Postal Regn.No. DL(C)-01/1251/12-14
Licence to Post without
Prepayment U(C)-30/12-14
RNI No. 42906/84

WORLD TRADE SCANNER

ISSN: 0971-8095

Single copy Rs. 20 $2

Vol. XXX No 23 28 August - 03 September 2013

Promoted by Indian Institute of Foreign Trade, World Trade Centre, Academy of Business Studies

Annual subscription Rs 750

Rupee Falls below 68 to Record; Stocks, Bonds Tumble

Its Financial Emergency

The rupee slumped 3.7 percent to 68.7350 per dollar in Mumbai. The currency, which dropped to an unprecedented 68.755 earlier, fell 2.9 percent on 27 August. It has lost 13.6 percent this quarter and 20 percent this year, headed for the worst annual loss since a balance of payments crisis in 1991 forced the nation to pawn gold to pay for imports.

The yield on the benchmark 7.16 percent government bonds due May 2023 jumped 16 basis points, or 0.16 percentage point, to 9.02 percent, according to the central bank's trading system. The rate surged 52 basis points on 27 August.

India's rupee plummeted more than 3 percent to a record on concern of a surge in oil prices will worsen the current account and push the economy toward its biggest crisis in more than two decades.

'Crisis Proportions'

"India's macro muddle is fast approaching crisis proportions," Richard Iley, an economist at BNP Paribas SA in Singapore, wrote in a research report on 28 August. "Downward pressure on asset prices is unlikely to abate until the rupee becomes decisively cheap, maybe weaker than 70, or the authorities deliver 'shock and awe' tightening."

Rising Risk

One-month implied volatility in the rupee, a measure of expected moves in the exchange rate used to price options, jumped 153 basis points to 18.86 percent.

Credit-default swaps insuring the debt of State Bank of India, considered a proxy for the sovereign, against non-payment climbed 111 basis points this month to 371 as of Aug. 27, CMA prices show. The contracts jumped 64 basis points last quarter, the most since the three months to Sept. 30, 2011. MCX gold futures climbed to a record, as investors sought a store of value.

Three-month onshore rupee forwards fell 4 percent to 70.24 per dollar. Offshore non-deliverable contracts dropped 4.1 percent to 70.79. Forwards are agreements to buy or sell assets at a set price and date. Non-deliverable contracts are settled in dollars.

Rupee Value Linked to Gold and Oil

India's rupee fell to within 0.3 percent of a record low on concern geopolitical tensions will push up oil prices, boosting import costs at a time when capital inflows are slowing due to a possible paring of U.S. stimulus.

The rupee weakened 1.6 percent to 65.36 per dollar in Mumbai, near the all-time low of 65.56 touched on Aug. 22. The currency has lost 3.1 percent in two days and 9.1 percent this quarter.

"The rupee is likely to continue to be under pressure given rising gold and oil prices," Dariusz Kowalczyk, a senior economist at Credit Agricole CIB in Hong Kong, said in an e-mail interview. "Any major dip in the dollar-rupee exchange rate should be seen as a buying opportunity for the pair given lack of sufficient measures that would turn around India's weak fundamentals."

Volatility, Forwards

Global funds have cut holdings of Indian debt by $10.3 billion since May 22, when the Federal Reserve flagged a potential reduction of bond purchases. Local gold prices have surged 24 percent since the end of June as the rupee's plunge threatens to stoke inflation, boosting the lure of the metal as a store of value.

One-month implied volatility, a measure of expected moves in the exchange rate used to price options, rose 33 basis points, or 0.33 percentage point, to 16.49 percent.

Three-month onshore rupee forwards fell 1.4 percent to 65.89 per dollar. Offshore non-deliverable contracts dropped 1.3 percent to 67.15. Forwards are agreements to buy or sell assets at a set price and date. Non-deliverable contracts are settled in dollars.

Bharti Bonds Turn Junk, Spreads between Buy-Sell on Indian Securities Widen to 400 Points

Goldman Sachs Group Inc. recommended India's Reliance Industries Ltd. (RIL) and Bharti Airtel Ltd. (BHARTI) among its 22 most-favored bonds in Asia, saying it's time to take advantage of the widest spreads in almost a year.

The investment bank picked Reliance's 5.4 percent February 2022 notes as one of 12 investment-grade buys while Bharti's 5.125 percent March 2023 debentures were added to its top 10junk bonds, analysts led by Hong Kong-based Kenneth Ho said in an Aug. 26 report. The lists include 15 Chinese companies.

Indian dollar-denominated bond yields surged to a 19-month high of 6.52 percent on Aug. 22 as the rupee plunged to a record low on Federal Reserve plans to pare stimulus. The spread investors demand to hold Indian securities has widened by 103 basis points to 394 since May 20, JPMorgan Chase & Co. indexes show. Only Indonesian debt premium has increased more in Asia.

The Reserve Bank of India engineered a cash crunch in Asia's third-largest economy last month in an attempt to shore up the rupee. The currency's 20 percent slump this year threatens to increase import costs and fuel inflation in a nation that buys almost 80 percent of the oil it uses abroad.

Reliance loses in Bond Market

Reliance Industries, based in Mumbai, operates the world's biggest oil-refinery complex.

Its $1.5 billion of 5.4 percent notes due 2022 have lost 3.7

percent this quarter through 27 August. Yields climbed 69 basis points, or 0.69 percentage point, to 5.81 percent over the same period.

Bharti Turns Junk

Bharti Airtel, India's biggest mobile-phone operator with an almost one-third market share, raised $1.5 billion in March selling its first dollar bonds since 2004. The 2023 securities have lost 6.8 percent this quarter, as yields surged 114 basis points to 7.51 percent.

An index tracking 65 Indian dollar-denominated corporate bonds fell 2.4 percent over the same period, Bank of America Merrill Lynch data show. Ten-year Treasury notes dropped 1.8 percent as yields rose to 2.71 percent from 2.49 percent.

Goldman Sachs removed bonds due in 2016 sold by Rural Electrification Corp., Canara Bank and Syndicate Bank, and those due in 2017 sold by Axis Bank Ltd., from its most-favored list in this week's report because of their shorter tenors.

Morgan Stanley this month reduced Indian bank debt to underweight, saying faltering economic growth will increase delinquent loans. It predicts impaired loans may reach 12 percent of the total by March 2015. India hasn't had a ratio of more than 10 percent since 2002, World Bank data show.

Credit Risk

India's creditworthiness weakened this quarter. The cost to insure the notes of State Bank of India, a proxy for the sovereign, against non-payment for five years climbed 96 basis points since June 30 to 371 basis points in New York on 27 August, CMA data show. The yield on the 7.16 percent government bonds due May 2023 rose 13 basis points to 8.99 percent as of 10:46 a.m. in Mumbai. It has risen by 154 basis points this quarter.

Li Ka-Shing-Backed CEF Seeks Gold, Prices to Remain Flat

CEF Holdings Ltd., a venture between Li Ka-shing's flagship company and Canadian Imperial Bank of Commerce, is looking to invest in gold mining companies after a slump in prices creates buying opportunities.

"Long term, gold is a good place to be," CEF Chief Executive Officer Warren Gilman, 53, said in an interview in Hong Kong. Cheung Kong Holdings Ltd. (1), controlled by Li, Asia's richest man, and CIBC each own 50 percent of CEF. The venture focuses on investing in resources companies globally.

Bullion is heading for its first annual decline since 2000 and has slumped 27 percent from a record $1,921.15 an ounce in September 2011. The plunge prompted investors John Paulson and George Soros to sell gold as mining companies cut jobs and the valuation of their mines.

Gold Price

Gold for immediate delivery fell 0.4 percent to $1,399.33 an ounce. The metal is down 16 percent this year as the dollar strengthened and amid concern that the Federal Reserve will begin cutting back its stimulus measures.

Prices may stay between $1,000 an ounce and $1,400 an ounce for "a couple of years and that's predominantly because gold has to get used to, and it still seems to be adjusting, to the taper and rising real interest rates globally," Gilman said.

Prices will average $1,300 an ounce in the fourth quarter. Bank of America Corp. is the most bullish, predicting a fourth-quarter average of $1,495 an ounce, and JPMorgan Chase & Co. anticipates rising averages in every quarter through the end of next year.

Gold Rallies

Gold has rallied 13 percent since the end of June as lower prices boosted demand, particularly in Asia, with prices averaging $1,313.58 an ounce. Bullion will rebound as spending cuts by producers and the closure of costly operations brings better balance to supply and demand, the producer-funded World Gold Council said this month.

Gold mining companies have announced at least $26 billion of write-downs in recent months and are seeking to sell assets after prices declined.

Gold Fields Ltd. last week agreed to pay $300 million for three Barrick Gold Corp. mines in Australia. Norton Gold Fields Ltd., the Australian producer controlled by China's Zijin Mining Group Co., said this month it's seeking further acquisition targets as falling prices cut the value of mines.

China Exports of Engg, Footwear and Pharma Turn Negative

The details of imports from China in pharmaceutical, engineering and footwear sectors during last three years and the current year are given below:-

Table-1: Imports from China of Pharmaceutical, Engineering and Footwear Products

Value in USD Million

SNo.	Description	2010-11	2011-12	2012-13	2013-14 (Apr-May)
1.	Pharmaceutical Products	85.77 (65.06)	100.65 (17.35)	90.73 (-9.85)	15.56 (-5.25)
2.	Engineering Products	13,411.32 (47.94)	16,538.24 (23.32)	14,808.30 (-10.46)	2,116.72 (-22.16)
3.	Footwear	119.20 (91.71)	180.31 (51.26)	211.15 (17.11)	26.23 (1.70)

* Percentage growth over corresponding period is given in brackets (Source: DGCI&S)

Major imports from China include electronic goods, machinery, organic chemicals, project goods, fertilizers, iron and steel, transport equipments, electric machinery (except electronics) and manufactures of metals.

Due to concerns regarding melamine contamination in milk and milk products from China, on the recommendation from Food Safety and Standard Authority of India, the Government has prohibited import of milk and milk products including chocolate and chocolate products and candies/confectionery/food preparations with

Cont'd..168

Qualcomm, Northwestern, YouTube: Intellectual Property

Qualcomm Inc. (QCOM) has given the Searle Center at Northwestern University School of Law $2 million to fund research that will investigate the role of patents in spurring innovation.

Matthew Spitzer, the director of the Searle Center and a law professor at Northwestern, said in a phone interview on 26 August that "there is an anti-patent drift in the academic literature. People are skeptical about the value of patents, but I'm not one of them."

The center will create databases to "collate information regarding standards, licensing, litigation and markets for patents," according to an Aug. 22 statement from the university announcing the gift.

The database, once created, will be available to all, Spitzer said. He said he hopes to "test empirically the interaction of patent law and technological advances. We're not yet very good at understanding this."

Fair use of Music in YouTube Violates Copyright

Harvard Law School professor Lawrence Lessig is asking a federal court in Boston to clarify that a lecture posted to YouTube doesn't violate copyright law.

Lessig, a well-known expert on copyright law, has posted more than 50 lectures to Google Inc. (GOOG)'s YouTube, according to the lawsuit filed Aug. 22. One of those lectures - on innovation and copyright, given in Seoul in June 2010- incorporated amateur music video clips of people singing "Lisztomania," a song originally performed by the band Phoenix.

Lessig posted a recording of his lecture. This June, he received notice from YouTube that Liberation Music Pty Ltd, which according to the complaint is authorized to represent Phoenix, complained that the lecture contained copyrighted material.

In a phone interview yesterday, Lessig said he "countered to YouTube that it was fair use under American law." Two hours later, he said, "I received notice that Liberation Music planned to file a lawsuit within 72 hours if I didn't take the content down."

Lessig took the lecture down, but didn't stand down. In filing what's known as an action for declaratory relief, he sued seeking a judgment clarifying that no violation occurred.

Trade Secrets

Three Men Charged With Stealing Flow Traders Trading Software

Two men who were employed by Flow Traders were charged in New York with stealing the firm's electronic trading software by e-mailing it to themselves from their work accounts.

Glen Cressman, a trader at the New York office of the Amsterdam-based company, sent e-mails to himself in December 2012 with trading strategies and valuation algorithms, according to the complaint in state Supreme Court in Manhattan. He is charged with two counts each of unlawful duplication of computer-related material and unauthorized use of secret scientific material, according to copies of a complaint brought by the Manhattan District Attorney's office.

WEEKLY INDEX OF CHANGES

Facilities Outside Mega Power Projects Perimeter Get Customs Exemption on Lines of Excise Exemption, Clarifies CBEC

Sub: Customs Duty Exemption for Import of Ash Handling Systems, Water Treatment Plant and Coal Transportation Facilities etc. Required for Ultra-Mega/ Mega Power Projects under Heading 9801(Project Imports)-Clarification.

33-CBEC 23.08.2013 (DoR) I am directed to invite your attention to notification No. 12/2012-Central Excise (S.Nos. 337&338), dated 17-03-2012, which provides exemption to machinery, instruments, apparatus and appliances etc. required for setting up of ultra-mega/ mega power projects. Particular attention is invited to the Explanation, which clarifies that the goods required for setting up of these projects include the goods required for development of facilities such as ash disposal system including ash dyke, water intake including treatment and storage facilities and coal transportation facilities for such a project, notwithstanding the fact that such facilities are set up inside or outside the power plant's designated boundary.

2. In this connection, representations have been received from the trade and industry that the benefit of exemption is being denied to the afore-cited goods when they are imported for setting up of ultra-mega/ mega power projects. It has been requested that, for removal of doubts, a clarification, on the lines of excise exemption, should be issued by the Ministry that the said goods required for ultra-mega/ mega power projects are eligible for customs duty exemption.

3. The matter has been examined by the Ministry. In Pre Budget 2011-12, representations were received from power producers that limited interpretation of the term power project as facilities inside the plant boundary only, was restrictive in nature and was limiting the scope of exemption of customs and excise duty on goods required for these facilities. It was requested that the benefit of exemption for ultra mega power projects should be extended to the development of facilities both inside and outside the power plant's designated boundary such as ash pond, water intake, coal transportation within the scope of the term 'project'. The matter was examined and it was decided to clarify that the benefit of exemption, available for ultra mega power projects, would be available for development of facilities such as ash disposal system including ash dyke, water intake including treatment and storage facilities and coal transportation, both inside and outside the power plant's designated boundary. Accordingly, an Explanation was inserted at S. Nos. 91A & 91B of notification No 6/2006-CE, dated 1.3.2006 [now S. Nos. 337 and 338 of notification No. 12/2012-CE dated 17-03-2012].

4 The explanation clarified, without any ambiguity whatsoever, that the goods specified in paragraph 1 above and required for setting up of ultra-mega/ mega power projects would be eligible for the benefit of excise duty exemption even if the facilities are set up outside the power plant's designated boundary. No such clarification was issued for the purpose of availing of the customs duty exemption, as it was felt that this exemption would be available to the said goods under project imports.

5. Subsequently, representations were received, seeking clarification in respect of customs duty exemption on the said goods required for setting up of ultra-mega/ mega power projects. The issue was examined in consultation with Ministry of Power (MoP). MoP vide letter dated 13th October, 2011 clarified that facilities such as ash disposal system including ash dyke, water intake including treatment and storage facilities and coal transport facilities are an integral part of mega power projects and therefore, customs duty should be exempted for import of these goods under the Mega Power Policy. On the basis of this, a clarification dated 29-12-2011 (copy enclosed) was issued to the Commissioner of Customs, Nhava Sheva, stating that these goods are eligible for customs duty exemption.

6. Now, it has been brought to the notice of the Ministry that in the absence of a general clarification, the Customs authorities at certain places are demanding duty on these goods on the ground that the goods are used outside the power plant's designated boundary. However, the foregoing would make it clear that the intention all along was to grant exemption from Customs duty on these goods.

6.1 For removal of doubts, it is clarified that the goods required for development of facilities such as ash disposal system including ash dyke, water intake including treatment and storage facilities and coal transport facilities required for ultra-mega/ mega power projects are eligible for customs duty exemption, notwithstanding the fact that such facilities are set up inside or outside the power plant's designated boundary.

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

F.No.354/94/2011 -TRU

Format for Post Office Bill of Export for Reward Schemes from Foreign Post Office, New Delhi Released

Subject: Procedure to avail Chapter 3 (FTP 2009-14) Reward Schemes for exports from Foreign Post Office, New Delhi- Launch of Pilot regarding

29-CBEC 05.08.2013 (DoR) The Board has, in consultation with Dept. of Posts and the DGFT, decided to launch a pilot project for 60 days, at the Foreign Post Office (FPO), New Delhi permitting exports by post under claim of benefits under Chapter 3 (reward schemes) of the Foreign Trade Policy (FTP). These schemes are implemented through Customs Notification Nos. 92/2009, 93/2009, 94/2009 and 95/2009 Customs, all dated 11.09.2009 which have been amended vide Notification No. 38/2013 Customs dated 26.07.2013 making the exports made from FPO, New Delhi eligible for benefits under the relevant schemes.

2. Only an exporter with valid IE Code may participate in the pilot project, either directly or through his authorized CHA. Once duty credit scrip is issued by office of DGFT, it shall be registered at the Airport at Delhi. However, the scrip issued against postal exports shall not be usable for imports by post. Based on the experience gained by the pilot project, the modalities for full implementation subsequently across other FPOs will be worked out.

3. Filing of Postal Bill of Export- The exporter shall continue to comply with the documentation requirements enjoined under section 82 of the Customs Act, 1962, as prescribed by the Postal department (eg. CN23). In order to claim reward/incentive, the exporter shall also file a Postal Bill of Exports (hereinafter referred as PBE) in manual form whose format, for the purposes of the pilot project, shall be as enclosed. The Claim of benefit shall be made by exporter on the PBE. Every PBE shall be filed in triplicate and shall cover only one consignor and one consignee, though multiple packages between a given consignor and a given consignee can be covered in the same PBE.

4. Processing of PBE - The processing of the PBE shall be akin to that of a shipping bill, except for the changes indicated herein. The Commissionerate shall account for the PBEs and number them as if they were a shipping bill and the information captured shall also be conveyed for purposes of Trade Returns. Also, the GR form that is issued to monitor the foreign exchange remittance in respect of the export goods, but for the relevant exceptions enumerated by RBI, shall be required to be filed.

5. The commissionerate shall create a 'noting section' for processing PBEs through FPO. The 'noting section' shall conduct preliminary scrutiny of the PBE and accompanying documents, get any defects rectified by the exporter and thereafter affix the PBE number thereon.

6. The exporter shall present the goods with extant declarations, along with the PBE and its supporting 'documents, to the FPO for booking. The Postal department shall capture the PBE number in their System and allot corresponding tracking number(s). A single tracking number will be allotted by the postal authorities for parcels consigned by a consignor to one consignee, up to a weight of 30 Kg. The tracking number(s) shall be mentioned on the PBE in the column marked 'AWB No. or BL No.' and if there are multiple tracking numbers covered under one PBE, the tracking numbers may be annexed to the PBE. The Postal department will affix, on the reverse of the duplicate copy of the

PBE, a receipt which shall, inter alia, contain the weight of the consignment, number of parcels and consignee name and address. The Postal department shall assume custody of the parcels and these shall be taken to the FPO Export shed. .

7. The exporter or his authorized CHA shall present the PBE bearing endorsement of the Custodian .(Postal department) along with relevant original documents such as invoice, packing list, ARE form etc., to the Superintendent of Customs, Export Appraisement, FPO designated for the purpose, who shall assess the PBE and endorse the examination order on duplicate copy of the PBE. The said officer shall then forward all copies of the PBE to the Deputy/ Assistant Commissioner in-charge of the FPO, New Delhi for countersignature on the aspects of assessment and examination. The DC/AC shall forward the PBE to the person in charge of the export shed.

8. Examination of the cargo - Due care should be taken to ensure that the examination order shall be specific and indicate the package numbers to be examined. Instances where there are insufficient particulars, defective descriptions, or where there is specific alert/intelligence of mis-declaration of description, classification, valuation, etc. would be examined 100%. For the balance parcels, examination shall be based on Board's Circular 1/2009-Cus relating to examination read with paras 2.3, 2.4 and 2. 5 of Circular No. 6/200" Cus (suitably applied to claims for rewards).

9. The Custodian will present the parcels covered under the PBE to the Customs officer in the FPO Export Shed for physical examination. The. Customs Officer shall carry out .the necessary examination and give the examination report on the duplicate copy of the PBE. The parcels will then be sealed by the custodian.

10. In case of any variation between the declaration in the PBE and physical documents/ examination report, the Customs Officer shall mark the PBE along with the accompanying documents to the Deputy/Assistant Commissioner of Customs, FPO, who will provide an opportunity to the exporter to present his case and thereafter complete the assessment of the PBE.

11. Testing of Samples - Where samples need to be drawn and tested, the Customs Officer will draw three samples from the consignment and enter the particulars thereof along with details of the testing agency in the 'sample' register. Three copies of the test memo shall be prepared and signed by the Customs Officer, the exporter or his authorized CHA. The original test memo with one sample shall be sent to the testing agency, the duplicate copy of test memo with one sample shall be retained by Customs and the triplicate copy of test memo with one sample shall be handed over to the exporter. Where the DC/AC of Customs considers it necessary and orders in writing, sample may also be drawn in duplicate for market inquiry.

12. Preparation of bags for export - If there is difference in the quantity/number of packages of goods, the Custom Officer shall endorse a remark on the PBE indicating the change required to be made. After being satisfied that all statutory compliance requirements are met, the Superintendent of Customs, FPO Export Shed shall give 'LET EXPORT" order on the duplicate copy of PBE. The exporter or his authorized CHA shall hand over the PBE duly signed by the Custom Officer permitting "Let Export", to the Postal Authority. If the parcel is not exported due to any reason after LEO, the same shall be intimated by the Postal department to Customs at FPO immediately for further necessary action.

13. Amendments - Where corrections are required to be made after allotment of the PBE number or after the goods have been brought into the Foreign Post Office, the amendments shall be carried out in the following manner:

a) If the goods have not yet been allowed "Let Export", the amendments may be permitted by the DC/AC, FPO.

b) Where the "Let Export" order has already been given, amendments may be permitted by the Additional/Joint Commissioner in charge of FPO (as per para 25 of the CBEC Customs Manual). After the permission for amendments is granted, the DC/AC, FPO will carry out the amendments on behalf of the Additional/Joint Commissioner.

14. Proof of Export -·The Postal Authorities will furnish the proof of export of the goods i.e. copy of Form CN 38 along with Receptacle/Despatch Manifests, PBE-wise, to the Customs at the FPO within 48 hours of export. A corresponding entry of proof of export will be made in PBE register from which the PBE number was allotted. Thereafter, the triplicate copy (Export Promotion Copy) of the PBE will be endorsed by Superintendent of Customs Export Shed, at the FPO. This triplicate copy of PBE will be submitted to the office of DGFT by exporter.

15. Thus, the original PBE will be detached by Customs, the duplicate PBE will be handed over to the Custodian (Postal authorities) and the triplicate PBE (i.e. EP copy) will be handed over to the exporter, subsequent to confirmation of export.

16. Commissioners (Customs), Export , New Customs House, Delhi is directed to closely monitor the progress and implementation of the pilot and send an interim report by 15th September 2013 and final report on 10th October 2013.

17. Any difficulty faced in the implementation of this circular may be brought to the notice of the Board.

[F.No.476/01/2013-LC]

[Annexure of Post Office Bill of Export is available at www.worldtradescanner.com]

Anti-dumping Duty Hiked in Final Findings on Fibre, Laminated Board from China, Indonesia, Malaysia and Sri Lanka

Ntfn 18-ADD 08.08.2013 (DoR)

Whereas, in the matter of resin or other organic substances bonded wood or ligneous fibre boards of thickness below 6mm, except insulation boards, laminated fibre boards and boards which are not bonded either by resin or other organic substances (hereinafter referred to as the subject goods), classified within Chapter 44 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), originating in, or exported from, China PR, Indonesia, Malaysia and Sri Lanka (hereinafter referred to as the subject countries) and imported into India, the Designated Authority *vide* its preliminary findings No. 14/29/2010-DGAD, dated the 23rd July, 2012, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 23rd July, 2012, had come to the conclusion that –

(a) the subject goods had been exported to India from the subject countries below their normal value, thus resulting in dumping of the subject goods;

(b) the domestic industry had suffered material injury in respect of subject goods;

(c) the material injury to the domestic industry has been caused by the dumped imports of the subject goods from 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;

And whereas on the basis of the aforesaid preliminary findings of the Designated Authority, the Central Government had imposed provisional anti-dumping duty, *vide* notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 43/2012-Customs(ADD), dated the 21st September, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section(i), *vide* number G.S.R. 710(E), dated the 21st September, 2012;

And whereas the Designated Authority *vide* its final findings No. 14/29/2010-DGAD, dated 10th May, 2013, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 10th May, 2013 has come to the conclusion that –

(i) the product under consideration has been exported to India from the subject countries below the associated normal values, thus resulting in dumping of the subject goods from the subject countries;

(ii) the domestic industry has suffered material injury in respect of the subject goods; and

(iii) the material injury to the domestic industry has been caused by the dumped imports of the subject goods from the subject countries.

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

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 9A of the Customs Tariff Act,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, on the basis of the aforesaid final findings of the designated authority, hereby imposes definitive anti-dumping duty on the subject goods, the description of which is specified in column (3) of the Table below, falling under the heading of the

First Schedule to the said Customs Tariff Act as specified in the corresponding entry in column (2), originating in the countries as specified in the corresponding entry in column (4), and exported from the countries as specified in the corresponding entry in column (5), and produced by the producers as specified in the corresponding entry in column (6), and exported by the exporters as specified in the corresponding entry in column (7), and imported into India, an anti-dumping duty at the rate equal to the difference between the amount as specified in the corresponding entry in column (8) and the landed value, 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.	Heading/ Sub-heading	Description of goods	Country of Origin	Country of Export	Producer	Exporter	Amount	Unit	Currency
1	2	3	4	5	6	7	8	9	10
1	4411*	Resin or other organic substances bonded wood or ligneous fibre boards of thickness more than 2mm and below 6mm, except insulation boards, laminated fibre boards, Moulded Door Skins, and boards which are not bonded either by resin or other organic substances.	China PR	China PR	Any	Any	407.14	Cubic Meter (M3)	US $
2	do	do	Any country other than the subject countries	China PR	Any	Any	407.14	Cubic Meter (M3)	US $
3	do	do	China PR	Any country other than the subject countries	Any	Any	407.14	Cubic Meter (M3)	US $
4	do	do	Indonesia	Indonesia	Pt Sumatera Prima Fibreboard	Pt Sumatera Prima Fibreboard	338.86	Cubic Meter (M3)	US $
5	do	do	Indonesia	Indonesia	Any other than combination at S. No. 4		351.34	Cubic Meter (M3)	US $
6	do	do	Any country other than the subject countries	Indonesia	Any	Any	351.96	Cubic Meter (M3)	US $
7	do	do	Indonesia	Any country other than the subject countries	Any	Any	351.96	Cubic Meter (M3)	US $
8	do	do	Malaysia	Malaysia	M/s Segamat Panel Boards Sdn.Bhd.	M/s Segamat Panel Boards Sdn.Bhd.	318.99	Cubic Meter (M3)	US $
9	do	do	Malaysia	Malaysia	M/s Evergreen Fibreboard Berhad(EFB)/ M/s Evergreen Fibreboard(JB) Sdn. Berhad(EJB)	M/s Evergreen Fibreboard Berhad(EFB)/ M/s Evergreen Fibreboard(JB) Sdn. Berhad(EJB)	321.56	Cubic Meter (M3)	US $
10	do	do	Malaysia	Malaysia	Any other than combination at Sr. Nos. 8 & 9		341.91	Cubic Meter (M3)	US $
11	do	do	Any country other than the subject countries	Malaysia	Any	Any	341.91	Cubic Meter (M3)	do
12	do	do	Malaysia	Any country other than the subject countries	Any	Any	341.91	Cubic Meter (M3)	US $
13	do	do	Sri Lanka	Sri Lanka	M/s Merbok MDF Lanka(Private) Limited	M/s Merbok MDF Lanka (Private) Limited	315.00	Cubic Meter (M3)	US $
14	do	do	Sri Lanka	Sri Lanka	Any other than combination at Sr. No.13		329.40	Cubic Meter (M3)	US $
15	do	do	Sri Lanka	Any country other than the subject countries	Any	Any	329.40	Cubic Meter (M3)	US $
16	do	do	Any country other than the subject countries	Sri Lanka	Any	Any	329.40	Cubic Meter (M3)	US $

Note: 1. For the purpose of this notification, rate of exchange applicable for the purposes of calculation of such anti-dumping duty shall be the rate which is specified in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), issued from time to time, under 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.

Note: 2. The anti-dumping duty imposed under this notification shall be effective for a period of 18 months (unless revoked, amended or superseded earlier) from the date of publication of this notification in the Official Gazette and shall be payable in Indian currency.

[F.No.354/140/2012 –TRU]

Marble Quota for 6 Lakh tonnes for FY 2013-14 Announced, Allocation on Turnover and Number of Gang Saws

Sub.: Policy for issue of import licenses of Rough Marble and Travertine Blocks for the Financial year 2013-14.

37-Ntfn(RE) 26.08.2013 (DGFT) In exercise of powers conferred under section 5 of the Foreign Trade (Development and Regulation) Act, 1992 as amended, read with paragraph 2.1 of the Foreign Trade Policy, 2009-14, the Central Government hereby makes the following amendments in Schedule-I (Imports) to the ITC (HS) Classifications of Export and Import Items:

2. Import Licensing Note No. (2) inserted at the end of Chapter 25, will be amended to read as : "Import of rough marble blocks will be subject to conditions laid down in Notification No.37 dated 26th August, 2013."

3. Conditions for import of marble.

(A) The following Policy provisions will be applicable for import of Rough Marble Blocks and Travertine for the financial year 2013-14. This will supersede earlier Policy /Guidelines for issue of import licenses of Rough Marble Blocks.

(B) Attention is invited to ITC HS Codes 25151100 and 25151210 indicated in Schedule-1 (Imports) of ITC (HS) Classifications of Export and Import Items. As per the provisions contained therein, import of Marble and Travertine – Crude or Roughly trimmed and merely cut, by sawing or otherwise, into blocks of a rectangular (including square) shape is restricted and subject to import licensing procedures.

(C) The applications for import license for import of rough marble blocks and travertine under the above mentioned ITC HS Codes will be considered in the following manner: -

I. Eligibility of the units will be decided based on the following three criteria

(a) Units who have installed marble gangsaw machine (except 100% EOUs and units in SEZ) on or prior to 31.3.2013. The marble gangsaw machine shall be in the name of the applicant only. No gangsaw on "Lease Basis" shall be considered for the purpose of allocation of import entitlement.

(b) The Units should have been in operation for 5 years on or prior to 31.3.2013.

(c) All eligible units as per (a) above should have cumulative turnover of atleast Rupees Five crores (Rs 5 Crores) during the 5 years period i.e financial years 2007-08 to 2011-12 irrespective of whether it is from domestic or foreign sources in respect of processed marble slabs/tiles only.

II. Floor Price

Licenses for import of crude or roughly trimmed marble and travertine blocks or merely cut, by sawing or otherwise into blocks of a rectangular (including square) shape shall be subject to a floor price of US$ 325 per Metric Tonne (MT), which shall be endorsed on all licenses.

III. Entitlement

The total import of Rough Marble and Travertine blocks under ITC HS Codes 25151100 and 25151210 will be subject to a ceiling of 6 lakh MT for the whole of the licensing year, 2013-14. Eligible units will be entitled for an import license on the basis of cumulative turnover (indigenous or foreign) of atleast Rupees 5 crores of processed marble slabs/tiles only, over the previous five financial years 2007-08 to 2011-12. The quantity so calculated will however be subject to the overall ceiling of 3000 MT for the first gang saw and 1500 MT for every subsequent gang saw.

IV. Actual User Condition

All licenses shall be subject to actual user condition. Modalities for submitting hard copies of the applications is attached as Annexure 1 to this notification.

V. Monthly Return

License holders shall file monthly returns regarding imports made by them, to the concerned Regional Authority of DGFT by the 15th of each succeeding month in which license is obtained (for example if a license is obtained on 13th September, the license holder will file monthly return for imports made in September by 15th of October and for each month thereafter by the 15th). This is a mandatory requirement.

VI. Validity of Import licences

Licenses for Import of Marble and Travertine will have a validity upto 30th September 2014.

4. Effect of this notification

Import policy of Rough Marble and Travertine blocks for the year 2013-14 has been notified with a quota of 6 lakh MT and an MIP of US$ 325 per MT.

Floor Value of $80 per sqm Imposed on Granite Import

Subject: Import policy of Worked monumental or building stone (except slate) and articles thereof, other than goods of heading 6801; mosaic cubes and the like, of natural stone (including slate), whether or not on a backing; artificially coloured granules, chippings and powder, of natural stone (including slate)

38-Ntfn(RE) 26.08.2013 (DGFT) In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 read with Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendments in the Schedule 1 (Imports) of the ITC (HS) Classifications of Export and Import Items.

2. Existing policy conditions (prior to this amendment) as available at page 545-546, for the ITC HS Codes 68022310, 68022390, 68022900, and 68029300 of Chapter 68 of ITC(HS) Classifications of Export and Import Items are extracted below (earlier policy conditions) :

"Import permitted freely "

3. After amendment the entry would read as below (amended policy conditions):

"Import permitted freely provided cif value is US$ 80 & above per square metre."

4. The effect of this Notification

Now the import of items under the ITC HS Codes specified above is permitted freely if cif value is US$ 80 and above per square meter.

Annexure-1 to Notification No: 37 (RE-2013)/2009-14 Dated: 26th August,2013

Modalities for submitting applications for grant of quota for import of rough marble blocks

1. Eligible applicants will submit hard copies of their application, in the relevant Aayaat Niryaat Form, along with the documents prescribed therein, to concerned RA for import of rough marble blocks for the financial year 2013-14. RA will then forward the applications to DGFT HQ for scrutiny and allocation of quota. Calendar of events is attached as Annexure 2 to this Notification.

2. The following conditions would need to be followed and documentary proof submitted to concerned RA alongwith the application for grant of quota:-

(a) The Marble gangsaw in the Unit should be in the name of the Unit and established on or prior to 31.3.2013, as certified by State Industry Department (District Industry Centre). The gang saw should not be 'on Lease' from any other party. The marble gangsaw machine should have linear movement and should have minimum 60 steel blades impregnated with diamond segments and be used only for cutting marble blocks into slabs;

(b) SSI/SIA Registration Certificate should show the Unit being in operation on or prior to 31.3.2008;

(c) The list of equipments / capital goods (other than Marble gangsaw) set up by the applicant in the Unit for processing marble slabs/ tiles should be prior to 31.3.2008, as per Balance Sheet as on 31.3.2008, duly certified by a Chartered Accountant;

(d) Income Tax Return for the financial year 2007-08 indicating processing of marble by the Unit duly certified by a Chartered Accountant;

(e) CA Certificate indicating domestic/foreign sales turnover of marble slabs / tiles of years 2007-08, 2008-09, 2009-10 , 2010-11 and 2011-12; and

(f) A copy of Chartered Accountant certified statement of accounts, filed along with Balance Sheet to Income Tax authorities for each of the years i.e. 2007-08, 2008-09, 2009-10 , 2010-11 and 2011-12 (in order to prove cumulative turnover from domestic or foreign sources) of marble slabs / tiles of atleast Rs. 5 crore in the last 5 years).

(g) The sale against Form H and other relevant Forms, job work income earned by any unit sawing marble blocks of third parties into slabs/tiles and the amount of excise duty, service tax and sales tax/VAT paid on such indigenous sales turnover of marble slabs/tiles may also be included for calculating indigenous sales turnover of the applicant. An applicant would need to submit certified copies of VAT/Sales Tax returns filed by the applicant for each of the 5 financial years indicating the indigenous sales turnover of marble slabs/ tiles alongwith the income tax returns for the same period. No trading turnover shall be considered.

(h) With regard to calculation of indigenous sales turnover, it is clarified that the turnover will include the net sales after deducting the sales returns from the gross sales. It is also clarified that the turnover of the applicant only shall be taken into consideration and the turnover of group concerns/ sister concerns/ subsidiaries etc. shall not be counted for calculating the turnover.

(i) The applicant must not be on DEL (Denied Entities List).

(j) In case any applicant/ firm is found to have furnished wrong/ false information or made any misrepresentation, then it shall be debarred from the allocation for import of marble and also liable for penal action under the provisions of FTD&R Act 1992, as amended.

3. The last date for receipt of hard copy of application with complete documents with RA shall be 5th September, 2013.

Annexure-2 to Notification No: 37 (RE-2013)/2009-14 Dated: 26th August, 2013

Calendar of Events

1. Notification to be issued on	26th August, 2013
2. Receipt of Application in RA	Upto 5th September, 2013
3. Forwarding of Applications to DGFT HQ by RA's	Upto 9th September, 2013
4. Declaration of Allocation	19th September, 2013
5 Issuance of Licences	20th to 25th September, 2013

Marble Quota of 1 Lakh tonnes for Indian Companies Mining Abroad

Sub.: Policy for allocation of quota for import of Rough Marble Blocks for Indian companies investing abroad in marble mining, for the year 2013-14.

36-Ntfn(RE) 26.08.2013 (DGFT) In exercise of powers conferred under section 5 of the Foreign Trade (Development and Regulation) Act, 1992 as amended, read with paragraph 2.1 of the Foreign Trade Policy, 2009-14, the Central Government hereby makes the following amendments in Schedule-I (Imports) to the ITC (HS) Classifications of Export and Import Items:

2. Import Licensing Note No. (5) inserted at the end of Chapter 25 through Notification No.20 of 9th October 2012, is amended to read as :

"**5.** Facility for Indian companies who have invested in Mining abroad. This will be subject to conditions laid down as under:

5(a): Eligibility;

(i) Mining company where such investment is made must be a 100% subsidiary of the Indian company.

(ii) Minimum investment should be Rupees 10 crores as on 31.3.2013 and is subsisting.

(iii) Such investment should only be in plant and machinery. No plant and machinery on leased basis will be considered.

(iv) The overseas mining company should be operational and have the operating license in its own name.

(b) Quantity to be permitted;

(i) Only marble blocks produced from its own quarries overseas shall be allowed for import.

(ii) The total annual import quantity will be limited to 1 lakh MT .

(iii) The quantity to be allocated for import per applicant shall not exceed 30,000 MT or the total quantity of marble mined and sold from its overseas mines in the previous financial year, whichever is less. (Reference to financial year would be Indian financial year i.e 1st April 2012-31st March 2013)

(iv) If the quantity to be imported by the eligible applicants exceeds 1 lakh MT, then allocation will be on a pro rata basis. Distribution of pro rata allocation will be on the basis of total sale of quantity produced in the

Cont'd..168

Rupee Falls to 100.75 against Pound Sterling for Customs Valuation on Imports w.e.f. 19 August 2013

86-Cus(NT) 21.08.2013 (DoR) In exercise of the powers conferred by Section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise & Customs hereby makes the following further amendments in the Notification of the Government of India, Ministry of Finance (Department of Revenue) No. 83/2013-CUSTOMS (N.T.) dated the 14th August, 2013 published in the Gazette Of India, Part-II, Section 3, Sub-Section (ii), Extraordinary vide number S. O.2467(E) dated, the 14th August, 2013, namely:-

In the SCHEDULE-I of the said Notification, for Serial No. 11 and the entries relating thereto, the following shall be substituted, namely:-

Schedule-I

SNo.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
11.	Pound Sterling	100.75	98.55

These rates will be effective from 21st August, 2013.

[F. No. 468/03/2013-Cus.V]

Rupee Falls to 65.35 for Customs Valuation on Imports w.e.f. 23 August 2013

87-Cus(NT) 22.08.2013 (DoR) In exercise of the powers conferred by Section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise & Customs hereby makes the following further amendments in the Notification of the Government of India, Ministry of Finance (Department of Revenue) No. 83/2013-CUSTOMS (N.T.) dated the 14th August, 2013 published in the Gazette Of India, Part-II, Section 3, Sub-Section (ii), Extraordinary vide number S.O. 2467(E) dated, the 14th August, 2013, namely:-

In SCHEDULE-I of the said Notification, for Serial No.2,4,5,6,7,8,14, 16,17,18 and the entries relating thereto, the following shall be substituted, namely:-

Schedule-I

SNo.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
2.	Bahrain Dinar	176.85	167.20
4.	Danish Kroner	11.75	11.40
5.	Euro	87.40	85.50
6.	Hong Kong Dollar	8.45	8.30
7.	Kenya Shilling	76.30	72.00
8.	Kuwait Dinar	234.55	221.60
14.	Saudi Arabian Riyal	17.80	16.80
16.	Swiss Franc	71.00	69.35
17.	UAE Dirham	18.15	17.15
18.	U.S. Dollar	65.35	64.30

In Schedule-II for Serial No.1 and the entry relating thereto, the following shall be substituted, namely:-

Schedule-II

SNo.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	66.85	65.25

These rates will be effective from 23rd August, 2013.

[F. No. 468/03/2013-Cus.V]

Cont'd..167

previous financial year from its mines overseas. Quantum of sale shall be certified by an independent Chartered Accountant and will be accompanied with annual accounts of foreign mines (subsidiary of Indian Company).

(c) Filing of Application;

Applications should reach DGFT(HQ) office at Udyog Bhavan, New Delhi before 5 pm on 5th September 2013**.**

(d) Floor Price;

Such imports shall be subject to a floor price of US$ 325 per Metric Tonne (MT) .

(e) ITC HS Codes;

Such imports shall be permissible under ITC HS Codes 25151100 and 25151210.

(f) Actual User Condition;

All authorisations shall be subject to actual user condition.

(g) Monthly Return;

Authorisation holders shall file monthly returns regarding imports made by them, to the concerned Regional Authority of DGFT by the 15th of each succeeding month in which authorisation is obtained (for example if a authorisation is obtained on 13th September, the authorisation holder will file monthly return by 15th of October and for each month thereafter). This is a mandatory requirement.

(h) Validity of Import authorisation;

Authorisation for Import of marble will have a validity of 12 months from date of issue.

3. Effect of this notification

Import Policy for allocation of quota for import of Rough Marble Blocks by Indian companies investing abroad in marble mining has been notified with an annual quota of 1 lakh MT.

Cont'd..162

milk or milk solids as ingredient, from China with effect from 24.9.2008 till 23.6.2014.

Further, import of toys is subject to meeting of the specified technical and safety standards since 27.1.2010.These standards apply to China also.

Import of mobile handsets without International Mobile Equipment Identity (IMEI) or with all zeroes IMEI and import of CDMA mobile phones without Electronic Serial Number (ESN)/ Mobile Equipment Identifier (MEID) or all zeroes ESN/MEID, has been prohibited since 16.6.2009. These standards apply to import of such goods from China as well.

The Directorate General of Anti-Dumping and Allied Duties (DGAD) has initiated anti-dumping investigations into 291 cases as on date involving various countries since 1992. Out of these, 159 cases involve imports from China. The major products found to have been dumped from China in all these years and in respect of which anti-dumping duty has been imposed, fall in the product group of Chemicals & Petrochemicals, Pharmaceuticals, Products of Steel & other metals, Fibres & Yarns and Consumer Goods.

The anti-dumping investigation by India is always initiated in accordance with the principles and procedures laid down in our national law, which is in consonance with the WTO's Agreement on Anti-Dumping.

The proposal of mandatory sourcing of equipments from domestic manufacturers is likely to violate the provisions given under the WTO Agreement on Trade Related Investment Measures (TRIMs).

The information was given by the Minister of State in the Ministry of Commerce and Industry Dr. D. Purandeswari in a written reply in Lok Sabha on 26 August 2013.

WIndex No. 23 - 28 August-03 September 2013

DIndex Delivered Daily by Email

***See details in www.worldtradescanner.com**

Customs Valuation Exchange Rates

15 August 2013		Imports	Exports
Schedule I [Rate of exchange of one unit of foreign currency equipment to Indian Rupees]			
1	Australian Dollar	56.65	55.10
2	Bahrain Dinar	176.85**	167.20**
3	Canadian Dollar	60.10	58.55
4	Danish Kroner	11.75**	11.40**
5	EURO	87.40**	85.50**
6	Hong Kong Dollar	8.45**	8.30**
7	Kenyan Shilling	76.30**	72.00**
8	Kuwaiti Dinar	234.55**	221.60**
9	New Zealand Dollar	49.70	48.40
10	Norwegian Kroner	10.60	10.25
11	Pound Sterling	100.75*	98.55*
12	Singapore Dollar	48.95	47.85
13	South African Rand	6.35	5.95
14	South Arabian Riyal	17.80**	16.80**
15	Swedish Kroner	9.55	9.25
16	Swiss Franc	71.00**	69.35**
17	UAE Dirham	1 8.15**	17.15**
18	U.S. Dollar	65.35**	64.30**
Schedule II [Rate of exchange of 100 units of foreign currency equivalent to Indian rupees]			
1	Japanese Yen	66.85**	65.25**

**w.e.f. 21.08.2013; **w.e.f. 23.08.2013*
(Source: Customs Notification 83(NT)/14.08.2013)

Owned, Edited, Published and Printed by Arun Goyal and Printed at Mercury Printers, 602 Choori Walan, Delhi
Published from 24/4866, Sheeltara House, Ansari Road, New Delhi 110002. (INDIA) Phone: 2328 1314; Fax: 91-11-23281314
Email:academy.delhi@gmail.com; Website: worldtradescanner.com
This issue contains 8 pages in all