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## Reform is the Lokpal in Customs and DGFT

The corruption cake in the import basket is big. A 1% of import value, it is a good Rs. 12,000 crores a month in India. We import \$27 bn worth of goods every month without counting the oil component of \$10 bn. The customs duty on one third of this, that is, \$9 bn, is in the high duty of 20 to 25 percent, which is the full incidence of three different types of duty on the import value. This high duty rate results in under invoicing to avoid duty. Mis-declaration of the import to get the benefit of 560 duty exemptions for specific industry groups or users is the second practice to save duty. The remaining \$18bn which is two third of imports too are subject to high duty rates of 10 percent plus and exposed to duty saving tricks.

Besides this, there are import restrictions on more than 500 key items like POL, food and fertilisers which must be overcome with the help of corruption and evasive moves. Both the customs as well as DGFT procedures are not in tune with actual on the ground movement of through the customs ports to the importers warehouse. This is yet another ground for the rise of corruption.

Given these hurdles and barriers, corruption is a part of the

facilitation system for smooth movement of goods into India. In the absence of systemic reform with a serious intent to facilitate imports, corruption is the only available lubricant to keep the wheels moving. The web of agencies ranging from supervision by seniors, vigilance, audit, CBI, Media, Tribunal, High Court and Supreme Courts are doing what they wish to do to check the corrupt staff but there is little dent on the monster.

### Arun Goyal India Trade Notes

(I remember with great sadness how the movement of explosives and arms from Ratnagiri coast for the Bombay blasts of 1992 was facilitated by customs officers who sold the country by letting the goods past their positions in return for bribes).

I have made suggestions on the Lokpal of Reform to the Finance Ministry in January this year. This was after one year of careful study of Customs Tariffs and Procedures both on the desk and in the field. The final results are given in the table. Please do take a look.

In my view, individual action to check the corrupt may be good but systemic reform is the real Lokpal which will cut corruption.

Comments: [arungoyal.delhi@gmail.com](mailto:arungoyal.delhi@gmail.com)

### Tariff, Procedure and Action Reform in Customs + DGFT Lokpal

**A. Tariff Reform and Procedure – Bring duty down to peak 5% sunset. All barriers to import, revise new ones after research with provision for sunset**

**B. Action Reform the Face of the Customs and DGFT Reform.**

1. Department is losing 77% of all cases filed in tribunal and higher courts. Lapses in wrong orders may be identified and action taken on both personnel as well as procedural front.
2. Demurrage and container detention charger as a weapon against importer should be reviewed and its impact on transaction costs must be removed by charging actual costs of storage. Rules may be framed on the subject.
3. Action against custodians approved by customs for mismanagement (e.g. fire at Concor ICD at Delhi) to reduce transaction costs.
4. Appraisers must be encouraged to examine the goods and take their own decision instead of passing provisional assessment orders. They blindly follow circulars and judgements or dispensations advocated in the online risk management modules without using their discretion after examining the goods against the letter and spirit of the law. Provisional Assessment

should not be allowed. Final assessment with speaking order must be made in time bound manner.

5. AAR (Authority on Advance Ruling in the DoR) should give rulings in live cases regarding classification, valuation and interpretation of notifications. This will act as a check on TRU which often not responds in a long time or not at all in many cases.
6. Reward scheme for detection of evasion cases has outlived its utility. This may be withdrawn immediately all past cases settled in a single one off measure.
7. Undue enrichment provision may be dropped. It is a post import measure. Customs should only be concerned with situation at the border when the goods are presented for assessment.
8. Valuation of imports and exports for duty assessment should be at the RBI middle rate on the previous day. The current system of announcement of rate for the whole month with large and unwarranted spread between import and exports exchange rate is out of date.
9. Commercial quantity imports may be freely allowed in personal imports as well as baggage at normal rates of duty with exemption of Rs. 25,000 as allowed in baggage.
10. Baggage Rules are out of date and need revision badly.

## Euro Drops as Germany and France Refuse Fund Expansion of \$633bn, Financial Transaction Tax on the Anvil

The euro declined against the yen for a second day after German and French leaders rejected calls for a joint-borrowing plan to stem the region's debt crisis and amid signs growth is slowing.

The euro weakened to 110.34 yen as of 12:11 p.m. in Tokyo after slipping 0.3 percent to 110.65 in New York on 15 August. The shared currency dropped to \$1.4392 from \$1.4407 yesterday. The dollar slipped to 76.67 yen, compared with 76.80 yen on 15 August.

German Chancellor Angela Merkel and French President Nicolas Sarkozy rejected an expansion of the 440 billion-euro (\$633 billion) rescue fund and rebuffed calls for joint euro borrowing to end the debt crisis, saying greater economic integration was needed first.

The leaders of Europe's two biggest economies agreed to press for closer euro-area cooperation, tougher deficit rules and a harmonization of their corporate tax rates. A plan to resubmit a financial-transaction tax, which the European Union rejected in 2010, sent stocks lower in New York trading.

Sarkozy and Merkel spoke after a two-hour meeting in Paris as investors clamored for indications that they would do more to end the euro-area debt crisis amid a slowdown in their economies.

### 'Financially Unpredictable'

EU finance chiefs failed to agree in September 2010 on a transaction tax, which Merkel pushed to help repair the damage to national budgets caused by the banking crisis. "It's politically

desirable and it's financially unpredictable," International Monetary Fund Managing Director Christine Lagarde, then French finance minister, said at the time.

Any proposal for cross-border taxes in the EU requires unanimity among governments. French leaders have proposed a version of the levy, known as a Tobin Tax, since 2001.

Sarkozy and Merkel revived the tax as one of a four-part package they proposed to expand economic cooperation and restore confidence that Europe will be able to reduce its debt load and curb its national budget deficits. In France and Germany, government debt totals more than 80 percent of gross domestic product,

compared with the EU ceiling of 60 percent. In Greece, it's headed to more than 160 percent.

Euro bonds would provide market access to those now shut out, such as Greece and Ireland, and raise borrowing costs in the top-rated countries.

The 17-nation euro-area economy may struggle to gather momentum after growing just 0.2 percent in the second quarter, its worst performance since emerging from the last recession in 2009.

Europe's weakness may persist for the remainder of the year as governments from Ireland to Italy cut spending to rein in ballooning budget deficits and the global economy cools. The ECB, which has raised its benchmark rate twice this year to 1.5 percent to tackle inflation, was last week forced to start buying Italian and Spanish bonds to stop the region's sovereign-debt crisis from spreading.



## India Plans \$60bn Investment in Ports by 2020

India aims to pour \$60 billion into ports by 2020 under a drive to spur the fastest growth in more than two decades and ease bottlenecks stoking the highest inflation among major economies.

The target is part of Prime Minister Manmohan Singh's planned \$1 trillion revamp of choked transport and power networks to achieve faster expansion. The push must transcend a history of insufficient investment, which has left the world's most populous democracy trailing a Chinese economy now more than three times larger.

India's clogged harbors put Thermax Ltd. (TMX), a power-equipment maker, at a disadvantage to Chinese rivals for obtaining raw materials and shipping goods.

India's prime minister is relying partly on investment by companies such as DP World Ltd. (DPW) and AP Moller-Maersk A/S to lift capability at ports to 3.1 billion tonnes by 2020 from 963 million tonnes in 2010. Achieving this objective would enable greater imports of items from electronics to oil, helping damp inflation by better feeding consumer demand. Deeper berths for bigger container ships also are pivotal to India's attempt at galvanizing exports of items from clothes to cars.

### Rival China

Singh is striving to rival China, the fastest-growing major economy, by achieving 10 percent annual gains in gross domestic product, compared with 8.5 percent in the fiscal year that

ended March 31. India has grown at a 10 percent annual pace only once since 1953, in 1988-1989.

China's gross domestic product, which was about the same size in 1980 as India's \$182 billion GDP, has swelled to almost \$6 trillion after boosting investment, compared with India's \$1.7 trillion. About 76 percent of India's 1.2 billion people live on less than \$2 a day, according to the World Bank.

### Under Construction

Port projects worth 103 billion rupees (\$2.3 billion) are under construction or implementation, Ministry of Shipping figures show. They involve the government and private enterprise, and include a 35-billion-rupee liquefied natural-gas terminal at Cochin in the south and the 14.6-billion-rupee development of berths and a terminal in western Mumbai city.

The push to add wharves and deepen drafts must overcome a legacy of inadequate investment in a nation that fell 10 places in the infrastructure ranking to 86th among countries in the World Economic Forum's 2010-2011 Global Competitiveness Report. Spending on ports may amount to 406 billion rupees for the five-year period ending March 2012, less than half the original aim, according to the Planning Commission.

Cargo handling is more than twice as costly as in Singapore and takes over four days on average compared with six hours in Hong Kong, research by India's Department of Commerce shows.

## US Import Prices Up 14% YoY

Prices of goods imported into the U.S. rose in July, led by gains in costs of fuel, industrial supplies and clothing.

Compared with a year earlier, import prices rose 14 percent, the report showed. That was the largest 12-month increase since the 18.1 percent gain in the period from August 2007 to August 2008.

The cost of imported petroleum rose 0.6 percent from the prior month and was up 49 percent from a year earlier.

Excluding all fuels, import prices increased 0.2 percent from the prior month and were up 5.5 percent from July 2010.

The 0.3 percent gain in the import-price index followed a revised 0.6 percent drop in June, Labor Department figures showed in Washington on 16 August. Economists projected a 0.1 percent decrease for July. Prices excluding petroleum rose 0.2 percent.

Imported food was 0.5 percent more expensive last month. Costs of imported automobiles, parts and engines fell 0.3 percent, the first decline since December 2010. They were up 3.9 percent over the past 12 months.

Consumer goods excluding vehicles showed a 0.4 percent advance after increasing 0.2 percent in June.

### 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
16-Aug-11	45.2450	45.4350	45.1625	45.4000	45.4000	1424802	2080592	942482	45.2490
12-Aug-11	45.3025	45.4700	45.2325	45.3925	45.3925	1395876	4646227	2109011	45.3740
11-Aug-11	45.3200	45.4450	45.2325	45.3775	45.3775	1432386	4819798	2185140	45.2713
10-Aug-11	45.0800	45.2900	45.0350	45.2225	45.2225	1391951	5285456	2387743	45.2058

[Source: NSE and RBI Website]

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## WEEKLY INDEX OF CHANGES

### No Bank Guarantee for EOUs Subjected to Minor SCN

*Sub: Waiver from the requirement of Bank Guarantee in respect of EOUs – Amendment to Circular No. 54/2004-Customs dated 13.10.2004.*

36-CBEC 12.08.2011 (DoR) Attention is invited to para 19 of the Board's Circular No. 54/2004-Customs dated 13.10.2004 which extends the facility of exemption from furnishing bank guarantee by 100% Export Oriented Units (EOUs) at the time of import or for sending goods on job work in Domestic Tariff Area (DTA).

2. In terms of the provisions of para 6.12 (f) of FTP announced on 31.8.2004, exemption was granted for 100% EOUs from furnishing bank guarantee at the time of import or going for job work in DTA subject to certain prescribed conditions to be followed by the unit. These conditions are that (i) the unit has a turnover of Rupees 5 crores or above; (ii) unit is in existence for at least three years; and (iii) unit is having an unblemished track record. Accordingly, this was implemented by issue of instructions vide para 19 of the aforesaid Board's Circular No. 54/2004-Customs.

3. It has been brought to the notice of the Board that one of the conditions relating to 'unblemished track record' for grant of such exemption from furnishing bank guarantee to 100% EOUs has been changed in the annual FTP amendments and the same is not being properly implemented. It has been represented by the exporters that Customs/ Central Excise field formations are insisting for Bank Guarantee even for Status Holder EOUs on the ground that show cause notices have been issued to them, thereby such units are unable to fulfill the condition of 'unblemished track record'.

4.1 The issue has been examined in the Board.

The provisions of para 6.12 providing other entitlements to 100% EOUs was amended in the FTP changes introduced w.e.f. 1.4.2008, and the said para 6.12 state the following:

\*6.12. (f): Unit will not be required to furnish bank guarantee at the time of import or going for job work in DTA, where unit has

- (i) a turnover of Rs. 5 crores or above;
- (ii) unit is in existence for at least three years; and
- (iii) The unit:

(a) has achieved positive NFE / export obligation wherever applicable;

(b) has not been issued a show cause notice or a confirmed demand, during the preceding 3 years, on grounds other than procedural violations, under the penal provision of the Customs Act, the Central Excise Act, the Foreign Trade (Development & Regulation) Act, the Foreign Exchange Management Act, the Finance Act, 1994 covering Service Tax or any allied Acts or the rules made thereunder, on account of fraud / collusion / willful mis-statement/ suppression of facts or contravention of any of the provisions thereof;

*[\*Note: The said para has been re-numbered as 6.12(e) in the current FTP introduced w.e.f. 23.8.2010]*

From the above it could be seen that there are four conditions prescribed as (i), (ii), (iii)(a) and (iii)(b). The condition (iii) has been revised in the FTP changes introduced w.e.f. 1.4.2008. While there appears to be no difficulty for the trade and industry in complying with first three conditions,

in respect of condition at (iii)(b) it is represented that mere issue of show cause notice on procedural non-compliance would not debar them from the entitlements of bank guarantee waiver granted under para 6.12(f).

4.2 It could be seen from the provisions of para 6.12(f) sub-para (iii)(b) of FTP, that the prescribed condition clearly excludes show cause notices or cases booked for procedural violations. Hence, the entitlement of bank guarantee exemption to 100% EOUs / EHTP / STP / BTP units shall be denied only in cases involving fraud/ collusion/ willful mis-statement/ suppression of facts, whether or not extended period for issue of SCN has been invoked. Further, any violation or contravention of any of the provisions of the Customs Act, 1962 or Central Excise Act, 1944 or Finance Act, 1994 or other Acts specified in para 6.12(f) of FTP or any Allied Acts or Rules made thereunder, would also attract denial or exemption from furnishing bank guarantee. However, in simple cases of issue of show cause notices for procedural violation against such units, the entitlement of exemption from furnishing bank guarantee to EOU/EHTP/STP/BTP units need not be denied. These units shall continue to be eligible for availing the bank guarantee waiver mentioned in para 6.12(f) of the FTP, in view of the exclusion provided therein.

5. Board's Circular No. 54/2004-Customs dated 13.10.2004 stands modified to the above extent.

6. These instructions may be given wide publicity and should be brought to the notice of all the concerned by way of issuance of instructions/ trade notice.

7. Difficulty faced, if any, in implementation of the above instructions may be brought to the notice of the Board at an early date.

8. This issues with the approval of competent authority.

F.No. DGEP/EOU/18/2011

### Five percent Weight Variation in Cotton Yarn Exports Allowed

*Subject: Conditions and modalities for registration of contracts of cotton yarn with DGFT- relaxation of – 5% by weight in export of cotton yarn.*

38-Pol.Cir 10.08.2011 (DGFT) Through Policy Circular No. 27 (RE-2010)/2009-14 Dated the 1<sup>st</sup> April, 2011, conditions and modalities for registration of



contracts of cotton yarn with the Regional Authorities of DGFT were notified.

2. This office has received representations from Trade Bodies seeking exemption from penalty and placing in defaulters list in case of

variation in export weight due to various reasons.

3. It has been decided that a variation of – 5% in weight against Registration Certificates issued for export of cotton yarn shall be allowed. Thus a variation of – 5% in weight in exports of cotton yarn against registered contracts shall not be treated as default for the purpose of imposition of penalty or debarment from future registrations.

4. This issues with the approval of Director General of Foreign Trade.

No. 58(RE-2010)/2009-14 dated 01.07.2011, as under:

#### “Nature of Restriction”

“The contracts for export of cotton, during the Cotton Season 2010-11 (up to 30.09.2011), shall have to be registered with the Directorate General of Foreign Trade prior to shipment. Customs would clear such cotton export consignments [ITC (HS) codes 5201 & 5203] only after verifying that the contracts have been so registered.”

2. The procedure for obtaining Registration Certificate (RC) for the purpose is being separately notified.

#### 3. Effect of this Notification

The cap on export of cotton [ITC (HS) Code 5201 & 5203] has been removed. However, condition regarding registration of contracts with DGFT would continue to apply. A new procedure of registration is being separately notified for export of Cotton [ITC (HS) Code 5201 & 5203]. In respect of cotton waste including yarn waste and garneted stock [ITC (HS) Code 5202] there is no change even in the procedure to obtain registration.

### Cap of 65 Lakh Bales of Cotton Exports Removed

#### Registration of Contracts with DGFT Continues

*Subject: Export of Cotton [ITC (HS) Code 5201 & 5203], amendment in nature of restriction*

62-Ntfn(RE) 02.08.2011 (DGFT) In exercise of the powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-14, the Central Government hereby

amends the “Nature of Restriction” as appearing in para 2 of Notification No. 12(RE-2010)/2009-14 dated 16.12.2010, read with (i) Notification No. 32(RE-2010)/2009-14 dated 14.03.2011, (ii) Notification No. 57(RE-2010)/2009-14 dated 09.06.2011, and (iii) Notification

## Procedure for Registration Certificate for Cotton Exports

Subject: Export of Cotton [ITC (HS) Code 5201 & 5203]: obtaining of Registration Certificate

63-Ntnf(RE) In exercise of the powers  
04.08.2011 conferred by Section 5 of  
(DGFT) the Foreign Trade  
(Development & Regulation)

Act, 1992 (No.22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-14, the Central Government hereby notifies the modalities and procedure for obtaining Registration Certificate (RC) in pursuance of Notification No. 62 (RE-2010)/2009-14 dated 01.08.2011, as under:

### 2. Registration Certificate (RC) for Export of Cotton [ITC (HS) Code 5201 & 5203]

Exporters intending to export cotton [ITC (HS) Codes 5201 and 5203] will apply to the Regional Authority (RA) for grant of Registration Certificate (RC) subject to the following conditions:

(i) The applicant should not be a defaulter / must not be in the Denied Entities List (DEL).

(ii) An applicant shall submit a performance guarantee in the form of a Bank Guarantee (in the format given in Annexure 2) for 2.5% of the value equivalent of the quantity for which RC is being applied, or for Rs 1 lakh, **whichever is more**.

(iii) Each application for RC shall be accompanied with **either** an irrevocable letter of credit (LC), duly authenticated by a bank in India, or proof of receipt of 100 % advance payment (FIRC), or proof of receipt of 25 % advance payment (FIRC) and payment of rest (75 %) cash against document (CAD).

(iv) Applicant will contact any of the designated RAs with an application (format given in Annexure 1 to this notification) along with a copy of IEC and documents as at (ii) & (iii) above for obtaining RC. RA's designated for this purpose are: Ahmedabad, Bengaluru, CLA (New Delhi),

Chennai, Kolkata, Hyderabad, and Mumbai.

### 3. Time to Export (Validity of RC)

Export must be completed within 30 days from the date of issuance of the RC. The validity of the RC would expire after 30 days. Failure to complete export of the full quantity (with a tolerance level of -5 % by weight) for which RC was obtained would entail (a) forfeiture of performance Bank Guarantee submitted to DGFT and (b) debarment from obtaining any Registration Certificate in future, in addition to initiation of penal action under Section 11(2) of Foreign Trade (Development & Regulation) Act, 1992, (as amended).

### 4. Reporting

Holders of the RC would observe a two stage reporting system, sending two reports to the RA from whom the RC was obtained: (a) a simple first report only about the quantity of export, to whom exported, and when exported, in respect of each consignment **immediately on obtaining the Let Export Order (LEO)** and (b) a consolidated second report **within 35 days of the issue of RC** in detail (EP copy of shipping bill required) about all exports done in respect of the complete quantity for which the RC was obtained.

### 5. RCs obtained till now

Holders of any valid RC that was obtained before 1<sup>st</sup> August 2011, in respect of which any balance quantity is still to be exported, has the option of getting the RC revalidated or applying afresh under this new dispensation. Thus any RC obtained before 1<sup>st</sup> August would lose its validity unless revalidated by the RA from whom it was obtained.

Signature of the Applicant:

Name: \_\_\_\_\_ Place: \_\_\_\_\_ Date: \_\_\_\_\_

Designation: \_\_\_\_\_

Official Address (Complete): \_\_\_\_\_

Telephone Number(s): \_\_\_\_\_

Cell Phone Number(s): \_\_\_\_\_

Fax Number(s): \_\_\_\_\_

Email(s): \_\_\_\_\_

### Required documents for submission for obtaining RC

- Performance Guarantee in the form of Bank Guarantee (BG) for 2.5% of the applied value, or Rs 1 lakh whichever is more
- Proof of payment (either Letter of Credit duly authenticated by a Bank in India, or 100 % advance payment (FIRC), or 25 % advance payment (FIRC) and rest 75 % against document)
- Copy of IEC

Annexure-II to Notification No: 63 (RE-2010)/2009-14 Dated 04 August, 2011

### Format of Bank Guarantee

To,

The President of India

In consideration of the President of India, acting through the Director General of Foreign Trade (which expression shall be deemed to include the Joint Director General of Foreign Trade / Deputy Director General of Foreign Trade, or any other authority for the time being authorised to perform the duties of Joint Director General of Foreign Trade / Deputy Director General of Foreign Trade), Department of Commerce, Government of India, New Delhi [**hereinafter referred to as the Government**] having agreed to grant to \_\_\_\_\_ (full expanded name of the Exporter) having Importer Exporter Code (IEC) Number \_\_\_\_\_, [**hereinafter referred to as Exporter**], a Registration Certificate for export of \_\_\_\_\_ MTs of cotton for a value of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) which requires production of performance guarantee in the form of a Bank Guarantee for 2.5% of the value of export or for Rs 1 lakh whichever is higher.

2. We \_\_\_\_\_ (indicate the name and address and other particulars of the Bank, including IFSC Number), [**hereinafter referred to as Bank**], at the request of the Exporter do hereby unconditionally and irrevocably undertake to pay the Government an amount not exceeding Rs. \_\_\_\_\_ against non completion of export in full or any failure on the part of the said Exporter in fulfilling any of the terms or conditions contained in the said Registration Certificate .

3. We \_\_\_\_\_ (indicate the name of Bank) do hereby undertake to pay the amounts due and payable under this guarantee without any demur or protest, merely on a demand from the Government stating that the amount claimed is due to non completion of export in full or breach by the Exporter of any of the terms or conditions of the said Registration Certificate. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under these presents.

Annexure I to Notification No: 63 (RE-2010)/2009-2014 dated 04 August 2011

### Sample Format for Application for Obtaining Registration Certificate

(In the official letter head of the Applicant Company / Firm)

IE Code (Example: 0500030001)

figure and in words).

Name (Example: ABC Exports)

(Example 3,400 MT, Three Thousand Four Hundred MT)

Quantity intended for export (In MT, both in

### Declaration/Undertaking

1. I / We hereby declare that the particulars and the statements made in this application are true and correct to the best of my / our knowledge and belief and nothing has been concealed or held there from.

2. I / We hereby declare that in the name of this applicant firm, (a) no other application is being submitted or has been submitted for obtaining RC to export cotton to any office of DGFT (either before the present RA or any other RA); and (b) that in respect of RC obtained earlier, if any, the proof of having completed exports in full has been submitted to the concerned RA.

3. I / We fully understand that any information/document furnished with the application if found incorrect or false will render me / us liable for any penal action or other consequences as may

be prescribed in law or otherwise warranted.

3. I / We undertake to abide by the provisions of the FT (D & R) Act, 1992, as amended, the Rules and Orders framed there under, FTP, HBP v 1 and HBP v2 and ITC (HS). I / We also undertake that in the event of non-performance after grant of Registration Certificate for export of cotton by the Directorate General of Foreign Trade, I / We shall be liable to Penal Action under Section 11(2) of Foreign Trade (Development & Regulation) Act, 1992, (as amended), including (a) forfeiture of performance Bank Guarantee submitted to DGFT and (b) debarment from obtaining any Registration Certificate in future..

4. I hereby certify that I am authorised to verify and sign this declaration.

4. We \_\_\_\_\_ (indicate the name of Bank) undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the Exporter in any suit or proceeding pending before any court or Tribunal relating thereto and our liability under these presents being absolute and unequivocal.

5. We, \_\_\_\_\_ (indicate the name of Bank) further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance under the said Registration Certificate, and that it shall continue to be enforceable till all the obligations of the Exporter under or by virtue of the said Registration Certificate have been fully discharged to the satisfaction of the Government or till Jt.DGFT/Dy.DGFT, or any Licensing authority for the time being authorised to perform the duties of Jt.DGFT/Dy.DGFT, Department of Commerce, New Delhi, certifies that the terms and conditions of the said Registration Certificate have been fully and properly carried out by the Exporter and accordingly discharges this guarantee. Provided, however, unless a demand or claim under this guarantee is made on us in writing on or before **30 November 2011**, we shall be discharged from all liability under this guarantee thereafter.

6. We \_\_\_\_\_ (indicate the name of bank), further agree with the Government that the Government shall have the fullest liberty without our consent and without affecting in any

manner our obligations hereunder (i) to vary any of the terms and conditions of the said Registration Certificate and modify the said scheme from time to time or (ii) to extend time of performance by the said Exporter from time to time or to postpone for any time or (iii) from time to time any of the powers exercisable by the Government against the said Exporter and to forbear or enforce any of the terms and conditions relating to the said Registration Certificate and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Exporter for any forbearance, act or omission on the part of the Government or any indulgence by the Government to the said Registration Certificate holder or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

7. That this shall be a continuing Bank Guarantee and shall not be discharged by any change in the constitution of the Exporter or of the Bank.

8. That the guarantor will not revoke the guarantee without prior written consent of the Government.

"Dated the \_\_\_\_\_ day of \_\_\_\_\_ year \_\_\_\_\_ for \_\_\_\_\_ (indicate the name of the Bank)"

Signature of Authorised officer of the Bank with stamp/seal

**Note: "The Bank Guarantee shall be valid till 30<sup>th</sup> November 2011**

## MEP of Sona Masuri, Ponni Samba and Matta Rice Exports Reduced to US\$600/MT

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

72-PN(RE) In exercise of the powers  
12.08.2011 conferred by Para 2.4 of  
(DGFT) the Foreign Trade Policy,  
2009-2014, the Director

General of Foreign Trade hereby makes the following amendments in Public Notice No. 44 (RE-2010)/2009-2014 dated 31.03.2011 read with (i) Public Notice No. 36 (RE-2010)/2009-2014 dated 01.03.2011 and (ii) Public Notice No. 37 (RE-2010)/2009-2014 dated 08.03.2011 relating to procedure for export of 1,50,000 MTs of Non Basmati Rice (Sona Masuri, Ponni Samba & Matta rice varieties).

2. With immediate effect, the phrase "Minimum Export Price of USD 850 per MT" as appearing in sub-para 3 (v) in Para 2(a) of Public Notice No. 44 (RE-2010)/2009-2014 dated 31.03.2011 is replaced by the phrase "Minimum Export Price of USD 600 per MT". The amended sub-para 3 (v) will read as under:

"3. ....

(v) The export of Sona Masuri, Ponni Samba and Matta varieties of non-Basmati rice shall be subject to a Minimum Export Price (MEP) of USD 600 per MT."

### 3. Effect of this Public Notice

Minimum Export Price (MEP) of Sona Masuri, Ponni Samba and Matta varieties of rice is reduced to USD 600 per MT. It was USD 850 per MT as notified on 31.03.2011.

## MEP of Bangalore Rose Onions and Other Onions Raised by US\$50/MT

*Subject: Minimum Export Price of Onions.*

66-Ntfn(RE) In exercise of powers  
12.08.2011 conferred by Section 5 of the  
(DGFT) Foreign Trade (Development &  
Regulation) Act, 1992 (No. 22  
of 1992) read with Para 2.1 of the Foreign Trade  
Policy, 2009-2014, the Central Govern-  
ment makes the following amend-  
ment in (i) Notification No 46(RE -  
2010)/2009-2014 dated 16.05.2011  
and (ii) Notification No 59(RE-2010)/  
2009-2014 dated 15.07.2011 both  
read with Notification No 24(RE -  
2010)/2009-2014 dated 18.02.2011. The amend-  
ment is made with immediate effect.



per Metric Ton F.O.B. or as notified by DGFT from time-to-time".

(ii) The "Minimum Export Price (MEP) of US\$ 230 per Metric Ton F.O.B. or as notified by DGFT from time-to-time" as appearing in para 2 of Notification No 59(RE - 2010)/2009-2014 dated 15.07.2011 for the item description at Serial Number 44.01 of Notification No 24(RE-2010)/2009-2014 dated 18.02.2011 is replaced by the "Minimum Export Price (MEP) of US\$ 275 per Metric Ton F.O.B. or as notified by DGFT from time-to-time".

### 3. Effect of this notification

Minimum Export Price (MEP) of Bangalore Rose Onions and Krishnapuram onions will be US\$ 400 per Metric Ton F.O.B. It was US\$ 350 per Metric Ton as notified on 16.05.2011. Minimum Export Price (MEP) of onions other than Bangalore Rose Onions and Krishnapuram onions will be US\$ 275 per Metric Ton F.O.B. It was US\$ 230 per Metric Ton as notified on 15.07.2011.

## E-Payment of Customs Duty Mandatory for Rs. 1 Lakh and Above Transaction

### Date to be Notified Separately

*Subject: Making E-payment of Customs duty mandatory.*

33-CBEC E-payment facility at Customs  
29.07.2011 locations was introduced in  
(DoR) 2007 and is available through  
more than one authorised bank  
at all major Customs locations having ICES

facility. Though voluntary, the facility has been made use of by numerous importers. Besides expediting the process of payment of duty and clearance of imported goods, the facility of e-payment has resulted in reduction of transac-

tion costs.

2. In the aforesaid background, in order to reduce the transaction cost of the importers and expedite the time taken for customs clearance the Board has decided to make e-payment of duty mandatory for the importers paying an amount of Rupees one lakh or more per transaction. Additionally, for Accredited Clients under the Customs Accredited Client Programme irrespective of any amount of duty, the Customs duty will have to be paid through E- payment mode only. **The date from which the E-payment will be made mandatory will be notified separately.**

3. DG (Systems) has prepared instructions outlining the procedure for electronic payments. It is requested to sensitise concerned officers, importers, trade and industry regarding the E-payment.

4. As a large number of taxpayers would be required to pay the taxes electronically, it is requested that importers, trade and industry may be provided all assistance so as to help them in adopting the new procedure.

5. Suitable Public Notices or Standing Orders may be issued to guide the trade / Industry and officers.

*F.No.450/180/2009-Cus.IV(Pt.)*

## Procedure for e-payment Payment of Customs duty

In continuation of its efforts for trade facilitation, CBEC has now implemented centralized application called Indian Customs EDI System (ICES1.5) and E-payment facility has been extended to all ICES locations from more than one authorized bank.

(a) Person desirous of availing the E-payment facility must approach the designated bank at the location for opening an INTERNET ACCOUNT (Annexure);

(b) The Central Board of Excise and Customs has set up a CUSTOM E-Payment Gateway (CEG) at ICEGATE (www.icegate.gov.in). The users who are already registered with ICEGATE will automatically be able to avail the facility of e- Payment as REGISTERED USER without any further registration process. However, even the users who are not registered with the ICEGATE can avail e-payment facility as an UNREGISTERED USER;

(c) In the ICEGATE home page, a person can select the e-payment icon from the main menu or if the person is using any other module of ICEGATE (like document filing), he can select the e-Payment option from the side screen menu;

(d) On selection of E-Payment option, the e-Payment page will open. The users already registered with ICEGATE can login with their username and password as REGISTERED USER. Thereafter their (personal) web page would open which will display all the unpaid challans details for the Bills of Entry filed by him;

(e) If the person is an UNREGISTERED USER, or he intends to make payments of duties on the documents not filed by him through ICEGATE, then he can make E-Payment by entering the IE Code of the importer. The CEG will display all the unpaid challans against the IE Code;

(f) On selection of the Challan the user will be shown the options of the "designated" banks for the purpose of E-payment. The user can select any bank authorized for e-payment at the Customs locations;

(g) Thereafter, the user will see the web page of the selected bank. He would be required to login as an "Internet Customer" of the bank;

(h) After successful login in the bank site, the user will be shown the details of the challan including the amount to be paid. The user shall be prompted to confirm the payment option;

(i) On successful payment, a cyber receipt will be generated by the bank for successful transaction. Then user may take the printout of

the cyber receipt for his reference. The bank will prompt the user to come back to the CEG (Customs E-Payment Gateway) after completion of the bank transaction;

(j) **The user must come back to the ICEGATE site to complete the transaction;**

(k) In case of an incomplete transaction or link failure, a VERIFY option is automatically activated against the concerned challan for verification of the duty payment details. **In case of incomplete transaction, the Importer/CHA must go back to ICEGATE and select the VERIFY option against the challan. On selecting the VERIFY option, the importer/CHA is taken back to the site of the Bank for completion of the transaction. The VERIFY option must be exercised on the date of payment itself, and the option would be deactivated the next day;**

(l) After e-payment is made at CEG, ICEGATE will send the payment particulars to the ICES. Thereafter, the Bill of entry shall automatically move to the examination queue;

(m) The importer/CHA need not produce any proof of payment for the clearance of goods in case of e-payment. However, he is advised to keep the copy of the cyber receipt with him for future reference for his own convenience;

(n) In case of problems in e-Payment, the Importer/CHA can contact the ICEGATE 24 hour helpdesk by phone at toll free no. 1800-3010-1000 or by email at icegatehelpdesk@icegate.gov.in. They can also contact the Systems Manger/AC (EDI) at Customs Location, in case of any difficulty.

### Annexure

#### E-Payment A/C Opening Procedure

1. To fill up Bank Account opening Forms
2. Memorandum of Association
3. Articles of Association
4. Certificate of Incorporation
5. Board Resolution to open A/c
6. Commencement Certificate in case of Public Ltd.
7. List of Authorised Signatory along with PAN card, photograph
8. IEC code copy
9. Address proof
10. For Public Ltd.- Signature to be verified from Principal Bank A/c.

Photo copies of all above documents to be produced with original for verification

## Marble Quota on the Basis of Manufacturing Turnover of Rs. 5 crs only – DGFT Clarification

*Subject: Regarding Notification no 64 dated 4<sup>th</sup> August 2011 for import of rough marble blocks for the year 2011-12.*

37-Pol.Cir Notification no 64 of 4<sup>th</sup>  
08.08.2011 August mentions that only  
(DGFT) units having installed  
marble gang saw machine

on or prior to 31.3.2011 and cumulative turnover of atleast Rupees Five Crores during the 5 years 2005-06 to 2009-10 (whether domestic or foreign) alongwith other conditions will be eligible to apply for import quota. Intention is to only consider manufacturing turnover and it is with this intention that we have said that marble gang saw needs to be installed in the unit on or prior to 31.3.2011.

2. It is therefore clarified that only manufacturing turnover of the units in respect of processed marble slabs/tiles will be considered for grant of import quota of marble and no trading turnover will be considered. In case a unit is having manufacturing as well as trading turnover, then they will have to separate the two and apply for grant of quota on the basis of manufacturing turnover of processed marble slabs/tiles only.

3. In case any unit having only trading turnover has mistakenly applied for import quota by e mail, they should immediately send an e mail to marbleimport2011-dgft@nic.in with the subject header: "Withdrawal of application for import of marble". Failure to send such corrective e mail is liable to be treated as misdeclaration and invite penal action under FTD&R Act 1992 as amended.

4. This issues with the approval of DGFT.

The term 'Paraffins' usually denotes a group of hydrocarbons containing carbon atoms ranging from 1 to 30. As the carbon atom number increases, paraffins change from gaseous to liquid to solid forms. To illustrate, the lowest of paraffins, 'methane' which has one carbon atom, is a gas at room temperature; 'octane' which has eight carbon atoms is a liquid. Further, as the carbon atom number reaches 19 and till 30 they are solid with wax like characteristics.

3. Chlorinated Paraffins/ Chloroparaffins on the other hand, are chemicals obtained by chemical modification i.e. chlorination of a number of different straight chain paraffins and paraffin waxes upto a range of 40% to 70% depending on the feed stock and end use.

4. Regarding classification of Chlorinated Paraffins/Chloroparaffins (in liquid form), the HSN Explanatory Notes (B) (9) under Heading 38.24 clarifies that chloroparaffins in liquid form are covered under the heading 3824.

5. Regarding classification of Chlorinated Paraffin waxes (in solid form), the HSN Explanatory Note (B)(a) to Heading 27.12 of CETH clarifies that artificial waxes obtained by the chemical modification of lignite wax or other

## Classification

### Chlorinated Paraffins/Chloroparaffins Classified in 3824 90 of Central Excise Tariff

### Chlorinated Paraffin Waxes Classified in 3404 90 of CETA

*Subject: Classification of Chloroparaffins /Chlorinated Paraffins.*

950-CBEC References were received  
01.08.2011 that divergent practices were  
(DoR) being followed by field  
formations regarding  
classification of Chlorinated Paraffins/  
Chloroparaffins. It was stated that against the

long and existing practice of classification of the said goods under Chapter 38 of Central Excise Tariff, some field officers were classifying them under Chapter 27 during the period prior to Budget 2010.

2. The matter has been examined by the Board.

mineral waxes are classified in Heading 34.04. In the Budget, 2010, the specific sub headings 27122010 covering Chlorinated Paraffin Waxes has been deleted from the tariff. This item is therefore, classifiable under 3404.90 of Central Excise Tariff.

6. Accordingly it is clarified that:

(a) Chlorinated Paraffins/Chloroparaffins (liquid form) are classifiable under subheading

3824 90 of Central Excise Tariff Act.

(b) Chlorinated Paraffin Waxes( in solid form) are classifiable under sub-heading 3404.90 of Central Excise Tariff Act, after the Budget, 2010.

7. Trade and field formations may be suitably informed.

F.No.126/1/2009-CX3

## Preliminary Anti-dumping Duty Imposed on Opal Glassware from China and UAE

Ntnfn 72  
09.08.2011  
(DoR)

Whereas in the matter of imports of Opal Glassware (hereinafter referred to as the subject goods), falling under heading 7013 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred as the said Customs Tariff Act), originating in, or exported from, People's Republic of China and UAE (hereinafter referred to as the subject countries) and imported into India, the designated authority in its preliminary findings *vide* notification No.14/24/2010-DGAD, dated the 27<sup>th</sup> June, 2011, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 27<sup>th</sup> June, 2011, had come to the conclusion that-

(i) the product under consideration had been exported to India from the subject countries below Normal values.

(ii) the domestic industry had suffered material injury on account of subject imports from subject countries.

(iii) the material injury had been caused by the dumped imports of subject goods from the subject countries.

(iv) the injury had been caused cumulatively by the imports from the subject countries.

and had recommended imposition of provisional anti-dumping duty on the imports of subject goods, originating in, or exported from, the subject countries;

Now, therefore, in exercise of the powers conferred by sub-section (2) of section 9A of the said Customs Tariff Act read with rules 13 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, on the basis of the aforesaid findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, falling under heading of the First Schedule to the said Customs Tariff Act as specified in the corresponding entry in column (2), originating in the country specified in the corresponding entry in column (4), and produced by the producer specified in the corresponding entry in column (5) and exported by the exporter specified in the corresponding entry in column (6), and imported into India, an anti-dumping duty equal to the amount arrived at by applying the percentage indicated in the corresponding entry in column (7), of the said Table.

Table

SNo.	Tariff head	Description of goods	Country	Producer	Exporter	Duty amount (USD/kg)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	7013	Opal Glassware	China PR	M/s Wenzhou Huishunda Industrial Trade Co. Ltd.,	M/s Wenzhou Huishunda Industrial Trade Co. Ltd.,	0.82
2	7013	-do-	China PR	Any	Any	0.98
3	7013	-do-	UAE	Any	Any	0.68

2. The anti-dumping duty imposed under this notification shall be effective for a period of six months from the date of publication of this notification in the Official Gazette and shall be payable in Indian currency.

3. The rate of exchange applicable for the purposes of calculation of anti-dumping duty under this notification 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.354/188/2011 –TRU]

## Another Five Years of Anti-dumping Duty on Sodium Formaldehyde Sulphoxylate from China

Ntnfn 70  
05.08.2011  
(DoR)

Whereas, the designated authority *vide* notification No. 15/16/2009-DGAD, dated the 22<sup>nd</sup> June 2010, published in the Gazette of India, Extraordinary, Part I, Section 1 dated the 22<sup>th</sup> June 2010, had initiated

review in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the said Customs Tariff Act) and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped

## Complete Description of the Chemical Must be Declared in Bill of Entry

*Subject: Reports of illegal imports of pesticides by some traders.*

35-CBEC  
09.08.2011  
(DoR)

It has come to the notice of the Board that some unscrupulous importers are illegally importing pesticides under various headings of harmonised tariff by declaring their chemical names instead of both common and chemical names.

2. Section 46 of the Customs Act, 1962 makes it mandatory for an importer / CHAs to declare full, correct and accurate information concerning the goods being imported in the appropriate columns while filing the Bill of Entry. The accuracy of this information is vital to correct classification and assessment of duty including application of import restrictions, if any. Thus especially in case of imported items like chemicals, pesticides and insecticides it is necessary to properly declare basic information like complete description of goods, common name and chemical name, grade, specification, etc. If an importer / CHA fails to furnish the complete details then penal action may be warranted in terms of the provisions of the Customs Act, 1962 and other Acts and Rules for time being in force. Incorrect / incomplete declaration may impact assessment of goods, a composite function of classification, valuation, levy of correct duty and application of restrictions / prohibitions imposed under various allied laws.

3. You are directed to specifically alert the concerned officers on the aforesaid aspects.

4. Further, Rule 9(1) of the Insecticide Act, 1968 requires importers of insecticide to apply to the Registration Committee, Ministry of Agriculture for the registration of such goods. In case of pesticides in the Schedule to the said Act, registration and permit from Secretariat of CIB &RC is required. The certificate of registration and / import permit for import issued by the CIB &RC should also be properly checked at the time of import.

5. Suitable Public Notice/ Standing Order may be issued for guidance of all concerned.

F.No. 450/160/2010-Cus.IV

Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the said rules), in the matter of continuation of anti-dumping duty on imports of Sodium Formaldehyde Sulphoxylate (SFS), falling under sub-heading 28311020 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), originating in, or exported from, People's Republic of China, imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 23/2006-Customs, dated the 6<sup>th</sup> March 2006, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R.139(E), dated the 6<sup>th</sup> March 2006, and had recommended, *vide* notification No. 15/16/2009-DGAD, dated the

17<sup>th</sup> June 2011, published in the Gazette of India, Extraordinary, Part I, Section 1 dated the 17<sup>th</sup> June 2011, continued imposition of Anti-Dumping Duty in place.

Now, therefore, in exercise of the powers conferred by sub-section (1) read with sub-section (5) of section 9A of the said Customs Tariff Act, 1975 read with rules 18 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules,

1995, the Central Government, on the basis of the aforesaid findings of the designated authority, hereby imposes anti-dumping duty on the goods, the description of which is specified in column (3) of the Table below, falling under sub-heading of the First Schedule to the said Customs Tariff Act as specified in the corresponding entry in column (2), originating in the country specified in the corresponding entry in column (4), and exported from the country specified in the corresponding entry in column (5) and

produced by the producer specified in the corresponding entry in column (6) and exported by the exporter specified in the corresponding entry in column (7), and imported into India, an anti-dumping duty at the rate equal to the amount indicated in the corresponding entry in column (8), in the currency as specified in the corresponding entry in column (10) and per unit of measurement as specified in the corresponding entry in column (9) of the said Table.

**Table**

SNo.	Sub-heading	Description of goods	Country of origin	Country of export	Producer	Exporter	Duty amount	Unit of measurement	Currency
(1).	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	2831 10 20	Sodium Formaldehyde Sulphoxylate (SFS)	People's Republic of China	People's Republic of China	Wuxi City Dongtai Fine Chemical Co. Ltd.	Wuxi Greenapple Chemical Industry Company Ltd.	471.91	Metric Tonne.	US Dollar
2.	2831 10 20	-do-	People's Republic of China	People's Republic of China	Wuxi City Dongtai Fine Chemical Co. Ltd.	Any	471.91	Metric Tonne.	US Dollar
3.	2831 10 20	-do-	People's Republic of China	People's Republic of China	Any (other than Wuxi City Dongtai Fine Chemical Co. Ltd.)	Any	657.87	Metric Tonne.	US Dollar
4.	2831 10 20	-do-	People's Republic of China	Any country except People's Republic of China.	Any (other than Wuxi City Dongtai Fine Chemical Co. Ltd.)	Any	657.87	Metric Tonne.	US Dollar
5.	2831 10 20	-do-	Any country except People's Republic of China.	People's Republic of China	Any	Any	657.87	Metric Tonne.	US Dollar

3. The anti-dumping duty imposed shall remain in force 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 payable in Indian currency.

*Explanation.* - For the purposes of this notification, rate of exchange for 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.354/158/2005-TRU]

injury to the domestic industry is likely to intensify;

and had recommended continuation of anti-dumping duty, at specified rates against the subject goods, originating in, or exported from, the subject countries in order to remove injury to the domestic industry;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) read with rules 18 and 23 of the said rules, the Central Government, after considering the aforesaid findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, falling under sub-heading of the First Schedule to the said Customs Tariff Act as specified in the corresponding entry in column (2), the specification of which is specified in column (4) of the said Table, originating in the country as specified in the corresponding entry in column (5), and exported from the country as specified in the corresponding entry in column (6), and produced by the producer as specified in the corresponding entry in column (7), and exported by the exporter as specified in the corresponding entry in column (8), and imported into India, an anti-dumping duty which shall be equal to the amount mentioned in the corresponding entry in column (9) in the currency as specified in the corresponding entry in column (11) and as per unit of measurement as specified in the corresponding entry in column (10), of the said Table.

## Pentaerythritol from Taiwan – Final Findings

Ntfn 74 Whereas, the designated 12.08.2011 authority vide notification No. (DoR) 15/10/2010-DGAD, dated the 22<sup>nd</sup> June, 2010, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 22<sup>nd</sup> June, 2010, had initiated review, in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) and in pursuance of rule 23 of 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 the said rules), in the matter of continuation of anti-dumping duty on Pentaerythritol (hereinafter referred to as the subject goods) falling under sub-heading 2905 42 of the First Schedule to the Customs Tariff Act, 1975, (51 of 1975), originating in, or exported from, Chinese Taipei (hereinafter referred to as the subject countries), imposed vide notification of the Government of India in the Ministry of Finance (Department of Revenue), No.55/2008-Customs, dated the 28<sup>th</sup> April 2008, published in the Gazette of India Extraordinary,

Part II, Section 3, Sub-section (i), vide number G.S.R.309 (E), dated the 28<sup>th</sup> April, 2008;

And whereas, in the matter of Mid-term review of anti-dumping on import of the subject goods, originating in, or exported from, the subject countries, the designated authority vide its final findings No. 15/10/2010-DGAD dated the 17<sup>th</sup> June, 2011, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 17<sup>th</sup> June, 2011, had come to the conclusion that-

(i) the subject goods were entering the Indian market at dumped prices and dumping margins of the subject goods imported from Chinese Taipei is significant and above de-minimis;

(ii) the subject goods continue to be exported to India at dumped prices in spite of existing anti dumping duties;

(iii) the domestic industry continues to suffer material injury on account of dumped imports of subject goods from Chinese Taipei in spite of existing anti dumping duties; and should the present anti dumping duties not be enhanced,

Table

SNo	Heading	Description of goods	Specification	Country of origin	Country of export	Producer	Exporter	Duty amount	Unit of measurement	Currency
1	2	3	4	5	6	7	8	9	10	11
1	2905 42	Pentaerythritol	Any grade	Chinese Taipei	Chinese Taipei	Any	Any	24,167	MT	INR
2	2905 42	Pentaerythritol	Any grade	Chinese Taipei	Any country except country/ies or territory subject to anti dumping duty	Any	Any	24,167	MT	INR
3	2905 42	Pentaerythritol	Any grade	Any country except country/ies or territory subject to anti dumping duty	Chinese Taipei	Any	Any	24,167	MT	INR

2. The anti-dumping duty imposed under this notification shall be effective up to and inclusive of 27<sup>th</sup> April, 2013 with effect from the date of publication of this notification in the official Gazette and will be paid in Indian currency.

*Explanation.* - Rate of exchange applicable for the purposes of calculation of such anti-dumping duty shall be the rate which is specified in the

notification, issued from time to time, in exercise of the powers conferred by sub-clause (i) of clause (a) of sub-section (3) of section 14 of the Customs Act, 1962 (52 of 1962) and the relevant date for 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.354/29/2002-TRU (Pt-I)]

### Nylon Filament Yarn Anti-dumping Extended by Three Months after Review

Ntnfn 73  
09.08.2011  
(DoR)

Whereas, the designated authority vide notification No. 15/14/2010-DGAD, dated the 27<sup>th</sup> August, 2010, published in the Gazette of India, Extraordinary, Part I, Section 1 dated the 27<sup>th</sup> August, 2010, had initiated review in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the said Customs Tariff Act) and in pursuance of rule 23 of 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 the said rules), in the matter of continuation of anti-dumping duty on imports of nylon filament yarn of specification 'synthetic filament yarn including synthetic monofilament of less than 67 decitex, of nylon or other polyamides falling under Chapter 54 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), excluding all high tenacity yarn of nylon including fishnet yarn of nylon, originating in, or exported from, People's Republic of China, Chinese Taipei, Malaysia, Indonesia, Thailand and People's Republic of Korea, imposed vide notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 85/2006-Customs,

dated the 29th August, 2006, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.512(E), dated the 29th August, 2006, and had recommended for extension of anti-dumping duty, in terms of sub-section (5) of section 9A of the said Customs Tariff Act;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the said Customs Tariff Act and in pursuance of rules 18 and 20 of the said rules, the Central Government hereby makes the following further amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 85/2006-Customs, dated the 29th August, 2006, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.512 (E), dated the 29th August, 2006, namely: -

In the said notification, paragraph 3, shall be substituted as under: -

"3. This notification, unless revoked earlier, shall remain in force up to and inclusive of the 28<sup>th</sup> November, 2011."

[F.No.354/19/2006-TRU]

### POY Anti-dumping Extended Till 10 February 2012 after Review

Ntnfn 71  
09.08.2011  
(DoR)

Whereas, the designated authority vide notification No. 15/27/2010-DGAD, dated the 11<sup>th</sup> February, 2011, published in Part I, Section 1 of the Gazette of India, Extraordinary, dated the 11<sup>th</sup> February, 2011, had initiated review, in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) and in pursuance of rule 23 of 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 the said rules),

in the matter of continuation of anti-dumping duty on 'Partially Oriented Yarn (POY)', falling under heading 5402 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), originating in, or exported from, the China PR imposed vide notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 92/2007-Customs, dated the 3<sup>rd</sup> August, 2007, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.535 (E), dated the 3<sup>rd</sup> August, 2007, and has requested for extension of anti-dumping duty upto one more year, in terms

### Anti-dumping Duty on Pentaerythritol from Taiwan – Duty Raised and Separate Notification Issued

Ntnfn 75  
12.08.2011  
(DoR)

In exercise of the powers conferred by sub-section (1) and sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) read with rules 18 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 55/2008-Customs, dated the 28th April, 2008, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section(i), vide number G.S.R. 309 (E), dated the 28th April, 2008, namely:-

In the said notification, in the Table, -

(i) S. No. 1 and the entries relating thereto shall be **omitted**;

(ii) S. No. 2 and the entries relating thereto shall be **omitted**.

(iii) S. No. 3 and the entries relating thereto shall be **omitted**.

[F.No.354/29/2002-TRU (Pt-I)]

of sub-section (5) of Section 9A of the said Customs Tariff Act;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of Section 9A of the said Act and in pursuance of rule 23 of the said rules, the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 92/2007-Customs, dated the 3<sup>rd</sup> August, 2007, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.535 (E), dated the 3<sup>rd</sup> August, 2007, namely: -

In the said notification, at the end, the following shall be **added**, namely: -

"This notification shall remain in force up to and inclusive of the 10<sup>th</sup> February 2012, unless the notification is revoked earlier".

[F.No.354/100/2006-TRU]

## Two Technical Assistants Deputed for Re-print Bills of Entry at Air Cargo Mumbai

The following Facility Notice was issued by the Commissioner of Customs (Import) Air Cargo Complex, Mumbai on 26<sup>th</sup> July 2011.

Sub: Printing of pending Bills of Entry.

17-FN Attention of all Importers,  
26.07.2011 CHAs, Trade Associations and all concerned are invited to the facility of re-printing the Bills of Entry after out of charge has been given which could not be done due to technical reasons earlier. In this regard it has been decided that two T.A.'s posted in EDI (system) Shri Hemant Githe and Shri Gopal Jee have been deputed to re-print the Bills of Entry and they have also been directed to reprint the same on a day to day basis as and when they are approached by the trade.

Apart from the regular duty hours they will be

working from 9.00 to 10.30 hours and 17.30 to 19.00 hours to address the issue.

CHS's/Importers are requested to furnish the comprehensive list of their pending duplicate/triplicate bills of entry to the Superintendent /EDI in the EDI section and take acknowledgement of the same. The re-print Bills of Entry can be collected at a later a day from above T.A.'s.

Any difficulties faced by the trade in this regard may be brought to the notice of ADC/EDI.

F.NO.EDI/04/2011 CC ACC

## Exporters Must Submit Letter from Banker Regarding Reasons of Non-acceptance of Drawback Amount into their Account

The following Public Notice was issued by the Commissioner of Customs (Export) Jawaharlal Nehru Custom House on 18<sup>th</sup> July 2011.

Subject: Issuance of Manual cheque for drawback amount due to discrepancies in exporters account.

98-PN Attention of all Importers /  
18.07.2011 Exporters / CHAs and all concerned is invited to the

Public Notice 80/2009 dated 21.10.2009 on the captioned issue and to the Public Notice 90/2010 dated 14.09.2010 on the signing of all correspondence with proper names and designation. The contents of both the Public Notices may be communicated once again to all the members of the trade through their respective Associations to follow scrupulously.

In partial modification of the Public Notice 80/2009 dated 21.10.2009, the following procedure is henceforth prescribed to be followed for the proper verification of the authority letter of the exporter to their CHA or representative and the bank of the exporter must certify the require bank details, which were furnished by the exporters at the inception of their export to the Nodal Bank of JNCH.

(i) Whenever, the exporter submits request letter to the Drawback section for the issuance of manual cheques or any authority letter to their CHA/ employee/ representative in this behalf,

then it must be ensured that their letter is duly attested by their bankers to certify the authenticity of the signatory names and designation. The original copy of the said authority letter will be retained by the dealing STA of the Drawback section for the future reference, if any.

(ii) It is observed that most of the exporters never submit any explanation/reasons of non-receipt of drawback amount in their account. It is decided that the exporters must mention the exact reasons in their request letter and also submit a letter from their banker regarding the reasons of non-acceptance of the drawback amount into their account of their banker branch through drawback scroll transmitted by the Nodal Bank of JNCH before their claim is processed by the drawback section of the Customs.

(iii) Any difficulties faced in implementing this Public Notice may be brought to the notice of Addl./Dy./Asstt. Commissioner of Customs of the Drawback Section, JNCH or the undersigned, if not resolved.

F. No. S/12-Gen-1004/2010 DBK (JNCH)

## IEC Code in Form D not Mandatory for Low Value Dutiable Courier Consignments upto Rs. 1 lakh

The following Public Notice was issued by the Commissioner of Customs (Export) Jawaharlal Nehru Custom House on 27<sup>th</sup> July 2011.

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

104-PN Attention of all Officer/staff  
27.07.2011 of this Custom House is invited to the Board's Circular No. 21/2011- Customs dated 18.04.2011 on the above mentioned subject is as follows:-

i) Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 framed vide Notification No.36/2010-customs (N.T.) dated 05.05.2010 as amended vide Notification No.26/2011-Customs (N.T.) dated 01.04.2011, provide for comprehensive guide-

lines for processing of electronic declaration for assessment and clearance of goods imported or exported under the Courier mode

ii) Representations were received from the trade and industry and also from Courier Companies that requirement of mandatory IEC Code for low value dutiable consignments in Form 'D'/CBE-XIII is onerous as consignments under this category constitute a large chunk of imports through Courier Mode. It was requested that the transition period declaring IEC Code in case of

## Special Window of Boric Acid Import, General Pesticide Import Policy not to Apply

The following Public Notice was issued by the Commissioner of Customs (Import) Jawaharlal Nehru Customs House on 29<sup>th</sup> July 2011.

106-PN Attention of the Trade,  
29.07.2011 Importers, CHAs and all other concerned is invited

to the Public Notice No. 94/2011 dated. 07/07/2011 issued by this office in the matter of import of Insecticides, Pesticides, fungicides ect.

2. In this regard, kind attention is invited to Para 4 of the Board's instruction issued vide letter F. No. 401/101/2011-CUS III dated. 22.06.2011 on the above said matter wherein it has been reiterated that the Import of Boric Acid would continue to be governed by the specific instructions issued by the Board on this item that are currently in force.

3. In view of the above, it is clarified and may be noted that the Public Notice No. 94/2011 dated. 07/07/2011 issued by this office is not applicable for the import of Boric Acid. Instructions issued by the Board regarding the import of Boric Acid are to be strictly complied with.

F.No. S/26-Misc-428/2010 Gr. IIE

low dutiable shipments should be extended for 1 year from date of publication of Regulations to enable the industry build IEC database as it was massive exercise. It was also represented that mandatory fields for AD Code and IEC Branch Code in Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 be made non- mandatory as the same place the trade in a disadvantageous position.

iii) The matter has been examined in the Board. Accordingly, it has been decided that in order to redress the problem of Courier Companies and to streamline the procedures under the Courier Imports and Exports (Electronic Declaration and Processing) regulations, 2010, IEC Branch Code in case of From 'D' / CBE-XIII and From 'E' / CBE-XIV are to be treated as non-mandatory. Similarly, AD Code of the Bank in Form 'E' /CBE-XIV for dutiable goods shall also be treated as non-mandatory. The requirement of mandatory IEC Codes for 'low value dutiable consignments' in Form 'D' / CBE-XIII would, however, continue to apply for goods imported under Courier Imports and Exports (Electronic declaration and Processing) Regulations, 2010.

iv) Regulation 12 of the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 stipulates that an Authorized Courier or his employee can file electronic declarations in respect of imported or export goods provided he has passed the examination referred to in regulation 8 or regulation 19 of the Custom House Agents Licensing Regulations (CHALR), 2004. A transition period of six months from the date of publication of Regulations was provided to ensure that by that time only those persons who have qualified the examination referred to in regulation 8 or regulation 19 of CHALR, 2004 shall be entitled to handle Cus-

toms related work. However, difficulties have been reported in implementing this provision. It was, therefore, felt necessary that an extended transition period be provided to Authorized Couriers or their employees to appear in the examination referred to in regulation 8 or CHALR, 2004. Accordingly, it is decided that transition period in so far it relates to examination referred to regulation 8 of CHALR, 2004 is extended upto 31.12.2011. The Board expects that this time limit would meet the requirement of authorized couriers or their employees to fulfill the obligations as stipulated in regulation 12 of the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010. The Board also decided that necessary examination should be conducted by DGICCE for this purpose.

v) It was represented that under regulation 19 of CHALR, 2004, only agents of CHAs are entitled to appear in the examination. Employees of authorized Couriers are not entitled to appear in the examination under Regulation 19 of CHALR, 2004. In order to obviate the problem of employee of authorized courier to make them eligible to handle Customs related work pertaining to imported / export goods under Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 as stipulated in regulation 12 of the said Regulations, it is decided that all employees of authorized Courier will be eligible to appear in the examination referred to in Regulation 19 of CHALR, 2004 as one time measure upto 31.12.2011, so that all employees of the authorised Courier having adequate knowledge of Customs Laws and Allied Acts will be able to meet the obligations as stipulated under regulation 8 and 12 of the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 by that time. However, such employees cannot work for CHAs. The Board desires that examinations under regulation 169 of CHALR, 2004 be got conducted by respective Commissionrates to meet this objective.

vi) In Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010, 'Low Value Dutiable Consignment' is defined as an import consignment other than documents, gifts and samples of an invoice value upto Rs.one lakh.

vii) Attention is invited to Para 3(viii) of the Circular No.33/2010-Customs dated 07.09.2010 which clarifies that Regulation (12) (1) (i) provides that an Authorised Courier shall obtain an authorization from each of the consignees or consignors of imported as well as export goods. It is clarified that this provision does not seek to provide for any new requirement and that an Authorised Courier shall obtain an authorization from each of the consignee in case of imports and consignor in case of exports. In this regard, it is further clarified that in case of import of documents, gifts and samples and low value dutiable consignments (Form CBE-XI, Form CBE-XII and Form CBE-XIII), the authorization of consignee may not be required at the time of clearance of goods. The same is required to be obtained at the time of delivery of consignment to the consignee.

The requirement of obtaining authorization from consignor would, however, continue to apply in these cases before clearance of goods. The authorization obtained from the consignee at pre-delivery stage shall be retained for a period of one year or date of inspection / audit by the Customs, whichever is earlier.

viii) These instructions may be given wide publicity by way of Public Notice / Standing orders.

### Customs Valuation Exchange Rates

August 2011	Imports	Exports	
<b>Schedule I</b>			
1 Australian Dollar	48.95	47.75	
2 Canadian Dollar	47.55	46.35	
3 Danish Kroner	8.75	8.45	
4 EURO	64.95	63.35	
5 Hong Kong Dollar	5.75	5.65	
6 Norwegian Kroner	8.40	8.10	
7 Pound Sterling	73.35	71.55	
8 Swedish Kroner	7.15	6.95	
9 Swiss Franc	56.10	54.55	
10 Singapore Dollar	37.25	36.30	
11 U.S. Dollar	44.70	43.90	
<b>Schedule II</b>			
1 Japanese Yen	57.55	55.95	

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

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

(Source: Customs Notification 51(NT)/27.07.2011)

### Commodity Spot Prices in India – 12-16 August 2011

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

(Rs.)					
Commodity	Unit	Market	12-Aug	13-Aug	16-Aug
CER (Carbon Trading)	1 MT	Mumbai	563	562.5	553.5
Chana	100 KGS	Delhi	2962	2968	2963
Masur	100 KGS	Indore	2800	2800	2807
Potato	100 KGS	Agra	482.6	482.6	482.4
Potato TKR	100 KGS	Tarkeshwar	459.6	459.6	458.1
Areca nut	100 KGS	Mangalore	NA	NA	NA
Cashewkern	1 KGS	Quilon	NA	NA	NA
Cardamom	1 KGS	Vandanmedu	693.2	682.5	710.7
Coffee ROB	100 KGS	Kushalnagar	NA	NA	NA
Jeera	100 KGS	Unjha	NA	NA	NA
Pepper	100 KGS	Kochi	NA	NA	NA
Red Chili	100 KGS	Guntur	NA	NA	NA
Turmeric	100 KGS	Nzmbad	6756	6756	6767
Guar Gum	100 KGS	Jodhpur	NA	NA	NA
Maize	100 KGS	Nzmbad	1291.5	1291.5	1285
Wheat	100 KGS	Delhi	1182.7	1182.7	1184.2
Mentha Oil	1 KGS	Chandausi	1238.4	1238.4	1257.5
Cotton Seed	100 KGS	Akola	NA	NA	NA
Castorsd RJK	100 KGS	Rajkot	4898.5	4898.5	4923.5
Guar Seed	100 KGS	Bikaner	4303	4342	4240
Soya Bean	100 KGS	Indore	2402.5	2406.5	2410
Mustrdsd JPR	20 KGS	Jaipur	597.4	597.4	599.7
Sesame Seed	100 KGS	Rajkot	5438	5438	5375
Coconut Oil Cake	100 KGS	Kochi	NA	NA	NA
RCBR Oil Cake	1 MT	Raipur	NA	NA	NA
Kapaskhali	50 KGS	Akola	1290.8	1290.9	1297.8
Coconut Oil	100 KGS	Kochi	10296	10296	10192
Refsoy Oil	10 KGS	Indore	664.75	664	666.25
CPO	10 KGS	Kandla	486.1	486.1	490.4
Mustard Oil	10 KGS	Jaipur	651.7	651.7	653.1
Gnutoilexp	10 KGS	Rajkot	960	960	960
Castor Oil	10 KGS	Kandla	NA	NA	NA
Crude Oil	1 BBL	Mumbai	3881	3874	3987
Furnace Oil	1000 KGS	Mumbai	NA	NA	NA
Sourcrd Oil	1 BBL	Mumbai	NA	NA	NA
Brent Crude	1 BBL	Mumbai	4881	4890	4984
Gur	40 KGS	Muzngr	NA	NA	NA
Sugars	100 KGS	Kolhapur	2670	2675	2670
Sugarm	100 KGS	Delhi	2905	2910	2899
Natural Gas	1 mmBtu	Hazirabad	186	184.2	182.6
Rubber	100 KGS	Kochi	20345	20324	20070
Cotton Long	1 Candy	Kadi	NA	NA	NA
Cotton Med	1 Maund	Sriganganagar	NA	NA	NA
Jute	100 KGS	Kolkata	2571	2593.5	2558
Gold	10 GRMS	Ahmd	25770	25770	26123
Gold Guinea	8 GRMS	Ahmd	20699	20699	20983
Silver	1 KGS	Ahmd	57891	57891	59145
Sponge Iron	1 MT	Raipur	NA	NA	NA
Steel Flat	1000 KGS	Mumbai	NA	NA	NA
Steel Long	1 MT	Gobindgarh	NA	NA	NA
Copper	1 KGS	Mumbai	400.05	401.35	403.35
Nickel	1 KGS	Mumbai	988.1	988.1	976.8
Aluminium	1 KGS	Mumbai	107.9	107.9	105.8
Lead	1 KGS	Mumbai	108.3	108.3	106.55
Zinc	1 KGS	Mumbai	98	98	96.3
Tin	1 KGS	Mumbai	1109.25	1109.25	1084.75

(Source: MCX Spot Prices)

- 2) All are hereby directed to take note of the contents finding mention in the subject Board's Circular and to follow the same Scrupulously..
- 3) Difficulty, if any faced in implementation of these instructions may be brought to the notice of Joint Commissioner Appraising Main (Export) immediately.

F.NO.S/12-Gen-60/2011-12 AM(X)

to non ACPs under 100% EOU scheme from 1<sup>st</sup> July 2011.

The instructions conveyed vide the said Public Notice viz 12/2006 dated 17.02.06 13/2006 dated 24.02.06, 17/2006 dated 16.03.2006, 18/2006 dated 23.03.2006, 21/2006 dated 30.03.2006, 20/2007 dated 18.05.07 and 13/2009 dated 26.03.2009 are applicable for the imports under the exports schemes, mutatis mutandis.

With this implementation, the practice of concurrent audit being followed in respect of bills of entry filed by non ACP under 100% EOU scheme will be dispensed with. In lieu of the concurrent audit of all bills of entry under this scheme, there shall be post-clearance audit (PCA) of the selected bills of entry only, just as in the case of Bs/E under Appraising Groups 1 to 6, DEPB and various export promotions schemes.

As per Board circular No. 932/22/2010 CX dated 04.08.2010 (DGEP letter dated 18.05.2010), the administrative control over EOUs, even in the port cities, is now with the Central Excise formations. In this changed scenario, after 31.07.10, all B – 17 bonds ought to have been executed by EOUs before jurisdictional Central Excise authorities only. Presently there would not be any case where EOU Bond (in form B – 17) is executed in Custom Houses. That being the case, at the time of filing the Bill of Entry, only the details of procurement certificate (PC) received from C. Excise Authorities has to be keyed in. The goods imported by EOU have to be cleared only on the strength of the PC and the movement of such goods from the port of clearance to the factory premises shall be covered under the said PC.

Since all the Bills of entry pertaining to 100% EOU will now be facilitated, except in cases where the bills are hit by any interdictions, the same will directly go to Shed Appraiser/Supdt for Out of Charge (OOC). Before going to the shed for OOC, the CHA/Importer shall present the B/E to the Supdt. in the EOU section along with the PC in the sealed cover. The Supdt. shall open the sealed cover and enter the particulars of the same in the PC register maintained for the same. After tallying the PC with the Bill of entry and completing the Transit Allowed (TA) procedure, the details of the TA no. and Bill of entry no. will be entered in the PC and a letter to the jurisdictional C. Excise authorities intimating the dispatch will be sent. Thereafter the CHA/Importer will present the Bill of entry to the shed officer who will tally the particulars of PC with the Bill of entry and if in order, will duly debit/deface the same and comply with CCR – Examination instructions, before granting OOC.

To reiterate the general procedure, in short, the Bill of Entry will continue to be filed electronically in ICES either through the service centre or through the ICEGATE mode. The officers discharging the role of OOC officer will collect all the documents as mentioned in the SO 08/2006 including those documents on the basis of which the exemption benefit is being claimed / extended and keep in docket safely for easy recall in case of PCA selection by the system.

F. No. S/26-Misc-108/2011 100% EOU

## Implementation of RMS for Imports under 100% EOU Scheme

The following Public Notice was issued by the Commissioner of Customs (Export) Jawaharlal Nehru Custom House on 22<sup>nd</sup> July 2011.

Subject: Implementation of Risk Management System for imports under the 100% EOU Scheme.

100-PN 22.07.2011 The Risk Management System (RMS) has been implemented for the clearance of imported goods / cargo covered under the import declarations (Bill of Entry) filed in Appraising Groups 1 to 6, DEPB (Group 7B) and various export promotional schemes. This office had issued Public Notice viz 12/2006 dated 17.02.06 13/2006 dated 24.02.06, 17/2006 dated 16.03.2006, 18/2006 dated 23.03.2006, 21/2006 dated 30.03.2006, 20/2007 dated 18.05.07 and 13/2009 dated 26.03.2009 vide which elaborate instructions have been issued as to how the assessment, examinations, out of charge and post – clearance audit of the bills of entry have to be carried in respect of facilitated and non facilitated bills of entry. It has now been decided to extend the RMS to imports covered under 100% EOU scheme to non-accredited clients. The RMS has already been made applicable

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