

IEWO

ENGINEERING EXPORT

BULLETIN



EEPC INDIA



WEEKLY CIRCULATION

VOL. 8 ISSUE NO. 24 JUNE 14, 2006

Highlights

Automechanika 2006, Frankfurt, Germany

EEPC is organising India's participation in **Automechanika 2006**, Frankfurt, Germany to be held on September 12-17, 2006. Members may avail the opportunity by displaying their Brochures/CDs etc.

Catalogue Show in Hong Kong

EEPC is organising a Catalogue Show of Indian engineering products in Hong Kong during end June 2006. Members may avail the opportunity by displaying their Catalogues in the above Show.

Govt. Circulars/ Notifications

Policy Circular No. 8(RE-06)/2004-09 dated 06.06.2006 – Certificate of Origin (Non-preferential) issued to exporters by agencies listed in Appendix 4-C of Handbook of Procedure Vol. I – information in Col. 2 of the Certificate.



Shri K. T. Chacko, Director General of Foreign Trade in his first Interactive Meeting on Annual Supplement to FTP 2004-09 in Kolkata. He is flanked by Shri S. K. Ghosh, Chairman, CAPEXIL on his right and Shri Rakesh Shah, Chairman, EEPC, Shri S. K. Jain, Chairman, FIEO (ER) and Shri Manoj Kumar, Jt. DGFT, Kolkata on his left.

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Visit our Website at www.eepcindia.org

ADVERTISEMENT TARIFF FOR ENGINEERING EXPORT INFO BULLETIN

As you are aware, Council has been bringing out the weekly bulletin, since its inception so as to provide necessary feedback to the members relating to various important information such as, tenders and enquiries, commercial report from the Indian Missions, Government Policies, Public Notices, Market Information, latest developments taking place in various countries etc. This publication has become popular amongst the exporting community because of its news value and we are also receiving valued opinion from our members as to how to improve its news value and make the publication more informative. Presently, copies are distributed amongst 12,000 plus members and many more are also subscribing to this publication.

This publication could be used as a very strong media by which you can reach 12,000 plus members all over India comprising corporate houses, large, medium and small scale entrepreneurs and publicise your activities and products manufactured. In order to facilitate our members to have the fullest benefit of this media, we have contemplated to accept advertisements at a very reasonable cost. The advertisement must necessarily relate to engineering products and services only. The size of the ad and tariff are given below for your kind information. Please note that we will accept prepaid black & white advertisement only.

| | | |
|------------------------|--------------|-------------------|
| Mechanical Data | : Back Cover | 19.5 cm x 18.5 cm |
| | Third Cover | 23 cm x 18.5 cm |
| | Full Page | 23 cm x 18.5 cm |
| | Half Page | 11.5 cm x 18.5 cm |

| | | |
|-----------------------------|--------------|--------------|
| Advertisement Tariff | : Back Cover | Rs. 12,500/- |
| | Third Cover | Rs. 11,000/- |
| | Full Page | Rs. 10,000/- |
| | Half Page | Rs. 6,000/- |

Special Discount will be available as under :

| | |
|-------------------|-------|
| Minimum 3 months | - 10% |
| Minimum 6 months | - 12% |
| Minimum 12 months | - 15% |

We hope, you will definitely avail of this opportunity. You are, therefore, requested to send your ad material (artwork or CD/Floppy in TIFF/JPEG format suitable for the above size) along with a draft payable in favour of Engineering Export Promotion Council, Kolkata for the requisite amount towards the cost of ad. Please note that the authority reserves the right to reject or cancel your ad. Also, please note that your ad material along with draft must reach the Head Office, Kolkata (Attn. : Shri R. Maitra, Addl. Executive Director & Secretary) at least two weeks before the ad schedule.

Chairman's Pen



My dear fellow exporters,

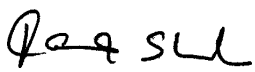
The Council has been vigorously following up with the Government for fine tuning different export promotion schemes with a view to alleviate various impediments stumbling our export promotion efforts. I am happy to note from a Press Report that the Revenue Department of the Government is going to waive 4 per cent countervailing duty on imports under advance licence, export-oriented units, special economic zones and the export promotion capital goods scheme.

Although a careful analysis needs to be made on the detailed clarifications as to what exact benefits are to be derived, in a nutshell, it is reported that in so far as export promotion schemes like DEPB, Target Plus, served from India, DFCE and Vishesh Krishi and Gram Udyog Yojana are concerned, the exemption from basic customs duty and additional duty (CVD) is available subject to a condition that the element of these duties is debited in the duty scrips/entitlement certificates issued under these schemes.

Friends, due to limited space, I regret that the Council had to turn down many requests of its members for participation in India Pavilion in Automechanika 2006 to be held in Frankfurt, Germany from 12-17 September, 2006. It is, therefore, decided to arrange display of Catalogues of members in the India Pavilion in Automechanika. I recommend interested members to participate in it.

In my last column, I touched upon setting up a showroom in Johannesburg and a warehouse facility in Durban, South Africa. I hope to apprise members of the scheme soon.

Yours sincerely,


(RAKESH SHAH)



India Pavilion in Automechanika 2006 Frankfurt, Germany (12 - 17 September, 2006)

Automechanika is the Leading International Trade Fair for the Automotive Industry. This Fair is the international meeting point for the automobile industry, automotive parts, components and systems, electronics, supply and maintenance equipment. This is the Show where the global automotive industry seeks information about the latest technology and concepts for success in the competitive environment of the future. Automechanika's international significance - all in almost 80% of exhibitors and 40% of visitors originate from other countries - provides interesting opportunities for the global industry.

The Council has decided to organize an India Pavilion of 56 sq. meters at this Mega Show in Frankfurt. Due to very limited space availability, it will not be possible for us to accommodate all requests received for participation in this Fair.

However, in order to provide a window of opportunity for member firms who are not able to exhibit directly, the Council will set up a Catalogue Show within this India Pavilion.

In case you are interested in taking advantage of this initiative, please rush your confirmation along with 15 sets of your brochures/CDs and participation charges of Rs. 10,000/- at the following address :

Shri Bhaskar Sarkar

Director (Budget & Finance)

Engineering Export Promotion Council

Centre 1, 12th Floor

World Trade Centre

Cuffe Parade, Mumbai 400 005

Tel. : 91-22-22186655/56/60

Fax : 91-22-22180119

E-mail : eepcmum@bom2.vsnl.net.in

eepcmum@vsnl.com

EEPCs RECENT PUBLICATIONS

- Indian Engineering Expertise
- Indian Engineering Products – Stainless Steel Houseware & Kitchenware
- Indian Engineering Products – Forgings
- Indian Engineering Products – Industrial Castings
- Indian Engineering Products – Earthmoving Machinery
- Indian Engineering Products – Machine Tools
- Indian Engineering Products – Sanitary Castings

Catalogue Show of Indian Engineering Products in Hong Kong

The Council is pleased to announce a **Catalogue Show of identified thrust Indian Engineering Products in Hong Kong** during **end June 2006** for four days. This Show will be organized in cooperation with Consulate General of India in Hong Kong. The event will be well publicized in the neighbouring countries including ASEAN Region by the Consulate General of India in Hong Kong as well as by EEPC office in Singapore in order to generate/encourage good interest/turnout of business visitors for the Show. Resident Director of EEPC, Singapore will man the Catalogue Show to compile/tabulate and pass on the enquiries generated out of the display to the respective participating member firms. It will be a good opportunity to enter into Hong Kong market, which in turn, will also be an entry point to China.

Venue : Business Centre of Consulate General of India, Hong Kong.

Date : Actual dates of the Show will be intimated separately.

Product sectors for this Catalogue Show

- **Auto Parts and Accessories** such as, Safety Glass, Mirrors, Locks, Car Seats, Electrical Lightings, Wiring Set, Exhausts, Audio Products, Security System etc.
- **Building Materials & Hardware** such as, Electrical Apparatus, Relays, Switches, Electrical Conductors and Insulators, Wires and Cables, Nails, Nuts, Screws, Hand Tools, Sanitaryware etc.
- **Housewares** such as, Tablewares, Kitchenwares, Cooking and Heating Appliances etc.
- **Agricultural Machinery and Diesel Engines.**

Participation Charges

In order to defray a part of the organizing expenses, Council has decided to charge a nominal amount of Rs. 1,000/- only for each product group per participating firm. Member firms interested to avail of this opportunity to enter into Hong Kong market by display of catalogues are requested to send a **Demand Draft for Rs. 1,000/-** (One thousand only) drawn in favour of Engineering Export Promotion Council,

New Delhi giving details of their product range as per the Format (duly filled in) to EEPC, New Delhi with a copy to EEPC, Singapore. They should send **15 copies of their attractive product catalogues through courier** directly to Consulate General of India, Hong Kong **latest by 20th June, 2006**. Addresses are as follows :

For Product Catalogues :

Ms. Sripriya Ranganathan, Consul
Consulate General of India
16-D United Centre, 95 Queensway
Hong Kong
Contact Person : Mr. Clifford Sequeira,
Commercial Assistant
Tel. : 852-25284028/25272275
Fax : 852-28664124
E-mail : commerce3@indianconsulate.org.hk

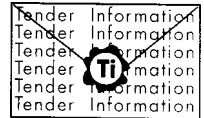
For Demand Draft and product details :

Mr. C. S. Shukla
Executive Director
Engineering Export Promotion Council
Vandhna Building (4th Floor)
11, Tolstoy Marg, New Delhi 110001
Tel. : 23711124/25, 23353353
Fax : 91-11-23310920
E-mail : eepcto@eepc.gov.in

Format

| | |
|---|---|
| Name & Address of the Company | : |
| Tel. (With country/area code) | : |
| Fax (With country/area code) | : |
| E-mail | : |
| Website | : |
| Name & Designation of Contact Person | : |
| Export Turnover in US\$ Mln. during last three years | : |
| Countries of Export | : |
| Range of products as mentioned in the Catalogue of each product group | : |
| Brief details about the Company in four/five lines with ISO Certification, if any | : |

Tender Information



Moldova

(EEPC Ref. No. DB-1497)

Project : Pilot Water Supply and Sanitation Project
Credit No. 3763-MD, Project ID No. P074469
Credit from IDA

Issued by : Water Supply and Sanitation
Projects Implementation Unit
Office 539, 9 Cosmonautilor St.
MD2005; Chisinau, Moldova
Attn. : Ivan Josan
Tel. : (373-2) 228-960
Fax : (373-2) 228-960, 228-940
E-mail : procurement@water.md

Notice No. : **WB1893-681/06**

For : Rehabilitation of the water supply system in the town of Orhei.

Tender cost : MDL 150 (Non-refundable) or an equivalent amount in a freely convertible currency.

Bid security : 2% of the bid price for each lot or an equivalent amount in a freely convertible currency.

Bid deadline : **14.07.2006**

Romania

(EEPC Ref. No. DB-1498)

Project : Health Sector Reform Project – Phase II
Loan 4760-RO; Project ID No. P078971
Loan from IBRD

Issued by : Romanian Ministry of Health
Project Management Unit-World Bank
Str. Cristian Popisteanu 1-3
Sector 1, Room 236
010024 Bucharest, Romania
Attn. : Mr. Mircea Ioan Popa
Head of PMU
Tel. : (40-21) 307-2590, 307-2589
Fax : (40-21) 307-2587

Notice No. : **WB1899-681/06**

For : Supply of medical equipment for emergency.

Tender cost : Euro 300 (Non-refundable)

Bid deadline : **14.07.2006**

Uzbekistan

(EEPC Ref. No. DB-1499)

Project : Amu Zang Irrigation Rehabilitation Project
Loan No. 2069-UZB
Loan from ADB

Issued by : Amu Zang Irrigation Rehabilitation Project
Project Management Office
Ministry of Agriculture and Water Resources
1A, U.Yusupov Str.
700128 Tashkent, Uzbekistan
Attn. : Mr. S Djuraev
Project Manager

Tel/Fax : (998-71) 144-6321, 135-8948
E-mail : amu-zang@sks.uz

Notice No. : **ADB51-680/06**

Contract No. : AZIRP 02

For : Supply of dredgers :

- Supply of two electrically powered cutter suction dredgers, each of capacity of 500 to 550 m³/hour, depending on operating conditions;
- Installation of approximately 3.8 km of 10 kV electrical power line (partly buried, partly overhead, partly mounted on floating pipeline), and switchgear;
- Supply of 2,500 m of discharge pipes, including 2,000 m of land pipeline and 500 m of floating pipeline, complete with bends, fittings, etc.;
- Spare parts and tools for 10,000 hours operation;
- Workboat with integral crane;
- Survey/crewboat including survey package (echo sounder/GPS);
- Assembly, commissioning, testing and training crew;
- Delivery to the Amu Zang 1 Pump Station, near Termez, Surkhundarya Oblast, Uzbekistan.

Tender cost : US\$ 300 (Non-refundable) or an equivalent amount in a freely convertible currency.

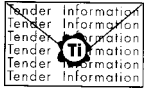
Bid security : Not less than 2% of the total bid price.

Bid deadline : **03.08.2006**

(Source : UN Development Business Website)



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Kuwait

Refinery Servers

Issued by : Kuwait National Petroleum Company
Internal Tenders Committee
Information Services Department
PO Box 70
Ahmadi 13001
Kuwait

Tender No. : CISD/0129

For : Supply, installation and gathering of three refinery servers.

Bid bond : 2.5% of tender price.
Details available on payment of KD 100.

Closing date : **19.07.2006**

Lebanon

Medical Equipment and Furniture

Issued by : Council for Development & Reconstruction
Tallet el-Serail
PO Box 116-5351
Beirut Central District
Lebanon
Tel. : (9611) 980096-7
Fax : (9611) 981252-3
E-mail : general@cdr.gov.lb

For : Supply and installation of medical equipment and furniture for the 70-bed Tibnine Governmental Hospital for the Public Health Ministry. Financed by the Islamic Development Bank. Details available on payment of \$ 1,000.

Closing date : **11.07.2006**

Qatar

Electrical and Instrumentation Equipment Works

Issued by : Qatar General Electricity & Water Networks
Affairs Section
Operation & Maintenance Department
Dafna, Qatar

Tender No. : 59/2005

For : Carrying out routine maintenance, overhauling, repair and replacement works of electrical and instrumentation equipment in primary water pumping stations.

Closing date : **16.07.2006**

Kuwait

Issued by : Central Tender Committee
P.O. Box 1070
Safat 13011
Kuwait
Tel. : 2401200 (5 lines)
Telefax : 2416574

Tender No. : 1732706

Requirements : Supply of (1) crane 80 ton loading capacity.

Fee (KD) : 90.000

Initial Guarantee : 5% of offers value

Closing date : **01.08.2006**

Tender No. : PA/Sh.AM/47-2006/2007

Requirements : Supply of labs and workshop equipment appliances for new electricity & water institute at Shuwaikh.

Fee (KD) : 100.000

Initial Guarantee : 5% of offers value

Closing date : **16.07.2006**

For further details, please contact :

Shri Satish Sakleshpur
Attache (Commercial)
Embassy of India
P.O. Box 1450
Safat 13015
Kuwait
Tel. : 2530600/612/613
Fax : 2525811
E-mail : indecomk@qualitynet.net

(Source : Embassy of India, Safat)

Trade Enquiries



Australia

(Source : Direct from the party)

| Name of the Company | Addresses | Contact Person/Tel./Fax/E-mail | Items interested |
|---------------------|---|---|--|
| Reliable Traders | 74, Hillcrest Road Alexander Heights, W.A. 6064 Australia | Attn. : Mr. Balbir Rajput Tel/Fax : 61-8-93432932 E-mail : businessguru@hotmail.com | - Zinalume/zinc plated sample trays made from thin sheet (about 1 mm) in following sizes : 1070 x 470 x 50 (wooden side wall height) 810 x 470 x 50 1000 x 400 x 50 Prices on CIF (Fremantle) for the supply of mixed full 20 ft. container on a regular basis. (Drawings can be obtained from any of the EEPC Offices in India). |

Colombia

(Source : EEPC Chicago Office)

| | | | |
|---|---|---|---|
| Sociedad Unida de Electrodomesticos S.A. - Sudelec S.A. | Carrera 68 DNo 39, F 34 Sur Apartado Aereo 14694 Bogota Colombia | Attn. : Mr. Armando Orbezo Tel. : (57-1) 2040200 Fax : (57-1) 7106768 E-mail : suecocalidad@gmail.com goperaciones@sueco.com.co Website : www.sueco.com.co | Manually operated gas valves for appliances. (Drawings can be obtained from any of the EEPC offices in India). |
|---|---|---|---|

Egypt

(Source : Direct from the party)

| | | | |
|-------------|----------------|--|---|
| Orbit Steel | Cairo Egypt | Attn. : Mr. Hamed Ashour Import Manager Fax : 202 387 0567 E-mail : ashour@link.net | Prepainted steel coils (galvanized basis). Commercial quality. Thick : 0.35 & 0.4 Width : 1219 mm Colour : Sky blue. |
|-------------|----------------|--|---|

Peru

(Source : EEPC Chicago Office)

| | | | |
|------------------------|---|---|--|
| Inversiones Tacala SAC | Av. Pezet 1225, Suite 1403 San Isidro, 00027 Lima, Peru | Attn. : Mr. Antonio Donayre Tel. : 511-441-0486 E-mail : invengg@terra.com.pe | Fresh fruit packing line : trash eliminator, washer, waxer, dryer, mechanical sizer etc. 15 to 20 M tons/hour. |
|------------------------|---|---|--|



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USA

(Source : EEPC Chicago Office)

Table with 4 columns: Name of the Company, Addresses, Contact Person/Tel./Fax/E-mail, Items interested. Contains information for Kraft Foods Global, Inc. and Schaumburg Specialities Co.

Singapore

(Source : EEPC Singapore Office)

M/s. PMK Private Limited, 10 Anson Road, Hex 22-08, International Plaza, Singapore 079903, Tel. : (65) 62216233, Fax : (65) 62255964, E-mail : pmk2208@singnet.com.sg (Attn. : Mr. Choi Dong Moo, Managing Director) are interested to import Galvanized Steel Sheet in Coils as per specifications given below :

Table with 8 columns: SN, Nomenclature, A/U, Qty. Contains detailed specifications for Galvanized Steel Sheet in Coils, including thickness, width, weight, and coating details.



EEPC Introduces Crash Courses on International Trade Under WTO Framework

“PREPARING LEADERS WITH A GLOBAL PERSPECTIVE”

In partnership with **Institute of International Trade, Center for WTO Studies**, EEPC is launching following Crash Course on **every ALTERNATIVE Saturday** from **10.00 a.m. to 1.00 p.m.** from **1st June, 2006, onwards**. The objective of the course is to enlighten and empower the businessmen engaged in international trade on the Rules of Trade and the opportunities available in global markets.

Globalization – its impact on Indian Economy under WTO framework

The Course would give a background on the following :

- Introduction of WTO including Rules of Trade such as Anti-Dumping, Subsidies Rules of Origin etc.
- RTAs such as FTA (CECA) : Singapore, Sri Lanka, Thailand & SAFTA.
- Trade in Services with emphasis on outsourcing under BPO/KPO/EPO.
- Trade in IPR including provision of TRIPs, Patent Laws, Trade Mark Laws, Copy Rights etc.
- Overall Investment Climate in India with emphasis on Special Economic Zone (SEZ).

Faculty

The programme would be conducted by highly skilled professionals drawn from reputed institutes and experts on International Trade.

Principal Facilitator

Dr. D. R. Agarwal

Director of Institute of International Trade

He is an expert on WTO and has been a Delegate to various WTO conferences including the Ministerial Conferences at Cancun and Hong Kong.

The Course Structure :

Day : Saturday

Date : 10th June, 2006

Duration : 10.00 a.m. - 1.00 p.m.

Course Fee : Rs. 1,500/-

(Including Course Materials and Refreshments)

(Demand Draft/Cheque for **Rs. 1,500/-** may be drawn in favour of **Engineering Export Promotion Council**)

Venue : Engineering Export Promotion Council
World Trade Centre
14/1B, Ezra Street (4th Floor)
Kolkata - 700 001

Seats : Each Batch 25 Candidates
(First-come-first-serve basis)

Eligibility : Executives, Entrepreneurs
(Preferred Graduate)

For any further enquiry, please contact :

Mr. Kallol Ghosh, EEPC, Eastern Regional Office, 1/1 Wood Street, Kolkata - 700 016
Phone : 22890673/74, Fax : 91-33-22890687, E-mail : eepcrokol@vsnl.net or arijit.sgeepkol@gmail.com

OR

Mr. Ashis Majumder of Institute of International Trade at Phone Number 22436504, E-mail : info@iitrade.ac.in



**Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
New Delhi**

Policy Circular No. 8(RE-2006)/2004-09

Dated : 6th June, 2006

Certificate of Origin (Non-preferential) issued to exporters by agencies listed in Appendix 4-C of Handbook of Procedure Vol. I – information in Col. 2 of the Certificate.

Attention is invited to Para 2.21.2 of the Handbook of Procedure and to the Certificate of Origin (Non-Preferential) being issued by Agencies who are listed in Appendix - 4-C of the HBP Vol. I.

2. The Trade and industry have represented that while applying for Certificate of Origin (NP) to an Agency listed in Appendix 4-C, at present, they have to provide the entire details of the buyer abroad in Col. 2 of the Certificate and only then the certificate is signed by the authorized agency. By disclosing the address of the buyer abroad and the details of product being exported, etc. the confidential and sensitive business information becomes public.

3. In order to address the above difficulty being faced at present by exporters, it has been decided that exporters making an application to authorized Agencies for issue of Certificate of Origin (NP), may leave Column No. 2 of the Certificate blank and this column may be filled up after the same is certified and signed by the authorized Agency competent to issue such a Certificate.

Sd/-

(M. K. PARIMOO)

Joint Director General of Foreign Trade

(F. No. 1/94/180/116/AM-07/Pol-I)

**F. No. DGEP/FTP/382/2006
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
New Delhi**

Circular No. 17/2006-Cus.

Dated 1st June, 2006

Revision of Foreign Trade Policy (FTP) announced on 07.04.2006 – Amendment of Notification relating to EOU and Gems & Jewellery sector and Procedural changes made effected-reg.

The above Circular issued by Shri Anupam Prakash, Under Secretary to Government of India, Ministry of Finance, Department of Revenue, Central Board of Excise & Customs, New Delhi is available at EEPC Website : www.eepcindia.org and CBEC Website : www.cbec.gov.in

**F. No. 605/44/2006-DBK
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
New Delhi**

Circular No. 18/2006-Cus.

Dated 5th June, 2006

To
All Chief Commissioners of Customs,
All Chief Commissioners of Customs & Central Excise.
All Commissioners of Customs/Customs (Prev.)/Customs & Central Excise/Central Excise.
DG, CEIB, New Delhi.
DG, Central Excise Intelligence/DGRI/DG (Export Promotion)/DGI/DG, NACEN/DG(Systems & Data Management),
Chief Departmental Representative, Customs, Excise & Service Tax Appellate Tribunal, West Block-2, R.K. Puram, N. Delhi

Sir/Madam,

Sub : Levy of special additional duty of customs (CVD) @ 4% under Export Promotion Scheme - reg.

I am directed to invite your attention to the above mentioned subject and to say that references have been received from the trade about different practices being followed by the Custom Houses regarding the levy of special CVD of 4% in respect of goods imported under various export promotion schemes like DFRC, DEPB, Target Plus and DFCE. A doubt has also been raised on the issue of levy of 4% special CVD on imports made against duty credit scrips issued under Vishesh Krishi & Gram Udyog Yojana. Further, a clarification has been sought whether the 4% special CVD debited in DEPB, DFCE, Target Plus and other such licences is eligible for *cenvat* credit or drawback.

2. The issues raised have been examined by the Ministry. In terms of Notification No.19/2006-Cus. dated 1.3.2006 a special additional duty of 4% [leviable under Section 3(5) of the Customs Tariff Act, 1975] is chargeable on all imported goods. In terms of Notification No. 20/2006-Cus. dated 1.3.2006 (vide Sr. No. 1 of the table to the said notification), all goods which are exempt from basic customs duty and additional duty [leviable under Section 3(1) of CTA, 1975] are exempt from the 4% special CVD. In view of this, it is clarified that the special CVD of 4% is not leviable in case of imports under advance licence, EOU and SEZ schemes. In the case of imports under EPCG Scheme it may be noted that Notification No.97/2004-Customs dated 17.9.2004 governing imports under the said scheme itself provides for exemption from additional duty whether the levy is under section 3(1) or 3(5) of the Customs Tariff Act, 1975. The special additional duty of 4% is, therefore, not leviable on imports under EPCG Scheme.



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3. In so far as export promotion schemes like DEPB, Target Plus, Served from India, DFCE and Vishesh Krishi and Gram Udyog Yojana are concerned, the exemption from basic customs duty and additional duty (CVD) is available subject to a condition that the element of these duties is debited in the Duty Scrips/Entitlement Certificates issued under these Schemes. Further, there is no specific exemption of the said 4% special CVD allowed either in the Foreign Trade Policy or in the Customs Notification issued under all these schemes. Therefore, when goods are imported under any of these schemes, the exemption from duties in terms of the respective Customs Notifications shall only be available if the element of 4% special CVD is debited in the duty scrips/entitlement certificates. In this connection, attention is invited to Ministry's Circular No. 5/2005-Cus. dated 31.1.2005 whereunder it was clarified that even though imports under these schemes are governed by an exemption Notification, the fact remains that in case of such imports, the customs duties are required to be debited in the duty entitlement certificates issued under these schemes. In the case of import of goods under DFRC Scheme, the element of 4% CVD shall be payable because, the notification grants exemption from basic duty only.

4. As regards the issue raised as to whether the duty debited through DEPB, DFCE, Target Plus etc. schemes would be eligible for cenvat benefit or drawback facility by the licence holder, it has been made clear in the Finance Minister's Budget Speech that full credit of the 4% special CVD will be allowed to manufacturers of excisable goods. Therefore, it is clarified that the 4% CVD duty debited in DEPB, DFCE, Target Plus etc. certificates may be allowed to be taken back as drawback (brand rate). It may be mentioned here that under the Foreign Trade Policy, additional customs duty (CVD) debited in DEPB scrips/certificates issued under reward schemes is allowed to be taken as CENVAT/Drawback.

5. A suitable Public Notice and Standing Order may be issued for the guidance of the trade and staff. Difficulties faced, if any, in implementation of the Circular may be brought to the notice of the Board.

Sd/-
(ANURAG BAKSHI)
S. T. O. (DBK)

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
New Delhi

Notification No. 22/2006-Service Tax

Dated 31st May, 2006

G.S.R.(E).- In exercise of the powers conferred by Sub-Section (1) of Section 93 of the Finance Act, 1994 (32 of 1994) and in supersession of the Notification of the Government of India in the Ministry of Finance, (Department of Revenue) No. 7/2006-Service Tax dated the 1st March, 2006, G.S.R. 121(E), dated the 1st March, 2006, except as respects things done or omitted to be done before such supersession, the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts

the following taxable services from the whole of the service tax leviable thereon under section 66 of the said Finance Act, namely :-

- (i) taxable services provided or to be provided to any person, by the Reserve Bank of India;
- (ii) taxable services provided or to be provided by any person, to the Reserve Bank of India when the service tax for such services is liable to be paid by the Reserve Bank of India under Sub-Section (2) of Section 68 of the said Finance Act read with rule 2 of the Service Tax Rules, 1994;
- (iii) taxable services received in India from outside India by the Reserve Bank of India under Section 66A of the Finance Act, 1994.

Sd/-
(R. SRIRAM)

Deputy Secretary to the Government of India
[F. No. 354/170/2005-TRU]

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
New Delhi

Notification No. 23/2006-Service Tax

Dated 2nd June, 2006

G.S.R.(E).- In exercise of the powers conferred by Sub-Section (1) of Section 93 of the Finance Act, 1994 (32 of 1994), the Central Government, on 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. 1/2006-Service Tax, dated the 1st March, 2006, G.S.R. 115(E), dated the 1st March, 2006, namely :-

In the said Notification, in the Table, after S. No. 4 and the entries relating thereto, the following S. No. and entries shall be inserted, namely :-

| (1) | (2) | (3) | (4) | (5) |
|------|-------|---|--|-----|
| “4A. | (zzb) | Business auxiliary service in relation to production or processing of parts and accessories used in the manufacture of cycles, cycle rickshaws and hand-operated sewing machines, for, or on behalf of, the client. | The gross amount charged from the client is inclusive of the cost of inputs and input services, whether or not supplied by the client. | 70” |

Sd/-
(R. SRIRAM)

Deputy Secretary to the Government of India
[F. No. 356/12/2005-TRU]

**Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
New Delhi**

Notification No. 13/2006-Central Excise (N.T.)

Dated 1st June, 2006

G.S.R.(E). In exercise of the powers conferred by Section 37 of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following rules further to amend the Central Excise Rules, 2002, namely :-

- (1) These rules may be called the Central Excise (Amendment) Rules, 2006.
 - (2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Central Excise Rules, 2002, in rule 8, for sub-rule (3A), the following sub-rule, shall be substituted, namely :-
- "(3A) If the assessee defaults in payment of duty beyond thirty

days from the due date, as prescribed in sub-rule (1), then notwithstanding anything contained in said sub-rule (1) and sub-rule (4) of rule 3 of CENVAT Credit Rules, 2004, the assessee shall, pay Excise Duty for each consignment at the time of removal, without utilizing the CENVAT credit till the date the assessee pays the outstanding amount including interest thereon; and in the event of any failure, it shall be deemed that such goods have been cleared without payment of duty and the consequences and penalties as provided in these rules shall follow".

Sd/-

(RAHUL NANGARE)

Under Secretary to the Government of India

[F. No. 224/01/2005-CX.6]

Note : The principal rules were published in the Gazette of India vide Notification number. 4/2002-CE (NT), dated the 1st March, 2002 [GSR 143(E), dated the 1st March, 2002], and were last amended vide Notification number 17/2005-CE (NT), dated 31st March, 2005 vide [GSR 196 (E), dated the 31st March, 2005].



Forex News

Following dollar demand from foreign banks, the spot rupee opened weaker at 46.02 as against a close of 45.95 on Wednesday. The rupee closed at 45.97 after reaching an intra-day low of 46.13 to a dollar. The premiums on six-month and one-year forward dollars closed at 0.80 per cent and 0.98 per cent respectively.

(Source : Business Standard, Kolkata dated 9th June, 2006)



Forex Rates

| <i>Currency</i> | <i>T.T. Buying</i> | <i>T.T. Selling</i> |
|--------------------|--------------------|---------------------|
| Australian Dollar | 33.9650 | 34.4800 |
| British Pound | 84.8300 | 85.7725 |
| Canadian Dollar | 41.0350 | 41.6575 |
| Danish Krone | 7.8275 | 7.9475 |
| Euro | 58.4125 | 59.0625 |
| Hong Kong Dollar | 5.8825 | 5.9725 |
| Japanese Yen | 40.2550 | 40.8675 |
| New Zealand Dollar | 28.6225 | 29.0575 |
| Singapore Dollar | 28.7925 | 29.2300 |
| Swedish Krona | 6.3400 | 6.4400 |
| Swiss Franc | 37.3875 | 37.9550 |
| UAE Dirham | 12.4350 | 12.6250 |
| US Dollar | 45.8575 | 46.2050 |

(Source : The Economic Times, Kolkata dated 9th June, 2006)

Steel Prices : Ex-Mandi Gobindgarh : on immediate payment basis

Mandi Gobindgarh
Open Market Rates of Rerollables (June 3, 2006)
(Inclusive of Excise Duty) (Trade Terms 1% Cash Discount)

| | | | | | | | | <i>(Rate Rs. per Tonne)</i> | |
|------------------------------|--|------------------------------|--|----------|--|-------------------------------|--|-----------------------------|--|
| Ingots | | Blooms | | | | Rej. Wheel (Big) | | 18,500/- | |
| Arc/Ind. Furnaces | | Above 251 mm Bloom (HC) | | 25,400/- | | Rej. Wheel (Small) | | 18,300/- | |
| round quality (21x25) | | Above 251 mm Bloom (MS) | | 25,400/- | | Cut Tyre (Big) | | 19,400/- | |
| structural quality (28x30) | | Bloom 160x250 mm (DSP) | | 25,800/- | | Cut Tyre (Small) | | 19,200/- | |
| Low carbon (12x16) | | 130/135/140 mm (Tisco) MS | | - | | Melting Scrap (F.O.R.) | | | |
| Semi-low carbon (16x20) | | 150x150 mm Concast (DSP) | | 28,900/- | | Rolling Mill end | | 17,100/- | |
| 5x6 girder quality (28x30) | | 150x150 mm MS (SAIL) | | 28,900/- | | Good Godown | | 15,400/- | |
| Runners/Risers | | Bloom Cut into pcs. (MS) | | 26,400/- | | Godown Scrap | | 15,100/- | |
| Bones/Clean | | Bloom Cut into pcs. (Medium) | | 23,300/- | | Turning | | 15,100/- | |
| | | Bloom Cut into (Patra Pass) | | 24,500/- | | Tin Tapper | | 13,600/- | |
| Billets & Squares | | Slabs | | | | Sponge Iron | | 12,700/- | |
| 50x50x63x63x65x65 mm MS | | Durgapur Slabs 14"x3" | | - | | Pig Iron (F.O.R.) | | | |
| 75x75x80x80x90x90 mm MS | | Durgapur Slabs | | 21,700/- | | Foundry Grade | | 19,000/- | |
| 100x100 mm MS | | Bokaro Slab Heavy | | 20,900/- | | Steel Grade | | 17,200/- | |
| 125x125 mm MS | | Tata Concast Slab (Heavy) | | 20,900/- | | C.I. Turning | | 13,000/- | |
| 100x100 mm Concast-Billets | | Skelp Tisco | | - | | Degi Scrap | | 17,000/- | |
| 100x100 Concast-SAIL DSP | | Rails | | | | Deg Casting | | 23,500/- | |
| H.C. Billet SAIL 150x150 mm | | Untested Rail - 75 lbs. | | 20,100/- | | Ingot Moulds (Old) | | 16,500/- | |
| H.C. Billets-Tisco 75x75 mm | | Untested Rail - 90 lbs. | | 20,100/- | | Ingot Moulds (New) | | 23,000/- | |
| | | Untested Rail - 105 lbs. | | 20,100/- | | Cut Ingot Moulds | | 16,700/- | |

Open Market Rates of Finished Goods (June 3, 2006)
(Inclusive of Excise Duty) (Trade Terms 1% Cash Discount)

| | | | | | | | | | | <i>(Rate Rs. per Qntl.)</i> | |
|---|--|--------------------|---------------------|----------------------|----------------------|---------------|---------------|-----------------|-----------------|-----------------------------|--|
| M. S. Rounds | | <i>4 mm</i> | <i>5 mm</i> | <i>6 mm</i> | <i>8 mm</i> | <i>10 mm</i> | <i>12 mm</i> | <i>16/20 mm</i> | <i>22/25 mm</i> | | |
| Mild | | 2380/- | 2280/- | 2210/- | 2260/- | 2280/- | 2360/- | 2360/- | 2340/- | | |
| Medium-Semi | | - | - | - | - | 2280/- | 2360/- | - | - | | |
| Zindi Pass (Drawing) | | - | - | - | 2370/- | 2370/- | 2370/- | 2370/- | 2360/- | | |
| Above rates of 6 mm rounds are of length up to 14' Above 18' = 2210/- | | | | | | | | | | | |
| Heavy Rounds | | <i>28 to 53 mm</i> | <i>63 to 100 mm</i> | <i>110 to 125 mm</i> | <i>140 to 150 mm</i> | <i>165 mm</i> | <i>180 mm</i> | <i>200 mm</i> | | | |
| Mild | | 2340/- | 2400/- | 2510/- | 2510/- | 2580/- | 2660/- | 2750/- | | | |
| M. S. Squares | | <i>4 mm</i> | <i>5 mm</i> | <i>6 mm</i> | <i>8 mm</i> | <i>10 mm</i> | <i>12 mm</i> | <i>16/20 mm</i> | <i>22/25 mm</i> | | |
| Mild | | 2380/- | 2280/- | 2210/- | 2210/- | 2270/- | 2320/- | 2360/- | 2340/- | | |
| M. S. Angles | | <i>20 mm</i> | <i>25 mm</i> | <i>32 mm</i> | <i>37 mm</i> | <i>50 mm</i> | <i>65 mm</i> | <i>75 mm</i> | <i>90 mm</i> | <i>100 mm</i> | |
| 3 mm | | 2480/- | 2380/- | 2380/- | 2410/- | 2450/- | 2470/- | - | - | - | |
| 5 mm | | - | 2360/- | 2360/- | 2350/- | 2360/- | 2360/- | 2360/- | 2410/- | 2470/- | |
| 6 mm | | - | 2360/- | 2360/- | 2350/- | 2360/- | 2360/- | 2360/- | 2410/- | 2470/- | |
| M. S. Flats | | <i>20 mm</i> | <i>25 mm</i> | <i>32 mm</i> | <i>37 mm</i> | <i>50 mm</i> | <i>65 mm</i> | <i>75 mm</i> | <i>100 mm</i> | | |
| 3 mm | | 2220/- | 2350/- | 2360/- | 2370/- | 2390/- | 2420/- | 2440/- | 2420/- | | |
| 5 mm | | 2320/- | 2380/- | 2380/- | 2360/- | 2350/- | 2350/- | 2350/- | 2360/- | | |
| 6 mm | | 2320/- | 2380/- | 2380/- | 2360/- | 2350/- | 2350/- | 2350/- | 2360/- | | |
| 8 mm | | 2320/- | 2380/- | 2380/- | 2360/- | 2350/- | 2350/- | 2350/- | 2360/- | | |
| 10 mm | | - | - | 2380/- | 2360/- | 2350/- | 2350/- | 2350/- | 2360/- | | |
| 12/25 mm | | - | - | 2380/- | 2360/- | 2350/- | 2350/- | 2350/- | 2360/- | | |
| 18/19 Gauge | | 2440/- | 2450/- | 2460/- | 2480/- | 2480/- | 2480/- | 2460/- | 2480/- | | |

[Prices at other stockyards may vary]

[Source : Steel Town (Weekly), June 3, 2006]

Important Notice

To All Members

Monthly Export Returns

The format for submitting the Monthly Export Returns to the Council is furnished below. Member firms are requested to submit their Export Returns regularly every month to the Council as per this format.

1. Name of the Exporter :
2. Category of Exporter : SSI/SIA/Merchant/Export House
3. Nature of Export : Direct/Indirect
4. Reporting Month :
5. IE Code No. :
6. PAN No. :
7. State Code No. :
8. **A. Export Performance** :

| ITCHS Code No. | Item/Service | Country of Export | Export during the month | | Cumulative export during the year from 1st April to end of the reporting month | |
|-------------------|--------------|----------------------|-------------------------|--------------------------------|---|--------------------------------|
| | | | Qty. (MT)/ Unit | FOB Rs. in Lakhs/ US\$ '000 | Qty. (MT)/ Unit | FOB Rs. in Lakhs/ US\$ '000 |

B. Deemed Exports :

| ITCHS Code No. | Item/Service | Name of Indian Project | Export during the month | | Cumulative export during the year from 1st April to end of the reporting month | |
|-------------------|--------------|---------------------------|-------------------------|--------------------------------|---|--------------------------------|
| | | | Qty. (MT)/ Unit | FOB Rs. in Lakhs/ US\$ '000 | Qty. (MT)/ Unit | FOB Rs. in Lakhs/ US\$ '000 |

C. Export Contracting Position :

| ITCHS Code No. | Item/Service | Country of Export | New order secured during the month | | Outstanding export orders position as on end of the reporting month | |
|-------------------|--------------|----------------------|---------------------------------------|--------------------------------|--|--------------------------------|
| | | | Qty. (MT)/ Unit | FOB Rs. in Lakhs/ US\$ '000 | Qty. (MT)/ Unit | FOB Rs. in Lakhs/ US\$ '000 |

Note : Export Returns (**Including Nil Returns**) of the reporting month are to be submitted positively by the **10th of the next month** to Head Office, Engineering Export Promotion Council, Vanijya Bhavan (1st Floor), International Trade Facilitation Centre, 1/1 Wood Street, Kolkata 700 016 with a copy to respective Regional Office of the Council where the member-firm has been enrolled.

STATE CODES

All the exporters are required to indicate the state of origin of their export product in their shipping bills. For this purpose the following codes are to be utilised :

| Code No. | Name of the State | Code No. | Name of the State | Code No. | Name of the State | Code No. | Name of the State |
|----------|-------------------|----------|-------------------|----------|----------------------|----------|-------------------|
| 01 | Assam | 16 | Orissa | 39 | Chandigarh | 70 | Madhya Pradesh |
| 02 | Meghalaya | 17 | Sikkim | 44 | Jammu & Kashmir | 71 | Chattisgarh |
| 03 | Mizoram | 18 | Tripura | 46 | Himachal Pradesh | 80 | Andhra Pradesh |
| 06 | Bihar | 19 | Andaman & Nicobar | 50 | Rajasthan | 84 | Karnataka |
| 07 | Jharkhand | 20 | Uttar Pradesh | 54 | Gujarat | 89 | Lakshadweep |
| 09 | Arunachal Pradesh | 21 | Uttaranchal | 60 | Maharashtra | 90 | Tamil Nadu |
| 10 | West Bengal | 29 | Delhi | 67 | Daman & Diu | 96 | Kerala |
| 14 | Nagaland | 30 | Punjab | 68 | Goa | 99 | Pondicherry |
| 15 | Manipur | 34 | Haryana | 69 | Dadra & Nagar Haveli | | |

Postal address

*If undelivered, please return to : Engineering Export Promotion Council, Vanijya Bhavan (1st Floor)
International Trade Facilitation Centre, 1/1 Wood Street, Kolkata 700 016*

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