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India to Host WTO Mini Ministerial on 3-4 September

G8+G5 may Set Date Doha Conclusion

Further progress toward a Doha deal could come in early September, when India is planning to host a two-day conference of trade ministers in New Delhi. The 'mini-ministerial' will bring together top trade envoys from a select group of 25 to 30 countries, according to a trade official with knowledge of the meeting. While the meeting's agenda has yet to be finalised, the focus of the gathering will be the Doha Round of trade talks, which have struggled along in fits and starts for nearly eight years without reaching a conclusion. The meeting in New Delhi, set for 3 and 4 September, is intended to build momentum on Doha ahead of a summit of the G20 heads of state to be hosted by the US later that month.

Leaders from the G8 group of major world economies will commit to wrapping up the WTO's Doha Round of trade talks as soon as possible, according to a draft communiqué that was seen by Reuters. Absent from that statement, however, is a timeline for the completion of the talks, a point that is being strongly pushed by the G5 group of major developing economies.

But a second draft statement that has been prepared for the G8 plus the G5 does include such a timeframe - it calls for the global trade talks to be concluded before the end of next year.

"Leaders commit to reaching an ambitious and balanced conclusion to the Doha round in 2010, consistent with its mandate, building on progress already made on modalities," a draft of the G8+G5 statement said, Reuters reported.

The discrepancies between the two drafts are expected to be ironed out in joint talks between the two groups on Thursday.

An announcement on Doha is expected to be made official before the end of the three-day G8 summit that kicked off in L'Aquila, Italy on Wednesday. The G8 coun-

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
14-Jul-09	48.8675	49.0375	48.8150	48.9875	48.9875	326123	902543	441500.6	48.8400
13-Jul-09	49.1525	49.4825	49.1225	49.1500	49.1500	272789	1106062	545270.2	49.4000
10-Jul-09	48.7600	49.0600	48.6125	49.0275	49.0275	274989	789799	385644.1	48.6900
9-Jul-09	49.0600	49.0875	48.7225	48.8000	48.8000	262081	850773	416146.3	48.9200
8-Jul-09	48.7475	49.0100	48.7000	48.9600	48.9600	278121	761359	372366	48.9200
7-Jul-09	48.5525	48.8000	48.3600	48.5300	48.5300	289705	880178	427654.4	48.5200

[Source: NSE and RBI Website]

tries consist of Britain, Canada, France, Germany, Italy, Japan, Russia and the United States.

The G5 countries - emerging economies Brazil, China, Egypt, India, Mexico and South Africa - were slated to hold parallel talks on Wednesday and will join the G8 leaders for meetings on Thursday.

WTO Director-General Pascal Lamy, who is attending the summit, shied away from assessing the prospects for concluding a global trade deal, which he has long championed as a means to bolster the global economy and forestall a substantial increase in protectionist measures amid the ongoing slump.

Also on the agenda at this week's summit in L'Aquila is a proposal to help the world's hungry.

Washington is prepared to pledge US$3-4 billion for the plan, and has called on other countries to match that commitment, according to a draft declaration that was seen by Reuters.

NGOs have called on the leaders to prioritise agriculture and food policies that improve the position of small producers and women in their declaration on the matter.

The announcements are expected to be made official before the end of the three-day G8 summit that kicked off in L'Aquila, Italy on Wednesday. The G8 countries consist of Britain, Canada, France, Germany, Italy, Japan, Russia and the United States.

Dollar Exports Fall 29.2% in May, Trade Deficit Halves in First Three Months

India's exports during May, 2009 were valued at US $ 11010 million (Rs. 53435 crore) which was 29.2 per cent lower in dollar terms (18.4 per cent in Rupee terms) than the level of US$ 15550 million (Rs.65506 crore) during May,2008. Cumulative value of exports for the period April- May, 2009 was US$ 21753 million (Rs. 107214 crore) as against US $ 31626 million (Rs. 129846 crore) registering a negative growth of 31.2 per cent in Dollar terms and 17.4 per cent in Rupee terms over the same period last year.

India's imports during May, 2009 were valued at US $ 16212 million (Rs.78682 crore) representing a decrease of 39.2 per cent in dollar terms (30.0 per cent in Rupee terms) over the level of imports valued at US $ 26684 million (Rs. 112405 crore) in May,2008. Cumulative value of imports for the period April-May 2009 was US$ 31959 million (Rs. 157514 crore) as against US$ 51507 million (Rs. 211752 crore) registering a negative growth of 38.0 per cent in Dollar terms and 25.6 per cent in Rupee terms over the same period last year.

Oil imports during May, 2009 were valued at US $ 4135 million which was 60.6 per cent lower than oil imports valued at US $ 10495 million in the corresponding period last year. Oil imports during April- May, 2009 were valued at US$ 7768 million which was 59.6 per cent lower than the oil imports of US $ 19244 million in the corresponding period last year.

Non-oil imports during May, 2009 were estimated at US $ 12078 million which was 25.4 per cent lower than non-oil imports of US $ 16189 million in May, 2008. Non-oil imports during April- May, 2009 were valued at US$ 24191 million which was 25.0 per cent lower than the level of such imports valued at US$ 32262 million in April- May, 2008.

The trade deficit for April- May, 2009 was estimated at US $ 10206 million which was lower than the deficit of US $ 19880 million during April-May, 2008.

Exports & Imports : (US $ mn)

	May	April-May
Exports (including re-exports)		
2008-2009	15550	31626
2009-2010	11010	21753
%Growth 2009-10/ 2008-2009	-29.2	-31.2
Imports		
2008-2009	26684	51507
2009-2010	16212	31959
%Growth 2009-10/ 2008-2009	-39.2	-38.0
Trade Balance		
2008-2009	-11133	-19880
2009-2010	-5202	-10206

Figures for 2008-09 are the latest revised whereas figures for 2009-10 are provisional

[Source: MoC Press Release dated 01 July 2009]

Sugar Must Drop for Indian Imports to Become Viable

Global sugar prices must decline at least 13 percent for mills in India's biggest producing state to make money on imports of the commodity, a producers' group said.

Raw sugar traded in New York must drop to 15 cents a pound or domestic prices should rise 14 percent to 25,000 rupees ($506) a metric ton for imports to be viable, said Prakash Naiknavare, managing director of the Maharashtra State Cooperative Sugar Factories Federation Ltd.

A slowdown in purchases by India may cool a rally that's made raw sugar the second best-performing commodity in the UBS Bloomberg CMCI Index in the past 12 months. Prices have gained 46 percent this year on forecasts for a global deficit, driven mainly by the drop in India's production decline.

Raw-sugar for October delivery fell as much as 0.7 percent to 17.15 cents a pound in after-hours trading in New York, and white sugar for October delivery declined as much as 0.5 percent to $463.20 a ton in London.

India, the word's biggest consumer, became a net buyer of sugar for the first time since the 2005-06 season as production is forecast to slump 44 percent to 14.7 million tons in the year ending Sept. 30. Output declined for two consecutive years from a peak in 2006-07 after growers moved to grains and oilseeds.

In comparison, Thailand, the world's second-largest sugar supplier, expects to raise output as higher prices and adequate rain increase plantings. Production in Brazil's Center South, the world's biggest-producing region, has jumped 43 percent to 6.75 million tons this year through June 16.

Shortfall

Mills in Maharashtra require at least 1 million tons of raw sugar in the year starting Oct. 1 to fill a production gap, said Naiknavare, whose group of 190 mills account for a third of the country's total output.

Domestic prices may climb starting next month with demand rising ahead of major Hindu festivals, Naiknavare said.

Prices at Vashi, India's biggest wholesale market for the commodity, fell 0.4 percent to 2,400.20 rupees per 100 kilograms on 13th July. Before 13th July decline, prices have gained 57 percent in the past year, reaching a three-year high in April.

India's output may total 17-17.5 million tons next season and any deficit in the monsoon rains may pare harvests further, Naiknavare said.

Adjustment Assistance Scheme Extended Till March 2010 MDA Scheme Enhanced by 148%

To provide assistance to exporters and help them overcome the short-term disadvantages and continued contraction in exports, Adjustment Assistance Scheme has been extended till March 2010. To provide enhanced export credit and guarantee cover at 95% to sectors, badly hit in the current economic slowdown, the scheme was initiated in December 2008 to mitigate the difficulties faced by the exporters.

Further, allocation for Market Development Assistance (MDA) Scheme has been enhanced by 148% over B.E. 2008-09 to Rs.124 crore. The MDA scheme provides support to exporters in developing new markets. With many traditional markets under financial stress, greater effort is required to identify and develop new markets. This increased allocation will help in assisting exporters, largely in SME sector for developing and expanding markets.

These extensions were announced in the recent General Budget 2009-10.

Cross Border Trade Falls by Record as Protectionism Rises in World Trade

The world economy has witnessed 'further slippage' toward protectionism, a new report from WTO Director-General Pascal Lamy concluded last week, but the use of 'high-intensity' trade-restricting measures remains "contained overall, albeit with difficulties." The report, the third in a series of periodic analyses of WTO Members' trade policies, predicted that anti-dumping cases could increase amid the ongoing economic turmoil, and warned that 'buy local' provisions in national stimulus plans could distort trade.

Although the global economy has shown some recent signs of recovery, the situation remains 'fragile', the report said. The organisation revised its earlier forecast of a 9-percent decline in global trade in 2009, saying that it now expects the volume of cross-border commerce to plunge 10-percent this year, the biggest drop since the Second World War. Exports from developed countries will lead the way with a fall of roughly 14 percent, the report predicted, while developing country exports will slide by 7 percent.

Despite the grim outlook, there are some bright spots in global economy, the WTO said. Services trade appears to have weathered the storm better than trade in goods. Trade finance - loans and other forms of credit- has gotten a modest boost from institutions like the World Bank, export credit agencies, and some national governments and central banks. But even with that support, low-income countries that lack strong economic and social safety nets "remain vulnerable" to future drop-offs in trade finance.

This economic news comes in the context of a continuing, though gradual, shift towards protectionist measures among many WTO Members, the WTO said. The report, which covers the period from 1 March to 19 June, found that the organisation's 153 Member governments had notified a total of 119 new trade measures, 83 of which it the secretariat classified as trade restricting. But neither of those figures includes trade policies enacted in response to the outbreak of the H1N1 'swine flu' in April. Amid the health scare, more than three dozen countries imposed trade bans against pigs and pork products from Canada, Mexico, the United States, and other exporters, despite statements from several intergovernmental organisations that such embargoes were unjustified.

Despite the continued 'slippage' toward protectionism, there has been some progress on trade opening in the past three months. The report recorded an upswing in new trade-promoting policies as compared with the previous review, which was released in late March. Over the past three months, 13 countries, including Australia, China, Ecuador, India and Saudi Arabia, either reduced or removed trade-restricting measures during the period under review.

Anti-dumping cases could grow

Perhaps unsurprisingly, the report predicted that the WTO will see an upswing in Members' use of 'trade remedies', policy tools that allow countries to take remedial action against imports that are causing material injury to a domestic industry. Such measures include anti-dumping actions, countervailing duties, and safeguards.

On anti-dumping, the report cited evidence of a correlation between a handful of macroeconomic indicators and the pace with which countries investigate each others' export pricing policies. 'Dumping,' in trade parlance, refers to the practice of exporting goods at prices lower than they command in their home market. The WTO Agreement on Anti-Dumping allows Members to place retaliatory tariffs on dumped goods, so long as they can prove that dumping is indeed taking place and that it is injuring the competing domestic industry.

As the global business cycle reaches a low point, anti-dumping cases tend to peak, the report found, pointing to economic evidence dating back to 1979. Metals, and particularly steel products, will likely be frequent targets of future anti-dumping investigations, the report concluded, assuming historic trends hold true in the current crisis.

Safeguard actions and countervailing duties have also grown in popularity this year, the WTO said, but use of the measures remains below previous peaks.

WTO warns against 'buy local' provisions

Member governments have announced a number of new stimulus measures and sector-specific support programmes since March, policies that the WTO acknowledged could be critical to stimulating the consumer demand needed to propel economic recovery. But the secretariat warned that such measures, which it said are often obscured behind multiple layers of government and massive amounts of bureaucratic red tape, have the potential to "distort markets and competition," and should be implemented with caution.

The report warned specifically against 'buy local' provisions that may be written into government stimulus packages, on the grounds that such measures skew demand and hinder open competition. The secretariat also said that sector-specific support programmes should be phased out as soon as possible, as such heavy subsidies that unfairly undercut producers whose governments cannot afford to provide such high levels of state support.

Airbus Subsidies Raise Boeing Hackles

Discussions over potential new European subsidies to plane manufacturer Airbus have reignited an ongoing trade row between Europe and the United States over state support of civil airline industries. The two sides have been locked in legal battles over Brussels' subsidies to Airbus and Washington's support for Boeing since 2004.

The latest flare in the dispute was sparked last month, when officials from the France, Germany, Spain and the UK met to discuss the provision of • 3.5 billion in new development 'launch aid' to European manufacturer Airbus. The additional support would offset the cost of Airbus' A350 long-range aircraft, which is set to be completed in 2013. The new A350 will compete with Boeing's 777 and 787 aircrafts but is expected to have lower operating costs and use less fuel. The meeting caught the attention of US trade officials, who maintain that this type of aid violates international trade obligations.

The US is also concerned because the new European talks go to the heart of an ongoing and unresolved legal matter. Washington is awaiting an interim ruling from the WTO in the next few months that will address the legality of launch aid awarded for past Airbus projects. Prior to the A350, European countries provided assistance for Airbus A340 and A380 airplanes, granting the manufacturer preferential loans and conditioning repayment on the projects' commercial success. As a result, the US invoked the WTO's dispute settlement mechanism in 2004, alleging, *inter alia*, that the subsidies violated provisions of Article 3 of the Agreement on Subsidies and Countervailing Measures (SCM) and resulted in lost sales for Boeing.

Washington has indicated that it will not tolerate the new launch aid scheme, especially in the run-up to the interim ruling. "If they do move forward, we will respond quickly and swiftly and file another action within the WTO," US Trade Representative Ron Kirk said at a press conference on 25 June.

But France, Germany, Spain and the UK are not expected to give in easily. After the US requested consultations with the WTO in 2004, the EU filed a counter-claim, alleging that the United States also provided illegal subsidies to Boeing through contracts with the US Department of Defense and the National Aeronautics and Space Administration (NASA). The European Communities believe that their approach is more transparent than the US practice of providing military contracts and tax rebates to its flagship airline manufacturer.

WIPO Committee Reaches Standstill on Traditional Knowledge

The WIPO Intergovernmental Committee on mIntellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) reached an impasse last week on the protection of indigenous knowledge, putting the future of the committee in jeopardy.

Members discussed creating a mechanism to protect intellectual property rights of indigenous communities but failed to reach a consensus on the way forward. A group of developing countries argued that the committee should commit to creating a binding legal document and then negotiate the document's text. Opponents, mostly from developed countries, argued that the committee should draft language first and then determine what type of agreement - binding or non-binding - is most appropriate.

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Anti-dumping

Dumping Investigation Initiated on Barium Carbonate from China

[Ref F.No.14/18/2009-DGAD dated 16th June 2009]

Subject: Initiation of Anti-Dumping investigation concerning imports of 'Barium Carbonate' originating in or exported from China PR.

M/s Athiappa Chemicals Pvt. Ltd., M/s. Ellak Chem Industries Pvt. Ltd., M/s. Prem Chemical Industries and M/s. Victory Chemicals Ltd. have filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff (Amendment) Act, 1995 as amended from time to time (hereinafter referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 as amended from time to time (hereinafter referred to as the AD Rules) alleging dumping of 'Barium Carbonate' (hereinafter referred to as the subject goods) originating in or exported from China PR (hereinafter referred to as subject country) and have requested for initiation of anti-dumping investigation and levy of anti-dumping measures.

Product under consideration

2. The product under consideration is 'Barium Carbonate'. Barium Carbonate is a harmful, non-flammable inorganic chemical in the form of a white powder and granules having chemical formula BaCo3 manufactured out of Barytes, a mineral product. Barium Carbonate has the following applications:

(a) Purification of brine solution in caustic soda industry.

(b) In production of Hard Ferrite Ring Magnets, Television Glass Shell, Neutral glass, Lamps, Heat treatment salts and other barium salts, rat poison, ceramic glazes and welding flux.

(c) Acts as a flux, matting and crystallizing agent and combines with certain colouring oxides to produce unique colours not easily attainable by other means.

(d) In the manufacture of heavy clay ceramic products because of its property of converting soluble sulfuric salts in the raw material into insoluble barium sulfate.

(e) In the brick, tile, earthenware and pottery industries barium carbonate is added to clays to precipitate soluble salts (calcium and magnesium sulfates) that cause efflorescence.

3. The products under consideration is an inorganic chemical falling under Chapter 28. It is imported under subheading 28366000 of Chapter 28 under the Customs Classification. The customs classification is indicative only and is not binding on the scope of the product under consideration.

Domestic Like Article

4. The applicant has claimed that there is no significant difference in subject goods produced by the domestic industry and exported from subject country. Subject goods produced by the Indian industry and imported from subject country are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, distribution & marketing and tariff classification of the goods. The two are technically and commercially substitutable and consumers have used the two interchangeably.

5. For the purpose of investigation, the subject goods produced by the applicants are being treated as like articles to the subject goods imported from subject country within the meaning of the Anti-dumping Rules for the purpose of this investigation.

Domestic Industry & 'Standing'

6. The application has been filed by M/s Athiappa Chemicals Pvt. Ltd., M/s. Ellak Chem Industries Pvt. Ltd., M/s. Prem Chemical Industries and M/s. Victory Chemicals Ltd on behalf of the domestic industry. The applicant domestic producers have provided injury and costing information. The application has been supported by a number of domestic producers of the like Article, namely M/s. Amaravathi Chemicals & Fertilizers Pvt. Ltd., Hyderabad; M/s Bhargav Chemicals, Andhra Pradesh; M/s Jagadeeshwari Chemicals, AP; M/s Jaya Chemicals, Andhra Pradesh; M/s. Muruganantham Chemical & Co., Tamil Nadu; M/s Rahul Barium Salts, Hyderabad and M/s R.K. Industrial Chemicals, Hyderabad. As per the evidence available on record, production of the applicants along with the supporters account for a major proportion of the domestic production and the same is more than 50% of the Indian production.

7. M/s. Victory Chemicals Ltd has imported 53 MT of Barium Carbonate 2008-09 viz. during the period of investigation. It has been contended that these imports were for Fire Works Division of the company and were not meant for trading purposes.

Besides the above, the Authority notes that the volume of these imports are quite small, and therefore considers it appropriate to hold that the Applicant is not required to be excluded from the scope of the domestic industry under Rule 2(b).

8. As per information available on record, the Applicants account for 42.89% of the total domestic production and along with the supporters of the application, they account for 74.30% of the total domestic production. Thus, the Authority has determined that the application satisfies the requirements of Rule 2(b) and Rule 5(3) of the AD Rules. Further, M/s Athiappa Chemicals Pvt. Ltd., M/s. Ellak Chem Industries Pvt. Ltd., M/s. Prem Chemical Industries and M/s. Victory Chemicals Ltd are being treated as 'domestic industry' within the meaning of Rule 2(b).

Country involved

9. The country involved in the present investigation is the People's Republic of China (also referred to as China PR).

Normal value

10. The applicant has claimed that China PR should be treated as Non Market Economy and therefore the Normal value should be determined in accordance with Para 7 and 8 of Annex-I of the AD Rules. The applicant has submitted that they have not been able to get the sufficient information regarding market economy third country for determination of Normal value in case of China PR. Thus, the applicant has claimed the Normal value on the basis of constructed cost of production, including selling general and administration expenses and profits.

Export Price

11. The applicant has determined export prices based on the data compiled by IBIS. The export prices have been adjusted for ocean freight, marine insurance, commission, port handling, inland transportation, adjustment for VAT refund and bank commission to arrive at net export price at ex-factory level. Evidence in support of price adjustments has been provided in respect of Ocean Freight, Marine Insurance, Commission, Inland Freight, Port Expenses and Bank Commission.

Dumping margin

12. There is sufficient evidence that the Normal value of the subject goods in subject country is significantly higher than the net Export price, prima-facie indicating that the subject goods are being dumped by the exporters from the subject country.

'Injury' and Causal Link

13. The applicant has furnished evidence claiming injury as a result of alleged dumping. It has been claimed that the imports have increased in absolute terms and in relation to production & consumption in India; the imports are undercutting the prices of the domestic industry. The applicant has claimed deterioration in performance of the domestic industry in terms of sales, production, utilization of capacity, market share, price suppression, profit and return on capital employed. There is sufficient evidence with regard to 'injury' being suffered by the applicant caused by dumped imports from subject country to justify initiation of this investigation in terms of the AD Rules.

Initiation of Anti Dumping Investigation

14. In view of the foregoing paragraphs, the Designated Authority finds that sufficient evidence of dumping of subject goods from the subject country, 'injury' to the domestic industry and causal link between the dumping and 'injury' exists to justify initiation of an anti-dumping investigation. The Authority hereby initiates an investigation into the alleged dumping, and consequent 'injury' to the domestic industry in terms of the Rules 5 of the AD Rules, to determine the existence, degree and effect of alleged dumping and to recommend the amount of antidumping measure, which, if levied, would be adequate to remove the injury to the domestic industry.

Period of investigation

15. The period of investigation for the purpose of present investigation is 1st April 2008 to 31st March 2009. The injury investigation period will, however, cover the periods April 2005-March 2006, April 2006-March 2007, April 2007-March 2008 and the Period of Investigation (POI) v iz. April 2008 - March 2009.

Submission of information

16. The known exporters in subject country, their government through their Embassy in India, the known importers and known users in India to be concerned and the domestic industry are being addressed separately to submit relevant information in the form and manner prescribed and to make their views known to the:

The Designated Authority,
Ministry of Commerce & Industry,
Department of Commerce,
Directorate General of Anti-Dumping & Allied Duties, (DGAD), Room No. 240, Udyog Bhawan, New Delhi - 110107.

17. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

Submission of information on Non-confidential basis.

18. In terms of Rule 7 of the AD rules, the interested parties are required to submit non-confidential version of any confidential information provided to the Authority along with the reasons for claiming confidentiality. The non-confidential version or non-confidential summary of the confidential information should be in sufficient detail to provide a meaningful understanding of the information to the other interested parties. If in the opinion of the party providing such information, such information is not susceptible to summary; a statement of reason thereof is required to be provided.

Notwithstanding anything contained in para above, if the Authority is satisfied that the request for confidentiality is not warranted or the supplier of the information is either unwilling to make the information public or to authorise its disclosure in a generalised or summary form, it may disregard such information.

Time limit

19. Any information relating to this investigation and any request for hearing should be sent in writing so as to reach the Authority at the above mentioned address, not later than forty days (40 Days) from the date of publication of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the 'facts available' on record in accordance with the AD Rules.

Inspection of Public File

20. In terms of Rules 6(7), any interested party may inspect the public file containing non-confidential version of the information/evidence submitted by other interested parties.

Use of 'facts available'

21. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the 'facts available' to it and make such recommendations to the Central Government as deemed fit.

Dumping Investigation Initiated on Coumarin from China

[Ref: F.No.14/17/2009-DGAD dated 10th July 2009]

Subject: Initiation of anti dumping investigations concerning imports of Coumarin originating in or exported from China PR.

Whereas M/s. Atlas Fine Chemicals Pvt. Limited, Nasik Road, Maharashtra-422101, the domestic producer has filed a Petition before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended in 1995 and the Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as AD Rules), alleging dumping of Coumarin (hereinafter referred to as the subject goods), originating in or exported from the People's Republic of China (hereinafter referred to as the subject country) and have requested for initiation of anti-dumping investigations against the imports of the subject goods from the subject country and levy of anti-dumping duty on such dumped subject goods.

2. AND WHEREAS, the Authority finds that sufficient prima facie evidence of dumping of subject goods from the subject country, injury to the domestic industry and causal link between dumping and injury exist, the Authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of the Rule 5 of the said Rules to determine the existence, degree and effect of the alleged dumping and to recommend the amount of antidumping duty, which, if levied, would be adequate to remove the injury to the domestic industry.

A. Product under consideration and Like Article

3. The product under consideration in the present investigation is Coumarin of all types (hereinafter referred as "subject goods"). Coumarin (Chemical Formulae $C_9H_6O_2$) is in the lactone family of chemicals. It is an aroma chemical, which can be in the form of white crystals, flake or powder. It has characteristic odour of newly mown hay and bittersweet somewhat similar to vanilla. Coumarin is used in the preparation of fragrance compounds and those fragrance compounds are used in the production of soaps, detergents, cosmetics, incense sticks, and fine fragrances. It imparts pleasant fragrance and masks unpleasant odors in many other household and industrial products. Coumarin, which was originally a natural product obtained from Tonka beans is now produced synthetically. It can be obtained by two synthetic processes i.e. (i) starting from phenol to obtain Salicylaldehyde followed by Perkin reaction and (ii) starting from Ortho-cresol which is also called Raschig method in which Salicylaldehyde is made from Ortho-cresol and then converted into Coumarin. In both the processes Salicylaldehyde and Acetic Anhydride react in the presence of Sodium Acetate in Acetic Acid as catalyst and crude Coumarin is separated from Acetic Acid by distillation. The crude Coumarin is further purified by several distillations and then crystallized in Menthol. The crystallized product is separated by centrifugation and dried. The main physical specification of Coumarin is its purity, for which the melting point is the indicator. There is no replacement for Coumarin by any single product or combination of products.

4. The scope of the product is classified under Chapter 29 (Organic Chemical) of the Customs Tariff Act under Customs Sub-heading No. 2932.21.00.

5. The petitioner has claimed that there is no known difference in petitioner's product and subject goods exported from the subject country and are comparable in terms of characteristics such as physical & chemical characteristics, manufacturing process & technology, functions & uses, product specifications, pricing, distribution & marketing and tariff classification of the goods and there is no significant difference in the subject goods produced by the petitioner and those exported from the subject country and the both are technically and commercially substitutable. For the purpose of the present investigations, the goods produced by the domestic industry are being treated as like article to the subject goods imported from the subject country in accordance with the AD Rules.

B. Domestic Industry and Standing

6. The petition has been filed by M/s. Atlas Fine Chemicals Pvt. Limited, Nasik Road, Maharashtra-422101 claiming that they are the sole domestic producer of the subject goods and has provided relevant information. The petitioner has stated that there were two other producers of the subject goods in India, however, both of them have closed their commercial production and accordingly the petitioner has accounted for 100% of the Indian production during the proposed Period of Investigation.

7. The Authority, after examining the above, determines that the petitioner constitutes domestic Industry within the meaning of the Rule 2(b) read with Rule 2(d) of the Anti Dumping Rules and the petitioner satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

C. Countries involved

8. The country involved in the present investigation is the People's Republic of China (also referred to as China PR.).

D. Normal Value

9. The petitioner has claimed that China PR should be treated as non-market economy and therefore the Normal Value should be determined in accordance with Para 7 and 8 of Annexure-I of the AD Rules. The petitioner has stated that they could not get any information about the Normal Value in China PR and accordingly the Normal Value has been constructed considering China PR as a non-market economy country. The petitioner has stated that Coumarin, the subject goods are produced only in India, China PR and France around the world and accordingly the choice of market economy third country is extremely limited. The Petitioner has submitted that France can be considered as an appropriate market economy third country for the determination of Normal Value and profitable selling price from France to India or profitable selling price from India to France can be considered for determination of Normal Value. The petitioner has also submitted that they were not able to get price of subject goods in France at this stage.

10. There is sufficient evidence with regard to Normal Value to justify initiation of Anti dumping Investigations in terms of the AD Rules. However, in accordance with Para 7 to Annexure-I of the Rules, interested parties are hereby invited to suggest an appropriate analogue country for determination of Normal Value in China PR within the specific time limit laid down in this notification.

E. Export Price

11. The petitioner has stated that the imports considered for assessment of demand are based upon IBIS Data and before adopting IBIS Data instead of DGCI&S Data they have correlated the import volumes from both the sources with the data reported by Chinese Customs for exports from China PR to India. The petitioner has claimed export price of the subject goods from the subject country as the weighted average import price in the proposed Period of Investigation, based on transaction wise import data provided by the IBIS (International Business Information System). Adjustments have been claimed on account of ocean freight, marine insurance, inland transportation, port expenses, bank charges and credit cost in the country of exports to arrive at ex-factory export price.

12. There is sufficient evidence with regard to Export Price to justify initiation of anti dumping investigations in terms of the AD Rules.

F. Dumping Margin

13. Normal value and export price have been compared at ex-factory level, which shows significant dumping margin in respect of subject county. There is sufficient prima facie evidence to justify investigations that the normal value of the subject goods is significantly higher than the ex-factory export price and that the subject goods are being dumped by exporter(s)/producer(s) from the subject country.

G. Injury and Causal Link

14. The petitioner has furnished information on various parameters relating to material injury. Though, the demand of the subject goods has grown up significantly the domestic industry even after that is unable to utilize their existing capacities due to continuous dumping. Continuous dumping has therefore adversely affected its utilization of capacities. Resultantly, production has suffered. Significant price difference between imported and domestic product is preventing the domestic industry from increasing its sales volumes. Imports are significantly undercutting the prices of the domestic industry. Consequently, dumping is preventing price increases that would have otherwise occurred as a result of increase in the cost of production. Persistent dumping has adversely affected profitability of the domestic industry. The domestic industry has suffered financial losses during the injury period and that has directly impacted upon the return on capital employed and cash profits. Dumping has adversely affected the growth of the domestic industry. Prima facie, the domestic industry has suffered collectively and cumulatively material injury on account of dumping of subject goods from subject country. The Performance of the domestic industry has deteriorated in terms of production, capacity utilization, sales values & volume, profits, return on investments, cash flow, inventories and market share and the capacity utilization of the domestic industry continued to remain sub-optimal in spite of existence of significant demand.

15. There is sufficient evidence with regard to injury to the domestic industry and the causal link, to justify initiation of an anti-dumping investigations in terms of the AD Rules.

H. Period of Investigation (POI)

16. The Period of Investigation (POI) for the purpose of present investigation is 1st January, 2008 to 31st December, 2008. The injury investigation period will however, cover the periods 2005-06, 2006-07, 2007-08 and the Period of Investigation.

I. Submission of information

17. The known producer(s)/exporter(s) of the subject country and their Government through their Embassy in India, the known importers and known users in India to be concerned and the domestic industry are being addressed separately to enable them to submit their relevant information in the form and manner prescribed and to make their views known to the:

The Designated Authority,
Ministry of Commerce & Industry,
Department of Commerce,
Directorate General of Anti-Dumping & Allied Duties, (DGAD), Room No. 240, Udyog Bhavan, New Delhi-110011

18. Any other interested party may also make its submissions relevant to the investigation in the prescribed form and manner within the time limit set out below.

J. Time limit

19. Any information relating to the present investigation and any request for hearing should be sent in writing so as to reach the Authority at the above mentioned address not later than forty (40) days from the date of publication of this notification. If no information is received within the prescribed time limit or the information received is incomplete, the Designated Authority may record its findings on the basis of the facts available on record in accordance with the AD Rules.

K. Submission of Information on non-confidential basis

20. In terms of Rule 7of the AD Rules, the interested parties are required to submit non-confidential version of any confidential information provided to the Authority along with the reasons for claiming confidentiality. The non confidential version or non-confidential summary of the confidential information should be in sufficient detail to provide a meaningful understanding of the information to the other interested parties. If in the opinion of the party providing such information, such information is not susceptible to summarization, a statement of reason thereof, is required to be provided.

L. Inspection of public file

21. In terms of Rule 6(7), any interested party may inspect the public file containing non-confidential version of the evidence submitted by other interested parties.

M. Use of facts available

22. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.

Anti-dumping Investigation Period Extended by Six Months on Plastic Processing Machines from China

[Ref: F.No. 14/12/2008-DGAD dated 06.07.2009]

Subject: Anti dumping investigation involving import of all kinds of plastic processing or injection moulding machines, also known as injection presses, having clamping force not less than 40 tonnes originating in or exported from China PR

The competent authority has extended the time of completing the investigation in respect of the above mentioned investigation, by six months i.e up to 07.01.2010.

This is for information of all the interested parties in this investigation.

Waste Paper Policy – Three Month Grace on NOC from MOEF for Waste Paper Importers

Sub: Import of waste paper

97-Pol.Cir 08.07.2009 (DGFT) Attention is invited to Policy Circular No. 78(RE-08/2004-09) dated 1.4.2009 on the subject mentioned above. As per this Circular, the arrangement notified for import of waste paper was to continue in operation for a period of 3 months from 1.4.2009.

2. In view of representations received from trade and industry and the fact that Technical Review Committee in Ministry of Environment & Forests is re-examining the import policy of waste paper, it has been decided to extend the validity of Policy Circular No.78 dated 1.4.2009 for a period of three months from 1.7.2009.

3. This issues with the approval of Competent Authority.

Clarifications on Stamp Duty on Transfers in SEZs

[Ref: SEZ Instruction No. 18 dated 02 July 2009]

F.No.H.4/3/2009-SEZ

Sub: Guidelines regarding the transactions related to SEZs consequent upon amendment to Section 3 of the Indian Stamp Act 1899 through Section 57 of the SEZ Act, 2005.

The undersigned is directed to enclose herewith guidelines regarding transactions related to SEZs consequent upon amendment to Section 3 of the Indian Stamp Act 1899 through Section 57 of the SEZ Act, 2005, for information and necessary action of all concerned.

2. This issues after due consultation with Department of Revenue.

Department of Commerce
(SEZ Section)

Subject: Guidelines regarding the transactions related to SEZs consequent upon amendment to Section 3 of the Indian Stamp Act 1899 through Section 57 of the SEZ Act, 2005.

The Indian Stamp Act, 1899 as amended through Section 57 of the SEZ Act 2005 includes in proviso (3) to Section 3 that no duty shall be chargeable in respect of any instrument executed by or on behalf of or in favour of the Developer or Unit or in connection with the carrying out of purposes of the Special Economic Zone.

2. Consequent upon this amendment to the Indian Stamp Act 1899, clarifications have been sought by the States, regarding treatment of certain transactions related to SEZ for the purpose of application of Stamp duty.

3. The issues raised have been examined in the Department of Commerce and the following guidelines are issued in this regard.

(i) Whether exemption or refund of stamp duty can be given in respect of purchase of land by the Developer for the purpose of setting up of a SEZ, even if eventually no SEZ is set up?

Clarification:- There are 3 stages of approvals for setting up an SEZ. The Ministry of Commerce & Industry (MOCI) first issues an in-principle approval, thereafter a formal approval and finally the SEZ notification. The full land has to be purchased and be in the possession of the developer before the MOCI issues the SEZ notification. For the purchase of the land after the formal approval (which will be after the in-principle approval, but before the SEZ notification), the State Governments are expected to give full exemption of stamp duty as provided for in the SEZ Act. For the purpose of land before the formal approval, but after the in-principle approval, the State Government may either give the exemption of stamp duty up front (subject to final setting up of the SEZ) or insist that the developer pay the stamp duty but refund the same after the formal SEZ notification is issued. For the purpose of land even before the in-principle approval, the potential developer has to pay the stamp duty up front, but it may be refunded by the State Government after the SEZ notification is issued. In all cases, if the SEZ is not actually commissioned within the time indicated by the MOCI in the approval, or if the SEZ notification is cancelled, the State Governments will be entitled to withdraw the concession of stamp duty and recover the same from the developer.

(ii) Whether stamp duty will be payable in respect of purchase of land by the Developer for activities ancillary to the SEZ, e.g. housing, hotel, recreation, entertainment, golf, etc.?

Clarification:- The facility of exemption from stamp duty on purchase of land by the SEZ developer for activities like housing, hostel, recreation, entertainment, golf etc. would be available only with respect to the land which falls within the SEZ area. Any facility falling outside the SEZ area will not be eligible for exemption from stamp duty.

(iii) Whether stamp duty would be payable in respect of sale or conveyance of the land developed by the Developer only to the units in the SEZ or to any other person or entity as well?

Clarification:- Land, buildings, etc. falling outside the notified SEZ will not be eligible for exemption from stamp duty. Also, under the rules governing SEZ, sale of SEZ land to units or other persons or entities is not allowed. Similarly, conveyance of land, buildings, premises, etc. by lease or otherwise (but not by sale) in an SEZ can be made only to the units in the SEZ or entities permitted to carry out operations within the SEZ areas as per SEZ Rules. In such cases above, the concession of stamp duty exemption will be allowed. Other persons or entities will not be eligible for concession.

(iv) Whether stamp duty would be payable in respect of purchase or sale of land, buildings, etc. by the Developer at a place outside the SEZ?

Clarification:- The facility of exemption of stamp duty to a Developer will not be available for purchase or sale of any land or building at a place outside the notified SEZ.

Software Export Realisation Period Enhanced to 12 Months from Six Months

Sub: Export of Goods and Software – Realisation and Repatriation of export Proceeds - Liberalisation

AP(DIR Srs) Cir.70 30.06.2009 (RBI) Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to A.P.(DIR Series) Circular No.50 dated June 5, 2008, enhancing the period of realisation and repatriation to India of the amount representing the full export value of goods or software exported, **from six months to twelve months** from the date of export, subject to review after one year.

2. The issue has since been reviewed and it has been decided in consultation with Government of India to extend the above relaxation for a further period of one year i.e. up to June 30, 2010, subject to review.

3. The provisions in regard to period of realisation and repatriation to India of the full export value of goods or software exported by a unit situated in Special Economic Zone (SEZ) as well as exports made to warehouses established outside India remains 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 (FEMA), 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

External Commercial Borrowings (ECB) Policy

AP(DIR Srs) Cir.71 30.06.2009 (RBI) Attention of Authorized Dealer Category - I (AD Category - I) banks is invited to the A.P. (DIR Series) Circular No. 46 dated January 2, 2009 relating to External Commercial Borrowings (ECB).

2. On a review, it has been decided to modify some aspects of the ECB policy as indicated below:

(i) ECB for Integrated Township

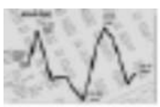
As per the extant policy, corporates, engaged in the development of integrated township, as defined in Press Note 3 (2002 Series) dated January 04, 2002, issued by DIPP, Ministry of Commerce & Industry, Government of India are per-

World Bank Pink Sheet – June 2009 Prices

World Bank Pinksheet issued in July 2009 covers price movements in 43 energy and non-energy products is published by the World Bank every month. This Pink Sheet focuses on price movements in June 2009.

Sugar and Crude on the Rise

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



	Monthly averages			Quarterly averages					Annual averages		
	2009			2008			2009		2007	2008	2009
	Apr	May	June	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jan-Dec	Jan-Dec	Jan-June
Energy											
Coal, Australia $/mt	63.56	64.50	71.38	138.65	162.80	92.97	71.93	66.48	65.73	127.10	69.20
Crude oil, avg, spot $/bbl	50.28	58.15	69.15	120.97	115.68	56.00	44.11	59.19	71.12	96.99	51.65
Crude oil, Brent $/bbl	50.85	57.94	68.62	122.39	115.60	55.89	44.98	59.13	72.70	97.64	52.06
Crude oil, Dubai $/bbl	50.18	57.40	69.21	116.67	113.47	53.67	44.56	58.93	68.37	93.78	51.74
Crude oil, West Texas Int. $/bbl	49.81	59.13	69.62	123.85	117.98	58.45	42.80	59.52	72.28	99.56	51.16
Natural gas Index 2000=100	144.7	143.0	141.3	286.0	284.1	266.2	198.2	143.0	186.5	267.9	170.6
Natural gas, Europe $/mmbtu	8.51	8.09	7.95	12.40	14.62	15.75	11.94	8.18	8.56	13.41	10.06
Natural gas, US $/mmbtu	3.50	3.81	3.81	11.35	9.03	6.40	4.57	3.71	6.98	8.86	4.14
Natural gas LNG, Japan $/mmbtu	8.12	7.50	7.35	11.71	13.33	14.62	10.90	7.66	7.68	12.53	9.28
Beverages											
Cocoa ¢/kg	258.1	247.5	270.4	276.4	282.6	224.1	259.7	258.7	195.2	257.7	259.2
Coffee, Arabica ¢/kg	297.4	332.9	330.2	315.1	321.2	267.8	283.9	320.2	272.4	308.2	302.0
Coffee, robusta ¢/kg	166.5	166.7	162.7	243.6	244.8	192.6	175.8	165.3	190.9	232.1	170.6
Tea, auctions (3), average ¢/kg	250.9	269.4	276.0	254.7	272.3	206.6	217.0	265.4	203.6	242.0	241.2
Tea, Colombo auctions ¢/kg	287.3	296.5	306.2	298.5	303.2	208.8	261.7	296.7	252.2	278.9	279.2
Tea, Kolkata auctions ¢/kg	244.4	289.4	281.1	244.0	260.9	220.2	174.5	271.6	192.1	225.5	223.1
Tea, Mombasa auctions ¢/kg	221.0	222.3	240.8	221.6	252.8	190.8	214.9	228.0	166.5	221.8	221.5
Fats and Oils											
Coconut oil $/mt	747	843	754	1,499	1,246	772	677	781	919	1,224	729
Copra $/mt	499	559	480	1,013	817	520	447	513	607	816	480
Groundnut oil $/mt	1,187	1,157	1,151	2,328	2,417	1,773	1,283	1,165	1,352	2,131	1,224
Palm oil $/mt	702	801	730	1,198	928	512	577	744	780	949	661
Palmkernel oil $/mt	717	830	751	1,420	1,114	609	577	766	888	1,130	672
Soybean meal $/mt	388	437	446	484	450	320	365	424	308	424	394
Soybean oil $/mt	801	892	885	1,466	1,353	830	755	859	881	1,258	807
Soybeans $/mt	414	465	502	585	566	377	394	460	384	523	427
Grains											
Barley $/mt	111.3	128.7	148.5	239.1	216.6	129.5	116.3	129.5	172.4	200.5	122.9
Maize $/mt	168.5	179.9	179.5	259.0	244.7	168.4	166.9	176.0	163.7	223.1	171.4
Rice, Thailand, 5% $/mt	549.7	533.0	572.0	855.3	703.0	564.4	586.3	551.6	326.4	650.2	568.9
Rice, Thailand, 25% $/mt	446.0	454.0	475.3	n.a.	669.5	449.9	469.4	458.4	306.5	n.a.	463.9
Rice, Thailand, 35% $/mt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	300.1	n.a.	n.a.
Rice,Thai, A1.Special / Super $/mt	335.7	322.4	319.0	693.7	478.6	314.1	323.4	325.7	272.3	482.3	324.5

	Monthly averages			Quarterly averages					Annual averages		
	2009			2008			2009		2007	2008	2009
	Apr	May	June	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jan-Dec	Jan-Dec	Jan-June
Sorghum $/mt	154.1	160.1	130.0	246.9	214.7	151.0	145.3	148.1	162.7	207.8	146.7
Wheat, Canada $/mt	315.4	334.6	326.6	484.4	390.2	322.1	321.9	325.5	300.4	454.6	323.7
Wheat, US, HRW $/mt	234.2	262.3	255.1	346.5	317.7	228.1	231.6	250.5	255.2	326.0	241.1
Wheat US SRW $/mt	182.6	202.5	201.7	277.8	241.5	182.7	187.4	195.6	238.6	271.5	191.5
Other Food											
Bananas EU $/mt	1,292	1,286	1,262	1,263	1,123	944	1,142	1,280	1,037	1,188	1,211
Bananas US $/mt	890	830	854	920	775	847	891	858	676	844	875
Fishmeal $/mt	1,040	1,103	1,146	1,185	1,198	1,023	1,013	1,096	1,177	1,133	1,055
Meat, beef ¢/kg	255.5	263.7	269.2	332.7	372.4	268.0	245.2	262.8	260.3	313.8	254.0
Meat, chicken ¢/kg	171.2	174.5	176.7	167.9	177.1	174.7	173.5	174.1	156.7	169.6	173.8
Meat, sheep ¢/kg	404.4	427.7	454.4	493.2	477.3	410.0	378.5	428.8	412.0	458.5	403.7
Oranges $/mt	905	888	798	1,322	1,163	842	799	864	957	1,107	831
Shrimp, Mexico ¢/kg	970	970	970	1,109	1,048	1,014	976	970	1,010	1,069	973
Sugar EU domestic ¢/kg	52.09	53.84	55.34	77.59	74.70	51.97	51.44	53.75	68.09	69.69	52.60
Sugar US domestic ¢/kg	46.83	47.68	49.15	46.34	51.52	44.72	43.82	47.89	45.77	46.86	45.85
Sugar, world ¢/kg	30.09	35.36	36.22	27.01	31.14	26.28	28.85	33.89	22.22	28.21	31.37
Timber											
Logs, Cameroon $/cum	382.5	395.4	406.0	554.4	548.5	473.8	426.8	394.6	381.3	526.9	410.7
Logs, Malaysia $/cum	283.1	291.1	278.8	282.3	277.7	315.7	313.6	284.3	268.0	292.3	298.9
Plywood ¢/sheets	567.7	565.9	562.7	647.3	648.6	645.5	572.8	565.5	640.7	645.5	569.1
Sawnwood, Cameroon $/cum	684.3	717.6	762.5	1,052.3	974.5	770.8	689.2	721.4	759.8	958.3	705.3
Sawnwood, Malaysia $/cum	815.7	855.4	818.8	935.8	900.3	859.9	813.7	830.0	806.3	889.1	821.8
Woodpulp $/mt	538.8	545.4	546.0	870.7	848.8	711.0	565.1	543.4	767.0	820.2	554.3
Other Raw Materials											
Cotton A Index ¢/kg	125.2	136.3	135.1	166.5	168.2	126.9	120.8	132.2	139.5	157.4	126.5
Cotton Memphis ¢/kg	135.6	150.2	141.4	171.6	170.0	130.1	129.8	142.4	142.9	161.5	136.1
Rubber RSS1, US ¢/kg	183.6	189.8	187.6	311.7	329.1	202.8	165.8	187.0	248.0	284.1	176.4
Rubber RSS3, SGP ¢/kg	162.4	169.3	167.5	303.5	298.4	159.0	146.0	166.4	226.3	258.6	156.2
Fertilizers											
DAP $/mt	335.4	297.5	277.8	1,191.6	1,153.7	663.3	362.2	303.6	432.5	967.2	332.9
Phosphate rock $/mt	125.5	117.5	96.9	367.5	409.2	371.3	193.3	113.3	70.9	345.6	153.3
Potassium chloride $/mt	745.0	717.5	717.5	511.1	635.0	766.7	865.2	726.7	200.2	570.1	795.9
TSP $/mt	278.0	245.0	220.0	1,036.4	1,107.8	658.7	321.7	247.7	339.1	879.4	284.7
Urea $/mt	245.2	240.8	237.4	575.7	745.4	292.2	267.3	241.1	309.4	492.7	254.2
Metals and Minerals											
Aluminum $/mt	1,421	1,460	1,574	2,940	2,787	1,821	1,360	1,485	2,638	2,573	1,422
Copper $/mt	4,407	4,569	5,014	8,443	7,680	3,905	3,428	4,663	7,118	6,956	4,046
Gold $/toz	890	929	946	896	870	795	909	922	697	872	915
Iron ore ¢/dmtu	101.0	101.0	101.0	140.6	140.6	140.6	101.0	101.0	84.7	140.6	101.0
Lead ¢/kg	138.3	144.0	167.4	230.7	191.2	124.5	115.7	149.9	258.0	209.1	132.8
Nickel $/mt	11,166	12,635	14,960	25,682	18,961	10,843	10,471	12,920	37,230	21,111	11,696
Silver ¢/toz	1,252	1,411	1,466	1,720	1,495	1,020	1,265	1,376	1,341	1,500	1,321
Steel products index 2000=100	219.0	213.8	213.6	279.2	338.2	310.4	274.5	215.5	182.0	289.3	245.0
Steel cr coilsheet $/mt	700	700	700	900	1,100	1,100	1,033	700	650	966	867
Steel hr coilsheet $/mt	600	600	600	833	1,000	1,000	933	600	550	883	767
Steel, rebar $/mt	425	450	475	838	934	630	473	450	522	760	461
Steel wire rod $/mt	1,100	1,020	900	950	1,135	1,200	1,200	1,007	533	1,010	1,103
Tin ¢/kg	1,174	1,379	1,499	2,265	2,051	1,310	1,103	1,351	1,454	1,851	1,227
Zinc ¢/kg	137.9	148.4	155.7	211.3	177.0	118.5	117.2	147.3	324.2	187.5	132.3

$ = 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 mitted to avail of ECB, under the Approval route, until June 2009. On a review of the prevailing conditions, it has been decided to extend the permission up to December 31, 2009, under the Approval route. All other terms and conditions, stipulated in the A.P. (DIR Series) circular referred to above, remain unchanged.

(ii) ECB for NBFC sector

As per the current ECB norms, Non-Banking Finance Companies (NBFCs), which are exclusively involved in financing of the infrastructure sector, are permitted to avail of ECBs from multilateral / regional financial institutions and Government owned development financial institutions for on-lending to the borrowers in the infrastructure sector under the Approval route, subject, *inter-alia*, to the condition that the direct lending portfolio of these lenders vis-à-vis their total ECB lending to NBFCs, at any point of time, should not be less than 3:1. It has now been decided to dispense with this condition with effect from July 1, 2009. The proposals will, however, continue to be examined by the Reserve Bank under the Approval route, as hitherto.

(iii) ECB for Development of Special Economic Zone

As per the extant guidelines, ECB is permissible for the Infrastructure sector, which is defined as (i) power, (ii) telecommunication, (iii) railways, (iv) road including bridges, (v) sea port and airport, (vi) industrial parks, (vii) urban infrastructure (water supply, sanitation and sewage projects) and (viii) mining, refining and exploration. Further, units in the Special Economic Zone (SEZ) are also permitted to access ECBs for their own requirements. However, ECB is not permissible for the development of SEZ. It has now been decided to allow SEZ developers also to avail of ECB under the Approval route for providing infrastructure facilities, as defined in the ECB policy, within the SEZ. However, ECB shall not be permissible for development of integrated township and commercial real estate within the SEZ.

(iv) Corporates under Investigation

Currently, the ECB policy is not explicit about accessing of ECB by the corporates, which have violated the extant ECB policy and are under investigation by the Reserve Bank and / or Directorate of Enforcement. It is clarified that corporates, which have violated the extant ECB policy and are under investigation by Reserve Bank and / or by Directorate of Enforcement, will not be allowed to access the Automatic route for ECB. Any request by such corporates for ECB will be examined under the Approval route.

3. The modifications to the ECB guidelines will come into force with immediate effect. All other aspects of the ECB policy, such as USD 500 million limit per company per financial year under the Automatic route, eligible borrower, recognised lender, end-use, all-in-cost ceiling, average maturity period, prepayment, refinancing of existing ECB and reporting arrangements remain unchanged.

4. Necessary amendments to the Notification No.FEMA.3/2000-RB dated May 3, 2000, viz. Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000 are being issued separately.

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

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

New Export Quotas for Wheat and Aata (Flour)

115-Ntfn(RE) 03.07.2009 (DGFT) In exercise of the powers conferred by Section 5 read with Section 3(2) of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) and also read with Para 1.3 and Para 2.1 of the Foreign Trade Policy, 2004-2009, the Central Government hereby makes, with immediate effect, following amendments to Notification No.33(RE-2007)/2004-2009 dated 8th October, 2007 as amended from time to time.

2. Following shall be added at the end of Para 2 of the Notification No. 33 (RE-2007)/2004-09 dated 8.10.2007:-

"2.7 Ban on export of wheat shall not be applicable to export of wheat as following:-

Tariff Item HS Code	Item Description	Name of PSU through which export to be made and nature of restriction
1001	Wheat and meslin	1.Export of wheat shall be limited to 3,00,000 MTs each through MMTC Ltd., PEC Ltd., and STC Ltd, respectively upto 31st March, 2010;
1001 10	Durum wheat :	2. No subsidy will be given for such exports;
1001 10 90	Other	3. Exports shall be allowed only from Customs EDI Ports.
1001 90	Other:	
1001 90 20	Other wheat	
1001 90 39	Other	

Sub-heading Note: The term "durum wheat" means wheat of the Triticum durum species and the Hybrids derived from the inter – specific crossing of Triticum durum which have the same number (28) of chromosomes as that species.

3. The quantity of wheat to be exported shall be monitored on a fortnightly basis both by the Customs Department as well as by DGCI&S, through fortnightly reports to be sent to the Department of Commerce / DGFT as well as to the Department of Food & Public Distribution

4. All other provisions of the Notification No.33 (RE-2007)/2004-09 dated 8th October, 2007 shall remain unchanged, and shall continue to apply.

5. This issues in public interest.

Wheat Export Quotas Withdrawn, Flour Quota Continues

117-Ntfn(RE) 13.07.2009 (DGFT) In exercise of the powers conferred by Section 5 read with Section 3(2) of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) and also read with Para 1.3 and Para 2.1 of the Foreign Trade Policy, 2004-2009, the Central Government hereby rescind, with immediate effect, Notification No.115 (RE-2009)/2004-2009 dated 3rd July, 2009.

2. Accordingly, amendment made to Notification No. 33 (RE-2007)/2004-2009 dated 8th October, 2007, regarding export of wheat through M/s. MMTC Ltd., M/s STC & M/s. PEC Ltd. stands withdrawn.

3. This issues in public interest.

Wheat Flour Exports Subject to Limit of 6.50 Lakh MTs upto 31 March 2010

116-Ntfn(RE) 03.07.2009 (DGFT) In exercise of the powers conferred by Section 5 read with Section 3(2) of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) and read with Para 1.3 and Para 2.1 of the Foreign Trade Policy, 2004-2009, the Central Government hereby makes the following amendment, with immediate effect, in Paragraph 1 of Notification No. 33(RE-2007)/2004-2009, dated 08.10.2007, as amended from time to time:

2. With immediate effect, existing entry at Sl. No. 46A of table in Paragraph 1 of Notification No. 33(RE-2007)/2004-2009, dated 08.10.2007, against ITC (HS) code 1101 pertaining to wheat products shall be substituted and read as:

SNo.	Tariff Item HS Code	Unit	Item Description	Export Policy	Nature of Restriction
46A	1101	Kg	Wheat Flour (Maida), Samolina (Rava / Sirgi), Wholemeal atta and resultant atta	Free	(i) The export is permitted subject to a limit of 6,50,000 tons upto 31st March, 2010; (ii) Exports shall be allowed only from Customs EDI Ports.

3. The quantity of wheat products to be exported as mentioned in Para 2 above shall be monitored on a fortnightly basis both by the Customs Department as well as by DGCI&S, through fortnightly reports to be sent to the Department of Commerce / DGFT as well as to the Department of Food & Public Distribution.

4. This issues in public interest.

Tariff Value on Brass Scrap and Poppy Seeds Raised

78-Cus(NT) 30.06.2009 (DoR) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the Board, being satisfied that it is necessary and expedient so to do, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Cus (N. T.), dated, the 3rd August 2001, namely: -

In the said notification, for the Table, the following Table shall be substituted namely:-

Table

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	447 (i.e. no change)
2	1511 90 10	RBD Palm Oil	476 (i.e. no change)
3	1511 90 90	Others – Palm Oil	462 (i.e. no change)
4	1511 10 00	Crude Palmolein	481 (i.e. no change)
5	1511 90 20	RBD Palmolein	484 (i.e. no change)
6	1511 90 90	Others – Palmolein	483 (i.e. no change)
7	1507 10 00	Crude Soyabean Oil	580 (i.e. no change)
8	7404 00 22	Brass Scrap (all grades)	2854
9	1207 91 00	Poppy seeds	5162"

[F. No. 467/14/2009-Cus.V (Part – II)]

Customs Valuation Exchange Rates

July 2009		Imports	Exports	
Schedule I				
1	Australian Dollar	39.40	38.20	Rate of exchange of one unit of foreign currency equipment to Indian Rupees
2	Canadian Dollar	42.60	41.50	
3	Danish Kroner	9.25	8.95	
4	EURO	68.55	66.90	
5	Hong Kong Dollar	6.30	6.20	
6	Norwegian Kroner	7.60	7.35	
7	Pound Sterling	80.80	78.80	
8	Swedish Kroner	6.25	5.35	
9	Swiss Franc	44.95	43.70	
10	Singapore Dollar	33.70	32.85	
11	U.S. Dollar	48.95	48.05	
Schedule II				Rate of exchange of 100 units of foreign currency equivalent to Indian rupees
1	Japanese Yen	51.20	49.80	

(Source: Customs Notification 68(NT)/26.06.2009)

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The developing countries believe a binding agreement is necessary to protect their indigenous cultural resources. “A law without teeth can be breeched with impunity,” said Marcia Stewart (also known as Queen Mother Moses), spokesperson for the Ethio-Africa Diaspora Union Millennium Council.

But representatives from other countries, including Canada, the European Union, Switzerland, and the US, argued that they need a better understanding of the issues before determining which type of outcome would be best.

The IGC committee was supposed to develop its next mandate during last week’s meeting, which would include a proposal on traditional knowledge, and forward its recommendation to the WIPO General Assemblies for a decision. Without a recommendation, the committee has left its fate in the General Assemblies’ hands, and it is unclear how the General Assemblies will proceed. The committee’s current mandate is set to expire in October.

Commodity Spot Prices in India – 12-14 July 2009

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 12-14 July.

(Rs.)

Commodity	Unit	Market	12-Jul	13-Jul	14-Jul
CER (Carbon Trading)	1 MT	Mumbai	867.5	823	867.5
Chana	100 KGS	Delhi	2447	2520	2447
Masur	100 KGS	Indore	4953	5083	4953
Potato	100 KGS	Agra	1020.3	1028.8	1020.3
Potato TKR	100 KGS	Tarkeshwar	1059.6	1064.5	1059.6
Arecanut	100 KGS	Mangalore	7929	7905	7929
Cashewkern	1 KGS	Quilon	300	300	300
Cardamom	1 KGS	Vandanmedu	794.25	791.25	794.25
Coffee ROB	100 KGS	Kushalnagar	67.1	67.1	67.1
Jeera	100 KGS	Unjha	11527	11514	11527
Pepper	100 KGS	Kochi	12680	12574	12680
Red Chili	100 KGS	Guntur	5431	5439	5431
Turmeric	100 KGS	Nzmbad	5766	5783	5766
Guar Gum	100 KGS	Jodhpur	4047	1476	4047
Maize	100 KGS	Nzmbad	905	903	905
Mentha Oil	1 KGS	Chandausi	511.2	512.2	511.2
Cotton Seed	100 KGS	Akola	1465	1476	1465
Castorsd RJK	100 KGS	Rajkot	2446.5	2458.5	2446.5
Guar Seed	100 KGS	Jodhpur	1881.5	623.5	1881.5
Soya Bean	100 KGS	Indore	NA	NA	NA
Mustrdsd JPR	20 KGS	Jaipur	529	526.65	529
Sesame Seed	100 KGS	Rajkot	6475	6413	6475
Coconut Oil Cake	100 KGS	Kochi	1014	1014	1014
RCBR Oil Cake	1 MT	Raipur	5740	5670	5740
Kapaskhali	50 KGS	Akola	619.8	623.5	619.8
Coconut Oil	100 KGS	Kochi	4888	4888	4888
Refsoy Oil	10 KGS	Indore	452.5	449.7	452.5
CPO	10 KGS	Kandla	304.7	302.5	304.7
Mustard Oil	10 KGS	Jaipur	496.3	483.6	496.3
Gnutoilexp	10 KGS	Rajkot	615.7	608.3	615.7
Castor Oil	10 KGS	Kandla	505	502	505
Crude Oil	1 BBL	Mumbai	2967	2916	2967
Furnace Oil	1000 KGS	Mumbai	25909	26045	25909
Sourcrd Oil	1 BBL	Mumbai	3071	3096.5	3071
Brent Crude	1 BBL	Mumbai	2965	2892	2965
Gur	40 KGS	Muzngr	1010	1045.4	1010
Sugars	100 KGS	Kolhapur	2321	2300	2321
Sugarm	100 KGS	Delhi	2518	2506	2518
Natural Gas	1 mmBtu	Hazirabad	161.2	164.2	161.2
Rubber	100 KGS	Kochi	9669	9660	9669
Cotton Long	1 Candy	Kadi	23840	23730	23840
Cotton Med	1 Maund	Abohar	2487.5	2486	2487.5
Jute	100 KGS	Kolkata	2790	2751.5	2790
Gold	10 GRMS	Ahmd	14625	14553	14625
Gold Guinea	8 GRMS	Ahmd	11700	11642	11700
Silver	1 KGS	Ahmd	21510	21150	21510
Sponge Iron	1 MT	Raipur	13260	12770	13260
Steel Flat	1000 KGS	Mumbai	30650	30580	30650
Steel Long	1 MT	Bhavnagar	21495	21785	21495
Copper	1 KGS	Mumbai	242.1	237.4	242.1
Nickel	1 KGS	Mumbai	754.7	709.3	754.7
Aluminium	1 KGS	Mumbai	76.45	75.65	76.45
Lead	1 KGS	Mumbai	76.6	77.4	76.6
Zinc	1 KGS	Mumbai	71.7	72.15	71.7
Tin	1 KGS	Mumbai	639	623.75	639

(Source: MCX Spot Prices)

Pulses Quota of 500 MTs for Nepal

Subject:- Exemption for export of 500 MTs of Yellow Split Peas (Matar Dal) to Nepal for United Nations World Food Programme.

118-Ntfn(RE) 13.07.2009 (DGFT) In exercise of the powers conferred by Section 5 read with Section 3(2) of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) and also read with Para 1.3 and Para 2.1 of the Foreign Trade Policy, 2004-2009, (as amended from time to time), the Central Government hereby makes, with immediate effect, the following amendments in the Notification No. 15(RE-2006)/2004-09 dated 27.06.2006 read with Notification No. 53(RE-2006)/2004-09 dated 09.03.2007 and also read with Notification No. 99(RE-2008)/2004-09 dated 27.03.2009 as amended, from time to time.

2. The following shall be added at the end of para 3(ii):

"3 (iii) the prohibition on export of pulses shall not be applicable for export of 500 MTs of Yellow Split Peas (Matar Dal) to Nepal for United Nations World Food Programme to be exported through the following Indian Companies:-

(1)	M/s. Mahalaxmi Gramodyog Sansthan, Kanpur	- 100 MT
(2)	M/s. Bajrang Dal Mill, Kanpur	- 200 MT
(3)	M/s. Anandeshwar Agro Food P. Ltd	- 200 MT".

3. This issues in Public Interest.

Rupee Value of Rs. 64.6153 Fixed w.e.f 22 May 2009 under Indo-USSR Deferred Payment Protocol

Sub: Deferred Payment Protocols dated April 30, 1981 and December 23, 1985 between Government of India and erstwhile USSR

AP(DIR Srs) Cir.02 03.07.2009 (RBI) Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to A.P. (DIR Series) Circular No.59 dated March 24, 2009, wherein the rupee value of the special currency basket was indicated as Rs.67.2425 effective from March 05, 2009.

2. AD Category-I banks are advised that a further revision has taken place on May 19, 2009 and accordingly, the rupee value of the special currency basket has been fixed at Rs.64.6153 with effect from May 22, 2009.

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

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

WORLD TRADE SCANNER

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China's Exports Fall for Eighth Month on Global Slump

China's exports fell for an eighth month as the global recession cut demand, highlighting the economy's dependence on stimulus measures to boost growth.

China, the world's second-biggest exporter, has stalled gains by the yuan against the dollar, increased export-tax rebates and boosted trade finance to help exporters. Economic growth will top the government's 8 percent target for the year as lending and investment surge under a 4 trillion yuan ($585 billion) stimulus plan, according to Goldman Sachs Group Inc. and BNP Paribas SA.

Exports rose 7.5 percent from the previous month, Xinhua said. Imports dropped 13.2 percent from a year earlier, the news agency said, after a 25.2 percent fall in May. The economists' median estimate was for a 20.3 percent decline.

Xinhua's figures suggest a June trade surplus of $8.25 billion, the smallest in two years, excluding the first two months of each year, when a Chinese holiday causes distortions.

Social Stability

The government aims to revive growth to create jobs and maintain social stability ahead of the 60th anniversary of Communist Party rule in October. Riots in the northwestern Urumqi city on July 5 left 156 people dead, highlighting ethnic tensions and economic disparities.

Second-quarter gross domestic product will be announced on July 16. The economy grew 6.1 percent in the first quarter from a year earlier, the weakest pace in almost a decade.

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