

# WORLD TRADE SCANNER

## Aluminium Downstream Manufacturers Protest on Hindalco Safeguard Duty Proposal in Aluminium Ingots

- Jindal Aluminium of Bangalore behind Ad released in Leading Papers under Pseudonym of "Patriot"?

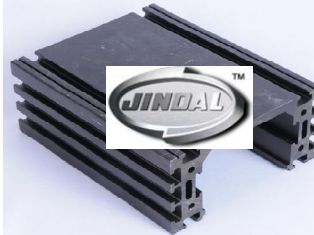
*We give below the text of the Advertisement released by "Patriot".*

*Aluminium is just a part of the story. Steel industry too is beset by a string of actions on MIP, Anti-dumping and Safeguard Actions on ground of industry protection.*

*In the event, user industry is severely affected by market price distortions. One man's medicine is poison for 100 others.*

Ours is a renowned and registered NGO, PATRIOT which has been doing service and getting justice for victims of corruption since 1990s.

The Hon'ble Union Finance Minister and Commerce Minister to kindly check the double-fold injustice being accorded by bureaucrats who are favouring two primary producers of aluminium by levying Safeguard Duty. Board of Safeguard has rightly rejected the proposal twice, but DG (Safeguard) is recommending it again and again. This is on aluminium ingots only and not on numerous secondary products like sheets, coils, extrusions, cables, conductors, utensils, hardware etc. This is only to benefit two giants who will add more profit to their balance sheets by increasing prices while causing misery and forcing thousands of small and medium manufacturers/fabricators to close down and throw lakhs of people out of employment. This is because Chinese downstream aluminium products will be flooded in India. All this is happening under your nose, Sir, despite numerous representations which furnish a clear and true picture. This will be like other scams during the erstwhile government, hence needs urgent steps to investigate, rectify and punish the culprits before it is too late and it is



exposed and bombarded by the media. This may prove to be an embarrassment to the present NDA Government.

Already sufficient benefits have been provided in the last budget to primary producers. Moreover, primary producers have received the special advantage of dollar appreciation along with higher LME price, which has gone up from USD 1450 PMT to USD 1550 PMT in the last six months. Due to all of these

factors, the price of aluminium metal has gone up by nearly Rs. 10,000 PMT, while their cost of production remains the same. Despite this, they are still not satisfied and are trying to force consumers to pay them higher prices with the favour from interested designs. Look at the crores of poor people using aluminium utensils for their domestic use as it is the cheapest for them. Unfortunately, primary producers are trying to make it more expensive for the common man, just to fill their pockets with profits. It will become too precious to be used by the common man-all due to arbitrary and corruptive attitude of a few who are remaining unchecked. PMO may also examine. For any clarification, please contact:

President, PATRIOT (Regd.), Email: patriotngo@yahoo.com

## India-US Joint Statement during the Visit of Prime Minister to USA

*(Edited Extracts)*

The leaders welcomed the significant progress made in bilateral relations between India and the United States during their tenure, in accordance with the roadmaps set out in the Joint Statements issued during Prime Minister Modi's visit to the United States in September 2014 and President Obama's visit to India in January 2015.

### Advancing U.S.-India Global Leadership on Climate and Clean Energy

The two Governments have taken in the last two years through the U.S.-India Contact Group, including by addressing the nuclear liability issue, inter alia, through India's ratification of the Convention on Supplementary Compensation for Nuclear Damage, the leaders welcomed the start of preparatory work on site in India for six AP 1000 reactors to be built by Westinghouse and noted the intention of India and the U.S. Export-Import Bank to work together toward a competitive financing package for the project. Once completed, the project would be among the largest of its kind,

fulfilling the promise of the U.S.-India civil nuclear agreement and demonstrating a shared commitment to meet India's growing energy needs while reducing reliance on fossil fuels. Both sides welcomed the announcement by the Nuclear Power Corporation of India Ltd, and Westinghouse that engineering and site design work will begin immediately and the two sides will work toward finalizing the contractual arrangements by June 2017.

The leaders reiterated their commitment to pursue low greenhouse gas emission development strategies in the pre-2020 period and to develop long-term low greenhouse gas emission development strategies. In addition, the two countries resolved

### Crude Rises to \$47.11

Crude Oil (Indian Basket) from 31 May - 06 June 2016

	31 May	01 June	02 June	03 June	06 June
(\$/bbl)	46.88	46.38	46.83	46.89	47.11
(Rs/bbl)	3150.67	3124.10	3149.48	3153.15	3154.49
(Rs/\$)	67.20	67.35	67.25	67.24	66.96

*(Previous Trading Day Price)*

Source: Ministry of Petroleum & Natural Gas

**Inside: Security for Customs Warehoused Goods...**

to work to adopt an HFC amendment in 2016 with increased financial support from donor countries to the Multilateral Fund to help developing countries with implementation, and an ambitious phasedown schedule, under the Montreal Protocol pursuant to the Dubai Pathway. The leaders resolved to work together at the upcoming International Civil Aviation Organization Assembly to reach a successful outcome to address greenhouse gas emissions from international aviation. Further, the two countries will pursue under the leadership of the G20 strong outcomes to promote improved heavy-duty vehicle standards and efficiency in accordance with their national priorities and capabilities.

Reflecting Prime Minister Modi's call to embrace wildlife conservation as a development imperative, the leaders welcomed the signing of an MOU to enhance cooperation on Wildlife Conservation and Combating Wildlife Trafficking.

### Clean Energy Finance

The United States supports the Government of India's ambitious national goals to install 175 GW of renewable power which includes 100 GW from solar power.

The United States welcomes the launch of the International Solar Alliance (ISA), recognizes the critical role it can play in the development and deployment of solar power, and intends pursuing membership in the ISA. To this end, and to strengthen ISA together, the United States and India will jointly launch the third Initiative of the ISA which will focus on off-grid solar for energy access at the Founding Conference of ISA in September, 2016 in India. The United States also remains committed, with other developed countries, to the goal of jointly mobilizing \$100 billion per year by 2020 to address the needs of developing countries in the context of meaningful mitigation and adaptation action.

The United States is committed to bring to bear its technical capacity, resources and private sector, and is jointly launching with India new efforts, to spur greater investment in India's renewable energy sector, including efforts that can serve as a model for other ISA Member Countries. In particular, the United States and India today are announcing: the creation of a \$20 million U.S.-India Clean Energy Finance (USICEF) initiative, equally supported by the United States and India, which is expected to mobilize up to \$400 million to provide clean and renewable electricity to up to 1 million households by 2020; a commitment to establish the U.S.-India Clean Energy Hub as the coordinating mechanism to focus United States Government efforts that, in partnership with leading Indian financial institutions, will increase renewable energy investment in India; a \$40 million U.S.-India Catalytic Solar Finance Program, equally supported by the United States and India, that, by providing needed liquidity to smaller-scale renewable energy investments, particularly in poorer, rural villages that are not connected to the grid, could mobilize up to \$1 billion of projects; the expansion of handholding support to Indian utilities that are scaling up rooftop solar and continuation of successful cooperation with USAID on "Greening the Grid".

The United States and India also remain committed to the goals of Mission Innovation, which they jointly launched during COP-21 in Paris to double their respective clean energy research and development (R&D) investment in five years. Toward this end, the two leaders reaffirmed their commitment to cooperate on research and development, including through the announcement of an upcoming \$30 million public-private research

effort in smart grid and grid storage.

Recalling their shared commitment to preventing proliferation of weapons of mass destruction and their means of delivery, the leaders looked forward to India's imminent entry into the Missile Technology Control Regime. President Obama welcomed India's application to join the Nuclear Suppliers Group (NSG), and re-affirmed that India is ready for membership. The United States called on NSG Participating Governments to support India's application when it comes up at the NSG Plenary later this month. The United States also re-affirmed its support for India's early membership of the Australia Group and Wassenaar Arrangement.

### Securing the Domains: Land, Maritime, Air, Space, and Cyber

The leaders applauded the completion of a roadmap for cooperation under the 2015 U.S.-India Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region, which will serve as a guide for collaboration in the years to come. They resolved that the United States and India should look to each other as priority partners in the Asia Pacific and the Indian Ocean region.



They welcomed the inaugural meeting of the Maritime Security Dialogue. Owing to mutual interest in maritime security and maritime domain awareness, the leaders welcomed the conclusion of a technical arrangement for sharing of maritime "White Shipping" information.

The leaders affirmed their support for U.S.-India cooperation in promoting maritime security. They reiterated the importance they attach to ensuring freedom of navigation and overflight and exploitation of resources as per international law, including the United Nations Convention on the Law of the Sea, and settlement of territorial disputes by peaceful means.

Noting that the U.S.-India defense relationship can be an anchor of stability, and given the increasingly strengthened cooperation in defense, the United States hereby recognizes **India as a Major Defense Partner**. As such:

- The United States will continue to work toward facilitating technology sharing with India to a level commensurate with that of its closest allies and partners. The leaders reached an understanding under which India would receive **license-free access to a wide range of dual-use technologies** in conjunction with steps that India has committed to take to advance its export control objectives.
- In support of India's **Make in India initiative**, and to support the development of robust defense industries and their integration into the global supply chain, the United States will continue to facilitate the export of goods and technologies, consistent with U.S. law, for projects, programs and joint ventures in support of official U.S.-India defense cooperation. The leaders also committed to enhance cooperation in support of the Government of India's Make in India Initiative and expand the co-product-

tion and co-development of technologies under the Defense Technology and Trade Initiative (DTTI). They welcomed the establishment of new DTTI working groups to include agreed items covering Naval Systems, Air Systems, and other Weapons Systems. The leaders announced the finalization of the text of an Information Exchange Annex under the Joint Working Group on Aircraft Carrier Technology Cooperation.

President Obama thanked Prime Minister Modi for his government's support for the Defense POW/MIA Accounting Agency (DPAA) missions in India, including a recovery mission that resulted in the recent repatriation of remains of the United States Service Members missing since the Second World War. The leaders announced their commitment to future DPAA missions.

As space faring nations, India and the United States acknowledge that outer space should be an ever expanding frontier of human endeavour, and look forward to deepening their cooperation on earth observation, Mars exploration, space education and manned space flight. The leaders welcomed the progress toward establishment of an ISRO-NASA Heliophysics Working Group as well as toward finalization of a Memorandum of Understanding for exchange of earth observation satellite data.

The leaders emphasized that cyberspace enables economic growth and development, and reaffirmed their commitment to an open, interoperable, secure, and reliable Internet, underpinned by the multistakeholder model of Internet governance. They committed to deepen cooperation on cybersecurity and welcomed the understanding reached to finalize the Framework for the U.S.-India Cyber Relationship in the near term. They committed to enhance cyber collaboration on critical infrastructure, cybercrime, and malicious cyber activity by state and non-state actors, capacity building, and cybersecurity research and development, and to continue discussions on all aspects of trade in technology and related services, including market access. They have committed to continue dialogue and engagement in Internet governance fora, including in ICANN, IGF and other venues, and to support active participation by all stakeholders of the two countries in these fora. The leaders committed to promote stability in cyberspace based on the applicability of international law including the United Nations Charter, the promotion of voluntary norms of responsible state behavior during peacetime, and the development and implementation of practical confidence building measures between states.

In this context, they affirmed their commitment to the voluntary norms that no country should conduct or knowingly support online activity that intentionally damages critical infrastructure or otherwise impairs the use of it to provide services to the public; that no country should conduct or knowingly support activity intended to prevent national computer security incident response teams from responding to cyber incidents, or use its own teams to enable online activity that is intended to do harm; that every country should cooperate, consistent with its domestic law and international obligations, with requests for assistance from other states in mitigating malicious cyber activity emanating from its territory; and that no country should conduct or knowingly support ICT-enabled theft of intellectual property, including trade secrets or other confidential business information, with the intent of providing competitive advantages to its companies or commercial sectors.

*Cont'd..87*

## WEEKLY INDEX OF CHANGES

### New Rules for Security Deposits in Bonded Warehousing

- No Security for Govt Imports
- Insurance Cover for Transit Goods
- No Security for One Year in Warehoused Goods, Liquor in Public Bonded Warehouse
- Security to be Furnished in Import Port
- New Guidelines for Security of Perishable Goods
- Verification of Security only in Exceptional Cases

Sub: Security under section 59 (3) of the Customs Act

21-CBEC Section 59 of the Customs Act, 31.05.2016 1962 (as amended by Finance (DoR) Act 2016) requires an importer of goods filing a bill of entry for warehousing to submit a Bond in a sum equal to thrice the amount of duty assessed on the goods to be warehoused. The bond can be:

- (a) for a single consignment; or
- (b) a general bond to cover multiple imports by an importer within a specified period.

The format of the bonds has been prescribed under circular no. 18/2016–Cus dated 14.5.2016.

2. Sub-section (3) of section 59 prescribes that the importer, shall, in addition to the execution of a bond, furnish a security. The Board has reviewed the extant circulars regarding furnishing of security for transit as well as for storage of goods in the warehouse. In supersession of earlier instructions, the Board has approved the following:

3. Having regard to certain categories of importers / industries with long gestation / goods of strategic importance, the Board has decided that the requirement for security under section 59 (3) shall be dispensed in the following cases:

- (i) Imports by the Central Government, State Government or a Union Territory administration or their undertakings;
- (ii) Machinery, equipment and raw-materials imported for manufacture and installation of power generation units;
- (iii) Project imports;
- (iv) Petroleum products;
- (v) Machinery, equipment and raw materials imported for building and fitment to ships;
- (vi) Goods used in the units operating under manufacture-in-bond scheme (section 65);
- (vii) Goods warehoused for supply to diplomats;
- (viii) Goods warehoused and sold through duty free shops;
- (ix) Goods warehoused for supply as ship stores/ airlines stores;

3.1 Importers under Accredited Clients Program or approved as Authorised Economic Operators shall be required to provide security as per circulars issued in their regard.

4. In all other cases, security shall be obtained as follows:

#### • Security for transit

The importer shall obtain comprehensive transit risk insurance policy to cover the transit of goods,

equal in sum to the duty involved on the goods, in favour of the President of India. Transit will refer to movements from:

- (i) the customs station of import to the warehouse; or
- (ii) a warehouse to another warehouse; or
- (iii) a warehouse to a customs station for export.

However, in certain cases, such as, liquid bulk cargo being transported through pipelines, the requirement of transit insurance may be waived.

#### • For storage

##### Other than Sensitive Goods

(a) Goods, other than sensitive goods mentioned in para (b) below, permitted to be warehoused, will be subject to the following requirement of security under section 59 (3):

- (i) for the initial period of one year, there shall be no requirement of furnishing any security;
- (ii) any extension in warehousing period beyond one year will be subject to the importer or owner furnishing a security by way of a bank guarantee for an amount equivalent to 25% of the sum of duty plus interest accrued thereon during the preceding period;

- (iii) any extension in warehousing period exceeding two years will be subject to the importer or owner furnishing a security by way of a bank guarantee for an amount equivalent to 50% of the sum of duty plus interest accrued thereon during the preceding period;

- (iv) any extension in warehousing period exceeding three years will be subject to the importer or owner furnishing a security by way of a bank guarantee for an amount equivalent to the duty involved and interest accrued thereon during the preceding period;

##### Sensitive Goods

(b) For the purposes of obtaining security to be furnished under section 59, the following goods shall be regarded as sensitive:

- (i) wines, spirits, liquors, whiskeys, brandy, beer, other alcoholic beverages etc.; and
  - (ii) cigars, cigarettes & manufactured products of tobacco;
- (c) Sensitive goods to be warehoused in a public bonded warehouse will be subject to the following requirement of security under section 59(3):
- (i) for the initial period of one year, there shall be no requirement of furnishing any security;
  - (ii) any extension in warehousing period beyond

one year will be subject to the importer or owner furnishing a security by way of a bank guarantee for an amount equivalent to 50% of the sum of duty plus interest accrued thereon during the preceding period; and

- (iii) any extension in warehousing period beyond two years will be subject to the importer or owner furnishing a security by way of a bank guarantee for an amount equivalent to the duty involved and interest accrued thereon during the preceding period;

(d) However, if the sensitive goods are proposed to be stored in the importer's private bonded warehouse:

- (i) the importer shall furnish a security by way of a bank guarantee equivalent to the duty involved at the customs station of import before removal of the goods from the customs station of import. The importer shall therefore not require to furnish a transit insurance policy since the transit will be covered under the bank guarantee valid for transit and storage of the goods;

- (ii) if any sensitive goods are proposed to be removed from a public warehouse to an importer's private bonded warehouse, the importer shall furnish a security by way of a bank guarantee, as applicable, at the customs station of import;

- (iii) If any extension in the period of warehousing is sought, the importer shall furnish a security by way of a bank guarantee equivalent to the duty involved and interest accrued thereon during the preceding period.

4. Nothing contained in this circular shall apply to imports by 100% Export Oriented Units, EHTP Units & STPI Units. Extant circulars / conditions mentioned in the Foreign Trade Policy shall govern the same.

#### Extensions

5. The Board has further decided that henceforth the period of warehousing shall be extended by the Principal Commissioner / Commissioner of Customs at the port of import. Accordingly, the security to be furnished by the importer or owner of the goods shall be furnished at the port of import where the bill of entry for warehousing was filed.

5.1 In terms of the first proviso to clause (c) of subsection (1) of Section 61, the Principal Commissioner or Commissioner of Customs, as the case may be, has been empowered to extend the period of warehousing, beyond the initial period of one year, for up to a year at a time. The second proviso provides that while extending the period of warehousing he may consider curtailing such period depending upon the likelihood of deterioration of the warehoused goods. In this connection, it may be noted that in cases referred in para 4, a security has to be obtained while granting extension. Alongside the security, a declaration that the goods shall not deteriorate during the period of extension being sought should also be obtained from the importer or owner.

5.2 However, where the Principal Commissioner or Commissioner of Customs is of the opinion that the goods are likely to deteriorate during the period for which extension is being sought, he can seek a report from the bond officer or ask the importer to produce from an expert in the particular field of relevance to the goods, a report regarding the condition of goods. Before seeking such a report, the Principal Commissioner or Commis-





sioner of Customs may evaluate the following:

- (i) the nature of goods;
- (ii) their usual shelf life;
- (iii) their manner of storage; and
- (iv) the period for which the goods have already been warehoused.

#### Security Verification only in Exceptional

### No Interest Demand for Warehoused Goods

#### BG Security for Duty and Interest is Sufficient under 21/31.05.2016 Board Circular

23-CBEC Section 61 of the Customs Act, 01.06.2016 1962 had been amended vide (DoR) the Finance Act, 1994 whereby the interest payable with respect to warehoused goods was to be calculated with reference to the duty payable at the time of clearance of the goods from the warehouse. This was clarified through Circular no 31/96-Customs dated 07.06.1996.

2. However, noting the high inventory of goods lying in bonded warehouses, with the consequential effect of locking revenue, the Board had vide Circular 47/2002-Customs dated 29th July 2002, prescribed that interest due in terms of section 61 should be collected before allowing extensions, with a view to encourage early clearances. This led to importers having to deposit interest and seek refunds in the event of interest not being payable, for example in cases where goods were finally exported. In certain industries, the Board had relaxed the above condition for extending the warehousing period but prescribed that a demand notice should be served upon the importer and the same decided upon clearance of the goods, i.e. when the liability became determinable (Para 7 of Circular 10/2006-Customs dated 14th Feb 2006). The extant circulars have been reviewed by

#### Cases

5.3 In view of the importer providing security and a declaration, such a verification should be resorted to only in exceptional cases.

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

F. No. 484/03/2015 – LC (Vol II)

the Board with a view towards simplification of processes and promoting the ease of doing business.

3. In order to secure revenue and discourage protracted duty deferment arising due to warehousing, the Board has prescribed conditions for furnishing of security by importers vide circular 21/2016-Customs dated 31.05.2016. The said circular also specifies the amount (which is a percentage of the sum of duty and interest) of bank guarantee that would have to be furnished before allowing an extension in warehousing period. In continuation of the earlier dispensation, certain industries have been exempted from furnishing of such security.

4. In view of having prescribed the requirement of furnishing a bank guarantee as security, it has been decided by the Board that henceforth there would be no requirement of payment of interest prior to allowing extensions of warehousing period nor would there be any need to issue a demand for payment of interest. Interest, if any, shall be paid at the time of ex-bonding of the goods from the warehouse.

5. Difficulties, if any, should be brought to the notice of the Board.

F. No. 473/20/2013-LC

### Ex Bond Bill of Entry now at Import Port only through ICEGATE

Sub: Procedure regarding filing of ex-bond bill of entry.

22-CBEC Section 68 of the Customs Act, 31.05.2016 1962 requires the filing of a (DoR) bill of entry (ex-bond bill of entry) for clearance of any

warehoused goods for home consumption. At present, the ex-bond bills of entry are being filed with the Commissionerates having jurisdiction over the warehouses and in large number of cases, manually. The filing of ex-bond bills of entry on ICES will provide the benefits of automation to importers availing the warehousing facility and lend efficiency to the process of clearance of the warehoused goods.

2. Accordingly, the Board has decided that the importer or owner of the warehoused goods seeking to clear goods for home consumption under section 68 shall henceforth file ex-bond bills of entry on ICES and the customs station of import shall assess the Bill of Entry for clearance of the warehoused goods for home consumption.

3. The importer or owner of the goods shall produce a copy of the assessed ex-bond bill of entry with the order for clearance of goods for home consumption given by the proper officer, to the jurisdictional bond officer assigned to the warehouse, for permitting clearance of the warehoused goods. Upon the importer or owner producing the ex-bond bill of entry for home con-

sumption, the bond officer shall:

i. verify the bill of entry particulars from ICEGATE at <https://www.icegate.gov.in/TrackAtICES/beTrackIces> (to check that the order for clearance of the goods for home consumption has been made by the proper officer); and

ii. permit the removal of goods from the warehouse for home consumption, in terms of regulation 8 of the Warehouse (Custody and Handling of Goods) Regulations, 2016, by affixing his dated signature on the copy of the ex-bond bill of entry;

4. In case of any mismatch between the details in the ex-bond bill of entry from those viewed on ICEGATE, the bond officer shall not permit removal of the goods from the warehouse and immediately inform his Deputy or Assistant Commissioner of Customs, as the case may be, who shall resolve the matter in consultation with the customs station of import.

5. The Board has already issued a circular providing that the bonds to be executed by the importer while filing a Bill of Entry for warehousing shall be executed at the customs station of import itself. Furthermore, with the imminent introduction of the system of providing a warehouse code at the into-bond bill of entry stage (circular no.19/2016-Customs refers), the warehouse where

### No Solvency Certificate Required where the Applicant is Government or EOU

Sub: Requirement of Solvency Certificate for the purposes of Private Warehouse Licensing Regulations 2016.

24-CBEC Regulation 3 (1) (c) of the 02.06.2016 Private Warehouse (DoR) Licensing Regulations, 2016 requires an applicant to

furnish a solvency certificate from a scheduled bank for an amount to be specified by the Principal Commissioner / Commissioner of Customs.

2. While making an application for licensing of a private bonded warehouse, an applicant (importer) shall be required to indicate the maximum amount of duty involved on the goods proposed to be stored in the private bonded warehouse at any point of time.

3. The Board has decided that for the purposes of uniformity, the Principal Commissioners/Commissioners of Customs shall require that the importer furnish a solvency certificate from a scheduled bank equivalent to the aforesaid amount of duty involved.

4. However, where the applicant is the Central Government, State Government or a Union Territory administration or their undertakings, there will be no need to obtain any solvency certificates.

4.1 In the case of EoUs / EHTP / STPI units, there will be no need to obtain any solvency certificate, as the conditions regarding furnishing of bank guarantee/security are specified in chapter 6 of the Foreign Trade Policy.

4.2 As regards, AEOs / ACPs, the circulars issued in their regard shall govern the amount of solvency required to be furnished by the importer.

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

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goods are to be deposited will also be available in EDI. Furthermore, Board, vide circular 21/2016-Customs dated 31st May 2016 has laid down that the period of warehousing shall be extended by the Principal Commissioner / Commissioner of Customs at the port of import and the security to be provided by the importer or owner of the goods shall be furnished at the port of import where the bill of entry for warehousing was filed. All these measures represent a fundamental change in management of warehoused goods for the department. Now, not only do these procedures fully leverage EDI facilities, but also aggregate the responsibilities at the customs station of clearance as a focal point for management of warehoused goods. This shall also address the issue pointed out by the C&AG (Report No. 12 of 2014) regarding goods lying in warehouses beyond the permitted period of warehousing. With the introduction of EDI based monitoring, the systems managers at the customs stations will be able to identify Bills of Entry where the initial period of

warehousing is near expiry for initiating necessary action.

6. All these measures are expected to leverage the benefits of automation for facilitating trade; it will enable the department to monitor the permitted period for which goods remain in the warehouse; provide a single point for the importer or

owner to seek extension of the warehousing period; and pay duties online.

7. The procedure contained in this circular shall come into effect from 15th June 2016.

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

F. No. 484 / 03 / 2015 – LC (Vol II)

## Crude and Refined Naphthalene from China, EU under Dumping Net on Complaint of Himadri Chemicals

### • Russia, Iran and Japan also in Net

**[Anti-dumping Initiation Notification No. 14/35/2015-DGAD dated 1<sup>st</sup> June 2016]**

*Subject: Anti Dumping investigation concerning imports of "Naphthalene in both its forms". – Crude Naphthalene originating in or exported from China PR, European Union, Russia, Iran, and Japan and Refined Naphthalene originating in or exported from China PR, European Union and Taiwan.*

M/s Himadri Chemicals & Industries Ltd. has filed an application before the Designated Authority for initiation of anti-dumping investigation and imposition of anti dumping duty concerning imports of Crude and Refined Naphthalene. The Countries concerning Crude Naphthalene imports are China PR, European Union, Russia, Iran and Japan, while the Countries concerning Refined Naphthalene imports are China PR, European Union and Taiwan. The above mentioned countries herein after are also referred to as the Subject Countries.



Refined or-pure Naphthalene is produced from crude Naphthalene by removing impurities. Refined Naphthalene is used for producing dyes and intermediates, leather chemicals, Naphthalene moth balls and pharmaceuticals.

Crude Naphthalene is classified under Chapter 27 under sub heading 2707 40 00 of Customs Tariff Act, 1975. Refined Naphthalene is classified under Chapter 29 under sub heading 2902 90 40 of Customs Tariff Act, 1975. The customs classification is however indicative only and in no way it is binding upon the product scope.

### Domestic Industry & Standing

The Application has been filed by M/s Himadri Chemicals & Industries Ltd. and supported by M/s Supreme Petro Synth Specialities and M/s Indian Petro-Coal Products both being producers of Crude and Refined Naphthalene. The other producers of Crude Naphthalene in India are Bhilai Steel Plant, Bokaro Steel Plant, Vizag Steel Plant, Aparna Carbons Private Limited and Supreme Industries. The other producers of Refined Naphthalene are Supreme Industries and Jaya Household Products.

The petitioner has submitted that they have imported Crude Naphthalene from China and Russia in the POI only for purpose of captive consumption for a downstream product and not for direct commercial sales. They have further declared that they are not related either to any exporter or producer in the subject country or any importer of the in India of the PUC.

The Authority notes that in past, eligibility of an applicant producer who imported the subject goods has been appropriately considered based on the quantum, nature and circumstances regarding imports made by the applicant. In this case also, keeping in view these aspects, the Authority holds that the petitioner along with supporting domestic producers constitutes an eligible domestic industry in terms of Rule 2 (b) and satisfies the criteria of standing also in terms of Rule 5 (3) of the Rules supra.

### Product under consideration

The product under consideration for the purpose of present investigation is "Naphthalene in both its forms i.e. Crude and Refined.

Crude Naphthalene is a crystalline, aromatic, white powder organic compound. It is produced by distillation of coal-tar and is used as a raw material for manufacturing various chemicals, Dyes and intermediates, plasticizers and reinforcing agent in cement concrete. Unless specified Naphthalene means Crude Naphthalene.

### Like Article

The applicant has claimed that there is no known difference between the subject goods exported from the subject countries and that produced by the domestic industry. Naphthalene (Crude and Refined) produced by the domestic industry and imported from the subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. Consumers use the two interchangeably. The applicant has further claimed that the two are technically and commercially substitutable and, hence, should be treated as 'like article' under the Rules. Therefore, for the purpose of the present investigation, the Authority treats the subject goods produced by the domestic industry in India as 'Like Article' to the subject goods being imported from the subject countries.

### Normal Value – China

Applicant has claimed that China should be treated as a non-market economy and normal value in case of China should be determined in accordance with para-7 and 8 of Annexure I of the Rules. The applicant has claimed normal value for

China PR on the basis of cost of production in India, duly adjusted. In terms of Para 8 in Annexure 1 to the Rules it is presumed that the producers of the subject goods in China PR are operating under non market economy conditions. In view of the above non-market economy presumption and subject to rebuttal of the same by the responding exporters from China PR, normal value of the subject goods in China PR has been estimated in terms of Para 7 of Annexure 1 to the Rules.

### European Union, Russia, Iran, Japan and Taiwan

The applicant has claimed determination of normal value in European Union, Russia, Iran, Japan and Taiwan on the basis of best estimates of cost of production in these subject countries, considering consumption norms of the domestic industry and international prices of raw materials. The power cost is based on the power rates in the respective subject countries. Due to significant cost and price difference in the two forms of Naphthalene, the petitioner has claimed determination of separate normal value for crude and refined naphthalene.

### Export Price

The applicant has determined ex-factory export price on the basis of transaction wise data procured from IBIS a secondary source and providing evidence and basis of adjustments on account of ocean freight, marine insurance, port expenses, inland freight, bank charges, commission and VAT adjustment (in case of China only).

### Dumping Margin

The comparison of normal values with the ex-factory export price has been carried out separately for crude and refined Naphthalene which shows a considerable dumping margin in respect of the subject goods exported by the subject countries.

### Injury and Causal Link

The petitioner has furnished evidence regarding injury due to alleged dumping due to increased imports in absolute terms and relative to production and consumption in India, price depression, price underselling and adverse impact on profitability, return on capital employed, and cash flow of the domestic industry. There is sufficient prima facie evidence of the 'injury' being suffered by the domestic industry caused by alleged dumped imports from the subject countries to justify initiation of an antidumping investigation.

### Period of Investigation (POI)

The period of investigation for the present investigation is from 1<sup>st</sup> January, 2015 to 31<sup>st</sup> December 2015 (12 months). The injury investigation period will however cover the periods Apr'11-Mar'12, Apr'12-Mar'13, Apr'13-Mar'14, Apr'14-Mar'15 and the period of investigation.

**[Full text available at [worldtradescanner.com](http://worldtradescanner.com)]**

## Sodium Chlorate from Canada, China and EU in Anti-dumping Investigation on Gujarat Alkalies Complaint

**[Anti-dumping Initiation Notification F. No. 14/13/2015-DGAD dated 12<sup>th</sup> May 2016]**

*Subject: Initiation of Anti-Dumping Duty investigation concerning imports of "Sodium Chlorate" originating in or exported from Canada, People's Republic of China and EU.*

M/s Gujarat Alkalies and Chemicals Limited and Teamec Chlorates Limited have filed an application before the Designated Authority for initiation of anti-dumping investigation concerning imports of "Sodium Chlorate" originating in or exported from Canada, People's Republic of China and EU.

### Domestic Industry & Standing

The petition has been filed by the petitioner i.e.

M/s Gujarat Alkalies (GACL) and Chemicals Limited and Teamec Chlorates Limited (TCL) (hereinafter also referred to as the domestic industry), as producers of the subject goods in India. Petitioners are the only two producers of the subject goods in India.

It is also noted that petitioners have neither imported the product under consideration, nor are

they related to an importer or exporter of the product under consideration. The petition has therefore been made by and on behalf of the domestic industry and it satisfies the requirements of 'standing' under Rule 5 of the AD Rules. Further, the Petitioners constitute 'Domestic Industry' in terms of Rule 2(b) of the AD Rules.

### Product under consideration

The product under consideration in the present petition is "Sodium Chlorate", an inorganic compound with the chemical formula NaClO<sub>3</sub>. Sodium Chlorate is a white crystalline hygroscopic powder readily soluble in water. It decomposes above 300 °C to oxygen and sodium chloride.

The normal commercial unit of measurement for the product under consideration is kilograms. It is quoted on the basis of weights, and sold in kilograms or MT universally.

Subject goods are classified under Chapter 28 of Customs Tariff Act, 1975 under the subheading 2829 11 00. The customs classification is indicative only and is in no way binding on the scope of the proposed investigations.

### Like Articles

The petitioner has claimed that the product manufactured by the domestic industry and the subject goods imported into India from the subject countries are like articles within the meaning of the Anti-dumping Rules. There is no known difference between the subject goods imported from the subject countries and that produced by the domestic industry. The subject goods produced by the domestic industry and imported from the subject countries are comparable in terms of essential product characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods. The consumers can use and are using the two interchangeably and are technically and commercially substitutable. After examination, the Authority concludes that the subject goods produced by the domestic industry are like article to that imported from the subject countries. Therefore, for the purpose of present investigation the subject goods produced by the applicant in India are being treated as like article to the subject goods being imported from subject countries.

### Normal value

The petitioners have claimed normal value of the product under consideration in subject countries on the basis of the constructed normal value in accordance with section 9A (1) (C), Customs Tariff Act, 1975. For China, treated as a non-market economy, normal value has been computed on the basis of the cost of production of raw-material, consumables, utilities as per the Indian cost of production and referencing best practices.

For European Union and Canada, the power cost prevailing in these countries also appropriately correlated with the least cost of power based on natural gas conversion has been adopted along with conversion costs as per Indian cost of production. The authority has considered the normal value of product under consideration as computed in the subject countries in accordance with rule 9A (1) (c) as a reasonable normal value based on prima facie evidence. The authority has constructed the normal value in accordance with rule 9 (5) A for. The subject countries.

### Export Price

The petitioner has claimed export price for prod-

uct under consideration based on secondary source i.e. IBIS data. Adjustments on export price have been claimed and referenced on account of ocean freight, marine insurance, commission, inland freight expenses, port expenses and bank charges. The net export price has been referenced on the basis of the above export price and adjustments.

### Dumping Margin

There is sufficient prima facie evidence that the normal values of the subject goods in the subject countries are higher than the net export prices, prima-facie indicating that the subject goods originating in or exported from the subject countries are being dumped from the subject countries.

### Injury and Causal Link

The petitioner has provided evidence regarding material injury as a result of the alleged dumping from subject countries in terms of increase in imports in absolute terms, deterioration in profit-

ability, return on capital employed etc. The petitioner has also claimed adverse price effects evidenced by price depression and suppression. The Authority considers that there is sufficient evidence of 'injury' being suffered by the petitioners caused by alleged dumped imports of subject goods from the subject countries.

### Period of Investigation (POI)

The Domestic Industry has proposed the period of investigation for the present investigation as 1st October 2014 to 30th September 2015 (12 months). However, the Authority has extended the same by 3 months thereby considering the modified POI as 1.10.2014 to 31.12.2015, to undertake the analysis on most recent data. For the purpose of injury investigation, the period will cover the data of previous three years, i.e. 2012-2013, 2013-2014, 2014-2015 and the Period of Investigation (POI).

[Full text available at [worldtradesScanner.com](http://worldtradesScanner.com)]

## Anti-dumping Duty on PTFE from Russia Cut by 78% in Review

Nfn 23-ADD 06.06.2016 Whereas, the Designated Authority, *vide* notification No. (DoR) 15/2/2015-DGAD dated the 13th April, 2015, published in the

Gazette of India, Extraordinary, Part I, Section 1, had initiated a review in the matter of continuation of anti-dumping duty on imports of Polytetrafluoroethylene or PTFE (hereinafter referred to as the subject goods) falling under tariff item 3904 61 00 of Chapter 39 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), originating in or exported, from Russia (hereinafter referred to as the subject country), imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue) No. 57/2010-Customs, dated the 3rd May, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 373(E), dated the 3rd May, 2010;

And whereas, the Central Government had extended the period of imposition of anti-dumping duty on the subject goods, originating in or exported from the subject country upto and inclusive of the 2nd May, 2016 *vide* notification of the Government of India, in the Ministry of Finance

(Department of Revenue) No. 17/2015-Customs (ADD), dated the 1st May, 2015, published in Part II, Section 3, Sub-section (i) of the Gazette of India, Extraordinary *vide* number G.S.R 350(E), dated the 1st May, 2015;

And whereas, in the matter of review of anti-dumping duty on import of the subject goods, originating in or exported from the subject country, the Designated Authority in its final findings, published *vide* notification No. 15/2/2015-DGAD, dated the 12th April, 2016, in the Gazette of India, Extraordinary, Part I, Section 1, has come to the conclusion that –

- (i) there is continued dumping of the subject goods from the subject country, causing injury to the domestic industry;
- (ii) the dumped imports from the subject country continue to cause injury to the domestic industry; and
- (iii) dumping of the subject goods from the subject country is likely to continue / intensify should the antidumping duty be revoked, and has recommended imposition of definitive anti-dumping duty on imports of the subject goods, originating in, or exported from subject country and imported into India, in order to remove injury to the domestic industry;

Table

SNo.	Tariff Item	Description of goods	Specifi- cation	Country of origin	Country of export	Produ- cer	Expor- ter	Amount	Unit	Curr- ency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	3904 61 00	Polytetrafluoro-ethylene (PTFE)	Any	Russia	Russia	Any	Any	739.77	MT	USD
2.	3904 61 00	-do-	Any	Russia	Any other than Russia	Any	Any	739.77	MT	USD
3.	3904 61 00	-do-	Any	Any other than Russia or People's Republic of China	Russia	Any	Any	739.77	MT	USD

2. The anti-dumping duty imposed under this notification shall be effective for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be paid in Indian currency.

**Explanation.-** For the purposes of this notification, rate of exchange applicable for the purposes of calculation of such 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 section 14 of the Customs Act, 1962 (52 of 1962), and the relevant date for the 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 (Pt.-I)]

**Tariff Value on Gold Falls \$21; Silver \$31; Brass Scrap \$25; Crude Palm Oil \$22 and Other Palmolein \$5 to \$17**

Soyabean Oil Rises by \$6/MT

78-Cus(NT) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the (DoR) Central Board of Excise & Customs, being satisfied that it is necessary and expedient so to do, hereby makes

the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S.O. 748 (E), dated the 3rd August, 2001, namely:-

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

**"Table-1"**

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	715
2	1511 90 10	RBD Palm Oil	729
3	1511 90 90	Others – Palm Oil	722
4	1511 10 00	Crude Palmolein	746
5	1511 90 20	RBD Palmolein	749
6	1511 90 90	Others – Palmolein	748
7	1507 10 00	Crude Soyabean Oil	782
8	7404 00 22	Brass Scrap (all grades)	2970
9	1207 91 00	Poppy seeds	2533

**Table-2**

(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	395 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	531 per Kilogram

**Table-3**

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tons)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	2617

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

**Cont'd..82**

**Bolstering Economic and Trade Ties**

The leaders highlighted the strong and expanding economic relationship between the United States and India and committed to support sustainable, inclusive, and robust economic growth, and common efforts to stimulate consumer demand, job creation, skill development and innovation in their respective countries.

In order to substantially increase bilateral trade, they pledged to explore new opportunities to break down barriers to the movement of goods and services, and support deeper integration into global supply chains, thereby creating jobs and generating prosperity in both economies. They look forward to the **second annual Strategic and Commercial Dialogue in India** later this year to identify concrete steps in this regard. They also commended the increased engagement on trade and investment issues under the **Trade Policy Forum (TPF)** and encouraged substantive results for the next TPF later this year. They welcomed the engagement of U.S. private sector companies in India's Smart City program.

The leaders applauded the strong bonds of friendship between the 1.5 billion peoples of India and the United States that have provided a solid foundation for a flourishing bilateral partnership, noting that two-way travel for tourism, business, and education has seen unprecedented growth, including more than **one million travelers from India to the United States in 2015**, and similar number from the United States to India. The leaders resolved to facilitate greater movement of professionals, investors

**Exchange Rates for Customs Valuation**

**Rupee Falls 25 paise against Dollar to Rs. 68.30 w.e.f 03 June 2016**

80-Cus(NT) In exercise of the powers conferred by section 14 of 02.06.2016 the Customs Act, 1962 (52 of 1962), and in super session of the notification of the Central Board of Excise (DoR) & Customs No. 77/2016-CUSTOMS (N.T.), dated the 19<sup>th</sup>

May, 2016, except as respects things done or omitted to be done before such supersession, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currency specified in column (2) of each of Schedule I and Schedule II annexed hereto into Indian currency or *vice versa*, shall, **with effect from 3<sup>rd</sup> June, 2016**, be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

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

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

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

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

and business travelers, students, and exchange visitors between their countries to enhance people-to-people contact as well as their economic and technological partnership. To this end, they welcomed the signing of an **MOU for Development of an International Expedited Traveler Initiative (also known as the Global Entry Program)** and resolved to complete within the next three months the procedures for India's entry into the Global Entry Program.

The leaders recognized the fruitful exchanges in August 2015 and June 2016 on the elements required in both countries to pursue a **U.S.-India Totalization Agreement** and resolved to continue discussions later this year.

Recognizing the importance of fostering an enabling environment for innovation and empowering entrepreneurs, the United States welcomes India's hosting of the **2017 Global Entrepreneurship Summit**

The leaders welcomed the **enhanced engagement on intellectual property rights** under the High Level Working Group on Intellectual Property and reaffirmed their commitment to use this dialogue to continue to make concrete progress on IPR issues by working to enhance bilateral cooperation among the drivers of innovation and creativity in both countries.

The United States welcomes India's interest in joining the **Asia Pacific Economic Cooperation forum**, as India is a dynamic part of the Asian economy.

**Expanding Cooperation: Science & Technology and Health**

The leaders affirmed their nations' mutual support in exploring the most fundamental principles of science as embodied in the arrangement reached

to cooperate on building a **Laser Interferometer Gravitational Wave Observatory (LIGO)** in India in the near future and welcomed the formation of the India-U.S. Joint Oversight Group to facilitate agency coordination of funding and oversight of the project.

The leaders look forward to India's participation at the September 2016 **Our Ocean Conference in Washington, D.C.** as well as holding of the first **India-U.S. Oceans Dialogue** later this year, to strengthen cooperation in marine science, ocean energy, managing and protecting ocean biodiversity, marine pollution, and sustainable use of ocean resources.

The leaders reaffirmed their commitment to the **Global Health Security Agenda** and the timely implementation of its objectives. The Prime Minister noted India's role on the Steering Group and its leadership in the areas of anti-microbial resistance and immunization. The President noted the United States' commitment to support, undergo, and share a Joint External Evaluation in collaboration with the World Health Organization.

The leaders recognized the global threat posed by **multi-drug-resistant tuberculosis (MDR-TB)** and committed to continue collaboration in the area of tuberculosis and to share respective best practices.

The leaders noted the growing threat of **non-communicable diseases** and the urgent need to

address the risk factors by, inter alia, promoting healthy lifestyles, controlling sugar and salt intake, promoting physical activity especially among children and youth and strengthening efforts to curb tobacco use. The leaders also reiterated the importance of holistic approaches to health and wellness, and of promoting the potential benefits of holistic approaches by synergizing modern and traditional systems of medicine, including Yoga.

The leaders strongly endorsed expansion of the **Indo-U.S. Vaccine Action Program**, which is fostering public-private research partnerships focused on the development and evaluation of vaccines to prevent tuberculosis, dengue, chikungunya and other globally important infectious diseases.

The leaders reaffirmed their support for a reformed UN Security Council with India as a permanent member. Both sides committed to ensuring that the Security Council continues to play an effective role in maintaining international peace and security as envisioned in the UN Charter. The leaders are committed to continued engagement on Security Council reform in the UN Intergovernmental Negotiations (IGN) on Security Council Reform.

The leaders announced that the United States and India will be Travel and Tourism Partner Countries for 2017, and committed to facilitate visas for each other's nationals.

China is forecast to grow at 6.7 percent in 2016 after 6.9 percent last year. India's robust economic expansion is expected to hold steady at 7.6 percent, while Brazil and Russia are projected to remain in deeper recessions than forecast in January. South Africa is forecast to grow at a 0.6 percent rate in 2016, 0.8 of a percentage point more slowly than the January forecast.

A significant increase in private sector credit - fueled by an era of low interest rates and, more recently, rising financing needs - raise potential risks for several emerging market and developing economies, the report finds.

### ONGC Videsh Plans First Dollar Debt in 2 Years

**O**NGC Videsh Ltd., the overseas unit of India's largest energy explorer, plans to raise more than \$1 billion to refinance a bridge loan, according to Oil & Natural Gas Corp. Finance Director A.K. Srinivasan.

The planned bond will be state-run ONGC Videsh's first dollar-denominated issuance since 2014, when it raised \$1.5 billion. Borrowing by Indian companies in the U.S. currency picked up in the first-half of 2016 to a total of \$2.4 billion, compared with about \$1.9 billion in the July-to-December period last year.

ONGC Videsh signed a nine-month \$1.16 billion loan with six banks last month to fund its purchase of a stake in Russia's Vankor field. The New Delhi-based company completed acquisition of the 15 percent equity in Rosneft OAO's unit JSC Vankorneft for \$1.27 billion, it said in a statement May 31.

### World Bank Cuts 2016 Global Growth Forecast to 2.4 percent

**T**he World Bank is downgrading its 2016 global growth forecast to 2.4 percent from the 2.9 percent pace projected in January. The move is due to sluggish growth in advanced economies, stubbornly low commodity prices, weak global trade, and diminishing capital flows.

According to the latest update of its Global Economic Prospects report, commodity-exporting emerging market and developing economies have struggled to adapt to lower prices for oil and other key commodities, and this accounts for half of the downward revision. Growth in these economies is projected to advance at a meager 0.4

percent pace this year, a downward revision of 1.2 percentage points from the January outlook.

Commodity-importing emerging markets and developing economies have been more resilient than exporters, although the benefits of lower prices for energy and other commodities have been slow to materialize. These economies are forecast to expand at a 5.8 percent rate in 2016, down modestly from the 5.9 percent pace estimated for 2015, as low energy prices and the modest recovery in advanced economies support economic activity.

Among major emerging market economies,

See Text of Notifications at [www.worldtradesscanner.com](http://www.worldtradesscanner.com)

- Hosur (TN) and Nattakkam Village (Kottayam, Kerala) ICD Added as Shipment Points in Export Promotion Notifications – *Customs Notification No. 36 dated 1<sup>st</sup> June 2016*
- Ten New Pre-shipment Inspection Agencies (PSIA) for Scrap Inspection Notified – *DGFT Public Notice No. 15 dated 31<sup>st</sup> May 2016*
- AIPMA, Export Inspection Council and EEPC India Notified for Issue of Certificate of Origin (Non-Preferential) – *DGFT Public Notice No. 16 dated 3<sup>rd</sup> June 2016*
- Accounting Codes for Krishi Kalyan Cess – *Service Tax Circular No. 194 dated 26<sup>th</sup> May 2016*
- Indirect Tax Dispute Resolution Scheme Rules, 2016 Notified – *Excise Notification No. 29 (Non Tariff) dated 31<sup>st</sup> May 2016*
- EDPMS (Export Data Processing Monitoring System) Integrates Export Monitoring for Payment Realization – *RBI Circular No. 74 dated 26<sup>th</sup> May 2016*
- ACU Minimum Scaled Down to \$500 – *RBI Circular No. 72 dated 26<sup>th</sup> May 2016*
- FEMA Compounding of Offences Cases to be Uploaded on the Net Every Month – *RBI Circular No. 73 dated 26<sup>th</sup> May 2016*

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