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## DGFT Clamps Down on Deemed Export Incentives

**[Ref: Minutes of the PIC meeting No.10/AM11 dated 15-3-2011]**

*Sub: Deemed Export Issues*

*The DGFT is clamping down on cases of deemed exports where the imports are by the project authority and not by the contractor for supply to the project. It is also clarified that non mega power projects will not get refund of Terminal Excise Duty or deemed export drawback. Fuel supplies drawback is available only in limited cases. Last, cement and steel will not get deemed export benefits except for World Bank/ICB projects.*

*We understand that Rs. 2,000 crores was received for disbursement of pending drawback claims but only Rs. 1,200 crores was disbursed and balance Rs. 800 crores was returned to Ministry of Finance. It is likely that past cases of disbursements will also be opened in the light of the clarification which has retrospective effect.*

*The text of the clarifications is given below.*

1. A meeting of the Policy Interpretation Committee No.10/AM11 was held on 15<sup>th</sup> March 2011. All Zonal Jt.DGFTs and some of the Regional Authorities (RAs) were also invited to this meeting to get the benefit of their experience in the processing of Deemed Export Cases. List of participants is enclosed.

2. Zonal Jt.DGFTs and the RAs brought to the notice of the Committee their inability to settle the Deemed Export claims due to inadequate Budget Provision. They informed that in all offices there have been large number of pending cases. DG informed the Committee that Rs.2,000 crores has been allotted in the Supplementary Appropriation which would be received shortly. This amount needs to be utilized in the current financial year itself, that is before 31<sup>st</sup> March 2011. Dr. L.B. Singhal, Jt.DGFT, referred to the Public Notice No.35 issued on 1<sup>st</sup> March 2011 which amended para 8.3.1 of Handbook of Procedure, Vol. I and Appendix of ANF-8 and explained the background. Provisions of PN 35 and Notification 28 have to be mandatorily followed for any payment of duty drawback claims/refund of Terminal Excise Duty henceforth.

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

4. Regarding refund of Terminal Excise Duty (TED) for supplies to non-mega power projects, it was clarified that Para 8.4.4(iv) of Foreign Trade Policy, 2009-14 clearly stipulates that the benefit of refund of TED under para 8.3(c) of the Policy is not available for such supplies. In such cases excise duty paid at the terminal stage of supply (last instance

of excise duty paid in the chain of manufacture process in the supply) is not to be refunded in any manner including as drawback [para 8.3(b) of Policy].

5. It was clarified that any supply made directly to the Project Authority by an entity other than the main contractor or the sub-contractor (details of such sub-contractor must have been endorsed in the contract and such endorsement must have been done prior to supply by the said sub-contractor) shall not be eligible for the deemed export benefits [Direct import by project authority has already been dealt with at para 3 above].

6. The Committee also discussed the cases for deemed export benefits for supplies of fuel, cement, steel etc. The Policy permits duty free fuel only under EOU / SEZ / Advance Authorisation Scheme. In no other case supply of fuel will be eligible for deemed export benefits. Similarly, except as provided under para 8.2 (d) of Foreign Trade Policy, the supply of cement and steel would not be eligible for Deemed Export benefits.

7. The Zonal Jt. DGFTs and the RAs present in the meeting were impressed about the need to deal with all cases in light of above decisions. The committee also suggested that DG and senior officers of DGFT may hold an interactive session with members of Trade and Industry to clear their doubts, if any.

**Meeting of the Policy Interpretation Committee under the Chairmanship of Dr. A.K. Pujari, Director General of Foreign Trade, in Conference Hall (Room No. 4), Udyog Bhawan, New Delhi at 11.00 AM Date 15.03.2011**

PIC Meeting was held under the Chairmanship of DGFT. Following officers were present in the meeting:

- |                         |  |
|-------------------------|--|
| 1. Shri Amitabh Jain    | Additional Director General                                  |
| 2. Shri V.K. Srivastava | Additional Director General                                  |
| 3. Shri V.K. Gupta      | Additional Director General                                  |
| 4. Shri N.P.S Monga     | Additional Director General & Zonal Jt. DGFT, CLA, New Delhi |
| 5. Ms. Lata Shukla      | Zonal Jt. DGFT(Mumbai)                                       |
| 6. Shri Sai Kumar       | Zonal Jt. DGFT (Chennai)                                     |
| 7. Shri P. Halder       | Zonal Jt. DGFT (Kolkata)                                     |
| 8. Shri Raj Kamal       | Jt. DGFT (Kanpur)  |
| 9. Shri Virender Singh  | Jt. DGFT (Jaipur)  |
| 10. Shri Vijay Kumar    | Jt. DGFT (CLA, Delhi)  |
| 11. Shri Sanjay Lunia   | Jt. DGFT (Mumbai)  |
| 12. Shri K. Kuppurajan  | Jt. DGFT (Vishakhapatnam)                                    |
| 13. Shri A. Mishra      | Statistical Advisor  |
| 14. Shri D.C. Sharma    | Statistical Advisor  |
| 15. Dr. L.B. Singhal    | Jt. DGFT   |
| 16. Shri Hardeep Singh  | Jt. DGFT   |

17. Shri A.K. Singh	Jt. DGFT	21. Shri Krishan Kumar	Dy. DGFT
18. Shri R.S. Ratna	Jt. DGFT	22. Shri A.K. Cashyap	Dy. DGFT
19. Ms. Shubra	Jt. DGFT	23. Ms. Lalita Maini	FTDO
20. Ms. Vibha Bhalla	Jt. DGFT	24. Ms. Sonika Khattar	FTDO

## Customs Clarifies that World Cup Trophy was Held Back at Airport for Re-export on Request from ICC

The Central Board of Excise and Customs (CBEC), Ministry of Finance has denied that the original ICC Cricket World Cup 2011 trophy is lying in the Airport Customs Warehouse in Mumbai. The clarification was issued in response to the report appearing in certain section of media that actual ICC Cricket World Cup trophy has not been awarded to the winning India Cricket team at Wankhede Stadium, Mumbai on Saturday, 2nd April, 2011.

ICC has also confirmed that the trophy presented to Indian Cricket team at Wankhede Stadium on Saturday, 2nd April 2011 was original ICC Cricket World Cup 2011 trophy and the one that was always intended to be presented to the winner of the event. It has further added that the trophy seized by Mumbai Customs is the promotional, perpetual trophy which remains in the keeping of the ICC at its headquarters in Dubai. It carries the generic ICC corporate logo rather than the logo specific to the 2011 event. That trophy will be reclaimed today and will travel back to Dubai with ICC staff as was always intended.

The Central Board of Excise & Customs (CBEC) has further informed that two passengers by the name of Mrs. Emma Waite and Mr. Rixon Heyder, arrived by Flight 9W 255 on 1st April, 2011 at Mumbai airport from Colombo. They were carrying a trophy in their personal baggage which was claimed to be 'ICC Perpetual Trophy'. All goods and equipments imported temporarily for the ICC Cricket World Cup 2011 tournament, a list of which was given by the ICC Tournament Committee, have been

exempted from customs duty. However, the list given by the ICC Tournament Committee did not cover the aforesaid trophy which was claimed by the passengers to be 'ICC Perpetual Trophy'.

To remove all doubts, the concerned Customs officer(s), therefore, contacted the ICC Tournament Director and enquired about the said 'trophy', so that appropriate action could be taken expeditiously and the matter resolved.

In response, Professor R.S. Shetty, Tournament Director, ICC Cricket World Cup 2011 vide his letter dated 1.4.2011 addressed to Commissioner of Customs, Air Cargo Complex, Sahar, Mumbai informed that:

- The 'trophy' in question was not to be used for any purpose inside the country for the ongoing World Cup;
- It was being carried by Mrs. Emma Waite and Mr. Rixon Heyder as their personal baggage and that it would have been taken back to the ICC Headquarters on completion of their assignment in India;
- That the trophy shall be collected by the above passengers on their way back to their destination;

A request was also made in the letter of Professor Shetty that the Customs office may hold the trophy in the Customs warehouse at the Mumbai Airport till it is collected by the above passengers on their return.

It is, therefore, clear that the trophy meant for the winning side has been given to the winning side and an avoidable controversy appears to have arisen in the matter.

[Source: PIB Press Releases dated 4 April 2011]

## C. Crude Oil and Non-Oil Imports

Oil imports during February, 2011 were valued at US \$ 8219 million which was 0.3 per cent lower than oil imports valued at US \$ 8240 million in the corresponding period last year. Oil imports during April-February, 2010-11 were valued at US\$ 88176 million which was 12.4 per cent higher than the oil imports of US \$ 78415 million in the corresponding period last year.

Non-oil imports during February, 2011 were estimated at US \$ 23482 million which was 31.0 per cent higher than non-oil imports of US \$ 17924 million in February, 2010. Non-oil imports during April - February, 2010-11 were valued at US\$ 217123 million which was 20.4 per cent higher than the level of such imports valued at US\$ 180332 million in April - February, 2009-10.

## D. Trade Balance

The trade deficit for April - February, 2010-11 was estimated at US \$ 97069 million which was lower than the deficit of US \$ 100249 million during April -February, 2009-10.

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

(Provisional)

	February	April-February
<b>Exports (including re-exports)</b>		
2009-10	15758	158497
2010-11	23597	208229
%Growth 2010-11/ 2009-2010	49.7	31.4
<b>Imports</b>		
2009-10	26164	258746
2010-11	31701	305299
%Growth 2010-11/ 2009-2010	21.2	18.0
<b>Trade Balance</b>		
2009-2010	-10406	-100249
2010-11	-8104	-97069

## News Briefs

**China Raises Interest Rates to Counter Inflation Pressure:** China raised interest rates for the fourth time since the global financial crisis to restrain inflation and limit the risk of asset bubbles in the fastest-growing major economy.

**Federal Reserve Must Face Bank Suit Over Credit Card Fee Rules:** Federal Reserve Chairman Ben S. Bernanke lost a bid to end a bank lawsuit challenging the legality of forthcoming rules limiting the amount of money the largest U.S. banks can collect for debit card transactions.

**Libyan Opposition Prepares to Export Oil as Rebels Push Forward:** Libyan rebels pushed forward against forces loyal to Muammar Qaddafi in the central part of the country as the opposition prepared to export crude oil for the first time since the conflict began six weeks ago.

## Dollar Exports Up by 49% in Feb 2011

### A. Exports (including re-exports)

Exports during February, 2011 were valued at US \$ 23597 million (Rs. 107215 crore) which was 49.7 per cent higher in Dollar terms (46.9 per cent higher in Rupee terms) than the level of US \$ 15758 million (Rs. 73002 crore) during February, 2010. Cumulative value of exports for the period April-February 2010 -11 was US \$ 208229 million (Rs 949278 crore) as against US \$ 158497 million (Rs. 753384 crore) registering a growth of 31.4 per cent in Dollar terms and 26.0 per cent in Rupee terms over the same period last year.

### B. Imports

Imports during February, 2011 were valued at US \$ 31701 million (Rs.144037 crore) representing a growth of 21.2 per cent in Dollar terms (18.8 per cent in Rupee terms) over the level of imports valued at US \$ 26164 million ( Rs. 121212 crore) in February, 2010. Cumulative value of imports for the period April-February, 2010-11 was US \$ 305299 million (Rs. 1392178 crore) as against US \$ 258746 million (Rs. 1228944 crore) registering a growth of 18.0 per cent in Dollar terms and 13.3 per cent in Rupee terms over the same period last year.

### Dollar-Rupee rate at NSE Futures

Trade Date	Open Price	High Price	Low Price	Close Price	Daily Settlement Price	Open Interest	No. of Contracts	Value (Rs. lakhs)	RBI Reference rate
31-Mar-11	44.8400	44.9250	44.7075	44.7550	44.7550	909475	23010711031	142.37	44.6500
30-Mar-11	44.9900	45.0300	44.9250	44.9550	44.9550	779532	1636604	735960.16	44.7700

[Source: NSE and RBI Website]

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- 2 Years Rs. 1400 US\$140
- 3 Years Rs. 2100 US\$200

## Review of CVD on PET from India at EC

Notice of initiation of a partial interim review of the countervailing measures applicable to imports of certain polyethylene terephthalate (PET) originating in India (2011/C 102/08) dated 2.4.2011

The European Commission ('Commission') has received a request for a partial interim review pursuant to Article 19 of Council Regulation (EC) No 597/2009 of 11 June 2009 on protection against subsidised imports from countries not members of the European Community ( 1 ) ('the basic Regulation').

### 1. Request for review

The request was lodged by Dhunseri Petrochem & Tea Limited ('the applicant'), an exporting producer from India.

The review is limited in scope to the examination of subsidization as far as the applicant is concerned.

### 2. Product

The product under review is polyethylene terephthalate (PET) having a viscosity of 78 ml/g or higher, according to the ISO Standard 1628-5, currently falling within CN code 3907 60 20 and originating in India ('the product concerned').

### 3. Existing measures

The measures currently in force are a definitive countervailing duty imposed by Council Regulation (EC) No 193/2007 ( 2 ) on imports of certain polyethylene terephthalate (PET) originating in India as amended by Council Regulation (EC) No 1286/2008 ( 3 ).

### 4. Grounds for the review

The applicant has provided *prima facie* evidence that, as far as the applicant is concerned, the circumstances with regard to subsidisation on the basis of which measures were imposed have changed significantly and that these changes are of lasting nature.

The applicant alleges that the continued imposition of the measure on imports of the product under review at its current level is no longer necessary to offset the countervailable subsidisation. The applicant has provided sufficient evidence that its subsidy amount has decreased well below the duty rate currently applicable to it. This reduction in the overall subsidy level is mainly due to the termination of its Export Oriented Unit Status.

In the light of the above, the Commission considers that, as far as subsidisation of Dhunseri Petrochem & Tea Limited is concerned, there is sufficient *prima facie* evidence that the circumstances with regard to subsidisation have changed significantly and are of a lasting nature and, therefore, the measures should be reviewed.

### 5. Procedure for the determination of subsidisation

Having determined, after consulting the Advisory Committee, that sufficient evidence exists to justify the initiation of a partial interim review, the Commission hereby initiates a review in accordance with Article 19 of the basic Regulation with a view to determining whether the measures should be removed or amended for the applicant.

If so, it may be necessary to amend the rate

of duty currently applicable to imports of the product concerned from other companies in India.

EN 2.4.2011 Official Journal of the European Union C 102/15

#### (a) Questionnaires

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the applicant and to the authorities of the exporting country concerned. This information and supporting evidence should reach the Commission within the time limit set in point 6(a) of this notice.

#### (b) Collection of information and holding of hearings

All interested parties are hereby invited to make their views known, submit information other than questionnaire replies and to provide supporting evidence. This information and supporting evidence must reach the Commission within the time limit set in point 6(a) of this notice.

Furthermore, the Commission may hear interested parties, provided that they make a request showing that there are particular reasons why they should be heard. This request must be made within the time limit set in point 6(b) of this notice.

### 6. Time limits

#### (a) For parties to make themselves known, to submit questionnaire replies and any other information

All interested parties, if their representations are to be taken into account during the investigation, must make themselves known by contacting the Commission, present their views and submit questionnaire replies or any other information within 37 days of the date of publication of this notice in the *Official Journal of the European Union*, unless otherwise specified. Attention is drawn to the fact that the exercise of most procedural rights set out in the basic Regulation depends on the party's making itself known within the aforementioned period.

#### (b) Hearings

All interested parties may also apply to be heard by the Commission within the same 37-day time limit.

### 7. Written submissions, questionnaire replies and correspondence

All submissions and requests made by interested parties must be made in writing (not in electronic format, unless otherwise specified) and must indicate the name, address, e-mail address, telephone and fax numbers of the interested party. All written submissions, including the information requested in this notice, questionnaire replies and correspondence provided by interested parties on a confidential basis shall be labelled as 'Limited' ( 1 ) and, in accordance with Article 29(2) of the basic Regulation, shall be accompanied by a non-confidential version, which will be labelled 'For inspection by interested parties'.

Commission address for correspondence:  
European Commission  
Directorate-General for Trade  
Directorate H, Office: N105 04/092  
1049 Bruxelles/Brussel  
BELGIQUE/BELGIË  
Fax +32 22956505

### 8. Non-cooperation

In cases in which any interested party refuses access to or does not provide the necessary information within the time limits, or significantly impedes the investigation, findings, affirmative or negative, may be made in accordance with Article 28 of the basic Regulation, on the basis of the facts available.

Where it is found that any interested party has supplied false or misleading information, the information shall be disregarded and use may be made, in accordance with Article 28 of the basic Regulation, of the facts available. If an interested party does not cooperate or cooperates only partially, and use of facts available is made, the result may be less favourable to that party than if it had cooperated.

### 9. Schedule of the investigation

The investigation shall be concluded, according to Article 22(1) of the basic Regulation, within 15 months of the date of the publication of this notice in the *Official Journal of the European Union*.

### 10. Processing of personal data

It is noted that any personal data collected in this investigation will be treated in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data ( 2 ).

### 11. Hearing Officer

It is also noted that if interested parties consider that they are encountering difficulties in the exercise of their rights of defence, they may request the intervention of the Hearing Officer of the Directorate-General for Trade. He acts as an interface between the interested parties and the Commission services, offering, where necessary, mediation on procedural matters affecting the protection of their interests in this proceeding, in particular with regard to issues concerning access to the file, confidentiality, extension of time limits and the treatment of written and/or oral submission of views. For further information and contact details, interested parties may consult the Hearing Officer's web pages on the website of the Directorate-General for Trade (<http://ec.europa.eu/trade>).

( 1 ) OJ L 188, 18.7.2009, p. 93.

( 2 ) OJ L 59, 27.2.2007, p. 34.

( 3 ) OJ L 340, 19.12.2008, p. 1.

( 1 ) This means that the document is for internal use only. It is protected pursuant to Article 4 of Regulation (EC) No 1049/2001 of the European Parliament and of the Council regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43). It is a confidential document pursuant to Article 29 of the basic Regulation and Article 12 of the WTO Agreement on Subsidies and Countervailing Measures.

( 2 ) OJ L 8, 12.1.2001, p. 1.

## Panel Backs Brazil in Zeroing Dispute with US

In a ruling released last Friday, a WTO dispute panel sided with Brazil in its dispute with the US concerning the method Washington used to calculate anti-dumping duties on Brazilian orange juice. Brazil first filed the complaint in 2008.

Following in the footsteps of several previous WTO rulings, the panel ruled that the US violated WTO rules when it used 'zeroing', a controversial method of calculating the extent to which trading partners are 'dumping' (exporting at artificially low prices) their goods in the US market. Under this methodology, US commerce authorities ignore, or 'zero out', instances in which goods command higher prices in the US market than in the country that made and exported the goods in question.

This is the second panel to condemn the US for the practice this year (the other being a panel that ruled against US levies on South Korean steel, WT/402/R). Three more disputes over zeroing are pending, one brought by China, one by Vietnam, and another by South Korea. The trend may not dissipate either, considering Washington's preference to defend anti-dumping measures involving zeroing on a case-by-case basis, repeatedly arguing that its domestic legal structures prevent it from amending the relevant orders absent a WTO ruling calling for changes to the particular anti-dumping order.

However, WTO panels have urged members involved in such disputes to find a lasting "systemic" solution to the controversial method "sooner rather than later," instead of leaving it to repeated adjudication.

In response, the US has attempted to defuse some of the anger over zeroing by proposing to eliminate the practice in administrative reviews of anti-dumping duties already in place. It had previously banned the practice for some times of investigations. The department of commerce issued the rule change late December of last year and is currently in the process of collecting and analyzing comments.

The US addressed implementation concerns at a latest Dispute Settlement Body meeting on 25 March, saying "at this time, the US Department of Commerce is continuing with its ongoing work on the December proposal." Speaking about Japan's case against zeroing, it said "because of our concerns about the findings regarding zeroing in this and other disputes, responding to those findings has presented substantial challenges for the United States and required significant resources."

The Brazilian government said in a statement that it "hopes that the United States will bring its measure into conformity without delay, as a clear sign of respect for the multilateral trade disciplines."

## EU Appeals WTO Ruling in China Steel Fastener Dispute

The EU announced last Friday that it was appealing a WTO panel decision that found the 27-member bloc's method for applying anti-dumping duties on various Chinese screws, nuts and bolts to contravene multilateral trade rules.

The panel ruling against the EU found fault with several of the procedures identified by China in its complaint, such as parts of the methodology the EU used for calculating a 'normal value' against which to measure whether Chinese fasteners were being sold below the cost of production, and by how much. WTO rules normally afford countries greater latitude in calculating such values for imports from non-market economies.

The ruling is a blow to the EU and its method

of calculating duties for non-market economies, which include Vietnam and Cuba in addition to China.

While China initially welcomed the decision, reiterating its view that the EU policies placed an unfair burden on Chinese exports, Reuters reports that China will also appeal the WTO ruling against the EU, saying the decision does not go far enough in its favour, citing a person familiar with the case.

While the decision mostly sided with China, it dismissed Beijing's argument that Brussels made unfair comparisons between high and low-quality screws and bolts. The person reported to Reuters that this is what prompted China to appeal. Under WTO rules, China has until Wednesday to make its appeal.

## EU, Colombia, Peru Initial FTA

Negotiators from the EU, Colombia and Peru last Thursday, 24 March initialed a comprehensive trade agreement, paving the way for the formal signing and ratification of the accord.

Talks on the deal, which will ultimately liberalise all trade in industrial and fisheries products among the participating countries, were concluded nearly a month ago. A lengthy legal review of the agreement text occurred before its initialing; a further detailed translation process is necessary before the formal signature. Officials are hopeful that the agreement could then

be ratified and enter into force, as early as the beginning of 2012.

The FTA covers manufactured products, agriculture goods, services, and investment, and also includes provisions on intellectual property, trade remedies, and competition rules. According to the EU, when the accord enters into force, 80 percent of industrial goods trade will be liberalised with Peru, and 65 percent Colombia. Brussels foresees expanded market access for exporters from all three parties in sectors such as fruits and vegetables, fisher-

## DRI Kolkata Seizes Ref Sanders Wood and Sanitary Goods on Way to Nepal

*Seizure of 6835 Kgs. of Red Sanders Wood Having Total Seizure Value Rs. 79.34 Lakhs.*

Acting on a specific intelligence, the DRI officers of Siliguri under Kolkata Zonal Unit had effected a seizure of **Red Sanders Wood weighing 6835 kg. valued at Rs 68.35 lakh** from a truck bearing registration no. NL-05D-8742 on 27.03.2011 at Goaltuli, P.S.-Phansidewa, Dist-Darjeeling, W.B. The logs of 6835 kg of red sanders wood, recovered from the truck were kept concealed under 181 pieces of Indian style sanitary pan, 100 pieces pvc cistern & 181 pieces of small pipes. The 6835 kg. of red sanders wood, 181 pieces of Indian style sanitary pan, 100 pieces pvc cistern & 181 pieces of small pipes and the carrier truck were seized under section 110 of the Customs Act, 1962 on reasonable belief that the said goods were meant for illegal export to Nepal through unauthorized route. Total seizure value of the case is **Rs. 79.34 lakh**. The driver and the helper of the truck involved in carrying the Red Sanders Wood were arrested. Further investigation is in progress.

*[Source: DRI Press Release dated 29.03.2011]*

ies, automobiles, electronics and machinery, wines and spirits, along with services like telecoms and banking.

Intellectual property provisions in the agreement do not extent pharmaceutical test data exclusivity periods in Peru and Colombia - an issue that has been the subject of heated debate in the EU's FTA negotiations with India. They do, however, go beyond WTO requirements on some issues related to the enforcement of intellectual property protections.

Although the agreement is moving towards ratification, opponents of the deal have not accepted defeat. Earlier this month, 200 civil society organisations signed a manifesto against the FTA. While some NGOs object to Colombia's human rights standards, Colombian dairy producers fear they will be unable to compete against highly subsidised EU dairy farmers.

FTA negotiations among the EU, Colombia, and Peru started in 2007. The prospect of imminent entry into force of the pact may influence support in Washington for Congressional ratification of the US's own deal with Colombia, which was first negotiated in 2006 but has since languished amidst objections by Democratic lawmakers about labour rights in Colombia. If the EU-Colombia-Peru accord goes ahead first, it may enable European companies to secure a toehold in the Colombian market at the expense of their US competitors.

**New Arrival Card for International Passengers Notified**

**Revised Form D Declaration in Arrival Card of Passengers Covering Satellite Phones, Foreign Exchange instruments above US\$ 10,000 Must be Declared**

*Subject: Revision in the Customs part of Arrival Card for Passengers in Form 'D' – Notification issued by Ministry of Home Affairs – Compliance.*

16-CBEC 31.03.2011 (DoR) The issues of increasing imports of satellite phones in passenger baggages without obtaining authorization and import of foreign exchange in excess of amount of US \$10,000/- or equivalent without declaration to Customs have been referred to MHA for redressal by making suitable modifications in the Customs part of Arrival Card for Passengers so that all passengers are required to declare these items at the time of arrival at international airport in India.

2. In response to concerns shown by Department of Revenue, the Ministry of Home Affairs has issued a Notification No. GSR 113(E) dated 24.2.2011 (published in Part II – Section 3 – Sub-section (i) of the Gazette of India Extraordinary) which makes certain modifications in the Customs parts of Arrival Card for Passengers. The Notification No.GSR 113(E) dated 24.2.2011 issued by Ministry of Home Affairs is appended as Annexure to this Circular.

3. As per the Notification No. GSR 113(E) dated 24.2.2011, the following declarations are required to be made by the passengers at the time of arrival at the international airport in Para 7 of the Customs part of Arrival Card for Passengers:

(a) Are you carrying any plants/seeds/fruits/flowers/vegetables/bulbs/other planting materials? Yes/No

(b) Are you carrying any meat & meat products/dairy products/live or ornamental fish/poultry/ poultry products? Yes/No

(c) Are you carrying any Satellite phone Yes/No

(d) Are you carrying foreign currency notes in excess of US\$5,000 or equivalent: Yes/No

(e) Are you carrying foreign exchange (i.e. foreign currency notes, drafts, Travellers' cheques, letters of credit, bills of exchange or any instruments where under any amount is payable in Indian currency) in excess of US\$10,000 or equivalent? Yes/No

4. Further Board has also approved modification in Part 'C' (Information regarding Customs) to the 'Important Instructions' mentioned overleaf of the Arrival Card for Passengers. The modified Customs instructions are also appended at Annexure – A.

5. The Board desires that the Commissioners in charge of International airports concerned should ensure that instructions contained in the said Notification are complied with and correct forms are used by the arriving passengers.

6. Wide publicity should be given to the above changes made in Customs part of Arrival Card for Passengers and suitable standing order be issued by concerned Commissioner to guide officers and passengers.

7. Difficulty, if any, in implementation of afore-

mentioned instructions may be immediately brought to the notice of the Board.

Annexure - A

**Important Instructions**

C. Information Regarding Customs

1. Indian Customs require you to declare goods mentioned at S.No.7 overleaf, goods in excess of the free allowance, prohibited or restricted goods (including Narcotic drugs, wildlife and its products, and arms and explosives), and commercial goods at Red Channel counter. Attempt to import these goods and/or non-declaration can lead to penal consequences, including arrest.

2. Free allowance for passengers of Indian origin and foreigners residing in India of age of and above 10 years returning from the countries other than Nepal, Bhutan, Myanmar and China is normally Rs.25,000/- per passenger. Alcoholic liquor or wines upto 2 liters and 200 cigarettes can be brought as part of the free baggage allowance. Free allowance for passengers of Indian origin or a foreigner residing in India of the age of and above 10 years returning from Nepal, Bhutan, Myanmar and China is normally Rs.6,000/-. One laptop computer is allowed duty free for an adult passenger of the age of 18 years or above.

1. Tourists of foreign origin can import duty free gift and souvenirs worth Rs.8,000/-.

2. Tourists can import used personal affects including laptop, palmtop computer and reasonable jewellery free of duty, if these are re-exported at the time of departure.

3. In case your baggage is mishandled/lost on arrival, please obtain endorsement of the unavailed free allowance, if any, from the Customs Officer at Mis-handled Baggage Counter.

4. For updated information and in case of any difficulty or complaint, please contact the Customs Officer (PRO).

**[Ref: Ministry of Home Affairs Notification dated 24<sup>th</sup> February 2011]**

Whereas, certain draft rules further to amend the Registration of Foreigners Rules 1992, were published as required by section 3 of the Registration of Foreigners Act, 1939 (16 of 1939), vide notification of the Government of India in the Ministry of Home Affairs number G.S.R. 912(E), dated the 15<sup>th</sup> November, 2010. Objections and suggestions were invited from all persons likely to be affected by them within a period of forty-five days;

And whereas, no objection and suggestions on the said draft rules have been received from the public by the Central Government;

Now, therefore, in exercise of the powers

conferred by section 3 of the Foreigners Act, 1939 (16 of 1939) the Central Government hereby makes the following rules further to amend the Registration of Foreigners Rules, 1992, namely: -

1. (1) These rules may be called the Registration of Foreigners (Amendment) Rules, 2011.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Registration of Foreigners Rules, 1992, for the Form D and the entries relating thereto, the following Form and the entries shall be substituted, namely:-

5. Country of Residence:

6. NRI/PIO/OCI Status (tick appropriate box)  
 NRI  PIO  OCI  None

7. PIO/OCI Card No. if any:

8. Passport Number:

9. Date of Issue (DD/MM/YY):

10. Flight Number:

11. Port of Boarding:

12. Date of Arrival (DD/MM/YY):

13. Countries visited in last 6 days:

14. Address in India:

15. Telephone No.:

To be filled in by Indians only

16. Does your passport carry an ECR stamp? (tick appropriate box)  Yes  No

17. Whether employed overseas (tick appropriate box)  Yes  No

18. If answer is yes to 17, reason for return (tick appropriate box)

Completion of Employment  Others

To be filled in by Foreigners (Including PIO/OCI) and NRIs

“Form D

(See rules 5 and 15)

**Arrival Card for Passengers**

Please write in CAPITALS only. One character in one box as shown below. Do not write across the lines. Leave one box blank for space.

A	B	C	D	E	1	2	3	4	5
---	---	---	---	---	---	---	---	---	---

1. Name (as in passport) Leave one box

blank after every part of the name/initial:

2. Sex (tick appropriate box)  Male  Female

3. Nationality:

4. Date of Birth (DD/MM/YY):

- \*19. Visa Number:  Conference/Visit  Friends/ Relatives  
 \*20. Date of Expiry (DD/MM/YY):  Medical/ Health  Leisure/ Holiday  
 \*21. Type of Visa:  Religion/ Right image  Sport  
 22. Expected date of Departure (DD/MM/YY):  Others  
 23. Purpose of Visit (tick appropriate box)  
 Business  Transit  Official  
 Employment  Education
- \*Not to be filled by NRIs Signature of Passenger:  
 Immigration Stamp:

### Arrival Card for Passengers Customs

On Arrival in India Please Hand Over this Part of the Card to the Customs Officer while Leaving the Airport/Check Post.

1. Name in full ..... (c) Are you carrying any Satellite Phone? Yes/No  
 2. Flight No. ....  
 3. Date of Arrival ..... (d) Are you carrying foreign currency notes in excess of US \$5,000 or equivalent? Yes/No  
 4. No. of checked in baggage (s) .....  
 5. No. of hand baggage (s) ..... (e) Are you carrying foreign exchange (i.e. foreign currency notes, drafts, Travellers cheques, letters of credit, bills of exchange or any instruments where under any amount is payable in Indian currency) in excess of US \$10,000 or equivalent? Yes/No  
 6. Total value of dutiable goods being imported (Rs.) .....  
 7. (a) Are you carrying any plants/seeds/fruits/flowers/vegetables/bulbs/other planting material? Yes/No  
 (b) Are you carrying any meat & meat products/dairy products/live or ornamental fish/poultry products? Yes/No
- Signature of the Passenger .....  
 [F.No. 25022/52/2004-Imm (Part)]

### Amendments in SION

- Plastic Playing Cards without Plastic Cases Notified
- Methacrylic Acid Introduced as Inputs for BOPP Self Adhesive Tapes

Subject: Amendment/modification of SION Nos. H-18 and H-51.

43-PN(RE) In exercise of the powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-14, the following amendments are made in the Handbook of Procedure Vol. II (as stated in paragraph 1.1 of Vol.I):

I. In SION No. H-18 of Plastic Product Group (Product Code H) (i) Description of Export Product is expanded by addition of "Or without plastic cases" and (ii) a "Note" is inserted below the SION. The amended description of Export Product would read as under:

Export Product	Qty.
All Plastic (PVC) Playing Cards (Packed in relevant plastic cases or without plastic cases)	1 MT

The Note below SION would be as under:

**Note:** Relevant packing material may be al-

lowed only when the playing cards are packed in the plastic cases. Rest of the items (either description or quantity permitted) remain same.



II. In SION No. H-51 of Plastic Product Group (Product Code H), in the list of Import Items, Item No. 2(b) is expanded by addition of "Methacrylic Acid". The amended entry would read as under:

Import Item No. 2(b)	Qty.
Acrylic Acid/Methacrylic Acid	0.025 Kg

There is no change in rest of the items (either description or quantity permitted), or even in the description of export product.

#### Effect of these 2 amendments:

In SION No. H-18, the description of export product is extended to resort export of plastic playing cards without plastic cases. In SION No. H-51 an alternate input is introduced.

### Prior Contracts to be Protected in FTWZ Trading, Restriction on DTA Sale in Sector Specific Zones to Come into Effect from Contracts Concluded After 12.11.2010

Sub: Clarification on FTWZ issues

76-SEZ The undersigned is directed to refer to the Instruction No. 49 dated 12.3.2010 and

Instruction No. 71 dated 12.11.2010 on the subject mentioned above. Instruction No. 71 was issued to amend the point No. IV of the Instruction 49. It was clarified that the units in FTWZ in sector specific SEZ can store goods

required for development of the zone or setting up of units or for manufacturing and export/DTA sale of goods and services or finished products of the units in that particular sector specific zone. The provisions contained in instruction No. 71 are to be followed in letter and spirit from the date of issue of these instructions. However, trading and warehousing activities done in re-

### Anti-dumping on NBR from Taiwan – Notification Rescinded

Ntnfn 33 In exercise of the powers  
 30.03.2011 conferred by sub-sections  
 (DoR) (1) and (5) of section 9A of  
 the Customs Tariff Act,  
 1975 (51 of 1975), read with rules 18, 20 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby **rescinds** the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No. 33/2006-Customs, dated the 7<sup>th</sup> April, 2006**, published in the Gazette of India, vide number G.S.R. 211(E), dated the 7<sup>th</sup> April, 2006, except as respects things done or omitted to be done before such rescission.  
 [F. No. 354/19/2000-TRU(Pt.I)]

spect of any product by FTWZ located in sector specific SEZ between the period from 12.3.2010 to 12.11.2010 (both dates inclusive) and also the contracts signed in this period to be discharged in future may remain valid and may be treated accordingly till 31.3.2011. Thereafter, all cases including cases where contract was signed on or before 12.11.2010 shall also be regulated by instruction No. 71 w.e.f. 1.4.2011.  
 [F.No. D.12/4/2010-SEZ]

### New Application Form for Permission for Export of SCOMET Items w.e.f 1 April 2011

42-PN(RE) In exercise of powers  
 30.03.2011 conferred under paragraph 2.4  
 (DoR) of the Foreign Trade Policy,  
 2009-14, the Director General  
 of Foreign Trade hereby makes following amendments to the Handbook of Procedures, Volume 1 (Appendices and Aayat Niryat Forms), 2009-14:

Aayat Niryat Form 2E (ANF 2E) as given in Annexure to this Public Notice, shall replace the existing ANF 2E in the Handbook of Procedures, Volume 1 (Appendices and Aayat Niryat Forms), 2009-14.

2. This amendment shall be **applicable w.e.f. 1.4.2011**. All applications for permission for export of SCOMET items filed from 1.4.11 onwards must be filed in the new ANF 2E.

3. **Purpose of the Public Notice:** Prescribed application form for export licence for SCOMET items is 'Aayat Niryat Form 2E (ANF 2E)'. Based on feedback received from exporters, a simplified, rationalized and easy to fill ANF 2E has been designed which includes a revised 'Declaration / Undertaking'. 'Guidelines for Applicants' too have been made exhaustive with a view to facilitate filling of the form. New ANF 2E is applicable w.e.f. 1.4.2011. All applications for export of SCOMET items filed from 1.4.2011 onwards must be filed in the new ANF 2E.

[Annexure to this Notification available at our website [www.worldtradescanner.com](http://www.worldtradescanner.com)]



## Diplomats can Transfer Duty Free Vehicles to Non Diplomats

Subject: *Import policy of Vehicles.*

39-Ntfn(RE) In exercise of the powers  
31.03.2011 conferred by Section 5 of  
(DGFT) the Foreign Trade  
(Development and Regulation)

Act, 1992 read with Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendments in the Schedule 1 (Imports) of the ITC (HS) Classifications of Export and Import Items :

2. Existing policy (prior to this amendment) as available at page 709-710, Chapter 87 of ITC(HS) Classifications of Export and Import Items is extracted below :

### Import Licensing Notes:

(4) The import of vehicles (as classified under this Chapter) by Foreign Diplomats and Other Privileged Persons in this category, who are exempt from payment of customs duty, shall be exempt from the conditions specified at Sl.No.1 & 2 above. However, such imported vehicles cannot be sold in India except to another diplomat or privileged person and are compulsorily

required to be re-exported.

3. After amendment the entry would read as below:

Import Licensing Notes:

(4) The import of vehicles (as classified under this Chapter) by Foreign Diplomats and Other Privileged Persons in this category, who are exempt from payment of customs duty, shall be exempt from the conditions specified at Sl.No.1 & 2 above. Such imported vehicles shall be disposed off in the manner specified in the Foreign Privileged Persons (Regulation of Customs Privileges) Rules, 1957, as amended from time to time

### 4. The effect of this Notification:-

The sale of vehicles imported by Foreign Diplomats and Other Privileged Persons is now permitted to other non privileged persons also in the manner specified in Foreign Privileged Persons (Regulation of Customs Privileges) Rules, 1957, as amended.

## Cotton Yarn Export Freed, Quota System Dropped

Subject: *Removal of restriction on export of cotton yarn.*

40-Ntfn(RE) In exercise of the powers  
31.03.2011 conferred by Section 5 of  
(DGFT) the Foreign Trade  
(Development & Regulation)

Act, 1992 (No.22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-14, the Central Government amends Notification No. 14(RE-

2010) dated 22.12.2010 relating to export of Cotton Yarn with effect from 01.04.2011.

2. The entries of Table in Para 2 of Notification No. 14(RE-2010) dated 22.12.2010 will now read as follows:-



SNo.	Tariff Item Code	Unit	Item of Description	Export Policy	Nature of Restriction
161 B	5205	Kgs	Cotton yarn (other than sewing thread), containing 85% or more by weight of cotton not put up for retail sale	Free	The contracts for export of cotton yarn shall be registered with the Directorate General of Foreign Trade prior to shipment. Clearance of cotton yarn consignments shall be given by Customs after verifying that the contracts have been registered.
	5206	Kgs	Cotton yarn (other than sewing thread), containing less than 85% by weight of cotton not put up for retail sale		
	5207	Kgs	Cotton yarn (other than sewing thread), put up for retail sale		

### 3. The effect of this notification:-

The export of cotton yarn (Tariff Codes 5205, 5206 & 5207) was earlier "Restricted" with ex-

port allowed against licence. Now, the export of cotton yarn is "Free" subject to registration of export contracts with DGFT.

## MEP on Onions Cut to US\$170/MT

Subject: *Minimum Export Price of Onions.*

41-Ntfn(RE) In exercise of powers  
31.03.2011 conferred by Section 5 of  
(DGFT) the Foreign Trade  
(Development & Regulation)

Act, 1992 (No. 22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government makes the following amendment in Notification No 36(RE - 2010)/2009-2014 dated 23.03.2011 read with Notification No 24(RE - 2010)/2009-2014 dated 18.02.2011. This will be with immediate effect.

2. The phrase "Minimum Export Price(MEP) of US\$ 225 per Metric Ton F.O.B. or as notified by DGFT from time-to-time" as appearing in para 2 (a) of Notification No 36(RE - 2010)/



2009-2014 dated 23.03.2011 for the item description at Serial Number 44.01 of Notification No 24(RE-2010)/2009-2014 dated 18.02.2011 is replaced by the phrase "Minimum Export Price(MEP) of US\$ 170 per Metric Ton F.O.B. or as notified by DGFT from time-to-time".

### 3. Effect of this notification:

Minimum Export Price (MEP) of onions other than Bangalore Rose Onions and Krishnapuram onions will be US\$ 170 per Metric Ton F.O.B. It was US\$ 225 per Metric Ton as notified on 23.03.2011. There shall be no change in the MEP of Bangalore Rose Onion and Krishnapuram onion which continues to be USD 600 per Metric Ton F.O.B.

## Nuclear Related Trade with Iran Banned

42-Ntfn(RE) In exercise of powers  
31.03.2011 conferred by Section 5 read  
(DGFT) with Section 3(2) of the

Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) as amended in 2010, and also read with Para 1.3 and Para 2.1 of the Foreign Trade Policy, 2009-2014, (as amended from time to time), the Central Government hereby makes the following amendment in the Foreign Trade Policy, 2009-2014:

Existing Para 2.1.3 of Foreign Trade Policy, 2009-14 shall be **substituted** as follows:-

"2.1.3 Direct or indirect export and import of all items, materials, equipment, goods and technology which could contribute to Iran's enrichment related, reprocessing or heavy water related activities, or to development of nuclear weapon delivery systems, including those mentioned below, whether or not originating in Iran, to/from Iran is prohibited:

(i) items listed in INFCIRC/254/Rev.9/Part 1 and INFCIRC/254/Rev.7/Part 2 (IAEA Documents)

(ii) items listed in S/2010/263 (UN Security Council Document)

All the UN Security Council Resolutions/ Documents and IAEA Documents referred to above are available on the UN Security Council website ([www.un.org/Docs/sc](http://www.un.org/Docs/sc)) and IAEA website (<http://www.iaea.org/>)."

**2. Purpose of the notification:** This notification is being issued to amend Para 2.1.3 of the Foreign Trade Policy in order to harmonise provisions of the Policy with the United Nations Security Council (UNSC) Resolution 1929 by which additional sanctions have been imposed on Iran related to its nuclear and missile development programme.

## No DEPB on Cotton Exports with Retrospective Effect

Subject: *Non-availability of DEPB benefit on export of Cotton.*

45-PN(RE) In exercise of powers  
31.03.2011 conferred under Paragraph 2.4  
(DGFT) of the Foreign Trade Policy,  
2009-2014, the following

amendment is made in the Schedule of DEPB Rates (as stated in paragraph 1.1 of HPB v1):

2. Export of Cotton shall not be entitled for DEPB benefit even under DEPB entry Sl. No. 22C and 22D of the Product Group "Miscellaneous", with respect to shipments made on or after 21.4.2010.

### 3. Effect of this amendment:

Benefit under DEPB scheme encourages export of concerned commodity. Hence when the intention of the Government is not to encourage exports of specific commodity, DEPB benefit on such a commodity would be contradictory to its intention. Accordingly, this Public Notice clarifies that DEPB benefit on export of cotton shall not be available. DEPB benefit on export of cotton yarn was withdrawn with effect from 21.4.2010, therefore, DEPB benefit on cotton (the basic raw material for cotton yarn) has been disallowed for exports made from 21.4.2010 onwards.

## MEP of US\$850/MT Notified for Matta Rice

### Quality Testing not Required

Subject: Minimum Export Price (MEP) for export of Sona Masuri, Ponni Samba and Matta rice.

44-PN(RE) In exercise of the powers  
31.03.2011 conferred by Para 2.4 of  
(DGFT) the Foreign Trade Policy,  
2009-2014, the Director  
General of Foreign Trade hereby makes the  
following amendments in Public Notice No. 36  
(RE-2010)/2009-2014 dated 01.03.2011 read  
with Public Notice No. 37 (RE-2010)/2009-2014  
dated 08.03.2011 relating to procedure for ex-  
port of 1,50,000 MTs of Non Basmati Rice(Sona  
Masuri, Ponni Samba & Matta rice varieties).  
Notification No. 21(RE-2010)/2009-2014 dated  
10<sup>th</sup> February 2011 had permitted export of  
these 3 varieties of rice with respective quantity  
ceilings.

2. (a) A new sub-para 3 (v) was added through  
Public Notice No. 37 (RE-2010)/2009-2014 dated  
08.03.2011 after sub-para (iv) at the end of para  
3 of Public Notice No. 36 (RE-2010)/2009-2014  
dated 01.03.2011. With immediate effect, the  
sub-para 3 (v) is amended to read as under:

“3. ....

(v) The export of Sona Masuri, Ponni Samba  
and Matta varieties of non-Basmati rice shall be  
subject to a Minimum Export Price (MEP) of  
USD 850 per MT.”

(b) Para 3(iv) of Public Notice No. 36 (RE-  
2010)/2009-2014 dated 01.03.2011 relating to  
testing of quality of rice is deleted with immedi-  
ate effect

#### 4. Effect of this Public Notice:

(i) MEP of USD 850 per MT was prescribed for  
Sona Masuri rice and Ponni-Samba rice but not  
for Matta rice. Now the same MEP of USD 850  
per MT is applicable for Matta rice also.

(ii) Condition 3 (iv) of Public Notice No. 36  
dated 01.03.2011 relating to testing of quality of  
rice stands deleted.

(iii) There shall be no change in other condi-  
tions mentioned in Public Notice No. 36 (RE-  
2010)/2009-2014 dated 01.03.2011.

## TRU Clarifications on Point of Taxation

[Ref: F.No.341/34/2010-TRU dated 31<sup>st</sup> March 2011

Subject: Amendments in Point of Taxation Rules, 2011 and other related provisions

As you are aware, the Point of Taxation Rules  
(PTR) were formulated vide Notification No.18/  
2011-ST dated 01.03.2011. Based on the feed-  
back, certain amendments are being carried out  
in these rules vide Notification No. 25/2011-ST  
dated 31.03.2011. The highlights of the changes  
are discussed in the following paragraphs.

2. While the rules shall come into force from  
01.04.2011, an option has been given in rule 9  
to pay tax on payment basis, as at present, till  
30.06.2011.

3. Rule 3 has been amended to provide that  
the point of taxation shall be as follows:

(a) Date of invoice or payment, whichever is  
earlier, if the invoice is issued within the pre-  
scribed period of 14 days from the date of  
completion of the provision of service.

(b) Date of completion of the provision of  
service or payment, if the invoice is not issued  
within the prescribed period as above.

The applicability of the rule will be clear from  
the illustrations in the following table:

SNo.	Date of completion of service	Date of invoice	Date on which payment recd.	Point of Taxation	Remarks
1.	April 10, 2011	April 20, 2011	April 30, 2011	April 20, 2011	Invoice issued in 14 days and before receipt of payment
2.	April 10, 2011	April 26, 2011	April 30, 2011	April 10, 2011	Invoice not issued within 14 days and payment received after completion of service
3.	April 10, 2011	April 20, 2011	April 15, 2011	April 15, 2011	Invoice issued in 14 days but payment received before invoice
4.	April 10, 2011	April 26, 2011	April 5, 2011 (part) and April 25, 2011 (remaining)	April 5, 2011 and April 10, 2011 for respective amounts	Invoice not issued in 14 days. Part payment before completion, remaining later

4. Rule 4 has been amended to clarify that  
change in the effective rate of tax shall also  
include change in that portion of value on which  
tax is payable in terms of an exemption notifica-  
tion or rules made in this regard. It may be noted  
that an exemption has been granted in value for  
various services vide Notification No. 1/2006-  
ST dated 01.03.2006 which has the effect of  
payment of tax only on a part of the value.  
Similarly either the values or the rates at which

tax is payable are provided under rule 6(7, 7A,  
7B or 7C) of the Service Tax Rules, 1994 as well  
as the Works Contract (Composition Scheme  
for Payment of Service Tax) Rules, 2007. Thus,  
whenever these values or the composition rates  
are changed, it would have the same effect as  
the change in the rate of duty. It is hereby further  
clarified that the rate of tax shall also include any  
other notification which is issued, rescinded or  
amended and has the effect of altering the

## Bihar Introduces Professional Tax

Salaried professionals earning more than Rs  
3 lakh per annum would come under the  
ambit of the new legislation and would have  
to pay the tax

Bihar government has decided to impose  
professional tax on the officers and employ-  
ees of the central and the state government,  
boards and corporations on the pattern of  
Maharashtra, West Bengal and other states.

The State Assembly on Tuesday, 29  
March passed the Bihar Profession, Trade,  
Livelihood and Employment Tax Bill, 2011,  
paving the way for the imposition of the tax.

The Bill would come into force from the  
date of its notification in the state gazette,  
the sources said adding salaried profession-  
als earning more than Rs 3 lakh per annum  
would come under the ambit of the new  
legislation.

Those earning between Rs 3 lakh and Rs  
5 lakh would pay an annual professional tax  
of Rs 1000 while those earning between 5  
lakh and Rs 10 lakh will have to pay Rs 2000.  
Employees getting above Rs 10 lakh per  
annum will pay Rs 2500, authoritative sources  
said.

The employers will collect the profes-  
sional tax from salaried people working in  
private firms or government as per the TDS  
(Tax Deducted at source) module. Self-em-  
ployed professionals like doctors, lawyers  
and accountants would also be brought into  
the professional tax net.

Under the provisions of the new legisla-  
tion, the Commercial Taxes Department  
would henceforth be the nodal body to col-  
lect the professional tax instead of municipal  
bodies, which hitherto collected the profes-  
sional tax in their respective domains.

In case of default, an employee would be  
liable to a fine of two per cent at simple  
interest rate per month on the outstanding  
amount, the sources said.

The employer or an employee would be  
liable for three months simple imprisonment  
or a fine of Rs 5000 in case of violation of the  
rules without assigning any valid reason.

taxability of any service.

5. Rule 6 relating to continuous supply of  
service has been aligned with the revised rule 3  
and the date of completion of continuous ser-  
vice has been defined within the rule. This date  
shall be the date of completion of the specified  
event stated in the contract which obligates  
payment in part or whole for the contract. For  
example, in the case of construction services if  
the payments are linked to stage-by-stage  
completion of construction, the provision of  
service shall be deemed to be completed in part  
when each such stage of construction is com-  
pleted. Moreover, it has been provided that this  
rule will have primacy over rules 3, 4 and 8.

6. Moreover, the following services have been  
notified as “continuous supply of services” in  
terms of clause 2(c) of the rules vide notification



No. 28/ST-2011 dated 01.04.2011:

- (a) Telecommunication service [65(105)(zzzx)]
- (b) Commercial or industrial construction [65(105)(zzq)]
- (c) Construction of residential complex [65(105)(zzzh)]
- (d) Internet Telecommunication Service [65(105)(zzzu)]
- (e) Works contract service [65(105)(zzzza)]

Thus these services will constitute "continuous supply of services" irrespective of the period for which they are provided or agreed to be provided. Other services will be considered continuous supply only if they are provided or agreed to be provided continuously for a period exceeding three months.

7. Rule 7 relating to associated enterprises has been deleted. Now that the date of completion of the provision of service is an important criterion in the determination of point of taxation, it shall take care of most of the dealings between the associated enterprises. Thus in case of failure to issue the invoice within the prescribed period, the date of completion of provision of service shall come into effect even if payment is not made.

8. Rule 7 has thus been replaced by a new provision whereby the point of taxation shall be the date of making or receiving the payment, as the case may be. This provision shall apply to the following:

- (i) Export of services;
- (ii) Persons, where the obligation to pay tax is on the service recipient in terms of rule 2(1)(d) of the Service Tax Rules, 1994 in respect of services notified under section 68(2) of the Finance Act, 1994.
- (iii) Individuals, proprietorships and partnership firms providing specified services (Chartered Accountant, Cost Accountant, Company Secretary, Architect, Interior Decorator, Legal, Scientific and Technical consultancy services). The benefit shall not be available in case of any other service also supplied by the person concerned along with the specified services.

9. Export of services is exempt subject, inter alia, to the condition that the payment should be received in convertible foreign exchange. Until the payment is received, the provision of service, even if all other conditions are met, would not constitute export. In order to remove the hardship that will be caused due to accrual method, the point of taxation has been changed to the date of payment. However, if the payment is not received within the period prescribed by RBI, the point of taxation shall be determined in the absence of this rule.

10. In the case of services where the recipient is obligated to pay service tax under rule 2 (1)(d) of Service Tax Rules i.e. on reverse charge basis, the point of taxation shall be the date of making the payment. However, if the payment is not made within six months of the date of invoice, the point of taxation shall be determined as if this rule does not exist. Moreover, in the case of associated enterprises, when the service provider is outside India, the point of

taxation will be the earlier of the date of credit in the books of account of the service receiver or the date of making the payment.

11. Changes have also been made in the Service Tax Rules, 1994 vide notification No. 26/2011-ST dated 31.03.2011 and have a close relationship with the Point of Taxation Rules as follows:

(i) The obligation to issue invoice shall be within 14 days of completion of service and not provision of service.

(ii) If the amount of invoice is renegotiated due to deficient provision or in any other way changed in terms of conditions of the contract (e.g. contingent on the happening or non-happening of a future event), the tax will be payable on the revised amount provided the excess amount is either refunded or a suitable credit note is issued to the service receiver. However, concession is not available for bad debts.

12. The credit of input services under rule 4 (7) of the Cenvat Credit Rules has also been liberalized vide notification No. 13/2011-CE (NT) dated 31.03.2011 and the same shall be available on receipt of invoice (except in cases of reverse charge) as long as the payment is made within three months. Even specified persons required to pay tax on cash basis will be able to avail credit on receipt of invoice. Suitable changes have also been made for reversal of credit or payment when the value of service is renegotiated or altered for any reason by refund or issue of a credit note by the service provider.

## Credit of Input Services under CENVAT Rules 2004 Liberalised

13-CE(NT) In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944) and section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely :-

1. (1) These rules may be called the CENVAT Credit (Third Amendment) Rules, 2011.

(2) They shall come into force on the 1st day of April, 2011.

2. In the **CENVAT Credit Rules, 2004** (hereinafter referred to as the "said rules") in **rule 4**, for sub-rule 7, the following sub-rule shall be substituted, namely:-

(7) The CENVAT credit in respect of input service shall be allowed, on or after the day on which the invoice, bill or, as the case may be, challan referred to in rule 9 is received:

Provided that in case of an input service where the service tax is paid on reverse charge by the recipient of the service, the CENVAT credit in respect of such input service shall be allowed on or after the day on which payment is made of the value of input service and the service tax paid or payable as indicated in invoice, bill or, as the case may be, challan referred to in rule 9:

Provided further that in case the payment of the value of input service and the service tax paid or payable as indicated in the invoice, bill or, as the case may be, challan referred to in

Amendment has also been made in Rule 9 of Cenvat Credit Rules, 2004 by allowing credit on supplementary invoice, except in non-bonafide cases, which may become necessary in certain situations e.g. where the point of tax is the date of payment while the invoice had already been issued e.g. rule 4(b)(i) of Point of Taxation Rules.

13. It is further clarified that the transitional provisions will apply to all invoices issued before 31.03.2011 in so far as taxpayers who switch over to the new rules on 01.04.2011. Those assesseees who like to shift to the new rules on 01.07.2011 would have similar protection in respect of invoices issued before the date they switch over to the new rules. The benefit has also been extended to services when provision has been completed before 01.04.2011 or 01.07.2011, as the case may be. It is also clarified that the payments received before the new rules come into force do not require any transitional provisions as they are already required to pay tax on payment basis.

14. It is hoped that with these changes and clarifications all representations on the subject have been dealt with. It is requested that all officers may be advised to explain and clarify the new provisions to taxpayers and assist them in every possible manner in transition to revised rules. Any difficulty experienced in this regard may be brought to the notice of undersigned as soon as possible.

rule 9, is not made within three months of the date of the invoice, bill or, as the case may be, challan, the manufacturer or the service provider who has taken credit on such input service, shall pay an amount equal to the CENVAT credit availed on such input service and in case the said payment is made, the manufacturer or output service provider, as the case may be, shall be entitled to take the credit of the amount equivalent to the CENVAT credit paid earlier subject to the other provisions of these rules:

Provided also that if any payment or part thereof, made towards an input service is refunded or a credit note is received by the manufacturer or the service provider who has taken credit on such input service, he shall pay an amount equal to the CENVAT credit availed in respect of the amount so refunded or credited:

Provided also that CENVAT credit in respect of an invoice, bill or, as the case may be, challan referred to in rule 9, issued before the 1<sup>st</sup> day of April, 2011 shall be allowed, on or after the day on which payment is made of the value of input service and the service tax paid or payable as indicated in invoice, bill or, as the case may be, challan referred to in rule 9.

**Explanation I.-** The amount mentioned in this sub-rule, unless specified otherwise, shall be paid by the manufacturer of goods or the provider of output service by debiting the CENVAT credit or otherwise on or before the 5th day of the following month except for the month of March, when such payment shall be made on or

before the 31st day of the month of March.

**Explanation II.** - If the manufacturer of goods or the provider of output service fails to pay the amount payable under this sub-rule, it shall be recovered, in the manner as provided in rule 14, for recovery of CENVAT credit wrongly taken.

**Explanation III.**- In case of a manufacturer who avails the exemption under a notification based on the value of clearances in a financial year and a service provider who is an individual or proprietary firm or partnership firm, the expressions, "following month" and "month of March" occurring in sub-rule (7) shall be read respectively as "following quarter" and "quarter ending with the month of March".

3. In rule 6 of the said rules, in **Explanation I**, in clause (c) for the words "shall be the difference between the sale price and the purchase price of the goods traded", the words "shall be the difference between the sale price and the cost of goods sold (determined as per the

generally accepted accounting principles without including the expenses incurred towards their purchase) or ten per cent. of the cost of goods sold, whichever is more" shall be substituted.

4. In rule 9 of the said rules, after clause (b), the following clause may be **inserted**, namely:-

"(bb) a supplementary invoice, bill or challan issued by a provider of output service, in terms of the provisions of Service Tax Rules, 1994 except where the additional amount of tax became recoverable from the provider of service on account of non-levy or non-payment or short-levy or short-payment by reason of fraud or collusion or wilful mis-statement or suppression of facts or contravention of any of the provisions of the Finance Act or of the rules made thereunder with the intent to evade payment of service tax."

[F.No. 334/3/2011- TRU]

## Point of Taxation Rules 2011 Amended

25-ST In exercise of the powers  
31.03.2011 conferred by clause (a)  
(DoR) and clause (hhh) of sub  
section (2) of section 94 of the  
Finance Act, 1994 (32 of 1994) the Central  
Government hereby makes the following rules  
further to amend the Point of Taxation Rules,  
2011, namely:-

1. (1) These rules may be called the Point of Taxation (Amendment) Rules, 2011.

(2) They shall come into force on the 1st day of April, 2011.

2. In the Point of Taxation Rules, 2011 (hereinafter referred to as the "said rules"), for rule 3, the following rule shall be **substituted**, namely:-

**"3. Determination of point of taxation.-** For the purposes of these rules, unless otherwise provided, 'point of taxation' shall be,-

(a) the time when the invoice for the service provided or to be provided is issued:

Provided that where the invoice is not issued within fourteen days of the completion of the provision of the service, the point of taxation shall be date of such completion.

(b) in a case, where the person providing the service, receives a payment before the time specified in clause (a), the time, when he receives such payment, to the extent of such payment.

**Explanation .-** For the purpose of this rule, wherever any advance by whatever name known, is received by the service provider towards the provision of taxable service, the point of taxation shall be the date of receipt of each such advance."

3. In rule 4 of the said rules,-

(i) for the words "change of rate", wherever they occur, the words "change in effective rate of tax" shall be **substituted**;

(ii) for the words "change of rate of tax" or "change in tax rate" or "change of tax rate", respectively at both the places where they occur, the words "change in effective rate of tax" shall be **substituted**;

(iii) after sub-clause (iii) of clause (b), the following *Explanation* shall be **inserted**, namely:-

**"Explanation.-** For the purposes of this rule, "change in effective rate of tax" shall include a change in the portion of value on which tax is payable in terms of a notification issued under the provisions of Finance Act, 1994 or rules made thereunder."

4. For rule 6 of the said rules, the following rule shall be **substituted**, namely:-

**"6. Determination of point of taxation in case of continuous supply of service.-** Notwithstanding anything contained in rules 3,4 or 8, in case of continuous supply of service, the point of taxation shall be,-

(a) the time when the invoice for the service provided or to be provided is issued:

Provided that where the invoice is not issued within fourteen days of the completion of the provision of the service, the point of taxation shall be date of such completion.

(b) in a case, where the person providing the service, receives a payment before the time specified in clause (a), the time, when he receives such payment, to the extent of such payment.

**Explanation 1. -** For the purpose of this rule, where the provision of the whole or part of the service is determined periodically on the completion of an event in terms of a contract, which requires the service receiver to make any payment to service provider, the date of completion of each such event as specified in the contract shall be deemed to be the date of completion of provision of service.

**Explanation 2.-** For the purpose of this rule, wherever any advance, by whatever name known, is received by the service provider towards the provision of taxable service, the point of taxation shall be the date of receipt of each such advance."

5. For rule 7, the following rule shall be **substituted**, namely:-

**"7. Determination of point of taxation in case of specified services or persons.-** Notwithstanding anything contained in these rules, the point of taxation in respect of,-

(a) the services covered by sub-rule (1) of rule 3 of Export of Services Rules, 2005;

(b) the persons required to pay tax as recipients under the rules made in this regard in respect of services notified under sub-section (2) of section 68 of the Finance Act, 1994;

(c) individuals or proprietary firms or partnership firms providing taxable services referred to in sub-clauses (p), (q), (s), (t), (u), (za), (zzzzm) of clause (105) of section 65 of the Finance Act, 1994,

shall be the date on which payment is received or made, as the case may be:

Provided that in case of services referred to in clause (a), where payment is not received within the period specified by the Reserve Bank of India, the point of taxation shall be determined, as if this rule does not exist.

Provided further that in case of services referred to in clause (b) where the payment is not made within a period of six months of the date of invoice, the point of taxation shall be determined as if this rule does not exist.

Provided also that in case of "associated enterprises", where the person providing the service is located outside India, the point of taxation shall be the date of credit in the books of account of the person receiving the service or date of making the payment whichever is earlier.

6. For rule 9, the following rule shall be **substituted**, namely:-

**"9. Transitional Provisions.-** Nothing contained in this sub-rule shall be applicable,-

(i) where the provision of service is completed; or

(ii) where invoices are issued prior to the date on which these rules come into force.

Provided that services for which provision is completed on or before 30th day of June, 2011 or where the invoices are issued upto the 30th day of June, 2011, the point of taxation shall, at the option of the taxpayer, be the date on which the payment is received or made as the case may be".

[F.No. 334/3/2011 – TRU]

## Service Tax Rules 1994 Amended

26-ST In exercise of the powers  
31.03.2011 conferred by sub-section (1)  
(DoR) read with sub-section (2) of  
section 94 of the Finance Act,  
1994 (32 of 1994), the Central Government  
hereby makes the following rules further to  
amend the Service Tax Rules, 1994, namely :-

1. (1) These rules may be called the Service Tax (Second Amendment) Rules, 2011.

(2) They shall come into force on the 1st day of April, 2011.

2. In the Service Tax Rules, 1994 (hereinafter referred to as the "said rules"), in rule (4A), in sub-rule (1),-

(i) for the words "provision of", the words "completion of" shall be substituted;

(ii) after the second proviso, the following proviso shall be inserted, namely:-

"Provided also that in case of continuous supply of service, every person providing such

taxable service shall issue an invoice, bill or challan, as the case may be, within fourteen days of the date when each event specified in the contract, which requires the service receiver to make any payment to service provider, is completed.”;

3. In rule 6 of the said rules,-

(a) in sub-rule (3),-

(i) after the words “partially for any reason”, the words “or where the amount of invoice is renegotiated due to deficient provision of service, or any terms contained in a contract,” shall be inserted;

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

“(a) has refunded the payment or part thereof, so received for the service provided to the person from whom it was received; or”

(b) in sub-rule (7B),-

(i) for the words and figures “at the rate of 0.1 per cent. of the gross amount of currency exchanged”, the words “at the following rate” shall be substituted;

(ii) for the words “of the Act”, the following shall be substituted, namely:-

“of the Act, namely:

(a) 0.1 per cent. of the gross amount of currency exchanged for an amount upto rupees 100,000, subject to the minimum amount of rupees 25; and

(b) rupees 100 and 0.05 per cent. of the gross amount of currency exchanged for an amount of rupees exceeding rupees 100,000 and upto rupees 10,00,000; and

(c) rupees 550 and 0.01 per cent. of the gross amount of currency exchanged for an amount of rupees exceeding 10,00,000, subject to maximum amount of rupees 5000:

Provided that the person providing the service shall exercise such option for a financial year and such option shall not be withdrawn during the remaining part of that financial year.”

[F. No. 334/3/ 2011 – TRU]

## Export of Taxable Services – Technical Testing and Analysis – I

22-ST In exercise of the powers conferred by sections 93 and 31.03.2011 94 of the Finance Act, 1994 (32 of 1994), the Central (DoR) Government hereby makes the following rules further to amend the Export of Services Rules, 2005, namely:-

1. (1) These rules may be called the Export of Services (Second Amendment) Rules, 2011.

(2) They shall come into force on the 1st day of April, 2011.

2. In the Export of Services Rules, 2005, in rule 3, in sub-rule (1), in clause (ii), in the second proviso, the brackets and letters “(zzh)” shall be omitted.

[F. No. 334/1/2011-TRU]

## Customs Valuation Exchange Rates

April 2011	Imports	Exports	
<b>Schedule I</b>			
1 Australian Dollar	46.55	45.30	
2 Canadian Dollar	46.25	44.95	
3 Danish Kroner	8.60	8.30	
4 EURO	63.70	62.00	
5 Hong Kong Dollar	5.80	5.65	
6 Norwegian Kroner	8.10	7.80	
7 Pound Sterling	72.65	70.75	
8 Swedish Kroner	7.10	7.15	
9 Swiss Franc	49.25	47.85	
10 Singapore Dollar	35.95	34.95	
11 U.S. Dollar	45.20	44.30	
<b>Schedule II</b>			
1 Japanese Yen	55.55	53.90	

Rate of exchange of one unit of foreign currency equivalent to Indian Rupees

Rate of exchange of 100 units of foreign currency equivalent to Indian rupees

(Source: Customs Notification 24(NT)/29.03.2011)

## Commodity Spot Prices in India – 01-04 April 2011

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

(Rs.)					
Commodity	Unit	Market	1-Apr	2-Apr	4-Apr
CER (Carbon Trading)	1 MT	Mumbai	830.5	834	834
Chana	100 KGS	Delhi	2310	2302	2243
Masur	100 KGS	Indore	3250	3300	3340
Potato	100 KGS	Agra	642.4	643.1	643.8
Potato TKR	100 KGS	Tarkeshwar	404.5	408.6	402.4
Arecanut	100 KGS	Mangalore	NA	NA	NA
Cashewkern	1 KGS	Quilon	NA	NA	NA
Cardamom	1 KGS	Vandanmedu	1025.6	1060.6	1033
Coffee ROB	100 KGS	Kushalnagar	NA	NA	NA
Jeera	100 KGS	Unjha	NA	NA	NA
Pepper	100 KGS	Kochi	NA	NA	NA
Red Chili	100 KGS	Guntur	NA	NA	NA
Turmeric	100 KGS	Nzmbad	10225	10225	10225
Guar Gum	100 KGS	Jodhpur	NA	NA	NA
Maize	100 KGS	Nzmbad	1202	1202	1202
Wheat	100 KGS	DELHI	1209.6	1221.7	1236.7
Mentha Oil	1 KGS	Chandausi	1193.2	1174.5	1158.7
Cotton Seed	100 KGS	Akola	NA	NA	NA
Castorsd RJK	100 KGS	Rajkot	5029	5029	5093
Guar Seed	100 KGS	Bikaner	2700	2731	2865
Soya Bean	100 KGS	Indore	2312.5	2310	2337
Mustrdsd JPR	20 KGS	Jaipur	515.35	517	518
Sesame Seed	100 KGS	Rajkot	5017	5017	5213
Coconut Oil Cake	100 KGS	Kochi	NA	NA	NA
RCBR Oil Cake	1 MT	Raipur	NA	NA	NA
Kapaskhali	50 KGS	Akola	1195.3	1198.2	1204.3
Coconut Oil	100 KGS	Kochi	9776	9776	9776
Refsoy Oil	10 KGS	Indore	599.55	598.5	608.85
CPO	10 KGS	Kandla	519	517.5	520.5
Mustard Oil	10 KGS	Jaipur	550	555	554.8
Gnutoilexp	10 KGS	Rajkot	790	790	800
Castor Oil	10 KGS	Kandla	NA	NA	NA
Crude Oil	1 BBL	Mumbai	4765	4820	4820
Furnace Oil	1000 KGS	Mumbai	NA	NA	NA
Sourcrd Oil	1 BBL	Mumbai	NA	NA	NA
Brent Crude	1 BBL	Mumbai	5240	5300	5300
Gur	40 KGS	Muzngr	NA	NA	NA
Sugars	100 KGS	Kolhapur	2695	NA	2704
Sugarm	100 KGS	Delhi	2958	2960	2965
Natural Gas	1 mmBtu	Hazirabad	196	194.8	194.8
Rubber	100 KGS	Kochi	23243	23450	24100
Cotton Long	1 Candy	Kadi	NA	NA	NA
Cotton Med	1 Maund	Sriganganagar	NA	NA	NA
Jute	100 KGS	Kolkata	3227.5	3270	3305
Gold	10 GRMS	Ahmd	20733	20730	20780
Gold Guinea	8 GRMS	Ahmd	16653	16651	16691
Silver	1 KGS	Ahmd	55695	55700	56500
Sponge Iron	1 MT	Raipur	NA	NA	NA
Steel Flat	1000 KGS	Mumbai	NA	NA	NA
Steel Long	1 MT	Gobindgarh	NA	NA	NA
Copper	1 KGS	Mumbai	424	419.2	419.2
Nickel	1 KGS	Mumbai	1140.9	1140.9	1143.2
Aluminium	1 KGS	Mumbai	115.6	345.5	343
Lead	1 KGS	Mumbai	121.9	121.9	126.8
Zinc	1 KGS	Mumbai	104.5	104.5	107.55
Tin	1 KGS	Mumbai	1400	1400	1414.75

(Source: MCX Spot Prices)

**Export of Taxable Services – Technical Testing and Analysis – II**

23-ST	In exercise of the powers	Received in India) Amendment Rules, 2011.
31.03.2011	conferred by sections 93	(2) They shall come into force on the 1st day
(DoR)	and 94 read with section 66A	of April, 2011.
	of the Finance Act, 1994 (32 of	2. In the Taxation of Services (Provided from
	1994), the Central Government, hereby makes	Outside India and Received in India) Rules,
	the following rules further to amend the Taxa-	2006, in rule 3, in clause (ii), in the second
	tion of Services (Provided from Outside India	proviso, the brackets and letters "(zzh)" shall be
	and Received in India) Rules, 2006, namely:-	omitted.
	1. (1) These rules may be called the Taxation	[F. No. 334/3/2011-TRU]
	of Services (Provided from Outside India and	

**Amendments in Service Tax (Determination of Value) Rules, 2006**

24-ST	In exercise of the powers	ment Rules, 2011.
31.03.2011	conferred by clause (aa)	(2) They shall come into force on the 1st day
(DoR)	of sub-section (2) of section 94	of April, 2011.
	of the Finance Act, 1994 (32 of	2. In the Service Tax (Determination of Value)
	1994), the Central Government hereby makes	Rules, 2006, in rule 2B, for the words "reference
	the following rules further to amend the Service	rate for that currency for that day", the words
	Tax (Determination of Value) Rules, 2006,	"reference rate for that currency at that time"
	namely:-	shall be substituted.
	1. (1) These rules may be called the Service	[F. No. 334/3/2011 – TRU]
	Tax (Determination of Value) Second Amend-	

**Service Tax Exemption on Rail Containers for Export Goods Extended to 1 July 2010**

19-ST	In exercise of the powers
30.03.2011	conferred by sub-section (1)
(DoR)	of section 93 of the Finance
	Act, 1994 (32 of 1994)
	(hereinafter referred to as the Finance Act), the
	Central Government, on being satisfied that it is
	necessary in the public interest so to do, hereby
	makes the following amendment in the notifica-
	tion of the Government of India in the Ministry of
	Finance (Department of Revenue) <b>No.07/2010-</b>
	<b>Service Tax, dated the 27th February, 2010,</b>
	published in the Gazette of India, Extraordinary,
	Part II, section 3, sub-section(i), vide number
	G.S.R. 151 (E), dated the 27th February, 2010,
	namely:-
	2. In para 2 of the said notification, for the word
	'April', the word 'July', shall be substituted.
	[F. No. B-1/2/2010-TRU]

**Service Tax Exemption on Transport of Goods in Containers by Rail Extended to 1 July 2010**

20-ST	In exercise of the powers
30.03.2011	conferred by sub-section (1)
(DoR)	of section 93 of the Finance
	Act, 1994 (32 of 1994)
	(hereinafter referred to as the Finance Act), the
	Central Government, on being satisfied that it is
	necessary in the public interest so to do, hereby
	makes the following amendment in the notifica-
	tion of the Government of India in the Ministry of
	Finance (Department of Revenue) <b>No.08/2010-</b>
	<b>Service Tax, dated the 27th February, 2010,</b>
	published in the Gazette of India, Extraordinary,
	Part II, section 3, sub-section(i), vide number
	G.S.R. 152 (E), dated the 27th February, 2010,
	namely:-
	2. In para 2 of the said notification in, for the
	word 'April', the word 'July', shall be substituted.
	[F. No. B-1/2/2010-TRU]

**Service Tax Exemption on Transport of Goods by Rail Extended to 1 July 2010**

21-ST	In exercise of the powers
30.03.2011	conferred by sub-section (1)
(DoR)	of section 93 of the Finance
	Act, 1994 (32 of 1994)
	(hereinafter referred to as the Finance Act), the
	Central Government, on being satisfied that it is
	necessary in the public interest so to do, hereby
	makes the following amendment in the notifica-
	tion of the Government of India in the Ministry of
	Finance (Department of Revenue) <b>No.09/2010-</b>
	<b>Service Tax, dated the 27th February, 2010,</b>
	published in the Gazette of India, Extraordinary,
	Part II, section 3, sub-section(i), vide number
	G.S.R. 153 (E), dated the 27th February, 2010,
	namely:-
	2. In para 3 of the said notification in, for the
	word 'April', the word 'July', shall be substituted.
	[F. No. B-1/2/2010-TRU]

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