

## Raghuram Rajan to Leave RBI for Chicago



*"He Came, He Saw, He Conquered"* and He Left. He was animated, exuberant, stylish and articulate. He gave expression to his views without reservation and this probably was his undoing also.

Raghuram Rajan's announcement that he won't seek a new term as governor of the Reserve Bank of India leaves a key policy challenge to his successor -- the successful completion of a clean-up of more than \$100 billion of stressed assets on the books of Indian banks. Stressed assets rose to 11.3 percent of total Indian bank loans as of Sept. 30, RBI data show.

Rajan's campaign to force the country's banks to recognize the true state of their bad loans culminated in a six-month asset-quality review that led to banks reporting a surge in bad-debt disclosures and higher losses earlier this year. But the March 2017 deadline set by Rajan for the completion of the clean-up will come after he leaves office in early September.

The review is "the most important" banking sector reform undertaken by Rajan. With bad loans at a 15-year high, the project is a crucial step toward reviving credit growth and bolstering India's \$2 trillion economy.

Rajan jolted the country on the weekend with a letter to RBI staff saying he will step down when his term ends in early September and return to academia.

Since taking office in 2013, the former International Monetary Fund chief economist helped strengthen and stabilize the rupee, and propel the nation's foreign-exchange reserves to an all-time high. Those moves, along with the implementation of an inflation-targeting regime, built India's credibility with investors and helped it overtake a slowing China as the world's fastest-growing major economy.

Beyond the asset-quality review, the RBI under Rajan also developed reforms to facilitate loan recovery from failing corporate debtors, and a framework to boost mobile payments.

In the letter announcing his decision to step down, Rajan said the bank clean-up isn't finished, though measures taken so far had "brought more credibility to bank balance sheets."

RBI Governors in the past have generally been given two terms. Being restricted to one term with rampant rumours of a conspiracy against him means that Rajan gets sympathy in addition to admiration.



**Subramanian Swamy** goes about blaming Rajan for his allegedly hawkish stand on interest rates which according to him has distressed many industrial units. Swamy also alleges Rajan is in the thick of a forex currency rate scandal which will

surface in Dec 2016 when the exposures mature. But, leaders of industry have almost unanimously regretted his early departure. Swamy's argument flies in the face of empirical evidence.

Rajan's best legacy is what he did to banks' Balance Sheets and willful defaulters. It is hoped that his successor will emulate him on this.

In his farewell message to RBI employees, Rajan says he is always available to serve the country. "The country needs him now more than ever and he has chosen to walk back into distant academia", Noted Nobel Laureate Amartya Sen says. Of course, no one is indispensable. We will get over Rajan-mania sooner than expected.

*"Rajan seems to know when to leave. He has chosen to depart when economic climate is more bright than dark. He has not allowed his admirers to discover his feet of clay. RBI Governor's success depends more on circumstances and less on his / her brilliance. Deciding to leave when circumstances are fairly healthy is a master stroke."*

### Attacks on Rajan

- There were demands for additional bank licenses. All major corporations were seeking the licenses. Who got it? Not Tata, Birla, Ambani, Larsen & Toubro, Indian Post. 2 winners, Bandhan Bank !!!! IDFC
- If you look at the Indian Import and Export, you will find gems and jewellery in first five. Gold/pearl/stones are imported. Jewellery is exported. Millions of Artisans in Gujarat Maharashtra, Bengal, UP and Rajasthan live on this trade. Rajan raised the gold import duty. This led to flourishing of gold smuggling once again. Mastans in Middle East were thankful to him for providing a new lease of life. We have exporter out the jewellery trade to the Middle East. Thousands of artisans have moved over and now Indian trade is suffering. Anyone who has little awareness of International finance is aware of the low interest rates these countries have kept for years to help the industry. US is a prime example. It brought down the interest rates to nearly zero and kept it for the last 8 years.
- He claims to be Indian. Is he? NRI ? Green card holder? US citizen? What is he?

**Editor writes:** Rajan was a C Rangarajan man who got him into Government, first as Chief Economic Advisor (CEA) and later as RBI governor. He should stay in India and fight it out instead of returning to adopted motherland. By nature, he was

### Crude Rises to \$47.02

Crude Oil (Indian Basket) from 15 - 21 June 2016

	15 June	16 June	17 June	20 June	21 June
(\$/bbl)	46.52	45.22	45.17	47.24	47.02
(Rs/bbl)	3124.60	3039.39	3033.72	3184.55	3172.68
(Rs/\$)	67.16	67.21	67.17	67.41	67.48

(Previous Trading Day Price)

Source: Ministry of Petroleum & Natural Gas

### Addl Secretary AK Bhalla Gets Additional Charge of DGFT from 9 Jun to 3 July 2016

The 1984 batch IAS officer of AM cadre, Ajay Kumar Bhalla, Additional Secretary in Dept of Commerce has been given the additional charge of the post of Director General of Foreign Trade for the period from 9 June 2016 to 3 July 2016. (Anup Wadhawan is the DGFT as such).

very conservative and hence kept the interest rate too high, hurting investment in the name of fighting inflation. This the Central Bankers always do.

Only Bimal Jalan brought them down. Many banks and NBFCs collapsed as they were stranded with high interest portfolios!!

RR was painfully slow in cutting interest rate. Now that he has done it, and his successor will also do so, will real growth, employment and bank credit offtake rise? Or will we have more bad debts from fake borrowings.

Big business houses of yesterday are not really equipped to handle banking business. Reliance type family structures and Tata type bureaucra-

cies are not the answers, In our opinion, Big business has not promoted a single institution in recent times, for the big fall of Reliance Jio at the hands of Airtel.

Rajan has created a revolution in promoting specialised banking institutions. His policies have successfully promoted Startups like Ujivan finance in Bangalore. The recent share issue at Rs 210 is now quoted at 300.NBFCs without public deposit exposure are registered on fast track. Don't need more banks, we need better ones who are efficient.)

### India Trade Notes

## Export Fall Arrested, May Shows Decline of only 0.79%; Imports Fall 13.16%

### I. Merchandise Trade

#### Exports (including re-exports)

Exports during May,2016 were valued at US\$ 22170.62 million (Rs. 148336.31 crore) which was 0.79 per cent lower in Dollar terms (4.04 per cent higher in Rupee terms) than the level of US\$ 22346.75 million (Rs. 142572.92 crore) during May,2015. Cumulative value of exports for the period April-May 2016-17 was US\$42739.47million (Rs. 285056.42 crore) as against US\$ 44401.47 million (Rs.280973.36crore) registering a negative growth of 3.74 per cent in Dollar terms and positive growth of 1.45 per cent in Rupee terms over the same period last year.

Non-petroleum exports in May 2016 are valued at US\$ 20119.97 million against US\$ 19919.00 million in May 2015, an increase of 1.01%. Non-petroleum exports during April to May 2016 are valued at US\$ 38709.24 million as compared to US\$ 39218.56 million for the corresponding period in 2015, a reduction of 1.30%.

The decline in exports for India has slowed considerably as the above figures indicate. The growth in exports have fallen for USA (6.15%), European Union (1.42%), Japan (0.75%) but China exhibited positive growth (11.39%) for March 2016 over the corresponding period previous year as per WTO statistics.

#### Imports

Imports during May 2016 were valued at US\$ 28443.52 million (Rs. 190306.19 crore) which was 13.16 per cent lower in Dollar terms and 8.93 per cent lower in Rupee terms over the level of imports valued at US\$ 32752.99million (Rs. 208965.06 crore) in May,2015. Cumulative value of imports for the period April-May 2016-17 was US\$ 53857.24 million (Rs. 359229.90 crore) as against US\$ 65800.01 million (Rs. 416345.69 crore) registering a negative growth of 18.15 per cent in Dollar terms and 13.72 per cent in Rupee terms over the same period last year.

#### Crude Oil and Non-Oil Imports:

Oil imports during May, 2016 were valued at US\$ 5938.59 million which was 30.45 per cent lower than oil imports valued at US\$ 8538.67 million in the corresponding period last year. Oil imports during April-May, 2016-17 were valued at US\$ 11594.51 million which was 27.45 per cent lower than the oil imports of US\$ 15981.59 million in the corresponding period last year.

Non-oil imports during May, 2016 were estimated at US\$ 22504.93 million which was 7.06 per cent lower than non-oil imports of US\$ 24214.32 million in May, 2015. Non-oil imports during April-May

2016-17 were valued at US\$ 42262.73 million which was 15.17 per cent lower than the level of such imports valued at US\$ 49818.42 million in April-May, 2015-16.

### II. Trade in Services (for April, 2016, as per the RBI Press Release dated 15th June, 2016)

#### Exports (Receipts)

Exports during April, 2016 were valued at US\$ 12,908 Million (Rs. 85798.83 Crore) registering a positive growth of 0.10 per cent in dollar terms as compared to positive growth of 4.59 per cent during March 2016 (as per RBI's Press Release for the respective months).

#### Imports (Payments)

Imports during April, 2016 were valued at US\$ 7183 Million (Rs. 47745.04 Crore) registering a negative growth of 9.13 per cent in dollar terms as compared to positive growth of 9.96 per cent during March 2016 (as per RBI's Press Release for the respective months).

### III. Trade Balance

**Merchandise:** The trade deficit for April-May, 2016-17 was estimated at US\$ 11117.77 million which was lower than the deficit of US\$ 21398.54 million during April-May, 2015-16.

**Services:** As per RBI's Press Release dated 15th June 2016, the trade balance in Services (i.e. net export of Services) for April, 2016 was estimated at US\$ 5725 million.

**Overall Trade Balance:** Overall the trade balance has improved. Taking merchandise and services together, overall trade deficit for April- May 2016-17 is estimated at US\$ 5392.77 million which is 65.67 percent lower in Dollar terms than the level of US\$ 15710.54 million during April-May 2015-16. (Services data pertains to April 2016 as per the latest data available in RBI's Press Release dated 15th June 2016).

#### Merchandise Trade

##### Exports & Imports: (US \$ Million)

	(Provisional)	
	May	April-May
Exports (including re-exports)		
2015-16	22346.75	44401.47
2016-17	22170.62	42739.47
%Growth2016-17/ 2015-16	-0.79	-3.74
Imports		
2015-16	32752.99	65800.01
2016-17	28443.52	53857.24
%Growth2016-17/ 2015-16	-13.16	-18.15

#### Trade Balance

2015-16	-10406.24	-21398.54
2016-17	-6272.90	-11117.77

#### Services Trade

##### Exports & Imports (Services): (US \$ Million) (Provisional)

April 2016-17	
Exports (Receipts)	12908.00
Imports (Payments)	7183.00
Trade Balance	5725.00

## All India Standard System for Dry Bulk Cargo from 20 August 2016

Ministry of Shipping has formulated a new Berthing Policy for Dry Bulk Cargo for all Major Ports which will come into effect from 20th August, 2016. The objective of the new Berthing Policy is to:

- Provide a standardized framework for calculation of norms, specific to the commodity handled and the infrastructure available on the berth
- Design norms with the objective of driving higher productivity and achieving near-design capacity of the available equipments/infrastructure in order to:
- Reduce berthing time & overall turn-around time of ships; drive higher cargo throughput using the available infrastructure in the Major Ports.
- Improve utilization of port assets and create additional capacity without any significant capital investment.
- Increase competitiveness of the Major Port by creating value for the trade through reduced logistics cost.
- Reassess the capacity of the berths based on the expected performance of the berth equipments and vessels derived from performance norms.
- Standardize anchorage charges across Major Ports to reduce turnaround time.

All the Major Ports will be holding trade meetings between 1st July to 18th July, 2016 to sensitize the norms, incentives, penalties & charges to be implemented. The policy will be implemented by all Major Ports by 20th August, 2016.

### Background

Dry bulk cargo currently makes up >26% of the cargo handled at the 12 major ports. Furthermore growth in coastal shipping is expected to add ~100-150 MMTPA of additional dry bulk cargo at ports by 2020-25. Low productivity has contributed to high turn-around times in addition to resulting in higher berth occupancy levels across major ports. Furthermore, low productivity prevents ports from being able to utilize the full capacity of exiting assets, thereby directly diminishing return on investment for ports.

Performance norms are not being used optimally to improve productivity. There is no standardized, systematic method for arriving at norms for different commodities. Norms do not utilize the entire capacity of the best available equipment on berth. A guideline for calculation of performance norms for different commodities, taking into account the infrastructure available, is therefore important for enabling ports to use performance norms as a key lever to drive productivity improvement across ports.

**PP Fabric from Malaysia, Indonesia and Three others in Anti-dumping Investigation on Petition of Global Nonwovens Ltd**

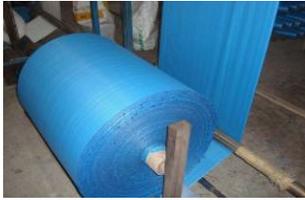
**[Anti-dumping Initiation Notification F.No.14/23/2015-DGAD dated 15th June 2016]**

*Subject: Petition for initiation of anti-dumping investigations on the imports of "Non Woven Fabric" originating in or exported from Malaysia, Indonesia, Thailand, Saudi Arabia and China PR*

M/s Global Nonwovens Limited has filed an application before the Designated Authority for imposition of Anti-dumping duty on imports of Non-Woven Fabric originating in or exported from Malaysia, Indonesia, Thailand, Saudi Arabia and China PR.

**Product under consideration**

The product under consideration in the petition is "Nonwoven fabric made of Polypropylene of GSM 25 or less". These Nonwoven fabrics are broadly defined as sheet or web structures bonded together by entangling filaments mechanically, thermally, or chemically. They are flat, porous sheets that are made directly from molten plastic. They are not made by weaving or knitting and do not require converting the fibers to yarn. The product under consideration can be produced in a number of different types or varieties, which essentially differ in thickness of fabric denominated in GSM, or in the manner in which fabric is formed. The production process involves passing of molten polypropylene through pair of hot cylinders which acts as a bonding agent. This can be either in spun-bond technique or in melt blown technique. The product under consideration is generally classified under Chapter 56 of the Customs Tariff Act under sub heading 56031100, 56039100 etc. It is clarified that the HS codes are only indicative and the product description shall prevail in all circumstances.



**Like Article**

The petitioner submitted that subject goods produced by the petitioner companies and the subject goods imported from the subject countries are like articles. There is no known difference between the subject goods exported from subject countries and that produced by the petitioner. Non woven Fabric produced by the domestic industry and imported from subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers can use and are using the two interchangeably. The two are technically and commercially substitutable and hence should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the subject goods produced by the applicant in India are being treated as 'Like Article' to the subject goods being imported from the subject country.

**Domestic Industry & Standing**

The Application has been filed by M/s Global Nonwovens Limited, as domestic industry of the product under consideration. According to the Petitioner, they are the sole producers of the subject goods in Domestic tariff Area in India. There is another manufacturer but in SEZ namely M/s Ahlstrom Fibre Composites India Pvt. Ltd. who

are also manufacturing the subject goods and have given a support letter. The petitioner has certified that there are no imports of the product under consideration by the petitioner or any of its related party from the subject countries. Since the production of the petitioner accounts for "a major proportion" in the total production of the product under consideration in India, the petitioner satisfies the standing and constitutes Domestic Industry within the meaning of the Rules.

**Normal Value**

The petitioner has claimed that China PR should be treated as a non-market economy and has determined normal value in accordance with Para 7 and 8 of

Annexure I of the Rules. In view of the non-market economy presumption and subject to rebuttal of the same by the responding exporters, normal value of the subject goods in China PR has been estimated in terms of Para 7 of Annexure I to the Rules. The applicant has determined the normal value based on cost of production in India, duly adjusted with selling, general and administrative expenses and reasonable profit.

Further, the applicant has also constructed the normal values in respect of Malaysia, Indonesia, Thailand and Saudi Arabia on the grounds that they were neither able to get any documentary evidence nor reliable information with regard to domestic prices of the subject goods in the said countries. Further, such information is also not available in public domain. The Authority has prima-facie considered the normal value of subject goods in subject countries on the basis of constructed values as made available by the applicants for the purpose of this initiation.

**Export Price**

The applicant has determined the export price on the basis of data published by DGCI&S and IBIS. Price adjustments have been claimed on account of commission, ocean freight, port expenses, inland freight, marine insurance, VAT adjustment and bank charges. During the course of investigation, the Authority will also analyse transaction-wise import data from Directorate General of Commercial Intelligence & Statistics (DGCI&S)

**Dumping Margin**

The normal value and the export price have been compared at ex-factory level, which show significant dumping margin in respect of the subject country. There is sufficient prima facie evidence that the normal value of the subject goods in the subject country is significantly higher than the ex-factory export price, indicating, prima facie, that the subject goods are being dumped into the Indian market by the exporters from the subject country.

**Injury and Causal Link**

The applicant has set up a new facility for production of the product under consideration and

**Wheat Duty of 25% Extended without Limit**

Expiry Date of 30 June Removed

*Seeks to further amend notification No. 12/2012-Customs, dated the 17th March, 2012 so as to continue with the imposition of BCD of 25% on wheat beyond 30.06.2016 and without an end date.*

Ntfn 38 In exercise of the powers  
17.06.2016 conferred by sub-section (1)  
(DoR) of section 25 of the Custom  
Act, 1962 (52 of 1962),

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

In the said notification, after the Table, in the proviso, clause (ac) shall be omitted.

[F.No.354/68/2006-TRU]

commenced commercial production within the investigation period. The applicant has claimed that dumping of the product under consideration in India is materially retarding the establishment of the domestic industry. The applicant has furnished information on various parameters relating to injury for the period for which it has commercial production. The domestic industry is forced to sell the product at prices materially below the fair prices envisaged by the domestic industry before commencement of production. The applicant has thus claimed that even when its commercial production has begun, the domestic industry is yet to find its place in the market.

The applicant has claimed that domestic industry has suffered material injury from dumped imports exemplified by various parameters such as significant increase in imports in absolute terms as also relative to the production and consumption in India, significant price undercutting, capacity utilization market share, continued financial losses, return on investments, cash flow, inventories, etc. The demand for the product under consideration has increased over the injury period and subject imports have increased in absolute terms. The imports are undercutting the domestic prices. The imports have suppressed/depressed the domestic prices over the injury period. With regard to consequent impact of the imports on the domestic industry, it is noted that performance of the domestic industry has deteriorated in respect of parameters such as profits; return on capital employed and cash profits. The domestic industry is suffering significant financial losses, cash losses and negative return on investments.

And whereas, the Authority prima facie finds that sufficient evidence of dumping of the subject goods, originating in or exported from the subject countries; injury to the domestic industry and causal link between the alleged dumping and injury exist to justify initiation of an anti-dumping investigation, the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in

terms of Para 5 of the Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping duty, which if levied, would be adequate to remove the 'injury' to the domestic industry.

Initiation of anti-dumping investigations

The Designated Authority, in view of the foregoing paragraphs, initiates antidumping investigations into the existence, degree and effect of alleged dumping of the subject goods originating in or exported from the subject country.

## India Gives \$2bn to Bangladesh for Power, Transport, ICT and Health

*Sub: Exim Bank's Gol supported Line of Credit of USD 2 billion to the Government of the People's Republic of Bangladesh*

AP(DIR Srs) Export-Import Bank of India Cir.76 (Exim Bank) has entered into 16.06.2016 an Agreement dated March 09, (RBI) 2016 with the Government of the People's Republic of Bangladesh, for making available to the latter, a Government of India supported Line of Credit (LOC) of USD 2 billion (USD Two billion) for financing various social and infrastructure development projects such as Power, Railways, Road Transportation, Information and Communication Technology, Shipping, Health and Technical Education Sectors in Bangladesh. The goods, machinery, equipment and services including consultancy services from India for exports under this agreement are those which are eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under this agreement, the goods and services including consultancy services of the value of at least 75% of the contract price shall be supplied by the seller from India and the remaining 25% goods and services (other than consultancy services) may be procured by the seller for the purpose of the eligible contract from outside India. Further in case of projects involving civil construction, the eligible goods upto the contract price supplied by the seller from India may be further reduced from 75% to 65% and further reduction can be considered on a case to case basis, provided the sourcing is not from a third country.

## Period of Investigation (POI)

The period of investigation for the purpose of present investigation is from 1st July 2015 to 31st March 2016 (9 months) considering that Petitioner has commenced trial production in March 2015 and commercial production in July 2015 only. However, the injury analysis is proposed to be carried out on the basis of quarter to quarter comparison of actual performance and projected estimates/targets.

**[Full text available at worldtradesScanner.com]**

2. The credit agreement under the LOC is effective from May 27, 2016 and the date of execution of agreement is March 09, 2016. Under the LOC, the terminal utilization period is 48 months from scheduled completion date of contract in case of project export and 72 months from execution of the Credit Agreement in case of other supply contracts.

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

4. No agency commission is payable under the above LOC. However, if required, the exporter may use his own resources or utilize balances in his Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorized 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](http://www.eximbankindia.in).

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

## Anti-dumping Duty Review to Continue on Pentaerythritol from China Initiated, Duty Extended upto 13 June 2017

Nfn 26-ADD Whereas, the designated 13.06.2016 authority vide notification (DoR) No.15/01/2016-DGAD, dated the 7th June, 2016, published

in the Gazette of India, Extraordinary, Part I, Section 1, dated the 7th June, 2016, has initiated review, in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the said rules), in the matter of continuation of anti-dumping duty on "Pentaerythritol", falling under sub-heading 2905 42 of the First Schedule to the Customs Tariff Act, originating in, or exported from, the People's Republic of China, imposed vide notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.47/2011-Customs, dated the 14th June, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.450(E), dated the 14th June, 2011, and has requested for extension of antidumping duty for a further period of one year, in terms of sub-section (5) of section 9A of the Customs Tariff Act.

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act and in pursuance of rule 23 of the said rules, the Central Government hereby makes the following further amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 47/2011-Customs, dated the 14th June, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.450(E), dated the 14th June, 2011, namely: -

In the said notification, after paragraph 2 and before the Explanation, the following paragraph shall be inserted, namely: -

"3. Notwithstanding anything contained in paragraph 2, this notification shall remain in force up to and inclusive of the 13th day of June, 2017, unless revoked earlier."

**[F.No.354/151/2005-TRU (Pt.-I)]**

## World Moves to Restrict Trade thru Anti-dumping

Mid-October 2015 to mid-May 2016, G20 economies applied 145 new trade-restrictive measures, or an average of almost 21 new measures a month. In the same period, G20 economies implemented 100 measures aimed at facilitating trade, averaging just over 14 per month. Since 2009, a total of 1,583 trade restrictive measures were imposed by G20 countries, and only a quarter of these measures have been removed. These restrictions cover over 6% of all G20 imports and 5% of global imports.

Anti-dumping actions account for the majority of restrictive measures imposed, with most of the investigations concentrated in sectors such as metals (particularly steel) and chemicals. G20 members also imposed more distortive measures in the form of government support for sectors such as infrastructure, agriculture and export-specific activities.

The G20 economies are Argentina, Australia,

Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Republic of Korea, Japan, Mexico, the Russian Federation, Saudi Arabia, South Africa, Turkey, the United Kingdom and the United States, as well as the European Union.

World trade remained volatile in 2015 as diverging outlooks for developed and developing economies unsettled global financial markets and prompted sharp movements in commodity prices and exchange rates. The volume of world merchandise trade grew 2.8% last year as trade fell sharply in the first half of the year before recovering in the second half.

Prospects for world trade in 2016 and beyond remain uncertain. The most recent WTO trade forecast of 7 April 2016 predicted merchandise trade volume growth of 2.8% in 2016, unchanged from 2015. Despite a number of positive developments, the global environment remains challenging and continued vigilance is required.

## Argentina Welcomed as Pacific Alliance Observer

Argentina is now an official observer to the Pacific Alliance, the South American bloc that includes Chile, Colombia, Mexico, and Peru as full members.

As a result of the 9 June move, which will see President Mauricio Macri attend the group's upcoming meeting in Santiago, Chile, on 1 July, Argentina has joined a list of over 45 observer countries, which also includes economies such as Australia, Canada, China, Germany, India, Thailand, and the United States.

While observer countries have speaking rights, they cannot vote on Pacific Alliance decisions, and are allowed to attend the group's meetings so long as they have been invited. Along with sharing the same motives and principles under the framework agreement of the group, another precondition for being an observer includes being party to trade deals with at least half of the Pacific Alliance's full members.

## Single Window Import System for Drugs Streamlined for Dual Use Drugs, Testing to be Minimized

*Subject: Single Window Project - Simplification of procedure in SWIFT for clearance of consignments related to drugs & cosmetics.*

28-CBEC Kind reference is invited to  
14.06.2016 Board's Circular No. 03/2016  
(DoR) dated 03.02.2016 and Circular  
No. 10/2016 dated 15.03.2016  
regarding the Indian Customs Single Window.  
Central Board of Excise and Customs (CBEC)  
has operationalised the 'Indian Customs Single  
Window Project' to facilitate trade from 01st April  
2016 at all EDI locations throughout India. As a  
result the importers and exporters electronically  
lodge their Customs clearance documents at a  
single point only with the Customs. The required  
permission, if any, from Partner Government  
Agencies (PGAs) such as Animal Quarantine,  
Plant Quarantine, Drug Controller, Food Safety  
and Standards Authority of India, Textile Commit-  
tee etc. is obtained online without the importer/  
exporter having to separately approach these  
agencies. This has been made possible through  
a common, seamlessly integrated IT systems  
utilized by all regulatory agencies, logistics service  
providers and the importers/exporters. The Single  
Window Interface for Trade (SWIFT) thus provides  
the importers/exporters a single point interface  
for clearance of import and export goods thereby  
reducing dwell time and cost of doing business.  
2. Since its implementation, reports have been  
received highlighting problems faced by trade  
in relation to the import of drugs, cosmetics and  
medical equipment. The Board has examined  
these issues and in consultation with the Drug  
Controller General of India the following decisions  
have been taken to simplify the procedure for  
clearance of such goods:

### Items that are Chemicals and Not drugs

2.1 Several items falling under different Customs  
Tariff Heads which have been mapped in SWIFT  
as requiring clearance from Assistant Drug Con-  
troller's (ADC) office are chemicals and not drugs.  
These are being routed for ADC's clearance by  
virtue of the Customs Tariff Heads under which  
they are declared, and the ADC's office routinely  
declares them as "out of scope". In this regard, a list  
of such items have been prepared and published on  
the ICEGATE website as part of PGA Exemption  
Category (PEC). Importers of such goods  
should identify their items on this PEC list and  
include them as part of the Integrated Declaration  
in order to avoid unnecessary references to the  
ADC. If any more items deserve to be part of the  
PEC list, importers/ Customs Brokers may bring  
it to the notice of the respective Commissioners.  
The Board has already established a Working  
Group to examine all such items. The PEC will  
be duly updated after holding consultations in  
the Working Group and with the approval of the  
concerned PGAs (DCGI - in case of drugs and  
cosmetics items).

### Dual Use Items & Excipients

2.2 Several items falling under different Customs  
Tariff Heads which have been mapped in SWIFT  
as requiring clearance from Assistant Drug Con-  
troller's (ADC) office have dual use (use  
for medicinal and non-medicinal purposes) and  
excipients (an inactive substance that can serve  
as the vehicle or medium for a drug or other ac-  
tive substance). A large number of importers are  
importing them for purposes other than drugs or

medicinal use. Presently, for the clearance of dual  
use items, the importers have to first seek a permit  
from Deputy Drug Controller's office and then to  
obtain an NOG from ADC office. To simplify the  
clearance of dual use items, it has been decided  
in consultation with the DCGI that items that are  
not pharmaceutical grade or items that do not  
contain any Active Pharmaceutical Ingredients  
(API) need not be referred to the ADC for NoC.  
Therefore, in respect of the category of dual-use  
items or excipients, in the Integrated Declaration,  
the items will normally not be referred to the ADC  
clearance if the importers or their Customs Brokers  
declare as follows:

(i) While providing the item details, it must be  
declared that the item is not pharmaceutical grade  
and does not contain any Active Pharmaceutical  
Ingredient.

(ii) The 'intended end use/ purpose of import'  
that is declared as part of item details should not  
be for human or veterinary medicinal purposes.  
Risk-based testing & procedure for drawing of  
samples

2.3 Samples will be drawn for testing of products  
based on risk. In this regard, the DCGI has already  
outlined the criteria for risk-based testing under  
which intervention for inspection and sampling by  
ADC officers will be significantly reduced. Further,  
the procedure for drawing of samples for drugs has  
been streamlined. Customs officers may carry out  
the inspection of all drug/cosmetics consignments.  
They shall forward copies of authenticated labels  
of consignments for verification by the ADCs  
office. In cases where the consignments have to  
be opened for the drawing of product samples,  
an officer from the ADC's office shall draw the  
samples. The ADC's office reserve the right to  
inspect any drugs/cosmetics consignment.

2.4 It was reported that in respect of import of drugs  
& cosmetics items, the ADC's office draws sam-  
ples for testing irrespective of whether the same  
batch to which the item belongs has undergone  
testing in previous consignments. Considering  
that this causes unnecessary hardship to the  
importer, it has been decided that if the product  
sample from a particular batch has been tested,  
and based on that sample, the consignment/item  
has been granted NOC by ADC's office, then a  
product sample shall not be drawn again for  
subsequent consignments/items pertaining to  
the same batch for the purposes of giving NOC.  
Letters of Guarantee and Undertakings

2.5 For different situations of clearance, the DCGI  
requires the importer to present letters of decla-  
rations, undertaking and letters of guarantee in  
formats prescribed in its Guidance Document. It  
was decided that wherever the text of these decla-  
rations, undertakings, and letters of guarantee  
are provided as part of the integrated declaration  
and digitally signed by the declarant, the importer  
may not produce separate hardcopies of the  
same declarations undertakings and letters of  
guarantee. These shall be subsumed as part of  
the Integrated Declaration.

### Mapping ADC's office to ICES locations

2.6 Drugs, cosmetics, medical devices, non-criti-  
cal diagnostics, dual use items, feed grade items  
etc, which require ADC clearance shall be import-

## Duty Cut on 1630 Items in Indo-Malaysia PTA w.e.f 30 June 2016

- 1274 Lines at Zero
- 349 Lines at 5%

*Seeks to further amend notification No. 53/2011-Customs dated 01st July, 2011 so as to provide deeper tariff concessions in respect of specified goods imported from Malaysia under the India-Malaysia Comprehensive Economic Cooperation Agreement (IMCECA) w.e.f. 30.06.2016*

Ntfn 40 In exercise of the powers  
21.06.2016 conferred by sub-section (1)  
(DoR) of section 25 of the Customs  
Act, 1962 (52 of 1962), the

Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.53/2011-Cus-  
toms, dated the 1st July, 2011 published in the Gazette of India, vide number G.S.R. 499 (E), dated the 1st July, 2011, namely:-  
In the said notification, for the Table, the following shall be substituted:...

**[Full text of Notification available at [www.worldtradesscanner.com](http://www.worldtradesscanner.com)]**

2. This notification shall come into force with effect from the 30th day of June, 2016.

[F. No. 354/43/2009-TRU]

## Togo and Chad Included in LDC List

*Seeks to further amend Notification No. 96/2008-Customs dated 13.08.2008 so as to include 'Republic of Togo' and 'Republic of Chad' in the list of countries eligible for preferential tariff under the said notification.*

Ntfn 39 In exercise of the powers  
21.06.2016 conferred by sub-section (1)  
(DoR) of section 25 of the Customs  
Act, 1962 (52 of 1962), the

Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 96/2008-Customs, dated the 13th August, 2008 published vide number G.S.R. 590 (E), dated the 13th August, 2008, namely:-  
In the said notification, in the Schedule, after serial number 31 and the entries relating thereto, the following serial numbers and entries shall be added, namely:-

SNo. Name of Country

"32. Republic of Togo

33. Republic of Chad".

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

ed only at the ports notified by CDSCO/DCGI. However, if consignments landed from vessel or aircrafts at a notified port are subsequently transshipped to another Customs location, the consignment will be referred for regulatory clearance purposes to the nearest ADC for clearance. For this purpose, when SWIFT was launched, all ICES locations were already mapped in the system to the nearest ADC's office for routing the consignments for ADC's clearance. Commissioners of Customs may report to the Board in case there

are any problems with the mapping.

3. For implementation of the above decisions, DG (Systems) shall introduce necessary qualifiers in respect of the existing data fields in the Integrated Declaration. In regard to information required by ADC relating to supporting documents, CBEC is carrying out necessary upgrades to its IT infrastructure. Access by ADC's office to data fields or images of supporting documents and labels etc will be enabled once the CBEC IT infrastructure is upgraded.

4. Commissioners of Customs may kindly issue

public notices to bring to the notice of the Trade the above changes. Importers and Customs Brokers may be advised to correctly declare all information in the Integrated Declaration including product details required by for Single Window and their intended end-use, especially since their declaration will determine how the consignments are handled in respect of regulatory clearances.

5. Any problems faced by field formations pertaining to above may kindly be reported to Single Window Project team, CBEC.

F.No.450/147/2015-Cus-IV

## Civil Aviation Min to Give Air Transport Services Permission and Not DGCA

*Subject: Amendment in policy condition 1 (e) of Chapter 88 of ITC (HS), 2012- Schedule- 1 (Import Policy).*

**Effect of this Notification:** Policy condition 1 (e) of Chapter 88 of ITC (HS), 2012 is being revised to indicate exemption from DGFT licence for persons who have been granted permission to operate air transport services by Ministry of Civil Aviation and thereon DGCA has granted permission to import aircraft on that basis.

10-Ntfn In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with  
20.06.2016 paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from  
(DoR) time to time, the Central Government hereby amends the Policy Condition 1 (e) of Chapter 88 of ITC (HS), 2012- Schedule- 1 (Import Policy) as under:

Existing Policy Condition 1 (e) of Chapter 88 of ITC (HS), 2012 - Schedule- 1 (Import Policy)

Any person who has been granted permission by Director General of Civil Aviation, for operating Scheduled or Non-Scheduled Air Transport Services (including Air Taxi Services) for import of aircraft I helicopter subject to the condition that the import of the aircraft or helicopter and their use is in accordance with that permission.

Revised Policy Condition 1 (e) of Chapter 88 of ITC (HS), 2012 - Schedule- 1 (Import Policy)

Any person who has been granted permission by Ministry of Civil Aviation to operate scheduled or non-scheduled air transport services, based on which DGCA has issued permission to import aircraft/helicopter for operating such air transport services.

## Nominated Agencies to give 25% Bank Guarantee with Proof of Export for Duty Free Gold Supply to Jewellery Exporters

*Sub: Procedure to be followed by nominated agencies importing gold/silver/platinum under the scheme for 'Export Against Supply by Nominated Agencies'.*

27-CBEC In connection with the changes  
10.06.2016 made to Chapter IX of the  
(DoR) Customs Act and Regulations issued thereunder, requests

for clarification have been received from field formations and trade regarding the circulars 28/2009-Cus dated 14.10.2009/Circular No. 34/2013- Cus. dated 04.09.2013 and ware-

housing of Gold/Silver/Platinum imported by nominated agencies under notification 57/2000-Cus-toms dated 8th May 2000.

2. Circular 28/2009-Cus. lays down the procedure to be followed by the Nominated Agencies for supplying duty free gold imported under notification 57/2000-Customs, to exporters. Consequent to the

guidelines issued by RBI for import of gold and gold dore bars vide AP (DIR Series) Circular No. 25 dated 14.8.2013 (80:20 scheme), Circular 34/2013-Customs was issued to operationalize the same, prescribing the procedure to be followed for import of gold and thereby amending circular 28/2009-Cus. dated 14.10.2009.

3. Pursuant to the withdrawal of the 80:20 scheme by RBI vide Circular no. 42 dated 28.11.2014, Circular 34/2013-Customs was rescinded vide DGEP letter No. DGEP/G&J/16/2009 (Pt.II). dated 03.12.2014. Further, DGFT had rescinded policy circular No. 77 (RE-2008)/2004-09 dated 31.03.2009 and withdrew all circulars on the import of precious metal by nominated agencies by



circular no. 14 dated 01.02.2011. Later by issue of Policy Circular no. 39 (RE-2010)/ 2009-14 dated 19.08.2011, a fresh monitoring mechanism was laid out. Upon the issue of FTP 2015-20, circular no. 39 dated 19.08.2011 was also rescinded and para 4.41 of the Foreign Trade Policy and 4.94 of the Hand Book of Procedures now lay down the procedure with regard to import of gold/silver/platinum, duty free, by nominated agencies for supply to exporters for manufacture of jewellery and export thereof. Accordingly, notification 57/2000-Cus. was amended by notification 33/2015-Cus to incorporate the relevant paras of the FTP.

4. Circular 28/2009-Cus. deals with two issues, namely, warehousing of gold/silver/platinum imported by nominated agencies for supply to exporters and the procedure for accounting of the same.

5. It is clarified that warehousing is a facility for duty deferment. As per section 2 (14) of the Customs Act, Dutiable goods are defined as "any goods which are chargeable to duty and on which duty has not been paid". Chapter IX provides that only dutiable goods may be deposited in a warehouse. Therefore, any exempted goods are not to be warehoused within the meaning of chapter IX of the Customs Act. Accordingly, any gold/silver/platinum imported under the notification 57/2000-Cus dated 8th May 2000 must be cleared on a bill of entry for home consumption and not a bill of entry for warehousing.

5.1 Consignments of Gold/Silver/Platinum imported under notification no. 57/2000-Cus. do not require to be warehoused. In order to facilitate a smooth transition to the new procedure, it is being provided that nominated agencies shall file ex-bond bills of entry under section 68 availing the benefit of notification no.57/2000-Cus. any time on or before 13th August 2016 (in terms of the transitional provisions in the licencing regulations). In the meanwhile, the goods can continue to be stored in the existing vaults.

5.2 The procedure regarding warehousing of dutiable precious metals under Section 58A is under consideration of the Board. In the meantime, any dutiable precious metals already imported or to be imported (i.e. without availing notification no. 57/2000-Cus. or any other exemption notification by virtue of which no duty is chargeable) can continue to be stored in the existing vaults licensed under erstwhile Section 58. Since the licensing regulations provide for a transitional period upto 13th August, 2016, importers may be advised to plan for complying with the new regulations for storage of gold which is imported without availing any duty free exemption in warehouses licensed under section 58A.

6. By circular 28/2009-Cus dated 14.10.2009 the Board had in order to avoid divergent practices and to streamline supply of precious metal for exports, laid down a procedure for duty free import of gold/silver/platinum by nominated agencies for supply to exporters. The same has now been reviewed by the Board and the following simplified procedure shall henceforth be followed:

(i) the Nominated Agencies shall execute a bond to the Deputy/Assistant Commissioner of Customs binding themselves to, -

(a) maintain accounts for the gold/silver/platinum imported; and

(b) to discharge the duty in the event of the exporter not fulfilling his export obligation within the period prescribed under the foreign trade policy;

(ii) For the purpose of para (i) above, the Nominated Agencies may execute a bond for an amount equivalent to the duty involved on the import of a particular consignment, or, a general bond for an amount equivalent to the duty involved on quantity of precious metal likely to be imported over a specified period as declared by the importer;

(iii) The Nominated Agency shall, along with the bond, furnish a bank guarantee equal to 25% of the estimated amount of duty involved.

(iv) However, the designated banks nominated by RBI as well as public sector undertakings shall be exempt from the condition of furnishing bank guarantee, provided they fulfill the following conditions:

(a) they have not defaulted in following the procedure and conditions specified by DGFT;

(b) they have not defaulted in payment of duty within the specified period in cases where there was a default in export of jewellery by an exporter to whom the gold/silver/platinum had been supplied;

(c) they have not been involved in any violations involving fraud or collusion or willful misstatement or suppression of facts under relevant provisions of the Customs Act, 1962, the Central Excise Act, 1944, the Finance Act, 1994, the Foreign Trade (Development & Regulation) Act, 1992, the Foreign Exchange Management Act, 1999 and the rules made thereunder during the last three years;

## Tariff Value Rises on Gold \$2; Silver \$31; Areca Nuts \$13

Crude Palm Oil Falls by \$5; RBD Palm Oil \$13; Palmolein \$22; Brass Scrap \$37

86-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 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	710
2	1511 90 10	RBD Palm Oil	716
3	1511 90 90	Others – Palm Oil	713
4	1511 10 00	Crude Palmolein	724
5	1511 90 20	RBD Palmolein	727
6	1511 90 90	Others – Palmolein	726
7	1507 10 00	Crude Soya bean Oil	800
8	7404 00 22	Brass Scrap (all grades)	2933
9	1207 91 00	Poppy seeds	2533

**Table-2**

(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	418 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	562 per kilogram

**Table-3**

(1)	(2)	(3)	(4)
1	080280	Areca nuts	2630"

[F. No. 467/01/2016 -Cus-V]

(v) the exporters intending to receive precious metal from the Nominated Agencies will register themselves with their jurisdictional Asst. Commissioners who will issue them a one-time certificate specifying therein the details of their units. This certificate has to be produced to the Nominated Agencies while taking gold. The exporter shall submit to the Asst. Commissioner an undertaking to the effect that he shall export the jewellery made from the gold/silver/platinum received from the nominated agency within the period stipulated in the Foreign Trade Policy.

(vi) EOUs may submit a self-declaration to the Nominated Agencies stating therein the details of their unit; As per para 6.01 (h) of FTP 2015-20, EOUs shall have to provide proof of export within a period of 90 days from the date on which they are issued the gold imported by nominated agencies.

(vii) As far as exporters operating under replenishment scheme are concerned, they may be permitted to receive precious metal from the Nominated Agencies on submission of EP copy of the shipping bill. Nominated agencies shall also monitor the export proceeds realization of such shipments against which they have replenished precious metal, on the basis of Bank certificate of realization to be submitted by exporters to the nominated agencies, as a proof of having exported the jewellery.

(viii) the Nominated Agencies would supply the gold / silver / platinum for export production and would submit an exporter-wise consolidated monthly account in format enclosed by the 10th of the succeeding month to the Customs station of import;

(ix) the exporter shall furnish the EP copy of the shipping bill and Bank Realization Certificate to the nominated agencies as a proof of having exported the jewellery made from the duty free goods released to them within the period prescribed in the Foreign Trade Policy;

## Exchange Rates for Customs Valuation

### Rupee Gains 25 paise against Dollar to Rs. 68.05 w.e.f 17 June 2016

87-Cus(NT) In exercise of the powers conferred by section 14 of the 16.06.2016 Customs Act, 1962 (52 of 1962), and in supersession of (DoR) the notification of the Central Board of Excise & Customs No. 80/2016-CUSTOMS (N.T.), dated the 2nd June, 2016, except as respects things done or omitted to be done before such supersession, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currency specified in column (2) of each of Schedule I and Schedule II annexed hereto into Indian currency or vice versa, shall, **with effect from 17th June, 2016**, be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SNo.	Currency	Imported Goods		Exported Goods	
		Current	Previous	Current	Previous
<b>Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees</b>					
1.	Australian Dollar	49.70	49.35	47.95	47.60
2.	Bahrain Dinar	185.25	184.50	172.90	172.20
3.	Canadian Dollar	52.45	52.25	50.75	50.65
4.	Danish Kroner	10.35	10.35	9.95	9.95
5.	EURO	76.85	76.70	74.30	74.15
6.	Hong Kong Dollar	8.80	8.75	8.55	8.55
7.	Kuwait Dinar	230.70	230.15	215.90	215.35
8.	Newzeland Dollar	46.95	46.10	45.15	44.45
9.	Norwegian Kroner	8.30	8.20	8.00	7.90
10.	Pound Sterling	98.90	99.50	95.75	96.35
11.	Singapore Dollar	49.85	49.40	48.30	47.90
12.	South African Rand	4.45	4.35	4.20	4.10
13.	Saudi Arabian Riyal	18.60	18.50	17.40	17.35
14.	Swedish Kroner	8.30	8.20	8.00	7.90
15.	Swiss Franc	69.55	69.25	67.10	66.85
16.	UAE Dirham	19.00	18.90	17.80	17.70
17.	US Dollar	68.30	68.05	66.60	66.35
18.	Chinese Yuan	10.45	10.45	10.10	10.10

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

1.	Japanese Yen	62.90	62.10	60.90	60.10
2.	Kenya Shilling	69.15	68.75	64.65	64.30

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

(x) wherever such proof of export is not produced within the period prescribed in the Foreign Trade Policy, the Nominated Agencies shall deposit the amount of duty calculated at the effective rate leviable on the quantity of precious metal not exported, within 7 days of expiry of the period within which the jewellery manufactured out of the said precious metal was supposed to be exported.

7. Circular 28/2009 – Customs dated 14th October 2009 stands rescinded.

8. Difficulties, if any, may be brought to the notice of the Board.

### Format

(as per Circular No. 27/2016-Customs)

Receipts		Format	
1. Bill of Entry No. and date	4. Description of goods (Gold/Silver/ Platinum)	4. Description of goods (Gold/Silver/ Platinum)	12. Duty credited to customs (TR-6 Challan No. & Date)
2. Customs station of import	5. Qty. issued (in kgs)	5. Qty. issued (in kgs)	Signature of Authorized Signatory
3. Description of Goods (Gold/Silver/ Platinum)	6. Tariff Value	6. Tariff Value	Date:
4. Quantity (in kgs)	7. Duty involved on the goods issued (but for exemption)	7. Duty involved on the goods issued (but for exemption)	
5. Tariff Value	8. Shipping Bill No. & Date	8. Shipping Bill No. & Date	
6. Exemption notification availed	9. Qty. exported within period prescribed in FTP	9. Qty. exported within period prescribed in FTP	
7. Duty assessed on the goods (but for exemption)	10. Details of BRC	10. Details of BRC	
<b>Issue</b>	11. Balance Quantity	11. Balance Quantity	
1. Date of Issue to Exporter	12. Duty credited to customs (TR-6 Challan No. & Date)	12. Duty credited to customs (TR-6 Challan No. & Date)	
2. Bill of Entry No. and date under which the goods were imported			
3. Name & Address of the Exporter			

## No Inspectors Visit to Retail Shops of RMG without Permission and Intelligence

Only Branded Garments above Rs. 1000 and Clearances above Rs. 1.5 Crs Covered

*Subject: Levy of excise duty on readymade garments and made articles of textiles bearing a brand name or sold under a brand name and having a retail sale price of Rs. 1000 or more.*

1031-CBEC Representations have been received from the trade regarding the scope of the levy of excise duty on readymade garments

and made articles of textiles bearing a brand name or sold under a brand name and having a retail sale price of Rs. 1000 or more in this year's Budget.

2. The issue raised is whether excise duty would be chargeable on readymade garments or made up articles of textiles which are sold by a retail store which merely affixes the retail sale price on the readymade garments or made up articles of textiles which are purchased by such retail store from the open market.

3. The issue has been examined in the Ministry. The present levy is not on all readymade garments and made ups, and is restricted only to readymade garments and made up articles of textiles bearing a brand name or sold under a brand name and having retail sale price (RSP) of Rs. 1000 or above. Further, to avoid disputes and minimize duty evasion, it has also been provided that affixing a brand name on the product, labeling or relabeling of its containers or repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer, shall amount to manufacture.

3.1 For this purpose, "Brand name" means a brand name, whether registered or not, that is to say, a name or a mark, such as a symbol

monogram, label, signature or invented words or any writing which is used in relation to a product, for the purpose of indicating, or so as to indicate, a connection in the course of trade between the product and some person using such name or mark with or without any indication of the identity of that person.

4. However, such retailer shall not be liable to pay excise duty if:

a) the retail sale price of such readymade garments or made up articles of textiles is less than Rs. 1000, or

b) the aggregate value of clearances for home consumption by such person is less than Rs. 1.5 crore in a year [provided aggregate value of clearances during previous financial year was less than Rs. 4 crore].

5. Further, merely because the outlets [shop] of a retailer, from where readymade garments or made ups are sold, has a name, say, M/s XYZ and Sons, the readymade garments or made ups sold from such outlet [shop] cannot be held as branded readymade garments or made ups and become liable to excise duty. Needless to say, deemed manufacture and liability to excise duty will arise only if such retailer affixes a brand name on the readymade garments and affixes a label bearing the RSP on the packages containing the readymade garments of Rs. 1000 or above.

6. Further, it is hereby directed that field for-

## Export Duty of 20% Slapped on Sugar

*Seeks to further amend notification No. 27/2011-Customs, dated 01.03.2011 so as to impose export duty of 20% on raw sugar, white or refined sugar.*

Ntfn 37 In exercise of the powers  
16.06.2016 conferred by sub-section (1  
(DoR) 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 makes the following further amendment 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, serial number 9A and the entries relating thereto shall be omitted.

[F.No.354/260/2015 -TRU]

mations shall not visit individual retail outlets or retail chains, except based on specific inputs regarding duty evasion and with the approval of the jurisdictional Commissioner or Additional Director General or above.

7. The above position may be brought to the notice of formations under your charge for strict compliance. Difficulties, if any, faced in the implementation of the instructions may be brought to the notice of the Ministry at an early date.

F. No. 332/5/2016-TRU

## Korea Plus Promotes Investments in India

The Commerce & Industry Minister Smt. Nirmala Sitharaman and Mr. Joo Hyunghwan, the Minister of Trade, Industry & Energy, Government of the Republic of Korea, today, launched Korea Plus, a special initiative to promote and facilitate Korean Investments in India.

An MOU for establishing Korea Plus was earlier signed between the Ministry of Trade, Industry and Energy, Govt. of the Republic of Korea and Invest India, the National Investment Promotion & Facilitation Agency of India in January 2016. This MOU came as an outcome of the visit of the Indian Prime Minister to South Korea in May 2015.

Korea Plus, operationalized on June 18, 2016 comprises of a representative from the Ministry of Industry, Trade and Energy, Government of the Republic of Korea and representative from Korea Trade Investment and Promotion Agency (KOTRA) and three representatives from Invest India.

The mandate of Korea Plus covers the entire investment spectrum including supporting Korean enterprises entering the Indian market for the first time, looking into issues faced by Korean companies doing business in India and policy advocacy to the Indian Government on their behalf. Korea Plus will act as a mediator in arranging meetings, assisting in public relations and research/evaluation and provide information and counselling in regard to Korean companies' investing in India.

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\*See details in [www.worldtradescanner.com](http://www.worldtradescanner.com)