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EU $962 bn Show to Save Euroland

European policy makers unveiled an unprecedented loan package worth almost $1 trillion and a program of bond purchases to stop a sovereign-debt crisis that threatened to shatter confidence in the euro. Stocks surged around the world, the euro strengthened and commodities rallied.

Jolted by last week's slide in the currency and soaring bond yields in Portugal and Spain, European Union finance chiefs met in a 14-hour session in Brussels overnight. The 16 euro nations agreed in a statement to offer as much as 750 billion euros ($962 billion), including International Monetary Fund backing, to countries facing instability and the European Central Bank said it will buy government and private debt.

The rescue package for Europe's sovereign debtors comes little more than a year after the waning of the last crisis, caused by the U.S. mortgage-market collapse, which wreaked $1.8 trillion of global credit losses and writedowns.

A 110 billion-euro bailout package for Greece approved last week by the EU and IMF failed to reassure investors, prompting yesterday's renewed bid to bolster the euro.

Treasuries tumbled on investors' increased appetite for risk, with yields on benchmark 10-year U.S. notes rising to 3.57 percent from 3.43 percent at last week's close. German bunds also declined, sending 10-year yields up 18 basis points.

The steps came after failure to contain Greece's fiscal crisis triggered a 4.1 percent drop in the euro last week, the biggest weekly decline since the aftermath of Lehman Brothers Holdings Inc.'s collapse. European stocks sank the most in 18 months, with the Stoxx Europe 600 Index tumbling 8.8 percent.

The ripple effect in the U.S., including a brief 1,000-point drop in the Dow Jones Industrial Average on May 6, prompted President Barack Obama to call German Chancellor Angela Merkel and French President Nicolas Sarkozy to urge "resolute steps" to prevent the crisis from cascading around the world.

Loan Package

Under the loan package, euro-area governments pledged 440 billion euros in loans or guarantees, with 60 billion euros more in loans from the EU's budget and as much as 250 billion euros from the International Monetary Fund.

The ECB also reactivated unlimited fixed-rate offerings of three-month loans, a key tool in the ECB's efforts to fight the credit crisis.

In Brussels, finance ministers from the 16-nation euro region – joined by ministers from the 11 EU countries outside the euro – raced against time to weld the contingency lending arrangements before markets opened in Asia.

Inability to craft a convincing package in time would have left deficit-plagued countries at the mercy of the "wolfpack behavior" of speculators, Finance Minister Anders Borg of Sweden, a non-euro member, said as the meeting began.

Budget Cuts in Spain and Portugal

The new war chest would be used for countries like Portugal or Spain in case their finances buckle. Deficits are set to reach 8.5 percent of gross domestic product in Portugal and 9.8 percent in Spain this year, above the euro region's 3 percent limit. Both countries pledged "significant" additional budget cuts in 2010 and 2011, which will be outlined in May, an EU statement said.

The extra yield that investors demand to hold Greek, Portuguese and Spanish debt instead of benchmark German bonds fell from euro-era highs. The premium on 10-year government bonds plunged to 343 basis points from as high as 973 basis points for Greece. It fell to 201 basis points from 354 for Portugal and to 94 basis points from 173 for Spain.

Euro Rally Proves to Short-Lived, Expected to Fall Further

Europe's $1 trillion plan to rescue the region's debt-laden governments may fail to reverse the euro's worst start to a year since 2000 amid bets the central bank will keep interest rates at a record low for longer.

The currency surged by as much as 2.7 percent against the dollar on 10 May before paring that gain, and closing up 0.3 percent to $1.2787 in New York. It will probably decline toward $1.20, according to UBS AG and Barclays Plc, ranked by Euromoney Institutional Investor Plc as the world's second- and third- largest currency traders. Schneider Foreign Exchange, the third- most-accurate forecaster of the euro against the dollar in the first quarter, also cut its prediction.

Traders are betting the currency will resume its decline as Europe's economic recovery trails behind that in the U.S., prompting the European Central Bank to keep its main refinancing rate at 1 percent this year while the Federal Reserve starts raising rates. The ECB's decision to buy bonds may prompt investors to question its independence and demand "a higher risk or credibility premium," Kenneth Broux, a senior market economist at Lloyds Banking Group Plc in London, wrote in a client note.

The 16-nation euro slumped 11 percent since Jan. 1, its worst start since the year after its introduction, on concern the debt crisis in countries from Greece to Portugal will slow the region's economic recovery and prompt the ECB to buy assets while the Fed is exiting its own emergency measures.

'Temporary Rally'

The currency surged after governments pledged to make 440 billion euros ($562 billion) available as part of the package, with 60 billion euros more from the European Union's budget and as much as 250 billion euros from the International Monetary Fund. It jumped 4.4 percent versus the yen in the two days through yesterday, the biggest advance since November 2008.

'Euro Bears'

"We remain euro bears," David Forrester, a currency economist at Barclays Capital in Singapore, wrote in a note to clients. The agreement means "the ECB will have to play a larger role in terms of keeping monetary policy loose for longer in order to help euro area countries to grow out of their fiscal problems."

Economic growth in the nations that share the euro will lag behind the U.S. by almost 1.5 percentage points next year at 1.5 percent compared with 2.9 percent, Bloomberg surveys of economists show. Analysts cut their euro forecasts for June every month this year, predicting that it will trade at $1.33, a separate Bloomberg poll showed. They were estimating the currency would be trading at $1.50 as recently as December.

Analysts' Forecasts

Schneider lowered its forecast for the euro to $1.35 at the end of 2011, from $1.45, Stephen Gallo, head of market analysis in London, wrote in a research note yesterday. The euro will suffer from "ECB credibility risks, ECB balance sheet risks and EMU structural shifts," he wrote.

The dollar slid as much as 3.6 percent on March 18, 2009, after the Federal Reserve said it would buy as much as $300 billion in Treasuries. The Bank of England and Japan's central bank have also engaged in so-called quantitative easing.

Trade Deficit Shrinks by 19% to $102 bn in 2009-10

India's exports during March, 2010 were valued at US $ 19908 million (Rs. 90573 crore) which was 54.1 per cent higher in dollar terms (36.9 per cent in Rupee terms) than the level of US $ 12916 million (Rs. 66169 crore) during March, 2009. Cumulative value of exports for the period April-2009 to March-2010 was US $ 176574 million (Rs 835264 crore) as against US $ 185295 million (Rs. 840754 crore) registering a negative growth of 4.7 per cent in Dollar terms and 0.7 per cent in Rupee terms over the same period last year.

India's imports during March, 2010 were valued at US $ 27733 million (Rs.126175 crore) representing a growth of 67.1 per cent in dollar terms (48.4 per cent in Rupee terms) over the level of imports valued at US $ 16597 million (Rs. 85022 crore) in March, 2009. Cumulative value of imports for the period April, 2009-March, 2010 was US $ 278681 million (Rs. 1318188 crore) as against US $ 303696 million (Rs. 1374434 crore) registering a negative growth of 8.2 per cent in Dollar terms and 4.1 per cent in Rupee terms over the same period last year.

Oil imports during March, 2010 were valued at US $ 7730 million which was 85.2 per cent higher than oil imports valued at US $ 4175 million in the corresponding period last year. Oil imports during April, 2009- March, 2010 were valued at US$ 85473 million which was 8.7 per cent lower than the oil imports of US $ 93667 million in the corresponding period last year.

Non-oil imports during March, 2010 were estimated at US $ 20003 million which was 61.0 per cent higher than non-oil imports of US $ 12422 million in March, 2009. Non-oil imports during April, 2009- March, 2010 were valued at US$ 193208 million which was 8.0 per cent lower than the level of such imports valued at US$ 210029 million in April 2008- March, 2009.

The trade deficit for April 2009- March, 2010 was estimated at US $ 102106 million which was lower than the deficit of US $ 118401 million during April 2008 -March, 2009.

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
11-May-10	44.9775	45.3775	44.9700	45.3525	45.3525	381720	4254177	1922357.48	45.1400
10-May-10	45.2750	45.2800	44.9025	44.9375	44.9375	387275	3930518	1769802.77	44.9600
7-May-10	45.7500	45.7900	45.5300	45.5525	45.5525	504636	3503787	1599914.17	45.5800
6-May-10	45.1525	45.5300	45.1400	45.3800	45.3800	507489	4467275	2024548.64	45.4000
5-May-10	45.0100	45.0650	44.9075	45.0350	45.0350	417658	4111348	1849716.05	44.8700

[Source: NSE and RBI Website]

Exports & Imports: (US $ Million)

(*Provisional*)

	March	April-March
Exports(including re-exports)		
2008-2009	12916	185295
2009-2010	19908	176574
%Growth 2009-2010/ 2008-2009	54.1	-4.7
Imports		
2008-2009	16597	303696
2009-2010	27733	278681
%Growth 2009-2010/ 2008-2009	67.1	-8.2
Trade Balance		
2008-2009	-3680	-118401
2009-2010	-7825	-102106

Figures for 2008-09 are final including late receipt of data whereas the figures for 2009-10 are provisional.

EU Terminates Anti subsidy Action on SS Fasteners

The Minister of State in the Ministry of Steel, A. Sai Prathap has said that in October 2009, the European Union (EU) initiated Anti Dumping (AD) and Anti-subsidy (AS) proceedings against exports of Stainless Steel Fasteners and parts thereof. Thereafter, in March 2010, the EU once again intimated the initiation of Anti Subsidy proceedings against exports of certain Stainless Steel bars. The ostensible reason for such countervailing investigation according to the EU is because the exports from India are being allegedly subsidized through schemes like the Duty Entitlement Pass Book (DEPB) scheme.

In a written reply in the Lok Sabha on 29 April, Mr. Prathap said, the affected industries have opposed these investigations and have stated that Indian exports are not subsidized and even the DEPB scheme only neutralizes taxes and also has value caps to ensure that there is no subsidy element. The Government also accepts this view. In fact, in April, 2010, India has been informed that European Commission (EC) has decided to terminate both the AD and AS proceedings against exports of Stainless Steel fasteners and parts thereof, indicating that there is no merit in the argument of the steel industry.

Syria to Begin Talks on Joining WTO, US Lifts Opposition

WTO members have cleared the way for Syria to begin the process of becoming a member of the WTO eight years after the Arab country submitted its first bid to join the global trade body.

Gathering for a meeting of the WTO's General Council on 4 May, trade delegates approved Syria's request for the establishment of a working party to guide the country's accession process. A chair of that committee is expected to be appointed soon.

The request that was approved on Tuesday marked the fourth time since October 2001 that Syria has asked the WTO to consider its bid for membership. Previous requests have been blocked by other WTO members. At the WTO, a consensus-based organisation, any single member can block another country's accession.

Israel was a critical stumbling block to Syria's bid, thanks to long-standing religious and political tensions between the two countries. This time around, the request was reportedly blocked until lunchtime, when word finally came that Israel had lifted its opposition.

A story published Tuesday on the website of Ynet News, a Tel Aviv-based outlet, reported that Israeli Prime Minister Benjamin Netanyahu decided only "at the last minute" to lift his opposition to Syria's bid. "It isn't out of love for Syria, but political-trade consideration," explained Binyamin Ben-Eliezer, Israel's minister for industry, labour and trade, Ynet reported.

The United States, which had also blocked Syria's accession bid in previous years, had already lifted its opposition.

Countries that are at odds politically are often able to set their differences aside to cooperate on economic matters at the WTO. But political considerations do come into play. The Palestinian Authority has repeatedly sought to join the WTO as an observer, but Israel has blocked that request.

Now that Syria's working party has been established, negotiators will begin to hammer out the details of the country's accession package, a process that can take several years.

Developing Countries Launch New Coalition at WIPO

Nineteen developing countries have created a new coalition to push the World Intellectual Property Organization (WIPO) to make its work more development friendly. The announcement of the new bloc, dubbed the WIPO Development Agenda Group (DAG), came during this week's meeting of WIPO's Committee on Development and Intellectual Property (CDIP).

The DAG is "an open and inclusive group consisting of WIPO Member States that are like-minded in their support for a development-oriented perspective on intellectual property issues, and the mainstreaming of the Development Agenda across all areas of WIPO's work," according to the statement made by Egypt on behalf of the group.

The DAG maybe be seen as a successor to the Group of Friends of Development (FOD), which played an active role in advancing the initial stages of the WIPO Development Agenda since its launch in 2004 until the adoption, in 2007, of 45 recommendations that aim to integrate the development dimension in all of WIPO's activities.

The DAG also formulated a number of guiding principles, which include the need for a "development compatible approach to all norm setting activities" at WIPO and also for WIPO to "provide balanced advice on appropriate national IP strategies based in available flexibilities, exceptions and limitations."

Eighteen countries are founding members of the DAG: Algeria, Brazil, Cuba, Djibouti, Ecuador, Egypt, Guatemala, India, Indonesia, Iran, Malaysia, Pakistan, the Philippines, South Africa, Sri Lanka, Sudan, Syria, Uruguay and Yemen.

The creation of the DAG reflects the keenness of these developing countries to inject momentum in the implementation of the WIPO Development Agenda process.

On Tuesday, the second day of the CDIP session, officials discussed how to coordinate and monitor the implementation of the WIPO Development Agenda. The DAG supported a proposal put forward by Algeria, Brazil and Pakistan at the last session of the CDIP, which was held in November. That proposal calls for the CDIP to convene special sessions to coordinate the implementation of the Development Agenda in all areas of WIPO's work and also for the WIPO Audit Committee to review and assess the overall implementation of the Development Agenda Recommendations.

US Lists IP Complaints in Special 301 Report

The United States has released a report of its intellectual property grievances, placing a dozen countries - including Canada, China and India - on its "priority watch list" for IP violations.

Washington insists that the report, which is published annually, is essential to the protection of US economic interests, but critics say that it is wrongly used to intimidate developing countries into adopting US-style IP policies that could keep essential medicines out of the hands of the poor.

The report - which is named for a section of the US Trade Act of 1974 - has been published every year since 1988, when amendments included in the Omnibus Trade and Competitiveness Act made it mandatory. This year's version was released on 30 April.

The report certainly has its critics, and they have been more vocal than usual this year.

Representative Henry Waxman, a California Democrat and the chair of the House Committee on Energy and Commerce, wrote a strongly worded letter to the USTR last week, arguing that the 301 process has gone too far in the past.

The reports have "repeatedly left an impression that the United States is willing to narrow our trading partners' rights under TRIPS and, in turn, ignore or dismiss altogether their public health needs in favour of increased pharmaceutical protections," Waxman wrote, referring to the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights.

The public health group Médecins Sans Frontières also slammed the report, accusing the US government of "threatening" and "bullying" developing countries.

The US pharmaceutical industry certainly stands by the 301 process. Christopher Singer, the president of the Pharmaceutical Research and Manufacturers of America - an association that represents a number of major drug makers - applauded the report in a statement issued on Monday.

Govt Identifies SAR of Hong Kong for Double Taxation Avoidance Agreement

The Central Government have notified the "Hong Kong Special Administrative Region of the People's Republic of China" as 'specified territory' for the purpose of Explanation 2 to Section 90 of the Income Tax Act 1961 vide Notification No. 25 of 2010 (F.No.500/124/9-FTD-II). The notification enables the Central Government to enter into a double taxation avoidance agreement with SAR of Hong Kong.

Earlier (i) Bermuda, (ii) British Virgin Islands, (iii) Cayman Islands, (iv) Gibraltar, (all British Overseas Territories); (v) Guernsey, (vi) Isle of Man, (vii) Jersey, (all British Crown Dependencies); (viii) Netherlands Antilles (an Autonomous Part of the Kingdom of Netherlands); and (ix) Macau (a Special Administrative Region of the People's Republic of China) had been notified, enabling the Central Government to initiate and negotiate agreements for exchange of information for the prevention of evasion or avoidance of income tax and assistance in collection of income tax with the nine specified territories.

Section 90 of the Income Tax Act was amended by the Finance Act 2009 to enable the Central Government to enter into an agreement with any specified territory outside India, in addition to the already existing provision of agreement with the government of any country. Explanation 2 provides for notification of such specified territories.

[Source: Min of Finance Press Releases dated 29 April 2010]

China Swings to Surplus in Trade from Deficit in March

China's trade surplus shrank 87 percent from a year earlier in April as imports grew at a faster pace than exports.

The surplus was $1.68 billion, the state-run Xinhua News Agency said on 10 May on its website. Exports rose 30.5 percent from a year earlier to $119.9 billion, while imports climbed 49.7 percent to $118.24 billion.

The trade surplus will continue to narrow this year as booming domestic demand supports imports and the European debt crisis clouds the outlook for global demand.

In Europe, China's biggest export market, the 16 euro nations will offer financial assistance for debt-laden countries and the European Central Bank said it will buy government and private bonds. The crisis that is centered on Greece roiled global markets last week and highlighted Chinese officials' concern that the world could face a second economic slump.

Swing to Surplus from Deficit

In China, today's number compared with a $7.24 billion trade deficit in March that was the country's first in six years.

The trade surplus shrank 34 percent in 2009 and may narrow "sharply" this year, the Ministry of Commerce said last month as it argued that the yuan isn't a decisive factor in global imbalances in trade, saving and spending that may have contributed to the global financial crisis.

Vietnam May Devalue Dong by 4% to Support Exports

Vietnam may devalue its currency by another 4 percent this year to boost exports and rein in the trade deficit, Saigon Securities Joint-Stock Co. said.

Policy makers have reduced the dong's value twice in the past six months, narrowing the gap between the official rate and that in the black market from as much as 12 percent. Central bank Deputy Governor Nguyen Van Binh said the currency will be managed "in a flexible manner based on supply and demand."

Increased Confidence

The local currency has dropped 5.9 percent to 18,995 per dollar in the past six months and reached a record low of 19,100 on Feb. 12, the day after the second of its two revaluations during the period.

Devaluation would help achieve the government's economic growth target of 6.5 percent this year, following an expansion of 5.3 percent in 2009, and stem a slide in the nation's foreign-exchange reserves, SSI's Hung said.

Ceiling for Cotton Export

With a view to ensure adequate domestic availability of raw cotton, the Government has initiated the following measures:

i) Imposition of export duty on raw cotton and cotton waste.

ii) Suspension of Registration of Cotton Exports to ensure a carry forward stock of 50 lakh bales from the cotton season 2009-10.

iii) Intensified monitoring of the cotton situation through the Cotton Advisory Board.

This information was given by the Minister of State for Textiles, Smt. Panabaaka Lakshmi in a written reply in the Rajya Sabha on 28 April to a question raised by Prabhat Jha and Balavant Alias Balapte.

The Minister further stated that Textiles Ministry has received a number of representations from garment and handloom sectors regarding steep increase in cotton prices and supply line distortions.

India-EU FTA Talks Hit Snags on IP, Environment, Labour

India and the European Union took another step towards a far-reaching bilateral free trade agreement last week, as senior negotiators met in Brussels for a ninth round of talks.

Serious obstacles stand in the way of Brussels's desire to wrap up the negotiations, which started in 2007, this year. India is opposed to the environmental and labour provisions that members of the European Parliament want to see in an agreement. And public health groups around the world have warned that the intellectual property protections in a future EU-India FTA could threaten access to affordable medicine, in India and elsewhere. They have vowed to try to block any deal that does not include explicit safeguards for generic drugs.

During the talks from 28 to 30 April, officials discussed all aspects of the negotiations, with technical talks focusing on rules of origin, trade facilitation, tariffs, intellectual property rights, public procurement, and trade defence instruments like anti-dumping duties.

The EU's ambassador to India this week suggested that a compromise might be found on environmental and labour provisions, which India views as non-trade issues unsuitable for inclusion in an FTA. "Both EU member-states and the EU Parliament are very eager to find some sort of a language about these issues in the agreement. We know what is India's position. We are hearing those positions very clearly," said Danièle Smadja.

An issue with more global ramifications is the prospective accord's provisions on intellectual property. A range of public health groups, as well as several members of European Parliament, have warned that if the EU-India FTA includes certain intellectual property protections that go beyond WTO demands, it could hurt patients all over the developing world.

A 22 April letter from a group of European Parliament members to Karel de Gucht, EU trade commissioner, expressed concern that the FTA may include rules on "data exclusivity" that would limit access to the clinical test data submitted by pharmaceutical companies to regulatory agencies to prove that a new drug is safe and effective. Without access to such data, manufacturers of low-price generic drugs would have to spend additional time and money before their medicines could be brought to market. Competition from generic drugs has led to dramatic reductions in the cost of treating HIV/AIDS and other conditions.

The MEPs, who belong to a new parliamentary working group on innovation, access to medicines, and poverty-related diseases, urged the Commission to ensure that the intellectual property protections being negotiated with India did not go beyond the demands of the WTO Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS).

Indian and EU officials have both insisted that the FTA would not affect access to medicine.

MSF calls India "the pharmacy of the developing world," and estimates that 92 percent of people living with HIV on treatment in low- and middle-income countries currently use generic anti-retrovirals, most of which are manufactured in India.

Civil society groups from Africa, Asia, and South America have expressed concern about the EU-India FTA's potential ramifications for access to low-cost medicine.

Signs of progress were apparent on a separate intellectual property-related issue that has been an irritant in relations between Brussels and Delhi since early last year: the seizure in European ports of some shipments of generic drugs from India en route to Brazil and Africa. India and Brazil have complained about the harm to patients in need of the medicines and threatened the EU with a WTO dispute for allegedly violating multilateral rules on freedom of transport. While patented in Europe, the drugs in question were not under patent in either the source or destination countries; European officials said that they were held under suspicion of being counterfeit.

Commission officials told that Brussels is currently revising the relevant EU legislation to ensure that trade in generics is not hindered when transiting through EU territory. While the issue did not directly figure in the FTA negotiations, the EU assured India that the intellectual property chapter of the FTA would include clear provisions to ensure that legitimate trade in generic medicines is not unduly affected when transiting through EU territory, the officials said.

Following a preliminary exchange of views on their agriculture and industrial tariff offers, both sides are believed to be reflecting on how the proposed concessions could be revised. Development campaign groups in India, including ActionAid, have been critical of the EU dairy

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CVD of Excise on Parts of IT Devices Including Computers and Laptops

Certifying Authority Shifted to CEO from Manufacturer for Mega Power Project Exemption at SI. No. 91B of 06-CE/01.03.2006

Excise duty charged as CVD on imports on parts of IT devices including flash drives slashed for all uses to 4%.

In the amendment of 7 May, the Department of Revenue has conceded its mistake and slashed the excise duty on seven parts of IT devices to 4% from the standard 10% for all uses. In the earlier dispensation, only external use with computers qualified for the concession. All other uses were charged 10% CVD. This fuelled smuggling, specially in the case of flash memories which are used in cameras and mobiles in a big way, apart from computers as flash memories or pen drives.

25-CE 07.05.2010 (DoR) In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. **6/2006-Central Excise, dated the 1st March, 2006**, published in the Gazette of India, Extraordinary vide number G.S.R. 96(E) dated 1st March, 2006, namely:-

In the said notification, -

(I) in the Table,-

(i) for **S.No. 17** and the entries relating thereto, the following shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)
"17.	8471 70 or 8473 30 or 8523 51 00	The following goods, namely:- (a) Microprocessor for computer, other than motherboards; (b) Floppy disc drive; (c) Hard disc drive; (d) CD-ROM drive; (e) DVD Drive /DVD Writers; (f) Flash memory; (g) Combo drive,- (i) meant for fitment inside the CPU housing/laptop body only; (ii) meant for use other than at (i) above	Nil 4%	- -" ;

(II) in the Annexure,-

(i) for **condition No. 28** and the entries relating thereto, the following shall be substituted, namely:-

Condition No.	Conditions
"28.	If,- (a) such goods are exempted from the duties of customs leviable under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and the additional duty leviable under section 3 of the said Customs Tariff Act when imported into India; (b) an officer not below the rank of a Joint Secretary to the Government of India, in the Ministry of Power certifies that the goods are required for a project of the nature specified in column (3) against S. No. 91B of the table; (c) the Chief executive officer of the project furnishes an undertaking to the Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, having jurisdiction, to the effect that- (i) the said goods will be used only in the said project and not for any other use; and (ii) in the event of failure to observe sub-clause (i) above, the manufacturer will pay the duty which would have been leviable at the time of clearance of goods, but for this exemption.";

[F. No. 354/59/2010- TRU]

Another Five Years of Anti-dumping Duty on PTFE from Russia – Duty Lowered in Review Process

Ntfn 57 03.05.2010 (DoR) Whereas, the designated authority *vide* notification No.15/30/2008-DGAD, dated the 27th February, 2009, published in Part I, Section 1 of the Gazette of India, Extraordinary, dated the 27th February, 2009, had initiated review in the matter of continuation of final anti-dumping duty on Polytetrafluoroethylene (PTFE) (hereinafter referred to as the subject goods), falling under sub-heading 3904 61 00 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (herein after referred to as the said Customs Tariff Act), originating in, or exported from Russia (hereinafter referred to as the subject country), imposed vide notification of Government of India in the Ministry of Finance (Department of Revenue), No. 110/2004–Customs, dated the 18th November,2004, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) dated the 18th November, 2004, *vide*, number G.S.R. 752 (E), dated the 18th November, 2004, and extended by notification No. 2/2010-Customs dated 11th January, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) dated the 11th January, 2010, *vide*, number G.S.R. 26(E), dated the 11th January, 2010;

And whereas, the designated authority vide notification No. 15/30/2008-DGAD, dated the 26th February, 2010, published in Part I, Section 1 of the Gazette of India, Extraordinary, dated the 26th February, 2010, after conducting Sunset Review had come to the conclusion that-

(i) the subject goods were entering the Indian market at dumped prices and dumping margins of the subject goods imported from Russia was significant and above de-minimis limits prescribed. The subject goods continued to be exported to India at dumped prices in spite of existing anti dumping duties;

(ii) considering the facts available on record, the subject goods were likely to enter Indian market at enhanced volumes and at dumped prices, should the present measures be withdrawn;

(iii) the domestic industry continued to suffer injury in spite of existing anti dumping duties. Further, should the present anti dumping duties be revoked, injury to the domestic industry was likely to continue and intensify;

(iv) the deterioration in the performance of the domestic industry was because of dumped imports. Further, revocation of anti dumping duty on imports from Russia was likely to lead to continued and intensified injury to the domestic industry;

and had recommended the continued imposition of definitive anti-dumping duty on all imports of the subject goods, originating in, or exported from the subject country;

Now, therefore, in exercise of the powers conferred by sub-section (1), read with sub-section (5) of section 9A of the said Customs Tariff Act, and rules 18 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 the basis of the aforesaid final findings of the designated authority, hereby imposes on the goods, the description of which is specified in column (3) of the Table below, falling under sub heading of the First Schedule to the said Customs Tariff Act specified in the corresponding entry in column (2), the specification of which is specified in the corresponding entry in column (4), originating in the country specified in the corresponding entry in column (5) , and produced by the producers specified in the corresponding entry in column (7), when exported from the country specified in the corresponding entry in column (6), by the exporters specified in the corresponding entry in column (8), and imported into India, an anti-dumping duty at a rate which is equal to the amount specified in the corresponding entry in column (9), in the currency specified in the corresponding entry in column (11) and per unit of measurement specified in the corresponding entry in column (10) of the said Table;

Table

SNo.	Sub-heading	Description	Specification	Country of origin	Country of export	Producer	Exporter	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	3904 61 00	Polytetra fluoro-ethylene (PTFE)	Any	Russia	Russia	Any	Any	3.42	Kilogram	US Dollar
2.	3904 61 00	Polytetra fluoro-ethylene (PTFE)	Any	Russia	Any	Any	Any	3.42	Kilogram	US Dollar
3	3904 61 00	Polytetra fluoro-ethylene (PTFE)	Any	Any except Russia and People's Republic of China	Russia	Any	Any	3.42	Kilogram	US Dollar

2. This notification shall be effective for a period of five years (unless revoked, superseded or amended earlier) and the anti-dumping duty shall be paid in Indian currency.

Explanation. - For the purposes of this notification, "rate of exchange" applicable for the purposes of calculation of anti-dumping duty shall be the rate which is specified in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), issued from time to time, in exercise of the powers conferred by sub-clause (i) of clause (a) of sub-section (3) of section 14 of the Customs Act, 1962 (52 of 1962) and the relevant date for determination of the "rate of exchange" shall be the date of presentation of the bill of entry under section 46 of the said Customs Act.

[F.No.354/106/2004-TRU]

Dumping Duty Extension of Polytetrafluroethylene

Ntfn 58
03.05.2010
(DoR)

In exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, 1975 (5a of 1975), read with rules 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 hereby **rescinds** the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. **2/2010-Customs, dated the 11th January, 2010,** published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R.26 (E), dated the 11th January, 2010, except as respect things done or omitted to be done before such rescission.

[F. No.354/106/2004-TRU]

Special Dispensation for Electrical Energy from SEZ to DTA and Non Processing Areas of SEZ Withdrawn

Ntfn 60
10.05.2010
(DoR)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government hereby **rescinds** the notification of the Government of India in the Ministry of Finance (Department of Revenue), no. **25/2010-Customs, dated the 27th February, 2010**, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 138(E) dated the 27th February, 2010, except as respects things done or omitted to be done before such rescission.

[F. No. 334 /2/2010-TRU]

Export Obligation Period of Six Months Fixed for Silk

60-PN(RE)
06.05.2010
(DGFT)

In exercise of powers conferred under Para 2.4 of the Foreign Trade Policy, 2009-14, the Director General of Foreign Trade hereby makes the following amendments in the Handbook of Procedures (Vol.1), 2009-14:-

1. After **Sl. No. 5** of the Appendix 30A related to "Export Obligation Period for specified inputs", a new Sl. No. 6 stands added as follows from immediate effect.

6)	Silk in any form	6 months from the date of clearance of first consignment by Customs authority.

This issues in public interest.

MRP Based Assessment Extended to Parts of Earthmoving Equipments!

19-CE(NT)
29.04.2010
(DoR)

In exercise of the powers conferred by sub-section (1) and (2) of section 4A of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), **No.49/2008-Central Excise (N.T.), dated the 24th December, 2008**, published in the Gazette of India, Extraordinary, vide number G.S.R. 882(E), dated the 24th December, 2008, namely:-

In the said notification, in the Table, after S. No. **108** and the entries relating thereto, the following shall be **inserted**, namely:-

(1)	(2)	(3)	(4)
"109.	Any Chapter	Parts, components and assemblies of goods falling under tariff item 8426 41 00, headings 8427, 8429 and sub-heading 8430 10	30".

[F. No. B-1/22/2010-TRU]

Effective Duty of Rs. 2500 Per MT Applicable on Raw Cotton Exports

Ntfn 59
10.05.2010
(DoR)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts Raw cotton falling under Heading No. **16** of the Second Schedule to the Customs Tariff Act, 1975 (51 of 1975), when exported out of India, from so much of the duty of customs leviable thereon which is specified in the said Second Schedule as is in excess of the amount calculated at the rate of **Rs 2500 per tonne.**

[F. No. 334 /2/2010-TRU]

Excise Duty of Rs. 509 Per Thousand on Filter Cigarettes Notification Rescinded

26-CE
10.05.2010
(DoR)

In exercise of the powers conferred by sub-section (1) of section 5A of Central Excise Act, 1944 (1 of 1944) , the Central Government hereby **rescinds** the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. **18/2010-Central Excise, dated the 27th February , 2010**, published in the Gazette of India Part II, Section 3, Sub-section (i) vide number G.S.R.120(E), dated the 27th February , 2010, except as respects things done or omitted to be done before such rescission.

[F. No. 334 /2/2010-TRU]

Special CVD Exemption on Electrical Energy Notification Rescinded

Ntfn 61
10.05.2010
(DoR)

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government hereby **rescinds** the notification of the Government of India in the Ministry of Finance (Department of Revenue), no. **26/2010-Customs, dated the 27th February, 2010,** which was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 139(E) dated the 27th February, 2010, except as respects things done or omitted to be done before such rescission.

[F. No. 334 /2/2010-TRU]

Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010

36-Cus(NT) 05.05.2010 (DoR)

In exercise of the powers conferred by section 157 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs hereby makes the following regulations, namely:-

1. Short title and commencement

(1) These regulations may be called the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010.

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

2. Application

(1) These regulations shall apply for assessment and clearance of imported or export goods, carried by an Authorised Courier by air, on behalf of a consignee or consignor at such Customs airports and in such form and to such extent, as the Board may, by notification, declare for the purposes of these regulations in this behalf.

(2) These regulations shall not apply to:

(a) the following imported goods requiring testing of samples thereof or reference to the relevant statutory authorities or to experts before their clearance, namely:-

(i) animals and parts thereof, plants and parts thereof;

(ii) perishables;

(iii) publications containing maps depicting incorrect boundaries of India;

(iv) precious and semi-precious stones, gold or silver in any form;

(b) import or export of goods under any export promotion scheme other than Export Oriented Unit (EOU) scheme and similar schemes referred to in Chapter 6 of the Foreign Trade Policy 2009-14.

(c) the following export goods, namely:-

(i) the goods which are subject to levy of any duty on their exports;

(ii) goods where the value of the consignment is above rupees twenty five thousand and transaction in foreign exchange is involved:

Provided that the limit of rupees twenty five thousand as provided in this sub-clause shall not apply to such export consignments where the G.R. Waiver or specific permission has been obtained from the Reserve Bank of India.

3. Definitions

(1) In these regulations, unless the context otherwise requires –

(a) "Act" means the Customs Act, 1962 (52 of 1962);

(b) "Authorised Courier", in relation to imported or export goods, means a person engaged in the international transportation of time-sensitive documents or goods on door-to-door delivery basis and is registered in this behalf by a Commissioner of Customs in charge of a Customs airport;

(c) "Customs airport" means the airport declared by the Board as Customs airport under sub-regulation (1) of regulation 2 of these regulations;

(d) "documents" includes any message, information or data recorded on paper, cards or photographs and of no commercial value which is for the time being not liable to any customs duty or subject to any prohibition or restriction on their export out of or import into India;

(e) "electronic declaration" means the declaration of the particulars relating to the imported or export goods, lodged in the Customs Computer System at the Customs airport, either through the data-entry facility provided at the service centre or through the data communication networking facility provided from the computer system of the Authorised Courier;

(f) "Form" means the Form appended to these regulations;

(g) "gifts" means any *bonafide* gifts of articles for personal use of a value not exceeding twenty five thousand rupees per consignment in case of export goods and ten thousand rupees per consignment in case of imported goods, which are not subject to any prohibition or restriction on their export out of or import into India and for which no transfer of foreign exchange is involved;

(h) "samples" means any *bonafide* commercial samples and prototypes of goods supplied free of charge of a value not exceeding fifty thousand rupees per consignment for exports or ten thousand rupees per consignment for imports, which are for the time being not subject to any prohibition or restriction on their export out of or import into India and for which no transfer of foreign exchange is involved;

(i) "service centre" means the place specified by the Commissioner of Customs where data entry, for the purpose of lodgement of declaration or submission of any information, is carried out;

(2) The words used and not defined in these regulations but defined in the Act shall have the meanings respectively assigned to them in that Act.

4. Packing of goods to be imported or exported by courier

(1) For the purposes of these regulations, the imported or export goods shall be packed separately for documents and goods.

(2) Imported or export goods shall bear a declaration from the sender or consignor regarding the contents of each of the packages and the total value thereof.

5. Clearance of imported goods

(1) The Authorised Courier or his agent shall file, in an electronic form, a manifest for imported goods prior to its arrival, with the proper officer the Express Cargo Manifest - Import (ECM-I) in Form A;

(2) (a) The Courier packages containing the imported goods shall not be dealt with in any manner except as may be directed by the Commissioner of Customs;

(b) No person shall, except with the permission of proper officer, open any packages of imported goods.

(3) The Authorised Courier or his agent who has passed the examination referred to in regulation 8 or regulation 19 of the Customs House Agents Licensing Regulations, 2004 shall make

entry of goods imported by him, in an electronic declaration, by presenting to the proper officer the Courier Bill of Entry-XI (CBE-XI) for documents in Form B or the Courier Bill of Entry-XII (CBE-XII) for free gifts and samples in Form C or the Courier Bill of Entry-XIII (CBE-XIII) for low value dutiable consignments in Form D or the Courier Bill of Entry-XIV (CBE-XIV) for other dutiable consignments in Form E.

(4) The Authorised Courier shall present imported goods brought by him or by his agent, in such manner as to the satisfaction of the proper officer or as per instructions issued by the Board or Public Notice issued by Commissioner of Customs, from time to time, for inspection, screening, examination and assessment thereof.

(5) Any imported goods which are not taken clearance after the expiry of a period of thirty days of its arrival, shall be detained by proper officer and shall be sold or disposed of by the person having custody thereof, after issuing a notice to the Authorised Courier and to the declared importer, if any, and the charges payable for storage and holding of such goods shall be payable by the Authorised Courier.

6. Clearance of export goods

(1) Notwithstanding anything contained in these regulations, the Authorised Courier or his agent shall, on or after such date as the Board may specify, by notification in the Official Gazette, file in an electronic form, a manifest for export goods before its export with the proper officer the Courier Export Manifest (CEM) in Form F.

(2) (a) The courier packages containing the export goods shall not be dealt with after presentation of documents to the proper officer in any manner except as may be directed by the Commissioner of Customs;

(b) No person shall, except with the permission of proper officer, open any package of export goods, brought into the Customs area, to be loaded on a flight.

(3) The Authorised Courier or his agent who has passed the examination referred to in regulation 8 or regulation 19 of the Customs House Agents Licensing Regulations, 2004 shall make entry of goods for export, in Courier Shipping Bill-III (CSB-III) for documents in Form G or, as the case may be, in the Courier Shipping Bill-IV (CSB-IV) for goods in Form H, before presenting it to the proper officer.

(4) The Authorised Courier shall present the export goods to the proper officer, in such manner as to the satisfaction of the proper officer or as per instructions issued by the Board or Public Notice issued by Commissioner of Customs, from time to time, for inspection, screening, examination and assessment thereof.

(5) Any export goods brought into customs area for export purpose and have not been exported within seven days of arrival of such goods into such area or within such extended period as permitted by the proper officer in case of delay due to such reasons which the proper officer considers to be beyond the control of the concerned Authorised Courier and declared exporter, may be detained by the proper officer and sold or disposed off by the person having custody thereof, after issuing notice to the concerned Authorised Courier and declared exporter provided the charges payable, for storage and handling of such goods are paid by such Authorised Courier.

7. Application for registration of Authorised Courier

(1) Every person intending to operate as an Authorised Courier shall make an application in the Form-I to the Commissioner of Customs having jurisdiction over the Customs airport where the goods are to be imported or exported, for registration in this behalf.

(2) The Commissioner of Customs may dispose of the application under sub-regulation (1) within forty five days of the receipt of the application.

8. Conditions to be fulfilled by the applicant

(1) The person applying for registration as an Authorised Courier shall disclose to the satisfaction of the Commissioner of Customs that he is financially viable and in support thereof he shall produce to the said Commissioner of Customs a certificate issued by a scheduled bank or such other proof acceptable to the Commissioner of Customs evidencing possession of assets of a value not less than twenty five lakh rupees.

(2) The electronic declaration for clearance of imported or export goods shall be made by the persons who has passed the examination referred to in regulation 8 or regulation 19 of the Custom House Agents Licensing Regulations, 2004.

Provided that a transition period of six months from the date of publication of these Regulations shall be allowed for fulfillment of the condition mentioned in sub-regulation (2) by an authorised courier.

(3) The applicant shall undertake to comply with the provisions and abide by all the provisions of the Act and rules, regulations, notifications and orders issued thereunder.

9. Scrutiny of application

On receipt of application for registration under regulation 7, the Commissioner of Customs, may make enquiries for verification of the particulars set out in the application and also such other enquiries as the Commissioner of Customs may deem necessary for such registration including enquiries about the identity, bonafides and reputation of the applicant.

10. Registration

(1) If on scrutiny of the application filed by a person under regulation 7, the Commissioner of Customs is satisfied that the applicant fulfils the requirements of the registration, the said applicant may be registered as an Authorised Courier.

(2) The registration granted under sub-regulation (1) shall be valid for an initial period of two years, but may be renewed from time to time, in accordance with the procedure provided in sub-regulation 8.

(3) An Authorised Courier who is already registered under Courier Imports and Exports (Clearance) Regulations, 1998 on or before the date of coming into force of these regulations in a Customs airport, shall be considered as an Authorised Courier registered for the purpose of these regulations only on compliance of the conditions stipulated in regulation 8.

(4) The Authorised Courier referred to in sub-regulation (3) shall comply with the conditions within a period which shall not exceed a period of three months:

Provided that the Commissioner of Customs may extend the said period which shall not exceed a period of nine months.

Provided further that nothing contained in this sub-regulation shall apply in respect of condition prescribed under sub-regulation (2) of regulation 8.

(5) The registration granted under sub-regulation (3) shall be valid for a period of ten years.

(6) The Commissioner of Customs may, if he finds that the applicant has been convicted in any court of law, or any criminal proceedings are pending before any court of law against the applicant, reject an application filed for registration of Authorised Courier.

(7) The Authorised Courier, who is registered under sub regulation (1) or sub regulation (3), shall transact business in other Customs airports within the country subject to an intimation, as specified in Form - J, to the Commissioner of Customs having Jurisdiction over the Customs airport where he intends to transact business.

(8) The Commissioner of Customs may, on application made before the expiry of the validity of the registration under sub-regulation (2) or sub-regulation (5), renew the registration for a period of ten years from the date of expiration of the original registration or the last renewal of such registration, as the case may be, if the performance of the Authorised Courier is found to be satisfactory with reference to the absence of any complaints of misconduct including non-compliance of any of the obligations specified in regulation 12.

(9) The Commissioner of Customs may, for reasons to be recorded in writing, by order, review the registration granted under sub-regulation (1) or sub-regulation (3) before the expiry of the ten years.

11. Execution of bond and furnishing of security

(1) The Commissioner of Customs shall require the applicant to enter into a bond with a security of ten lakhs rupees in case of major international airports of Mumbai, Delhi, Calcutta and Chennai and five lakhs rupees in case of other airports in the form of cash deposit or bank guarantee in the name of the Commissioner of Customs for complying with the provisions of the Act, rules and regulations made thereunder and the condition of the said bond shall also be that the applicant shall agree to pay the duty, if any, not levied or short levied, with interest if applicable on any goods taken clearance of by the Authorised Courier if in the opinion of the Assistant Commissioner of Customs or Deputy Commissioner or Customs the same cannot be

recovered from the importer or the exporter.

(2) The Authorised Courier who has been granted a registration under regulation 10 or who has intimated in the Form J to the Commissioner of Customs having jurisdiction over the Custom airport from where he has to transact the business, shall furnish the bond and security as specified under sub-regulation (1) for each of the Customs airports.

12. Obligations of Authorised Courier

(1) An Authorised Courier shall -

(i) obtain an authorisation, from each of the consignees or consignors of the imported goods for whom or from whom such Courier has imported such goods; or consignees or consignors of such export goods which such Courier proposes to export, to the effect that the Authorised Courier may act as agent of such consignee or consignor, as the case may be, for clearance of such imported or export goods by the proper officer;

(ii) file electronic declarations, for clearance of imported or export goods, through a person who has passed the examination referred to in regulation 8 or regulation 19 of the Customs House Agents Licensing Regulations, 2004 and who are duly authorised under section 146 of the Act;

Provided that a transition period of six months from the date of publication of these regulations shall be allowed to the Authorised Courier for fulfillment of the obligation.

(iii) advise his consignor or consignee to comply with the provisions of the Act, rules and regulations made thereunder and in case of non-compliance thereof, he shall bring the matter to the notice of the Assistant Commissioner of Customs or Deputy Commissioner of Customs;

(iv) verify the antecedent, correctness of Importer Exporter Code (IEC) Number, identity of his client and the functioning of his client in the declared address by using reliable, independent, authentic documents, data or information;

(v) exercise due diligence to ascertain the correctness and completeness of any information which he submits to the proper officer with reference to any work related to the clearance of imported goods or of export goods;

(vi) not withhold information communicated to him by an officer of customs, relating to assessment and clearance of imported goods as well as inspection, examination and Clearance of export goods, from a consignor or consignee who is entitled to such information;

(vii) not withhold any information relating to assessment and clearance of imported goods or of export goods, from the Assessing Officer;

(viii) not attempt to influence the conduct of any officer of Customs in any matter pending before such officer or his subordinates by the use of threat, false accusation, duress or offer of any special inducement or promise of advantage or by the bestowing of any gift or favour or other thing or value;

(ix) maintain records and accounts in such form and manner as may be directed from time to time by an Assistant Commissioner of Customs or Deputy Commissioner or Customs for a period of five years and submit them for inspection to the Assistant Commissioner of Customs or an officer authorised by him, wherever required; and

(x) abide by all the provisions of the Act and the rules, regulations, notifications and orders issued thereunder.

13. Suspension or revocation of registration of authorised courier

(1) The Commissioner of Customs may revoke the registration of an Authorised Courier and also pass an order for forfeiture of security on any of the following grounds namely:-

(a) failure of the Authorised Courier to comply with any of the conditions of the bond executed by him under regulation 11;

(b) failure of the Authorised Courier to comply with any of the provisions of these regulations;

(c) misconduct on the part of Authorised Courier whether within the jurisdiction of the said Commissioner or anywhere else, which in the opinion of the Commissioner renders him unfit to transact any business in the Customs airport:

Provided that no such revocation shall be made unless a notice has been issued to the Authorised Courier informing him the grounds on which it is proposed to revoke the registration and he is given an opportunity of making a representation in writing and a further opportunity of being heard in the matter, if so desired:

Provided further that, in case the Commissioner of Customs considers that any of such grounds against an Authorised courier shall not be established *prima facie* without an inquiry in the matter, he may conduct an inquiry to determine the ground and in the meanwhile pending the completion of such inquiry, may suspend the registration of the Authorised Courier:

Provided also that if no ground is established against the Authorised Courier, the registration so suspended shall be restored.

(2) Any Authorised Courier or the officer of the Customs authorised by the Chief Commissioner of Customs in this behalf, if aggrieved by the order of Commissioner of Customs passed under sub-regulation (1), may represent to the Chief Commissioner of Customs in writing against such order within sixty days of communication of the order to the Authorised Courier, and the Chief Commissioner of Customs shall, after providing the opportunity of being heard to the parties concerned, dispose of the representation as expeditiously as may be possible.

14. Penalty

An Authorised Courier, who contravenes any of the provisions of these regulations or abets such contravention or who fails to comply with any provision of these regulations with which it was his obligation to comply, shall be liable to a penalty which may extend to fifty thousand rupees.

[F. No. 450/54/2008-Cus.IV]

Forms

A Express cargo manifest - Import (ECM-I)] (Electronic Filing)

B Courier Bill of Entry-XI(CBE-XI) for documents (Electronic Filing)

C Courier Bill of Entry - XII (CBE-XII) for Samples and gifts (Electronic Filing)

D Courier Bill of Entry - XIII (CBE-XIII) for non-documents (low value dutiable shipments) (Electronic Filing)

E Courier Bill of Entry - XIV (CBE-XIV) for dutiable goods (Electronic Filing)

F Courier Export Manifest (CEM-I) (Electronic Filing)

G Courier Shipping Bill - III (CSB-III) for documents (Electronic Filing)

H Courier Shipping Bill - IV (CSB-IV) for goods (Electronic Filing)

I Application Form for registration / renewal of authorised courier

J Form for intimation of authorised courier

Forms are available on our site www.worldtradescanner.com.

Allowing of Authorised Employees of IT/ITES Units in SEZ to Work from Home

[Instruction No. 55 – No. D-12/21/2010-SEZ dated 5th May 2010]

55-SEZ Cir
05.05.2010

I am directed to say that references have been received from various stake holders seeking clarification regarding whether employees of units in IT SEZ can work on need base basis from home or from a place outside the SEZ.

2. Keeping in view, the requirements of this sector, as an exception it has been decided to clarify that only in respect of employees temporarily de-capacitated and in respect of employees travelling, they may be permitted to work from home or from a place outside the SEZ subject to the following conditions:

a) the person should be an employee of the SEZ unit

b) the person will carry out the work related to a project of the SEZ unit

c) the resultant exports must take place only from the premises of the unit in the SEZ

Export Procedure of Animal Feeding to EU

39-Ntfn(RE) 04.05.2010 (DGFT) In exercise of the powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with Para 1.3 and Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendments in the Notification No. 26/2009-14 Dated 25.01.2010:-

2. With immediate effect, the entry at Para 3 (Sl. No. 71 A) in Notification No. 26/2009-14 Dated 25.01.2010 shall be substituted to read as follows:-

SNo.	Tariff Item HS Code	Unit	Item Description	Export Policy	Nature of Restriction
71 A	2309	Kg	Preparations of a kind used in animal feeding	Free	Export of the item produced from Animal By-Products to EU is allowed subject to the following conditions: (i) A 'Shipment Clearance Certificate' is to be issued consignment-wise by the CAPEXIL indicating details of the name and address of the exporter, address of the registered plant, IEC No. of the exporter, plant approval number, nature of export product, quantity, invoice number and date, port of loading (Name of the port) and destination. (ii) After the shipment is made, the exporter shall also provide 'Health Certificate' consignment-wise to the buyer giving details of vessel name, shipping bill number with date, production process, etc. as per the requirement of EU. The Certificate would be issued jointly by CAPEXIL and Regional Animal Quarantine Officer, Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture, Government of India.
	23091000		Dog or Cat food, put up for retail sale		

3. This issues in Public Interest.

US $5,000 to Travellers Proceeding to Iraq or Iran

Sub: Release of Foreign Exchange for Visits Abroad – Currency Component

AP(DIR Srs) Cir.50 04.05.2010 (RBI) Attention of Authorised Persons in foreign exchange is invited to A.P.(DIR Series) Circular No. 19 dated October 30, 2000 and A.P. (DIR Series) Circular No.11 [A.P. (F.L. Series) Circular No.1] dated November 13, 2001, in terms of which Authorised Dealers and Full Fledged Money Changers are permitted to sell foreign exchange in the form of foreign currency notes and coins, up to USD 2,000 or its equivalent, to the travellers proceeding to countries other than Iraq, Libya, Islamic Republic of Iran, Russian Federation and other Republics of Commonwealth of Independent States. The existing limits have been reviewed and it has been decided to increase this ceiling, with immediate effect, to USD 3,000 (US Dollar Three thousand only) to the travellers proceeding to these countries, without the prior permission from the Reserve Bank. Authorised Dealers and Full Fledged Money Changers may accordingly sell foreign exchange in the form of foreign currency notes and coins, up to USD 3,000 or its equivalent, out of the overall foreign exchange released.

2. Authorised Dealers and Full Fledged Money Changers may, as hitherto, continue to sell foreign exchange in the form of foreign currency notes and coins up to USD 5,000 or its equivalent to the travellers proceeding to Iraq or Libya, out of the overall foreign exchange released and full foreign exchange may be released in the form of foreign currency notes and coins to the travellers proceeding to the Islamic Republic of Iran, Russian Federation and other Republics of Commonwealth of Independent States.

3. Authorised Persons may bring the contents of this circular to the notice of their constituents and customers concerned.

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

Revised Pricing Guidelines on FDI in India

Sub: Foreign Direct Investment (FDI) in India - Transfer of Shares / Preference Shares / Convertible Debentures by way of Sale - Revised pricing guidelines

AP(DIR Srs) Cir.49 04.05.2010 (RBI) Attention of the Authorised Dealer Category – I (AD Category - I) banks is invited to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, notified vide Notification No. FEMA 20/2000-RB dated May 3, 2000, as amended from time to time.

2. In terms of Schedule 1 of the Notification, an Indian company may issue equity shares/ compulsorily convertible preference shares and compulsorily convertible debentures (equity instruments) to a person resident outside India under the FDI policy, subject to inter alia, compliance with the pricing guidelines. Further, in terms of the A. P. (DIR Series) Circular No.16 dated October 4, 2004 and A. P. (DIR Series) Circular No. 63 dated April 22, 2009, general permission is available for transfer of equity instruments, by way of sale, from residents to non-residents (including transfer of subscriber's shares) of an Indian company in sectors other than financial service sector (i.e. Banks, NBFCs, Insurance, Asset Reconstruction Companies, Infrastructure companies in securities market namely, Stock Exchanges, Depositories and Clearing Corporations, Credit Information Companies and Commodity Exchanges) from residents to non-residents and vice versa.

3. The extant guidelines have been reviewed in consultation with the Government of India and accordingly the pricing guidelines in respect of issue of shares including preferential allotment have been revised. A copy of the Notification No. FEMA 205/2010-RB dated April 7, 2010, notified vide G.S.R. No.341 (E) dated April 21, 2010, amending the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (Notification No. FEMA 20/2000-RB dated May 3, 2000) issued in this regard is enclosed (Annex-II).

4. Further, the pricing guidelines for transfer of equity instruments from a resident to a non-resident and vice versa issued vide A. P. (DIR Series) Circular No.16 dated October 4, 2004 have also been reviewed and the paragraph Nos. 2.2 and 2.3 of the Annex to the circular have been accordingly amended. The revised instructions applicable to transfer of shares of an Indian company in all sectors are given in the Annex-I. All the other instructions of A. P. (DIR Series) Circular No.16 dated October 4, 2004

Copper Anode Inserted in Value Addition of 8%

Subject: Amendment in Appendix 11B for Value addition notified vide Public Notice No. 42 dated 16.2.2010.

59-PN(RE) 03.05.2010 (DGFT) In exercise of powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-14, the Director General of Foreign Trade hereby makes the following amendments in the Handbook of Procedures (Vol.1), 2009-14:-

1. Sl. No. 1 of Appendix 11B in the HBP v.1 stands amended as follows:

SNo.	Export product	Minimum value addition
1.	Copper Anode / Copper Cathode / Copper Wire Rods (Manufactured from Copper concentrate)	8%

This issues in public interest.

shall remain unchanged.

5. These directions will become operative with immediate effect.

6. AD Category – I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

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

Annex-I [Annex to A. P. (DIR Series) Circular No. 49 dated May 4, 2010

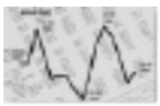
Paragraph No. [cf. A.P. (DIR Series) Circular No. 16 dated October 4, 2004]	Existing Provisions	Revised Provisions
2.2	Transfer by Resident to Non-resident (i.e. to incorporated non-resident entity other than erstwhile OCB, foreign national, NRI, FII) Transfer of shares by way of sale, by resident to non-resident shall be at a price not less than a) the ruling market price, in case the shares are listed on stock exchange, b) fair valuation of shares done by a Chartered Accountant as per the guidelines issued by the erstwhile Controller of Capital Issues, in case of unlisted shares. The price per share arrived at should be certified by a Chartered Accountant.	Transfer by Resident to Non-resident (i.e. to foreign national, NRI, FII and incorporated non-resident entity other than erstwhile OCB) (a) where shares of an Indian company are listed on a recognized stock exchange in India, the price of shares transferred by way of sale shall not be less than the price at which a preferential allotment of shares can be made under the SEBI Guidelines, as applicable, provided that the same is determined for such duration as specified therein, preceding the relevant date, which shall be the date of purchase or sale of shares. (b) where the shares of an Indian company are not listed on a recognized stock exchange in India, the transfer of shares shall be at a price not less than the fair value to be determined by a SEBI registered Category – I - Merchant Banker or a Chartered Accountant as per the discounted free cash flow method. The price per share arrived at should be certified by a SEBI registered Category-I-Merchant Banker / Chartered Accountant.
2.3	Transfer by Non-resident (i.e. by incorporated non-resident entity, erstwhile OCB, foreign national, NRI, FII) to Resident. Sale of shares by a non-resident to resident shall be in accordance with Regulation 10 B(2) of Notification No. FEMA 20/2000-RB dated May 03,2000 which is as below: a) Where the shares of an Indian company are traded on stock exchange i) The sale is at the prevailing market price on stock exchange and is effected through a merchant banker registered with the SEBI or through a stock broker registered with the stock exchange. ii) if the transfer is other than that referred to in clause (i), the price shall be arrived at by taking the average quotations (average of daily high and low) for one week preceding the date of application with 5 per cent variation. Where, however, the shares are being sold by the foreign collaborator or the foreign promoter of the Indian company to the existing promoters in India with the objective of passing management control in favour of the resident promoters the proposal for sale will be considered at a price which may be higher by up to a ceiling of 25 per cent over the price arrived at as above. (b) Where the shares of an Indian company are not listed on stock exchange or are thinly traded, i) if the consideration payable for the transfer does not exceed Rs. 20 lakh per seller per company, at a price mutually agreed to between the seller and the buyer, based on any valuation methodology currently in vogue, on submission of a certificate from the statutory auditors of the Indian company whose shares are proposed to be transferred, regarding the valuation of the shares, and ii) if the amount of consideration payable for the transfer exceeds Rs.20 lakh per seller per company, at a price arrived at, at the seller's option, in any of the following manner, namely: A) a price based on earning per share (EPS) linked to the Price Earning (P/E) multiple ,or a price based on the Net Asset Value (NAV) linked to book value multiple, whichever is higher, or B) the prevailing market price in small lots as may be laid down by the Reserve Bank so that the entire shareholding is sold in not less than five trading days through screen based trading system or C) where the shares are not listed on any stock exchange, at a price which is lower of the two independent valuations of share, one by statutory auditors of the company and the other by a Chartered Accountant or by a Merchant Banker in Category 1 registered with Securities and Exchange Board of India.	Transfer by Non-resident (i.e. by incorporated non-resident entity, erstwhile OCB, foreign national, NRI and FII) to Resident Price of shares transferred by way of sale, by non-resident to resident shall not be more than the minimum price at which the transfer of shares can be made from a resident to a non-resident as given in para 2.2 above. (b) where the shares of an Indian company are not listed on a recognized stock exchange in India, the transfer of shares shall be at a price not less than the fair value to be determined by a SEBI registered Category-I-Merchant Banker or a Chartered Accountant as per the discounted free cash flow method. The price per share arrived at should be certified by a SEBI registered Category-I-Merchant Banker / Chartered Accountant

World Bank Pink Sheet – April 2010 Prices

World Bank Pinksheet covers price movements in 43 energy and non-energy products every month. This Pink Sheet issued in May 2010 focuses on price movements in April 2010.

Metals and Crude on the Rise

- Crude and Coal on the rise. Natural gas up.
- Cocoa and Coffee up. Tea down.
- Copra and Coconut oil up. Groundnut oil and Palm oil down. Palm Kernel oil up. Soybean meal and Soybeans up, Soybean oil down.
- Thai Rice down, Maize and Sorghum down, Barley up.
- Wheat down. Bananas down. Oranges up.
- Shrimp up. Meat, beef and Fishmeal up.
- World sugar down.
- Logs Cameroon and Plywood up, Woodpulp and Sawnwood up.
- Cotton and Rubber up.
- DAP and Urea down. Potassium Chloride, Phosphate rock and TSP up.
- Gold and Silver on the rise
- Iron ore up. Aluminium, Copper, Lead, Nickel, Tin and Zinc up.
- Steel on the rise.



	Monthly averages			Quarterly averages					Annual averages		
	2010			2009				2010	2008	2009	2010
	Feb	Mar	Apr	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Jan-Dec	Jan-Dec	Jan-Apr
Energy											
Coal, Australia $/mt	94.19	94.38	100.15	71.93	66.48	71.31	77.66	95.19	127.10	71.84	96.43
Crude oil, average $/bbl	74.76	79.30	84.18	44.11	59.19	68.21	75.50	77.06	96.99	61.76	78.84
Crude oil, Brent $/bbl	74.31	79.27	84.98	44.98	59.13	68.37	74.97	76.65	97.64	61.86	78.73
Crude oil, Dubai $/bbl	73.56	77.37	83.09	44.56	58.93	68.07	75.46	75.86	93.78	61.75	77.66
Crude oil, West Texas Int. $/bbl	76.41	81.25	84.48	42.80	59.52	68.21	76.08	78.67	99.56	61.65	80.12
Natural gas Index 2000=100	172.5	161.1	162.7	198.2	142.9	123.3	149.4	170.4	267.9	153.5	168.4
Natural gas, Europe $/mmbtu	8.80	8.93	9.36	11.94	8.18	6.91	7.81	8.84	13.41	8.71	8.97
Natural gas, US $/mmbtu	5.34	4.29	4.01	4.57	3.70	3.17	4.36	5.15	8.86	3.95	4.86
Natural gas LNG, Japan $/mmbtu	10.52	10.55	11.00	10.90	7.60	7.91	9.33	10.36	12.53	8.94	10.52
Beverages											
Cocoa ¢/kg	329.6	307.7	321.3	259.4	257.9	296.4	341.8	329.7	257.7	288.9	327.6
Coffee, Arabica ¢/kg	348.0	362.7	373.1	283.9	320.2	322.7	341.7	353.7	308.2	317.1	358.5
Coffee, robusta ¢/kg	149.6	148.3	157.7	175.8	165.3	160.1	156.4	150.8	232.1	164.4	152.5
Tea, auctions (3) average ¢/kg	285.1	262.2	260.7	218.0	266.1	303.6	301.9	279.0	242.0	272.4	274.4
Tea, Colombo auctions ¢/kg	332.1	332.2	326.7	261.7	299.1	356.1	338.0	335.1	278.9	313.7	333.0
Tea, Kolkata auctions ¢/kg	229.5	174.4	195.0	177.4	271.3	273.0	284.4	215.9	225.5	251.5	210.7
Tea, Mombasa auctions ¢/kg	293.8	280.0	260.3	214.9	228.0	281.7	283.2	286.1	221.8	252.0	279.6
Fats and Oils											
Coconut oil $/mt	798	921	939	677	779	711	734	834	1,224	725	861
Copra $/mt	538	608	628	447	513	469	491	557	816	480	575
Groundnut oil $/mt	1,380	1,380	1,361	1,283	1,166	1,133	1,152	1,359	2,131	1,184	1,359
Palm oil $/mt	798	832	830	577	743	679	732	808	949	683	813
Palmkernel oil $/mt	894	995	1,020	577	763	700	761	922	1,130	700	947
Soybean meal $/mt	375	329	340	365	424	431	412	369	424	408	362
Soybean oil $/mt	914	915	903	755	863	856	921	917	1,258	849	914
Soybeans $/mt	406	408	411	394	461	454	439	417	523	437	415
Grains											
Barley $/mt	137.4	147.0	151.7	116.3	129.5	122.0	145.5	143.6	200.5	128.3	145.7
Maize $/mt	161.8	159.0	157.1	166.9	176.0	151.3	167.8	162.7	223.1	165.5	161.3
Rice, Thailand, 5% $/mt	535.0	505.3	475.7	586.3	552.4	539.0	542.3	536.4	650.2	555.0	521.2
Rice, Thailand, 25% $/mt	474.7	448.8	418.7	469.4	458.7	441.4	462.8	478.0	n.a.	458.1	463.2
Rice, Thailand, 35% $/mt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Rice,Thai, A.1 $/mt	405.0	380.3	354.0	323.4	326.3	309.7	346.1	401.8	482.3	326.4	389.9

	Monthly averages			Quarterly averages					Annual averages		
	2010			2009				2010	2008	2009	2010
	Feb	Mar	Apr	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Jan-Dec	Jan-Dec	Jan-Apr
Sorghum $/mt	154.1	154.7	149.4	145.3	155.8	139.3	163.8	156.9	207.8	151.1	155.0
Wheat, Canada $/mt	279.0	270.7	264.7	321.9	325.6	271.2	283.4	279.0	454.6	300.5	275.4
Wheat, US, HRW $/mt	194.0	191.1	192.9	231.6	250.5	208.8	205.4	195.4	326.0	224.1	194.8
Wheat, US SRW $/mt	191.8	190.0	187.8	187.4	195.6	165.2	195.6	193.5	271.5	186.0	192.1
Other Food											
Bananas EU $/mt	976	1,144	1,051	1,142	1,288	1,118	1,032	1,020	1,188	1,145	1,028
Bananas US $/mt	720	838	825	891	858	826	813	781	844	847	792
Fishmeal $/mt	1,627	1,672	1,873	1,013	1,097	1,276	1,535	1,660	1,133	1,230	1,713
Meat, beef ¢/kg	312.5	334.9	359.1	245.2	262.8	273.2	273.5	314.2	313.8	263.6	325.4
Meat, chicken ¢/kg	166.9	168.3	170.9	173.5	174.1	173.9	165.1	167.2	169.6	171.7	168.1
Meat, sheep ¢/kg	451.4	442.7	456.3	378.5	428.7	453.3	450.1	447.6	458.5	427.6	449.8
Oranges $/mt	982	897	950	799	870	861	1,107	989	1,107	909	980
Shrimp, Mexico ¢/kg	838	838	865	976	970	970	864	827	1,069	945	836
Sugar EU ¢/kg	45.85	45.47	44.98	51.44	53.76	55.43	49.11	46.38	69.69	52.44	46.03
Sugar US ¢/kg	88.74	77.41	68.38	43.82	47.89	57.31	70.48	84.31	46.86	54.88	80.33
Sugar, world ¢/kg	55.98	41.14	36.35	28.85	33.89	46.98	50.29	51.82	28.21	40.00	47.96
Timber											
Logs, Cameroon $/cum	424.3	427.6	429.6	426.8	394.8	414.9	449.5	431.4	526.9	421.5	431.0
Logs, Malaysia $/cum	252.8	249.6	246.0	313.6	284.5	279.6	271.1	253.5	292.3	287.2	251.7
Plywood ¢/sheets	557.2	557.2	564.7	572.8	565.8	561.5	558.4	557.2	645.5	564.6	559.1
Sawnwood, Cameroon $/cum	804.9	803.3	818.1	689.2	721.2	779.0	806.3	804.1	958.3	748.9	807.6
Sawnwood, Malaysia $/cum	781.0	790.6	820.5	813.7	829.7	771.4	807.4	788.0	889.1	805.5	796.1
Woodpulp $/mt	776.5	813.7	825.0	565.1	550.0	627.7	715.6	780.9	820.2	614.6	792.0
Other Raw Materials											
Cotton A Index ¢/kg	176.5	189.2	193.6	120.8	132.4	141.9	157.7	178.8	157.4	138.2	182.5
Cotton Memphis ¢/kg	181.3	191.8	197.2	122.4	137.5	148.8	172.4	183.6	161.3	145.3	187.0
Rubber RSS1, US ¢/kg	343.3	357.1	398.8	165.8	187.0	221.0	284.7	345.2	284.1	214.6	358.6
Rubber RSS3, SGP ¢/kg	312.7	333.9	394.8	146.0	166.4	199.3	256.5	318.6	258.6	192.1	337.7
Fertilizers											
DAP $/mt	490.5	476.3	466.0	362.2	303.6	309.6	316.9	464.8	967.2	323.1	465.1
Phosphate rock $/mt	103.8	105.0	125.0	193.3	113.3	90.0	90.0	102.1	345.6	121.7	107.8
Potassium chloride $/mt	335.0	312.5	314.4	865.2	726.7	506.8	423.0	334.0	570.1	630.4	329.1
TSP $/mt	300.0	354.4	372.5	321.7	247.7	224.7	235.7	316.9	879.4	257.4	330.8
Urea $/mt	288.6	278.8	252.7	267.3	241.1	241.6	248.3	281.0	492.7	249.6	274.0
Metals and Minerals											
Aluminum $/mt	2,049	2,206	2,317	1,360	1,485	1,812	2,003	2,163	2,573	1,665	2,202
Copper $/mt	6,848	7,463	7,745	3,428	4,663	5,859	6,648	7,232	6,956	5,150	7,361
Gold $/toz	1,095	1,113	1,149	909	922	960	1,102	1,109	872	973	1,119
Iron ore ¢/dmtu	101.0	101.0	176.5	101.0	101.0	101.0	101.0	101.0	140.6	101.0	119.8
Lead ¢/kg	212.4	217.2	226.5	115.7	149.9	192.8	229.3	222.1	209.1	171.9	223.2
Nickel $/mt	18,976	22,461	26,031	10,471	12,920	17,700	17,528	19,959	21,111	14,655	21,477
Silver ¢/toz	1,587	1,715	1,817	1,265	1,376	1,477	1,760	1,693	1,500	1,469	1,724
Steel products index 2000=100	208.5	220.2	234.1	274.5	215.5	210.8	207.4	211.5	289.3	227.1	217.1
Steel cr coilsheet $/mt	700	775	813	1,033	700	700	700	725	966	783	747
Steel hr coilsheet $/mt	600	675	713	933	600	600	600	625	883	683	647
Steel rebar $/mt	550	578	615	473	450	500	522	546	760	486	563
Steel wire rod $/mt	750	753	765	1,200	1,007	857	814	751	1,010	969	754
Tin ¢/kg	1,636	1,755	1,868	1,103	1,351	1,459	1,517	1,721	1,851	1,357	1,758
Zinc ¢/kg	215.7	227.5	236.7	117.2	147.3	176.1	221.4	228.9	187.5	165.5	230.8

$ = US dollar; ¢ = US cent; bbl = barrel; cum = cubic meter; dmtu = Dry Metric Ton Unit; kg = kilogram; mmbtu = million British thermal units; mt = metric ton; toz = troy oz; n.a. = not available; n.q. = no quotation sector's push for India to open up its market, warning that competition from the heavily subsidised and protected EU could hurt marginal farmers' livelihoods.

Indian and EU officials at varying levels of seniority are expected to discuss the FTA talks in meetings scheduled for the upcoming months. The timing of the next round of FTA negotiations will be determined this summer.

European Environmentalists Fuming over Biofuels Report

An official EU document obtained by Reuters using freedom of information laws predicts that Europe's demand for biofuels is likely to contribute to climate change and harm the environment. The report suggests that the greenhouse gas emissions from biodiesel can be as much as four times greater than emissions from diesel or gasoline.

The document was the final of four studies intended to analyse the ramifications of proposed changes in European policies on the biofuels trade, focusing on global agriculture and environmental change.

The EU has already come under fire for failing to release similar documents. Environmentalists have also stirred up a fuss over the recent release of an EU report that found that the increased use of biofuels in the 27-nation bloc could trigger food shortages in developing countries and negatively impact the climate.

The EU's target of 10 percent of road transport fuel to come from "renewable sources" by 2010 could severely impact the environment, the new report finds. It further suggests that any increase above 5.6 percent of transport fuels from biofuels could "erode the environmental sustainability of biofuels." An increase of just 4.6 percent could severely increase greenhouse gas emissions, the report found.

A coalition of environmental groups including T&E has now launched legal action against the European Commission over its failure to freely release documents outlining the negative environmental impacts of biofuels, such as the one obtained by Reuters. The lawsuit accuses the Commission of breaching several European laws designed to promote transparency, democracy, and legitimacy in European policy-making.

India-Australia Joint Ministerial Commission Held on 4 May

Anand Sharma, the Union Minister of Commerce & Industry and Mr. Simon Crean, the Australian Trade Minister while reviewing India-Australia bilateral trade and investment relations, welcomed the continued rapid expansion and the strengthening of economic ties between the two countries. The Ministers agreed that there remained significant potential for sustained growth in trade and investment flows between the two countries. They were participating at the 12th meeting of the India-Australia Joint Ministerial Commission (JMC) held on 4 May 2010.

During the meeting, the Ministers released the Report of the India-Australia FTA Joint Feasibility Study Group. They noted that the Joint Study Group had recommended negotiation of a comprehensive bilateral FTA and endorsed the feasibility study recommendation noting that both sides would need to undertake further internal processes before negotiations could be launched.

The Ministers also reviewed the current status of bilateral cooperation in important sectors such as minerals, energy, environment, information and communication technology, science and technology, biotechnology, education and training, tourism, financial and other services, agriculture, retail, and infrastructure.

Both sides agreed to expedite constitution of the India-Australia CEOs Forum and looked forward to Australia hosting the first meeting of the Forum. The Ministers welcomed the opportunity to engage with the India-Australia Joint Business Council and underlined the importance of greater contact between Australian and Indian business

The Ministers also reaffirmed their commitment to work for the successful completion of the Doha round of negotiations.

USTR Announces Quota for Additional Raw Cane Sugar

The Office of the United States Trade Representative (USTR) announced country-specific allocations of additional fiscal year (FY) 2010 in-quota quantity of the tariff-rate quota (TRQ) for imported raw cane sugar. TRQs allow countries to export specified quantities of a product to the United States at a relatively low tariff, but subject all imports of the product above a pre-determined threshold to a higher tariff.

On April 23, 2010, the Secretary of Agriculture announced an additional in-quota quantity for the TRQ for raw cane sugar for the remainder of FY 2010 (ending September 30, 2010) in the amount of 181,437 metric tons* raw value (MTRV). This quantity is in addition to the minimum amount to which the United States is committed under the World Trade Organization Uruguay Round Agreements.

Based on consultations with quota holding countries, USTR is allocating the quantity of 181,437 MTRV to the following countries in the quantities specified below:

Country	Additional FY 2010 Allocation
Argentina	7,826
Australia	15,106
Belize	2,002
Bolivia	1,456
Brazil	26,391
Colombia	4,368
Congo	7,258
Costa Rica	2,730
Dominican Republic	32,033
Ecuador	2,002
El Salvador	4,732
Guatemala	8,736
Guyana	2,184
Honduras	1,820
India	1,456
Jamaica	2,002
Malawi	1,820
Mauritius	2,185
Mozambique	2,366
Nicaragua	3,822
Panama	5,278
Peru	7,462
Philippines	24,571
South Africa	4,186
Swaziland	2,912
Thailand	2,548
Zimbabwe	2,185

These allocations are based on the countries' historical shipments to the United States. The allocations of the raw cane sugar TRQ to countries that are net importers of sugar are conditioned on receipt of the appropriate verifications of origin, and certificates for quota eligibility must accompany imports from any country to which an allocation is provided.

*Conversion factor: 1 metric ton = 1.10231125 short tons.

Corn Gains a Second Day After USDA Lowers Inventory Estimate

Corn futures rose, extending yesterday's advance, after the U.S. government lowered its estimate of the nation's inventory as demand expands faster than expected. Wheat also rose.

Corn for July-delivery advanced as much as 0.7 percent to $3.795 a bushel in after-hours electronic trading on the Chicago Board of Trade and traded at $3.7925 a bushel. The contract closed 1.8 percent higher on 11 May, the steepest rise since April 28.

The U.S. Department of Agriculture on 11 May estimated the nation's corn stockpile will be 1.74 billion bushels by Aug. 31, down from a forecast of 1.94 billion bushels a month earlier, as higher exports offset lower domestic demand for feed grains.

Still, output in the U.S., the world's largest grower and exporter, will expand in the year beginning September, helping push global stockpiles to 154 million tons next year, from 147 million tons this year, the USDA said.

Wheat for July delivery was little changed at $4.9375 a bushel after trading between $4.9225 and $4.9475. The grain "is lacking any real direction" and is tracking corn prices.

The USDA on 11 May said global wheat production will exceed demand for a third straight year in 2010-2011, pushing stockpiles higher to 198 million tons, from 193 million tons this year.

Soybeans for July delivery rose as much as 0.4 percent to $9.6975 a bushel before trading at $9.6825. Global output may fall 3 percent to 250 million tons in the 2010-2011 year from 258 million tons this year, the USDA said in a report. Imports by China, the world's largest buyer, may rise to 49 million tons, from 46 million tons, it said.

ECBs at Above 50% Now will Need RBI Approval

Subject: External Commercial Borrowings (ECB) Policy

AP(DIR) Srs Cir. 51 11.05.2010 (RBI)	Attention of Authorized Dealer Category - I (AD Category - I) banks is invited to the A.P. (DIR Series) Circular No.05 dated August 1, 2005 and A.P. (DIR Series) Circular No.39 dated March 02, 2010 relating to External Commercial Borrowings (ECB).

2. On a review of the policy, it has been decided to modify the extant ECB policy in respect of the Infrastructure Finance Companies (IFCs) i.e. Non Banking Financial Companies (NBFCs) categorised as IFCs by the Reserve Bank. As per the extant norms, IFCs have been permitted to avail of ECBs for on-lending to the infrastructure sector, as defined in the extant ECB policy, under the **approval route.** As a measure of liberalisation of the existing procedures, it has been decided to permit the IFCs to avail of ECBs, including the outstanding ECBs, up to 50 per cent of their owned funds under the **automatic route,** subject to their compliance with the prudential guidelines already in place. ECBs by IFCs above 50 per cent of their owned funds would require the approval of the Reserve Bank and will, therefore, be considered under the **approval route**. Designated Authorized Dealer banks should ensure compliance with the extant norms while certifying the ECB application both under the automatic and approval routes.

3. All the other aspects of ECB policy such as USD 500 million limit per company per financial year under the automatic route, eligible borrower, recognised lender, end-use, average maturity period, prepayment, refinancing of existing ECB and reporting arrangements remain unchanged.

4. AD Category-I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

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

Customs Valuation Exchange Rates

May 2010		Imports	Exports	
Schedule I				
1	Australian Dollar	41.80	40.60	Rate of exchange of one unit of foreign currency equipment to Indian Rupees
2	Canadian Dollar	45.05	43.80	
3	Danish Kroner	8.15	7.85	
4	EURO	60.30	58.65	
5	Hong Kong Dollar	5.80	5.65	
6	Norwegian Kroner	7.70	7.45	
7	Pound Sterling	69.65	67.80	
8	Swedish Kroner	6.30	6.10	
9	Swiss Franc	42.10	40.85	
10	Singapore Dollar	32.95	32.05	
11	U.S. Dollar	44.90	44.00	
Schedule II				
1	Japanese Yen	48.05	46.70	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees

(Source: Customs Notification 32(NT)/28.04.2010)

Commodity Spot Prices in India – 08-11 May 2010

These commodity prices are taken from Multi Commodity Exchange of India (Mumbai) at 6 pm every day. The weekly prices of commodities from different cities of India will be given in the order of Harmonized System classification.

Commodity Spot Prices covers price movements of 55 commodities (agricultural products and metals) provided on Multi Commodity Exchange of India on a daily basis. This Commodity Spot Prices Table focuses on price movements from 08-11 May.

(Rs.)

Commodity	Unit	Market	08-May	10-May	11-May
CER (Carbon Trading)	1 MT	Mumbai	782.5	782.5	769.5
Chana	100 KGS	Delhi	2120	2140	2120
Masur	100 KGS	Indore	3536	3508	3518
Potato	100 KGS	Agra	492.9	488	483.9
Potato TKR	100 KGS	Tarkeshwar	NA	NA	NA
Arecanut	100 KGS	Mangalore	7705	7708	7541
Cashewkern	1 KGS	Quilon	301	300	300
Cardamom	1 KGS	Vandanmedu	1335.8	1330	1337.3
Coffee ROB	100 KGS	Kushalnagar	60.7	59.7	60.2
Jeera	100 KGS	Unjha	12783	12743	12678
Pepper	100 KGS	Kochi	16044	16110	15810
Red Chili	100 KGS	Guntur	4759	4759	4759
Turmeric	100 KGS	Nzmbad	15533	15500	15300
Guar Gum	100 KGS	Jodhpur	5030	5300	5150
Maize	100 KGS	Nzmbad	880	881.5	882
Wheat	100 KGS	Delhi	1167.3	1165.8	1157.5
Mentha Oil	1 KGS	Chandausi	763.3	756.1	772.6
Cotton Seed	100 KGS	Akola	1132	1130	1122
Castorsd RJK	100 KGS	Rajkot	3115	3120.5	3128
Guar Seed	100 KGS	Jodhpur	2368	2381	2350
Soya Bean	100 KGS	Indore	1965	1973.5	1962.5
Mustrdsd JPR	20 KGS	Jaipur	495	493.2	493
Sesame Seed	100 KGS	Rajkot	5038	5138	5163
Coconut Oil Cake	100 KGS	Kochi	1170	1170	1170
RCBR Oil Cake	1 MT	Raipur	5716	5700	5730
Kapaskhali	50 KGS	Akola	980	976.9	973.2
Coconut Oil	100 KGS	Kochi	5174	5200	5200
Refsoy Oil	10 KGS	Indore	448.35	450	447.85
CPO	10 KGS	Kandla	369.5	369.5	367.7
Mustard Oil	10 KGS	Jaipur	463	466.1	466.1
Gnutoilexp	10 KGS	Rajkot	670	677.5	680
Castor Oil	10 KGS	Kandla	675	670	670
Crude Oil	1 BBL	Mumbai	3424	3424	3453
Furnace Oil	1000 KGS	Mumbai	30974	30462	30808
Sourcrd Oil	1 BBL	Mumbai	3689.5	3719.5	3723.5
Brent Crude	1 BBL	Mumbai	3555	3555	3608
Gur	40 KGS	Muzngr	1002.3	1004.7	1015.6
Sugars	100 KGS	Kolhapur	NA	NA	NA
Sugarm	100 KGS	Delhi	3160	3144	3096
Natural Gas	1 mmBtu	Hazirabad	183	183	187.5
Rubber	100 KGS	Kochi	15082	15074	15246
Cotton Long	1 Candy	Kadi	27950	27980	28000
Cotton Med	1 Maund	Abohar	2803.5	2817.5	2851.5
Jute	100 KGS	Kolkata	3181.5	3158	3160
Gold	10 GRMS	Ahmd	17928	17480	17930
Gold Guinea	8 GRMS	Ahmd	14342	13984	14344
Silver	1 KGS	Ahmd	28650	28360	28565
Sponge Iron	1 MT	Raipur	17790	17780	17390
Steel Flat	1000 KGS	Mumbai	36040	35920	35810
Steel Long	1 MT	Bhavnagar	26510	26750	27060
Copper	1 KGS	Mumbai	316	316	319.5
Nickel	1 KGS	Mumbai	1010.4	1041.2	996.4
Aluminium	1 KGS	Mumbai	94.15	94.6	91.5
Lead	1 KGS	Mumbai	90.2	93.55	89.15
Zinc	1 KGS	Mumbai	93.15	95.1	90.75
Tin	1 KGS	Mumbai	800	807	786

(Source: MCX Spot Prices)

WORLD TRADE SCANNER

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Gold Climbs to Record for Second Day as Euro Risk Fuels Demand

Gold climbed to a record for a second day on investor concern that international financial support for indebted European states will depress currencies.

Bullion for immediate delivery rose to an all-time high of $1,234.93 an ounce before trading at $1,233.55 an ounce. June-delivery futures jumped as much as 1.3 percent to a record $1,235.50 an ounce.

Gold advanced as the euro extended losses against the dollar on doubts that an almost $1 trillion loan package will be able to prevent Greece's sovereign debt crisis being repeated in other European states.

Gold has climbed 12 percent in 2010, and is heading for its 10th consecutive annual gain. This year, the euro has dropped 12 percent against the dollar, the MSCI World Index of major equity markets fell 2.1 percent and returns on benchmark U.S. treasuries advanced.

Among other precious metals, platinum for immediate delivery fell 0.6 percent to $1,694.50 an ounce, its first decline in five days. Silver was little changed at $19.2975 an ounce, after surging 4.2 percent to a five-month high on 11 May. Palladium lost 0.7 percent to $530.53 an ounce after four days of gains.

Silver and platinum are likely to "wax and wane" with the underlying economic outlook, given their industrial uses, Wendt said. Gold reaching $1,500 by year-end would be "quite a reasonable price target" given the renewed demand, he said.

Debt-Laden

European policy makers agreed to a region-wide lending plan after a 110 billion euro ($139 billion) support package for debt-laden Greece a week earlier failed to convince investors that similar sovereign debt crises would not be repeated in other nations.

Breaking News

Euro Weakens for Second Day on Regional Debt Crisis; Yen Rises: The euro weakened for a second day against the dollar and the yen on concern the region's most-indebted nations will struggle to contain their deficits, slowing Europe's economic recovery.

China May Adjust Yuan Value This Month, RBC Says: China may relax the yuan's peg to dollar this month to head off criticism of its currency policy during May 24-25 talks with the U.S. and help tame inflation, according to Royal Bank of Canada and Wells Fargo & Co.

DP World's $1 Billion India Container Port to Challenge Colombo: DP World Ltd. said as much as $1 billion may be invested in the first Indian port able to handle the largest container ships as the company tries to challenge Colombo's grip on India's maritime trade with Europe and China.

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