22054.72	33047.02
May	22346.75	32752.99

In particular, India took issue with the panel's finding of inconsistency despite the fact that the US wrongly identified the former's appropriate level of protection. New Delhi also argued that the proposed alternatives were not precise enough to correspond to the product categories banned.

Ultimately, the Appellate Body rejected India's arguments and said that the trade restrictiveness of India's AI measures exceed what is required for the appropriate level of protection, thus violating this rule.

National treatment

The panel supported the US' claim that India's import prohibition on account of LPNAI, coupled with its lack of a domestic surveillance regime capable of reliably detecting the disease in its own poultry, amounts to arbitrary or unjustifiable discrimination between members where identical or similar conditions prevail.

India had requested a reversal of the panel's finding, raising arguments such as lack of evidence, as well as countering that the panel should have accepted its self-assessment that it was LPNAI-free and not required New Delhi to prove that the disease is "exotic" to the country. The Appellate Body ultimately rejected such claims, agreeing with the panel that India's measures violate trade rules because of the above-mentioned discrimination.

C. Crude Oil and Non-Oil Imports

Oil imports during May, 2015 were valued at US \$8538.67 million which was 40.97 per cent lower than oil imports valued at US \$14464.88 million in the corresponding period last year. Oil imports during April-May, 2015-16 were valued at US \$ 15981.59 million which was 41.76 per cent lower than the oil imports of US \$ 27442.71 million in the corresponding period last year.

Non-oil imports during May, 2015 were estimated at US \$24214.32 million which was 2.24 per cent lower than non-oil imports of US \$24768.36 million in May, 2014. Non-oil imports during April-May, 2015-16 were valued at US \$ 49818.42 million which was 4.86 per cent higher than the level of such imports valued at US \$ 47510.56 million in April-May, 2014-15.

D. Trade Balance

The trade deficit for April-May, 2015-16 was estimated at US \$ 21398.54 million which was higher than the deficit of US \$ 21320.69 million during April-May, 2014-15.

Exports & Imports: (US \$ Million)

	(Provisional)	
	May	April-May
Exports (including re-exports)		
2014-15	27998.50	53632.58
2015-16	22346.75	44401.47
%Growth2015-16/ 2014-15	-20.19	-17.21
Imports		
2014-15	39233.24	74953.27
2015-16	32752.99	65800.01
%Growth2015-16/ 2014-15	-16.52	-12.21
Trade Balance		
2014-15	-11234.74	-21320.69
2015-16	-10406.24	-21398.54

India's Foreign Trade (Services): April, 2015

(As per the RBI Press Release dated 15th June, 2015)

A. Exports (Receipts)

Exports during April, 2015 were valued at US \$ 13012 Million (Rs. 81654.46 Crore).

B. Imports (Payments)

Imports during April, 2015 were valued at US \$ 7324 Million (Rs. 45960.44 Crore).

C. Trade Balance

The trade balance in Services (i.e. net export of Services) for April, 2015 was estimated at US \$ 5688 Million.

Exports & Imports (Services): (US \$ mn)

	(Provisional)	
	April 2015-16	
Exports (Receipts)	13012.00	
Imports (Payments)	7324.00	
Trade Balance	5688.00	

Exports & Imports (Services): (Rs. crs)

	(Provisional)	
	April 2015-16	
Exports (Receipts)	81654.46	
Imports (Payments)	45960.44	
Trade Balance	35694.02	

Thailand and Sierra Leone Join Kyoto Convention on Trade Facilitation, 101 Countries are In

On 12 June 2015, at the 125th/126th Sessions of the Customs Co-operation Council, the Secretary General of the WCO Mr. Kuni Mikuriya, in his capacity as the depositary of the Convention, took receipt of the instruments of accession of Thailand and Sierra Leone to the International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention).

This Convention will support implementation of the WTO Trade Facilitation Agreement (TFA).

Having entered into force on 3 February 2006, the Revised Kyoto Convention (RKC) now has 101 Contracting Parties. The International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention) was adopted in 1973 and entered into force in 1974 in its original version.

Implementation of the TFA will be treated as a matter of priority under the MERCATOR Programme launched by the WCO. Secretary General Mikuriya strongly urged the rest of the WCO's Members to accede to the RKC as soon as possible, given this instrument's significance for Customs, and above all to implement its provisions.

The Convention's key elements include the application of simplified Customs procedures in a predictable and transparent environment, the optimal use of information technology, the utilization of risk management, a strong partnership with trade and other stakeholders and a readily accessible system of appeals.

Dear Reader:

The Weekly Index of Changes with World Trade Scanner Issue No. 12 is a combined issue, i.e., Issue No. 11 and 12 dated 10 to 23 June 2015. – Editor

WEEKLY INDEX OF CHANGES

DGFT Reiterates Shipment Date is Crucial Date for Transition Arrangements in Case Policy Change

Subject: Clarification regarding clearance of goods after expiry of Nominated Agency Certificate.

02-Pol.Cir
12.06.2015
(DGFT)

References have been received in this Directorate enquiring whether or not import consignments which started by ship during validity of the Nominated Agency Certificate (NAC) in March, 2015 can be allowed clearance, irrespective of the fact that the consignments arrived in India after 1.04.2015, when the NAC was no longer valid.

2. In this context reference is invited to **Paragraph 2.12.2** of HBP v1 2009-14 [now para 2.17 (a) of HBP 2015-20] which reads as under:

"Validity of an import Authorization is decided with reference to date of shipment / dispatch of goods from supplying country as given in Paragraph 9.11A of HBP v1 and not the date of arrival of goods at an Indian Port".

3. Further, as per paragraph **9.11 A** of the said HBP v1 2009-14 [now paragraph 9.11 of HBP 2015-20], date for shipment/ dispatch of import is to be reckoned with reference to "Bill of Lading", in case of transportation by Sea.

4. A combined reading of both the above paragraphs makes it abundantly clear that "effective date" for any shipment / dispatch of import is to be reckoned with reference to "Bill of Lading," in case of transportation by Sea.

5. Therefore it is clarified that if any importer has a valid Nominated Agency Certificate on the date of import i.e date of shipment/dispatch of goods from supplying country, as evidenced by Bills of lading, then such shipments shall be eligible for clearance, regardless of actual date of arrival of the consignment in India.

This issues with the approval of DGFT.

Last Date for PSIA Approval in New System Extended to 18 June

Subject: Amendment in paragraph 2.55 and 2.56 of Handbook of Procedures of FTP, 2015-20 as notified by Public Notice No.12/2015-2020, dated 18.5.2015 – Pre Shipment Inspection Agency (PSIA).

19-PN(RE)
05.06.2015
(DGFT)

In exercise of powers conferred under paragraph 2.04 of the Foreign Trade Policy, 2015-20, the Directorate General of

Foreign Trade hereby makes the following amendments in the Public Notice No.12/2015-2020, dated 18.5.2015:

1. Amendment in paragraph 4 of Public Notice No.12/2015-2020 dated 18th May, 2015

Amended paragraph 4 shall read as under:-

4. The existing PSIA's (as on 01.04.2015) will have to file fresh applications in ANF 2L (new format) latest by **18th June, 2015** for updation of details of their offices/branches/authorised representatives in various countries etc. and expansion of their areas of operation, if they so desire, as per the above mentioned procedure laid down in revised paragraph 2.55 of HBP of FTP 2015-20. **Applications received after 18th June, 2015 shall be taken up for consideration after July, 2015.**

2. Amendment in paragraph 5 of Public Notice No.12/2015-2020 dated 18th May, 2015

Amended paragraph 5 shall read as under:-

5. New applicants who desire to be recognised as Pre-shipment Inspection Agencies (PSIA's) (**w.e.f. 01.07.2015**) may also apply by **18th June, 2015** in

proforma prescribed in ANF 2L (new format) as per the above mentioned procedure laid down in revised paragraph 2.55 of HBP of FTP 2015-20.

Applications received after 18th June, 2015 shall be taken up for consideration after July, 2015.

3. The following paragraph 7 is inserted in the Public Notice No.12/2015-2020 dated 18th May, 2015:

7. The applicants may submit their applications initially without bank guarantee, as required under S.No.9 of ANF-2L. Their applications would not be rejected only on the ground of non-submission of bank guarantee. Applicants would, however, be required to submit bank guarantee or an equivalent financial instrument, before they are notified as PSIA, by the competent authority, as per FTP/HBP 2015-20.

Effect of this Public Notice

The last date for submitting the applications for entitlement as PSIA has been extended. Applicants can, for the time being, submit applications initially without bank guarantee. However, they shall be required to submit bank guarantee or an equivalent financial instrument before they are notified as PSIA.

Manual System in EDI for Export House Status to Continue till 30 Sept 2015

17-PN(RE)
04.06.2015
(DGFT)

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

Foreign Trade, in order to facilitate transitional arrangements, hereby notifies the amendments to Handbook of Procedures of FTP 2015-20. These amendments shall be deemed to have come into force with effect from 1st April, 2015.

1. Amendment in paragraph 1.05

Amended paragraph 1.05 shall read as under:-

1.05 Procedure

(a) An exporter shall file his application online on DGFT website at <http://dgft.gov.in/>. Application will then be processed in accordance with prevalent rules and regulations. The processing of applications will be made online. DGFT shall issue deficiency letters, if any, in online mode or through use of e-mail. No communication shall be issued by DGFT in manual mode.

(b) As a measure of transitional arrangement,

Export Houses Limited to only Rs. 10 lakh Export without FC Realisation, Facility Covers only Exports upto Rs. 5 crs per Year

Subject: Amendment in Para 3.24 (j) of Chapter-3 of FTP 2015-2020

09-Ntfn(RE)
04.06.2015
(DGFT)

In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and

Regulation) Act, 1992 read with Para 1.02 of the Foreign Trade Policy, 2015-2020, the Central Government hereby makes the following amendments in the Foreign Trade Policy (FTP) 2015-2020 with immediate effect:

Amendment in Para 3.24 (j) of Chapter 3 of FTP 2015-2020

Amended Para 3.24 (j) of Chapter-3 of FTP 2015-2020 shall read as under:

"3.24 Privileges of Status Holders :

(j) "Status holders shall be entitled to export freely exportable items on free of cost basis for export promotion subject to an annual limit of Rs. 10 lakh or 2% of average annual export realisation during preceding three licensing years, whichever is **lower**".

Effect of this Notification

Entitlement of Status Holders to export freely exportable items on free of cost basis has been limited with immediate effect.

Subject: Amendment in Para 2.84 of Chapter 2 of HBP 2015-2020

18-PN(RE)
04.06.2015
(DGFT)

In exercise of powers conferred under paragraph 2.04 of the Foreign Trade Policy 2015-2020, Director

General of Foreign Trade hereby makes the following amendment in the Handbook of Procedures (HBP) 2015-20 with immediate effect:

Amendment in Para 2.84 of Chapter 2 of HBP 2015-2020

Amended Para 2.84 of Chapter-2 of HBP shall read as under:

"2.84 Free of Cost Exports for Status holders

"Status holders shall be entitled to export freely exportable items on free of cost basis for export promotion subject to an annual limit of Rs. 10 lakh or 2% of average annual export realisation during preceding three licensing years, whichever is **lower**".

Effect of this Public Notice

Entitlement of Status Holders to export freely exportable items on free of cost basis has been limited with immediate effect.

exporters may file application manually, till EDI online module is ready or upto 30th September, 2015 whichever is earlier, for the following category of applications:-

- Application for Status Holder Certificate in ANF 3C under paragraph 3.19
- Application for bond waiver in ANF 4F under paragraph 4.47
- Application for Nominated Agency Certificate in ANF 4-I under paragraph 4.94.

2. Amendment in paragraph 3.19 (a)

Amended paragraph 3.19 (a) shall read as under:-

“3.19 Application for grant of Status Certificate

(a) Status Certificates issued under FTP 2009-14 to an IEC holder shall remain valid till **30th September, 2015** or till the issuance of status certificate to such IEC holder under FTP 2015-20,

whichever is earlier.”

Effect of this Public Notice

Amendments to the Handbook of Procedures of FTP 2015-2020, have been notified, in order to facilitate transitional arrangements in respect of filing of applications and validity of Status Holder Certificate. These amendments shall be deemed to have come into effect from 1st April, 2015.

LR, RR and Postal Receipt Recognized as Transport Document Equivalent by DGFT

- No Incentives for Traded Goods in Hard Currency under para 2.46
- DGFT Clarifies Capital Goods Import Duty can be paid against Reward Scrip
- No Reward Scrip for Restricted Items Export
- MEIS to prevail in case of conflict between MEIS List and Other Lists
- Services Export to SEZ to get SEIS Benefit
- Restricted Export Obligation period for Sensitive Inputs under Advance Authorization as per Appendix 4-J
- Service Consumer of Other Countries in India Eligible for Service Supply from India

08-PN(RE) In exercise of powers conferred
04.06.2015 by Section 5 of the Foreign
(DGFT) Foreign Trade (Development &
Regulation) Act, 1992 (No.22 of
1992), as amended from time to time, read with
paragraph 1.02 of Foreign Trade Policy 2015-
2020, the Central Government hereby make the
following amendments in the Foreign Trade Policy
2015-20. These amendments shall be deemed to
have come into force with effect from 1st April
2015.

1. Amendment in Paragraph 2.06

Amended Paragraph 2.06 shall read as under:

2.06 Mandatory documents for export / import of goods from / into India

(a) Mandatory documents required for export of goods from India:

1. Bill of Lading/ Airway Bill / Lorry Receipt / Railway Receipt / Postal Receipt.
2. Commercial Invoice cum Packing List*
3. Shipping Bill/Bill of Export

(b) Mandatory documents required for import of goods into India

1. Bill of Lading / Airway Bill / Lorry Receipt / Railway Receipt / Postal Receipt.
2. Commercial Invoice cum Packing List*
3. Bill of Entry

[Note:* (i) As per CBEC Circular No. 01/15-Customs dated 12/01/2015. (ii) Separate Commercial Invoice and Packing List would also be accepted.]

(c) For export or import of specific goods or category of goods, which are subject to any restrictions/policy conditions or require NOC or product specific compliances under any statute, the regulatory authority concerned may notify additional documents for purposes of export or import.

(d) In specific cases of export or import, the regulatory authority concerned may electronically or in writing seek additional documents or information, as deemed necessary to ensure legal compliance.

(e) The above stipulations are effective from 1st April, 2015.

2. Amendment in Paragraph 2.11

Amended Paragraph 2.11 shall read as under:

2.11 Terms and Conditions of an Authorisation

Every Authorisation shall, inter alia, include following terms and conditions (as applicable), in addition to such other conditions as may be specified:

- (a) Description, quantity and value of goods;
- (b) Actual User condition (as defined in Chapter 9);
- (c) Export Obligation;
- (d) Minimum Value addition to be achieved;
- (e) Minimum export/import price;
- (f) Bank guarantee/ Legal undertaking / Bond with Customs Authority / RA (as in para 2.35 of FTP).
- (g) Validity period of import/export as specified in Handbook of Procedures.

3. Amendment in Paragraph 2.46 {II (d)}

Amended Paragraph 2.46 { II (d) } shall read as under:

2.46 Import for export

II. (d) Exports under this dispensation, as at II (a), (b) and (c) above shall not be eligible for any export incentives.

4. Amendment in Paragraph 3.02

Amended Paragraph 3.02 shall read as under:

3.02 Nature of Rewards

Duty Credit Scrips shall be granted as rewards under MEIS and SEIS. The Duty Credit Scrips and goods imported / domestically procured against them shall be freely transferable. The Duty Credit Scrips can be used for :

- (i) Payment of Customs Duties for import of inputs or goods, **including capital goods, as per DOR notification**, except items listed in Appendix 3A.
- (ii) Payment of excise duties on domestic procurement of inputs or goods, including capital goods, as per DoR notification.
- (iii) Payment of service tax on procurement of services as per DoR notification.
- (iv) Payment of Customs Duty and fee as per paragraph 3.18 of this Policy.

5. Amendment in Paragraph 3.06

Amended Paragraph 3.06 shall read as under:

3.06 Ineligible categories under MEIS

The following exports categories /sectors shall be ineligible for Duty Credit Scrip entitlement under MEIS

(i) EOUs / EHTPs / BTPs / STPs who are availing direct tax benefits / exemption.

(ii) Supplies made from DTA units to SEZ units

(iii) Export of imported goods covered under paragraph 2.46 of FTP;

(iv) Exports through trans-shipment, meaning thereby exports that are originating in third country but trans-shipped through India;

(v) Deemed Exports;

(vi) SEZ / EOU / EHTP / BPT / FTWZ products exported through DTA units;

(vii) Items, which are restricted for export under Schedule-2 of Export Policy in ITC (HS), unless specifically notified in Appendix 3B.

(viii) Service Export.

(ix) Red sanders and beach sand.

(x) Export products which are subject to Minimum export price or export duty.

(xi) Diamond Gold, Silver, Platinum, other precious metal in any form including plain and studded jewellery and other precious and semi-precious stones.

(xii) Ores and concentrates of all types and in all formations.

(xiii) Cereals of all types.

(xiv) Sugar of all types and all forms, **unless specifically notified in Appendix 3B.**

(xv) Crude / petroleum oil and crude / primary and base products of all types and all formulations.

(xvi) Export of milk and milk products, **unless specifically notified in Appendix 3B.**

(xvii) Export of Meat and Meat Products, **unless specifically notified in Appendix 3B.**

(xviii) Products wherein precious metal/diamond are used or articles which are studded with precious stones.

(xix) Exports made by units in FTWZ.

(xx) Items, which are prohibited for export under Schedule-2 of Export Policy in ITC (HS).

6. Amendment in Paragraph 3.09 (2)

(e)

Amended Paragraph 3.09 (2) (e) shall read as under:

3.09 Ineligible categories under SEIS

(2) (e) Export turnover relating to services of units operating under EOU / EHTP / STPI / BTP Schemes or supplies of services made to such units;

7. Amendment in Paragraph 4.22

Amended Paragraph 4.22 shall read as under:

4.22 Export Obligation

(i) Period for fulfilment of export obligation under Advance Authorisation shall be 18 months from the date of issue of Authorisation or as notified by DGFT.

(ii) In cases of supplies to turnkey projects in India under deemed export category or turnkey projects abroad, the Export Obligation period shall be co-terminus with contracted duration of the project execution or 18 months whichever is more.

(iii) Export Obligation for items falling in categories of defence, military store, aerospace and nuclear energy shall be 24 months from the date of issue of authorization or co-terminus with contracted duration of the export order whichever

is more.

(iv) Export Obligation Period for inputs, as specified in Appendix 4-J, shall be as mentioned in the relevant column of the said Appendix.

8. Amendment in Paragraph 4.26

Amended Paragraph 4.26 shall read as under:

4.26 Duties Exempted and Admissibility of Cenvat and Drawback

(i) Duty Free Import Authorisation shall be exempted only from payment of Basic Customs Duty.

(ii) Additional customs duty/excise duty, being not exempt, shall be adjusted as CENVAT credit as per DoR rules.

(iii) Drawback as per rate determined and fixed by Central Excise authority shall be available for duty paid inputs, whether imported or indigenous, used in the export product. However, in case such drawback is claimed for inputs not specified in SION, the applicant should have indicated clearly details of such duty paid inputs also in the application for Duty Free Import Authorization, and as per the details mentioned in the applica-

tion, the Regional Authority should also have clearly endorsed details of such duty paid inputs in the condition sheet of the Duty Free Import Authorisation.

9. Amendment in Paragraph 9.51

Amended Paragraph 9.51 shall read as under:

"Service Provider" means a person providing:

(i) Supply of a 'service' from India to any other country; (Mode 1- Cross border trade)

(ii) Supply of a 'service' from India to service consumer(s) of any other country in India; (Mode 2 - Consumption abroad).

(iii) Supply of a 'service' from India through Commercial presence in any other country. (Mode 3 – Commercial Presence.)

(iv) Supply of a 'service' from India through the presence of natural persons in any other country (Mode 4- Presence of natural persons.)

Effect of this Notification

In the Foreign Trade Policy, 2015-2020 released on 1.4.2015, some amendments have been made. These amendments would be deemed to have come into force with effect from 1st April 2015.

licensing year."

3. Amendment in paragraph 2.59

Amended paragraph 2.59 shall read as under:-

"2.59. Services of Inspection and Certification Agencies

Customs or any other Central or State Government authority may avail of services of Inspection and Certification Agencies in **Appendix 2 I** of the Appendices and Aayat Niryat Forms, for certifying residual life as well as valuation / purchase price of capital goods."

4. Amendment in paragraph 2.108(d)

Amended paragraph 2.108(d) shall read as under:-

2.108 Rules of Origin (Non-Preferential)

"(d). The agency would ensure that goods are of Indian origin as per criteria defined in (a) above before granting CoO (non preferential). Certificate would be issued as per format given in **Annexure-II to Appendix 2 E**. It should be ensured that no correction/re-type is made on certificate. Any agency desirous of enlistment in **Appendix-2 E** may submit their application as per **Annexure-I to Appendix 2 E** to DGFT."

5. Amendment in paragraph 4.37(a)

In Paragraph 4.37(a), in the list of **Sea Ports** "Paragraphdeep" may be read as "**Paradeep**".

6. Amendment in paragraph 4.38

Amended paragraph 4.38 shall read as under:-

"4.38. Facility of Clubbing of Authorisations

(i) No clubbing of Authorisations issued on or before 31st March, 2009 shall be allowed. Cases already considered by PRC shall not be re-examined by RA under Para 4.38 of HBP for the purpose of clubbing. Applicant shall declare that he has not included any Advance Authorisation in respect of which request for clubbing has been considered earlier by PRC.

(ii) Request for clubbing shall be made in ANF - 4C to the concerned RA who has issued the Authorisations.

(iii) Clubbing of authorisations covered under Appendix 4 J and authorisations with EOP less than 18 months shall not be allowed.

(iv) Facility of clubbing of Advance Authorisations shall be available only for redemption/regularisation of such authorisations and no further import or export shall be allowed.

(v) Facility of clubbing shall not be available for Advance Authorisation for Annual Requirement.

(vi) For clubbing, Authorisations are required to have been issued under similar Customs notifications. Such Authorisations may pertain to different financial years.

(vii) (a) Clubbing of Authorisations issued before 05.06.2012:

Only such Advance Authorisations shall be clubbed which have been issued within 36 months from the date of issue of the earliest Authorisation.

(b) Clubbing of Authorisations issued on or after 05.06.2012:

Only such Advance Authorisations shall be clubbed which have been issued within 18 months from the date of issue of earliest Authorisation.

(c) Clubbing of Authorisation issued before 5.6.2012 with authorisation issued on or after 5.6.2012:

Only such Advance Authorisations shall be clubbed which have been issued within 18 months from the date of issue of the earliest Authorisation.

(viii) Accounting of exports made outside the

Amendments in MEIS Notification

MEIS to Prevail in Case of Conflict between MEIS List and other Lists

Ntnf 38
15.06.2015
(DoR)

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

Customs, dated the 8th April, 2015 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 269 (E), dated the 8th April, 2015, namely:-

In the said notification, in the Table,-

(a) for the entries against serial numbers vii, xiv, xvi and xvii, the following entries shall be substituted, namely:-

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. 24/2015-

"vii Items, which are restricted for export under Schedule-2 of Export Policy in ITC (HS), unless specifically notified in Appendix 3B of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020;

xiv Sugar of all types and all forms, unless specifically notified in Appendix 3B of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020;

xvi Export of milk and milk products, unless specifically notified in Appendix 3B of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020;

xvii Export of Meat and Meat Products, unless specifically notified in Appendix 3B of Appendices and Aayat Niryat Forms of Foreign Trade Policy 2015-2020;";

(b) after serial number xix and the entries relating thereto, the following serial number and the entries shall be inserted, namely:-

"xx Items, which are prohibited for export under Schedule-2 of Export Policy in ITC (HS)."

[F.No.605/55/2014-DBK]

Reward Scrip Issue in Three Working Days!

16-PN(RE)
04.06.2015
(DGFT)

In exercise of powers conferred under paragraph 1.03 of the Foreign Trade Policy, 2015-2020, the Director General of Foreign Trade hereby notifies the amendments to Handbook of Procedures of FTP 2015-20.

These amendments shall be deemed to have come into force with effect from 1st April, 2015.

1. Amendment in paragraph 1.07

Amended heading of Para 1.07 shall read as under:-

"1.07. Separate applications from EDI and Non EDI ports".

2. Amendment in paragraph 2.47(A)(i) and (B)(i)

Amended paragraph 2.47(A)(i) shall read as un-

der:-

"(A) R&D Equipment for Pharmaceuticals and Bio-technology Sector

(i) Duty free import of goods (as specified in list 28 of **Customs notification No.21/2012 dated 17.3.2012**, as amended from time to time) upto 25% of FOB value of exports during preceding licensing year, shall be allowed."

Amended paragraph 2.47(B)(i) shall read as under:-

"(B) Agro-Chemicals Sector

(i) Duty free imports of goods as specified in list 28A of **Customs notification No. 21/2012 dated 17.3.2012**, upto 1% of FOB value of exports made during preceding licensing year, shall be allowed to agro chemicals sector unit having export turnover of Rs. 20 crore or above during preceding

export obligation period of earliest Authorisation shall be regularized, on payment of composition fee, in the following manner:

(a) Where Authorisations were issued with initial obligation period of 36 months and last date of shipment is within 48 months:

In such cases, exports made upto 48 months from the date of issuance of earliest authorization shall only be taken into consideration for clubbing. Accounting of exports made shall be subject to payment of a composition fee @ 0.5% of FOB value of exports made after 36 months from the date of issue of earliest authorisation but upto 42 months. For the exports effected after 42nd month till 48th month from the date of earliest Authorisation, the composition fee will be @ 0.5% per month of FOB value of exports made.

(b) Where Authorisations are issued with initial obligation period of 18 months and last date of shipment is within 30 months:

In such cases, exports made upto 30 months from the date of issuance of earliest authorization only will be taken into consideration for clubbing. Accounting of exports shall be subject to payment of a composition fee @ 0.5% of FOB value of exports made after 18 months from the date of earliest authorisation but upto 24 months. For the exports effected after 24th month till 30th month from the date of earliest Authorisation, the composition fee will be @ 0.5% of FOB value of exports made.

(c) Where Authorisation(s) with initial obligation period of 36 months is clubbed with authorization(s) with initial obligation period of 18 months.

In such cases, exports made upto 30 months from the date of issuance of earliest authorization only will be taken into consideration for clubbing. Accounting of exports shall be subject to payment of a composition fee @ 0.5% of FOB value of exports made after 18 months from the date of earliest authorisation but upto 24 months. For the exports effected after 24th month till 30th month from the date of earliest Authorisation, the composition fee will be @ 0.5% of FOB value of exports made.

(ix) Minimum value addition as prescribed in FTP and Procedures for the export product will be required to be maintained. Upon clubbing, if shortfall in value or quantity is noticed, the same shall be regularized under the provisions of Para 4.49 of HBP. However, clubbing of authorisations issued with different minimum value addition criteria shall not be allowed by RA.

(x) After clubbing, authorisations shall for all purposes, be deemed to be one Authorisation. The value addition would be calculated on the basis of total CIF and total FOB arrived at after clubbing the Authorisations."

7. Amendment in paragraph 4.42

Amended paragraph 4.42 shall read as under:-
"4.42. Export Obligation (EO) Period and its Extension

(a) **Period of EO fulfilment** under an Advance Authorisation shall commence from date of issue of Authorisation, unless otherwise specified. **The period of EO fulfilment is given in paragraph 4.22 of FTP.**

(b) Regional Authority may consider a request of Advance Authorisation holder for one extension of EO period upto six months from the date of expiry of EO period subject to payment of composition fee of 0.5% of the shortfall in EO.

Authorisation holder will have to submit a self declaration to RA stating that unutilised imported/domestically procured inputs are available with the applicant.

(c) Request for further extension of six months after first extension as in (b) above can be considered by Regional Authority, provided Authorisation holder has fulfilled minimum 50% export obligation in quantity as well as in value, on pro-rata basis. This will be subject to payment of composition fee @ 0.5% per month on unfulfilled FOB value of export obligation. No further extension shall be allowed by Regional Authority. This provision shall also be applicable to Advance Authorisations issued during FTP 2009-2014. **However, only two extensions of six months each as given in sub-para (c) and in this sub-para can be allowed subject to payment of composition fee and under no circumstance Regional Authority shall allow any extension beyond 12 months from date of expiry of EO period.** At the time of filing application for second extension, authorisation holder will have to submit a certificate to RA from an independent Chartered Accountant/Chartered Engineer certifying that unutilised imported/domestically procured inputs are available with the applicant.

(d) However, extension in EO period in respect of an Advance Authorization issued for import of an input listed under Appendix 4J of HBP 2015-2020 or **Appendix 30A of Hand Book of Procedures 2009-14** shall not be permitted by RA.

(e) Whenever a ban / restriction is imposed on export of any product, export obligation period in respect of Advance Authorisation already issued prior to imposition of ban, would stand automatically extended for a period equivalent to the duration of ban, without any composition fee."

8. Amendment in paragraph 4.85

Amended paragraph 4.85 shall read as under:-

"4.85 Exports against Advance Authorisation

(a) Procedure applicable to Advance Authorisations under Chapter 4 of Hand Book of Procedures shall generally apply to this scheme except norms for value addition, EO period and regularization of default. Value addition for Gems and Jewellery items shall be as per paragraph 4.61 of this Handbook of Procedures.

(b) EO will be required to be fulfilled within 120 days from date of import of each consignment against Authorisation. However EO period shall be 180 days from date of import of findings, mountings made of gold, platinum and silver and export of jewellery. No further extension in EO period will be allowed.

(c) Advance Authorisation holder may obtain gold/silver / platinum from nominated agencies in lieu of direct imports. In such a case, nominated agency shall make, both exchange control copy and customs purpose copy of Authorisation invalid for direct imports."

9. Amendment in paragraph 7.02(c)

Amended paragraph 7.02(c) shall read as under:-

7.02. Criteria for claiming benefits

"(c) In respect of supply of goods to an EPCG Authorisation holder, against Invalidation Letter, application for Advance Authorisation / DFIA shall be made as per procedures given in Chapter 4 of HBP. **Since supply of goods to an EPCG Authorization holder is not exempted from payment of TED, claim for such TED refund**

DGFT Clarifies that Services Supply to SEZ is not Eligible to Reward Scheme Benefits

Subject: Supply of a 'service' by units located in DTA to SEZ units - ineligible for rewards under SEIS.

01-Pol.Cir 11.06.2015 (DGFT) References have been received in this Directorate enquiring whether or not supply of a 'service' by unit(s) located in DTA to SEZ unit(s) is eligible for rewards under SEIS.

2. In this context reference is invited to Para 3.08 of the FTP 2015-2020 which specifies the requirements for being eligible for rewards under SEIS. Sub-para (a) of Para 3.08 clearly states that **"Only Services rendered in the manner as per Para 9.51(i) and Para 9.51(ii) of this policy shall be eligible"**

Para 9.51(i) of FTP 2015-2020 reads as under: "Service Provider" means a person providing:

(i) Supply of a 'service' from India to **any other country**; (Mode1- Cross border trade)

3. Para 3.08 (a) read together with para 9.51(i) of FTP 2015-2020, as notified on 1.4.2015, makes it abundantly clear that 'supply' of a service to **any other country** only is eligible for SEIS benefits. Since SEZ is 'Indian Territory' supply of a service to SEZs is **not eligible** for rewards under SEIS.

4. Therefore it is clarified that regardless of the amendment notified vide Notification No. 08/2015-2020 dated 04.06.2015 (through which export turnover relating to services of units operating under SEZ Scheme or supplies of services made to such units has been deleted from the list of ineligible categories under SEIS thereby making supply of a 'service' from SEZ to other countries eligible for SEIS benefits), supply of a 'service' by units located in DTA to SEZ units **was and shall continue to remain ineligible** for rewards under SEIS as explained in para 3 above.

This issues with the approval of DGFT.

may be made to the RA concerned, as per the invalidation letter. In respect of supply of goods to EPCG Authorisation holder against ARO, issued as per Paragraph 5.08 of HBP, refund of TED shall be allowed. If Advance Authorisation / DFIA is not obtained for duty free inputs, Duty drawback shall be allowed on duty paid inputs used in the resultant product."

10. Amendment in paragraph 9.10 Time Bound Disposal of Applications.

In the table under this paragraph, time limit for disposal of applications under category at **Sl. No. vii** is being modified and a new category at **Sl. No. xv** is being added as per details below:

S No.	Category of Application	Time Limit For Disposal (in working days)
vii	Acceptance of BG/LUT	3
xv	Schemes of Chapter 3	3

Effect of this Public Notice

Amendments to the Handbook of Procedures of FTP 2015-2020, are hereby notified which shall be deemed to have come into effect from 1st April, 2015.

Tariff Value of Silver Falls by \$25/Kg; Brass Scrap \$65/MTs

Crude Palm Oil Tariff Value Up by \$23/MTs; Palm Oil \$14-18/MTs; Palmolein \$19/MTs; Crude Soyabean Oil \$11/MTs; Areca Nut \$4/MTs

61-Cus(NT) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise & Customs, being satisfied that it is necessary and expedient 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. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S.O. 748 (E), dated the 3rd August, 2001, namely:-

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted namely:-

"Table-1"

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	680
2	1511 90 10	RBD Palm Oil	690
3	1511 90 90	Others – Palm Oil	685
4	1511 10 00	Crude Palmolein	701
5	1511 90 20	RBD Palmolein	704
6	1511 90 90	Others – Palmolein	703
7	1507 10 00	Crude Soyabean Oil	800
8	7404 00 22	Brass Scrap (all grades)	3592
9	1207 91 00	Poppy seeds	2602

Table-2

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	385 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	519 per Kilogram

Table-3

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tons)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	2268"

[F. No. 467/01/2015-Cus-V Pt.I]

Supari Minimum Price Hiked to Rs. 162/kg from Rs. 110/kg

10-Ntfn(RE) In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, the Central Government hereby amends the Import Policy of Areca Nut under ITC (HS) code 0802 80 10, 0802 80 20, 0802 80 30 and 0802 80 90 of Chapter 8 of ITC (HS) 2012 – Schedule -1 (Import Policy) as under:

The CIF value of Areca Nuts under the following Exim Codes of Chapter 8 of ITC (HS) 2012, Schedule 1 (Import Policy) is revised from the present 'Rs.110/- and above per Kilogram' to 'Rs. 162/- and above per Kilogram'. The revised entries shall be as under:

Exim Code	Item Description	Policy	Policy Conditions
Areca Nuts:			
0802 80 10	Whole	Free	Provided CIF value is Rs. 162/- and above per Kilogram.
0802 80 20	Split	Free	Provided CIF value is Rs. 162/- and above per Kilogram.
0802 80 30	Ground	Free	Provided CIF value is Rs. 162/- and above per Kilogram.
0802 80 90	Other	Free	Provided CIF value is Rs. 162/- and above per Kilogram.

BIG's Weekly Index of Changes No 12/17-23 June 2015

Exchange Rates for Customs Valuation

Rupee Rises by 45 paise to Rs. 64.75 against Dollar for Customs Valuation on Imports w.e.f. 5 June 2015

52-Cus(NT) In exercise of the powers conferred by section 14 of the 04.06.2015 Customs Act, 1962 (52 of 1962), the Central Board of (DoR) Excise & Customs hereby determines that the rate of exchange of conversion of each of the foreign currencies specified in column (2) of each of Schedule I and Schedule II annexed hereto, into Indian currency or *vice versa*, shall, with effect from 5th June, 2015, be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

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

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

1.	Australian Dollar	50.35	50.95	48.90	49.65
2.	Bahrain Dinar	175.20	173.95	165.60	164.45
3.	Canadian Dollar	52.10	52.90	50.95	51.65
4.	Danish Kroner	9.85	9.65	9.55	9.40
5.	EURO	73.30	71.85	71.50	70.05
6.	Hong Kong Dollar	8.35	8.30	8.20	8.15
7.	Kuwait Dinar	218.65	217.40	206.65	205.10
8.	Newzeland Dollar	46.45	47.40	45.25	46.00
9.	Norwegian Kroner	8.40	8.55	8.15	8.30
10.	Pound Sterling	99.50	100.30	97.30	98.05
11.	Singapore Dollar	48.20	48.35	47.20	47.20
12.	South African Rand	5.35	5.55	5.05	5.25
13.	Saudi Arabian Riyal	17.60	17.50	16.65	16.55
14.	Swedish Kroner	7.85	7.75	7.65	7.55
15.	Swiss Franc	69.60	69.10	67.95	67.45
16.	UAE Dirham	18.00	17.85	17.00	16.90
17.	US Dollar	64.75	64.30	63.70	63.25

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

1.	Japanese Yen	52.15	53.25	51.00	52.00
2.	Kenya Shilling	68.30	67.85	64.40	64.00

[F.No.468/01/2011-Cus.V]

2. Effect of this Amendment

The minimum price for import of Areca Nuts is enhanced from existing Rs.110/- to Rs.162/- per Kilogram.

Clubbing of Authorization Facility – Amendments in Handbook of Procedures Para 4.38

Subject: **Corrigendum** to Public Notice No.16 dated 4th June, 2015 in respect of amendments in Paragraphs 4.38 (viii) (b)&(c) and paragraph 4.42(c) of Hand Book of Procedure

20-PN(RE) In exercise of powers conferred under paragraph 1.03 09.06.2015 of the Foreign Trade Policy, 2015-2020, the Director (DGFT) General of Foreign Trade hereby notifies the corrigendum to Public notice 16 dated 4th June, 2015, amending Paragraphs 4.38(viii)(b)&(c) and 4.42(c) of Handbook of Procedures of FTP 2015-20. These corrections shall be deemed to have come into force with effect from 1st April, 2015.

1. Correction in paragraphs 4.38(viii)(b)&(c)

Corrected paragraphs 4.38(viii)(b)&(c) shall read as under:-

"4.38. Facility of Clubbing of Authorisations

(viii) (b) Where Authorisations are issued with initial obligation period of 18 months and last date of shipment is within 30 months:

In such cases, exports made upto 30 months from the date of issuance of earliest authorization only will be taken into consideration for clubbing. Accounting of exports shall be subject to payment of a composition fee @ 0.5% of FOB value of exports made after 18 months from the date of earliest authorisation but upto 24 months. For the exports effected after 24th month till 30th month from the date of earliest Authorisation, the composition fee will be @ 0.5% per month of FOB value of exports made.

(c) Where Authorisation(s) with initial obligation period of 36 months is clubbed with authorization(s) with initial obligation period of 18 months.

In such cases, exports made upto 30 months from the date of issuance of earliest authorization only will be taken into consideration for clubbing. Accounting of exports shall be subject to payment of a composition fee @ 0.5% of FOB value of exports made after 18 months from the date of earliest authorisation but upto 24 months. For the exports effected after 24th month till 30th month from the date of earliest Authorisation, the composition fee will be @ 0.5% per month of FOB value of exports made.

2. Correction in paragraph 4.42 (c)

Corrected paragraph 4.42 (c) shall read as under:-

“4.42. Export Obligation (EO) Period and its Extension

(c) Request for further extension of six months after first extension as in (b) above can be considered by Regional Authority, provided Authorisation holder has fulfilled minimum 50% export obligation in quantity as well as in value, on pro-rata basis. This will be subject to payment of composition fee @ 0.5% per month on unfulfilled FOB value of export obligation. No further extension shall be allowed by Regional Authority. This provision shall also be applicable to Advance Authorisations issued during FTP 2009-2014. However, only two extensions of six months each as given in **sub-para (b)** and in this sub-para can be allowed subject to payment of composition fee and under no circumstance Regional Authority shall allow any extension beyond 12 months from date of expiry of EO period. At the time of filing application for second extension, authorisation holder will have to submit a certificate to RA from an independent Chartered Accountant/ Chartered Engineer certifying that unutilised imported/domestically procured inputs are available with the applicant.

Effect of this Public Notice

In case of second extension of authorisation, the composition fee shall be charged @0.5% per month of FOB value of exports made. Accordingly, corrections have been made in Paragraphs 4.38 (viii)(b)&(c) to align the same with paragraph 4.38(viii)(a). Typographical error in paragraph 4.42(c) has been corrected.

Fast Track Scheme for EOU, Turnover Revised Downwards to Rs. 10crs

Sub: Revision of Handbook of Procedures (HBP)-Changes/ amendments in the EOU/EHTP/STP/BTP Schemes

19-CBEC New Handbook of Procedures
09.06.2015 (HBP) 2015-2020 has been
(DoR) notified by DGFT vide Public
Notice No. 01/2015-2020 dated
01.04.2015. In this regard, attention is invited to
CBEC Circular No. 17/2006-Cus dated 1st June,
2006 and Circular No. 19/2007-Cus dated 3rd
June, 2007 as amended by Circular No.16/2014-
Cus dated 18th December 2014 regarding units
set up under EOU/EHTP/STP/BTP scheme.

2. As per the para 6.40(c) of HBP 2015-2020, 'the turnover limit of Rs 15 crores and above in the preceding year' has now been revised to 'the turnover limit of Rs. 10 crores and above in the preceding year'.

3. Accordingly, the Para 7 of Circular No. 17/2006-Cus dated 1st June, 2006 regarding the Fast Track Scheme for EOUs for import of goods and opening Para of Circular No. 19/2007-Cus dated 3rd June, 2007 shall be taken as modified to the above extent.

4. This issues with the approval of CBEC.

F. No. DGEP/FTP/23/2014-EOU & G&J

DGFT Permits Diamond SNZ as per CBEC Procedure

Subject: Insertion of new Para 4.49 A on Special Notified Zone in FTP 2015-20.

11-Ntfn(RE) In exercise of the powers
15.06.2015 conferred by Section 5 of the
(DGFT) Foreign Trade (Development and
Regulation) Act, 1992 read with

Para 1.02 of the Foreign Trade Policy, 2015-2020, the Central Government hereby inserts a new paragraph 4.49 A in the Foreign Trade Policy (FTP) 2015-2020 with immediate effect:

4.49 A Special Notified Zone

Import, auction/sale and re-export of rough diamonds by entities, as notified vide RBI Notification 116 of 1st April, 2014, as amended from time to time, on consignment or outright basis, will be permitted in Special Notified Zone (SNZ) administered by the operator of SNZ, under supervision of Customs. The procedure of import, auction/ sale and re-export of rough diamonds (unsold) would be as specified by CBEC.

Effect of this Notification: Provision for Import, auction/sale and re-export of rough diamonds in Special Notified Zone (SNZ) is notified.

Windex No. 12 – 17-23 June 2015	Dindex	Windex
Dindex Delivered Daily by Email		
World Trade		
• India Loses Appeal in WTO in Poultry Ban Case	5998	73
• Export Crash 20% in May, Imports Fall 16.52%	5996	74
• Thailand and Sierra Leone Join Kyoto Convention on Trade Facilitation, 101 Countries are In	5999	74
Foreign Trade Policy		
• DGFT Clarifies that Services Supply to SEZ is not Eligible to Reward Scheme Benefits – 01-Pol.Cir/11.06.2015	5992	78
• DGFT Reiterates Shipment Date is Crucial Date for Transition Arrangements in Case Policy Change – 02-Pol.Cir/12.06.2015	5991	75
• LR, RR and Postal Receipt Recognized as Transport Document Equivalent by DGFT – 08-Ntfn(RE)/04.06.2015	5971	76
• Export Houses Limited to only Rs. 10 lakh Export without FC Realisation, Facility Covers only Exports upto Rs. 5 crs per Year – 09-Ntfn(RE)/04.06.2015	5970	75
• Supari Minimum Price Hiked to Rs. 162/kg from Rs. 110/kg – 10-Ntfn(RE)/08.06.15	5974	79
• DGFT Permits Diamond SNZ as per CBEC Procedure – 11-Ntfn(RE)/15.06.2015	5993	80
• Reward Scrip Issue in Three Working Days! – 16-PN(RE)/04.06.2015	5973	77
• Manual System in EDI for Export House Status to Continue till 30 Sept 2015 – 17-PN(RE)/04.06.2015	5972	75
• Last Date for PSIA Approval in New System Extended to 18 June – 19-PN(RE)/05.06.2015	5967	75
• Clubbing of Authorization Facility – Amendments in Handbook of Procedures Para 4.38 – 20-PN(RE)/09.06.2015	5985	79
Customs		
• MEIS to Prevail in Case of Conflict between MEIS List and other Lists – Ntfn 38/15.06.2015	5997	77
• Rupee Rises by 45 paise to Rs. 64.75 against Dollar for Customs Valuation on Imports w.e.f. 5 June 2015 – 52-Cus(NT)/04.06.2015	5968	79
• Tariff Value of Silver Falls by \$25/Kg; Brass Scrap \$65/MTs – 61-Cus(NT)/15.06.15	5995	79
CBEC Circular		
• Fast Track Scheme for EOU, Turnover Revised Downwards to Rs. 10crs – 19-CBEC/09.06.2015	5984	80
RBI Circular [AP/DIR Series]		
• RBI Permits NRIs to Subscribe Chit Funds without Limit under Chit Fund Act – Cir.107/11.06.2015	5990	-
• ECB for Low Cost Affordable Housing Projects – Cir.108/11.06.2015	5989	-
*See details in www.worldtradesScanner.com		