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## Modi on Five Day Visit to Japan – Leads Delegation of 10 Business Men to Court Shinkansen 300 Km Bullet Trains

### Abe to Offer Trillions of Yen for Infrastructure to Boost Failing Japanese Economy

As Prime Minister Narendra Modi is all set to visit Japan on August 30, he will be accompanied by a shortlist of 10 comprising of Captains drawn largely from Western India with an emphasis on Gujarat with a bit of Bangalore and Delhi. The notables are Mukesh Ambani, Gautam Adani, Dilip Shanghvi (Sun Pharmaceuticals), Azim Premji (Wipro), Chanda Kochhar (ICICI Bank), Shashi Ruia (Essar), S Ramadorai (TCS), Kiran Mazumdar Shaw (Biocon), K Venkataramanan (Larsen & Toubro), D K Sarraf (ONGC) and Sunil Mittal (Bharti).

During his visit from August 31 to September 3, the Prime Minister will call on Emperor Akihito and hold annual summit meeting with his counterpart Shinzo Abe, famous for his

five arrows doctrine of development.

PM Modi has advocated BRICS bank on Brazil visit for BRICS Summit. He was hot on hydel power in his visits to Bhutan and



Nepal. The visit was marred by floods in Bihar and UP following poor water management on the Rapti and Ghagra in both Nepal and India. There was no open discussion on this in his Nepal visit.

In this visit, Modi will respond to Japanese proposals for pumping more money into infrastructure in India. He may address the problems faced by Japanese Business in India on high transaction costs and closed import channels.

The delegation of Indian business men like Ambani and Adani have little to ask from the Japs since they are in competition!

## India is Safe for Japanese Money, Market Good for Low Price Japanese Goods

### Japan Opens Doors to Indian Engineers to Lower Costs

Maruti-Suzuki and Honda in the auto sector are the showing examples of Japan in India. There are many failures too in manufacturing. Sony and Toyota are the prominent cases. The DMIC for \$14.5bn and Rail Freight Corridors along the Delhi-Mumbai and Delhi-Howrah track are based on liberal Japanese finance. The Japanese Shinkansen (Bullet) High Speed Rail system is relevant in the light of Modi advocacy of Bullet Trains between Ahmedabad and Mumbai. Buddhism is the key link between India and Japan.

India's 'Look East' policy since the Narasimha Rao Government of 1992 posited Japan as a key partner. Since 1986, Japan has become India's largest aid donor, and remains so. Relations between the two nations reached a brief low in 1998 as a result of Pokhran-II, an Indian nuclear weapons test that year. Japan imposed sanctions on India following the test, which included the suspension of all political exchanges and the cutting off of economic assistance. These sanctions were lifted three years later. Japanese prime minister, Shinzo Abe was the chief guest at India's 2014 Republic Day parade.

Given Abe's strong admiration for India, his friendly ties with India's new premier and his urge to bolster the India-Japan strategic and global partnership, Modi's forthcoming visit is likely to bring about a major transformation in India-Japan relations in the changing complex Asian geopolitical and geo-economic scenario.

Japan is currently India's fourth largest source of foreign direct investment; Japanese companies have made cumulative investments of around \$2.6 billion in India since 1991. The 2007 annual survey conducted by the Japan Bank for International Co-operation (JBIC) ranked India as the most promising overseas investment destination for Japanese companies over the long term. In

### Anti-dumping Duty Final Findings on Solar Cells Lapses after FinMin No to Protect Consumers

Under pressure from power firms, the government has decided not to impose anti-dumping duty on solar cells imported from nations like the US and China as the move would have led to rise in equipment cost.

The Finance Ministry has not accepted the recommendations of Commerce Ministry on imposing the anti-dumping duty. This duty will hurt the users of solar power. It may be recalled that the Authority had recommended imposing a duty of USD 0.11-0.81 per watt on solar cells imported from the US, China, Malaysia and Chinese Taipei following the global bend to protect the solar cell producers from China dumping. The Indian Government has norms on local value addition for Government purchases.

The country's current installed solar capacity exceeds 2,600 MW.

The turnaround is a first for India when the law of the land on anti-dumping has been reversed by an executive decision in "public interest" without an overt law provision (The Anti-dumping Rules should be amended to bring the public interest consideration into play to protect consumer interest – Ed.)

India aims to have 20,000 MW solar capacity by 2022. Thus India will be able to develop down stream products from low price China origin cells.

Ministers Nitin Gadkari and Piyush Goyal put pressure on the Finance Ministry to kill the findings of the DGAD.

recent years, Japan has assisted India in infrastructure development projects such as the Delhi Metro Rail Project. Both sides are discussing the Delhi-Mumbai Industrial Corridor Project and Dedicated Freight Corridor Projects on the Mumbai-Delhi and the Delhi-Howrah routes. The Japanese government has also expressed interest to help establish a Chennai-Bangalore Industrial corridor and a Dedicated Freight project in the south, connecting the cities of Bangalore and Chennai.

India is also one of the only three countries in the world with whom Japan has security pact, the other two being Australia and the United States. As of March 2006, Japan was the third largest investor in India with an estimated total investment of US\$2.12 billion.

Kenichi Yoshida, a director of Soft bridge Solutions Japan, stated in late 2009 that Indian engineers were becoming the backbone of Japan's IT industry and that "it important for Japanese industry to work together with India." In November 2009, the Japanese steel manufacturer JFE Steel agreed to partner with JSW Steel, India's third-largest steel producer, to construct a joint steel plant in West Bengal.

During Prime Minister Manmohan Singh's visit to Japan in 2010, both countries agreed to foster increased business exchanges, people-to-people contact and signed a memorandum of understanding to simplify visa procedures for each other's citizens. Under the memorandum, any Japanese coming to India for business or work will be straightway granted a three-year visa and

similar procedures will be followed by Japan. Other highlights of this visit includes abolition of customs duties on 94 per cent of trade between the two nations over the next decade. As per the agreement, tariffs will be removed on almost 90 per cent of Japan's exports to India and 97 per cent of India's exports to Japan.

On 26 October 2010, Japan and India concluded negotiations on a bilateral Comprehensive Economic Partnership Agreement (CEPA).

Starting from July 3, 2014 Japan issues multiple entry visas for the short term stay of Indian nationals.

India has figured as one of the most attractive destinations for Japanese investments in recent surveys conducted by the Japan External Trade Organization. The number of Japanese companies operating in India is increasing rapidly. From 267 in 2006, the number has increased to around 1,800 in 2013 - more than six fold in seven years.

In 2011, Abe opined that the two states would gain significantly from economic complementarities such as India's growing market of more than 1.2 billion people and Japan's search for new markets, Japan's strength in hardware and India's in software, and India's huge infrastructural and energy needs and Japan's technological expertise.

India can offer Japan, the world's largest pool of skilled manpower. Abe also views that the pattern of relations among the U.S., Japan and India as of crucial importance in the context of the emerging security architecture in Asia.

## Malaysia Launches Safeguard Investigation on Hot Rolled Steel Plate

Malaysia has notified the WTO's Committee on Safeguards that it has initiated a safeguard investigation on hot rolled steel plate.

An application for a safeguard measures was received by the Authority from Ji Kang Dimensi Sdn. Bhd. and after examining the application, the Authority concluded that there was sufficient evidence to justify the initiation of a safeguard investigation.

### 1. The date of initiation

The investigation was initiated on 18 August 2014.

### 2. The product subject to the investigation

The products under investigation are hot-rolled steel plate products of iron or non-alloy steel and other alloy steel, of a width of 600 mm or more, hot rolled, not clad, plated or coated, of a thickness between 6 mm to 75 mm. Hot rolled steel plate products used for electrical and electronic industry, automotive industry and the boiler and pressure vessel applications are excluded from the investigation.

The products subject to the investigation are classified under the Harmonised System Code (H.S. Code) Number 7208.51.000, 7208.52.000, 7225.40.000 and ASEAN Harmonised Tariff No-

menclature (AHTN) 7208.51.0000, 7208.52.0000 and 7225.40.9000.

### 3. The reasons for the initiation of investigation

The investigation was initiated following an evaluation of a safeguard petition from the domestic industry.

Based on preliminary assessment of the data submitted by the Petitioner and all relevant factors showed that the:

a. volume of imports of the product under investigation has increased significantly by 13% from 257,591 MT in 2011 to 292,238 MT in 2012 and continued to increase by 26% in 2013 to 367,172 MT.

b. domestic industry has suffered serious injury in terms of market share, sales, production, profitability, cash flow and productivity.

### Trade Practices Section

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## Karwar Godown Owner sent to Jail after High Court NBW for Service Tax Default

Central Excise and Service Tax, Mangalore arrested the Managing Director of a private limited company providing storage and warehousing services at Karwar, for collecting the Service Tax of over Rs.60 lakhs from August 2011 to March 2014 and not remitting the same to the Government account. As on date, over Rs.51 Lakhs Service Tax collected is retained by them for more than six months without remitting to the Exchequer according to a press release.

The service provider based in another state having business at Karwar has been evading appearance before the investigating officers for several months. He appeared for the investigation only after a petition was filed before the Hon'ble Court for issuance of a non-bailable warrant to secure his presence.

2. During the verification of the documents of the service provider, the officers found that the service provider has failed to remit the Service Tax collected to the Government account. The detailed investigation initiated in the matter prima facie revealed that the service provider has been evading payment of appropriate Service Tax for over three years. The investigation has unearthed that despite providing taxable services since August, 2011, the service provider has failed to obtain the Registration Certificate till February, 2013 i.e., the delay of about 16 months. It has also been revealed that the service provider was not even complying with the basic statutory requirements like filing of returns intimating the taxable services provided, discharging appropriate Service Tax liability, remitting the Service Tax collected to the Government account etc. thereby contravening the provisions of the Finance Act, 1994 and the Rules framed thereunder.

3. As per Section 89(1)(d) read with Section 89(1)(ii) of the Finance Act, 1994 whoever collects Service Tax in excess of Rs.50 lakhs but fails to credit the same to the Government account within a period of 6 months from the day on which such payment becomes due, is liable for imprisonment for a term which may extend to 7 years. Such offences shall be cognizable as per Section 90 of the Act.

4. The service provider was therefore, arrested today i.e. on August 11, 2014 under Section 91 of the Finance Act, 1994 and produced before the Hon'ble Principal Civil Judge Senior Division and Chief Judicial Magistrate, Mangalore who remanded him to judicial custody. Further investigation is under progress.

5. The Commissionerate has initiated several measures to facilitate genuine trade to improve service tax compliance in the jurisdiction. Simultaneously, concerted efforts are being taken to create a data base of habitually non-compliant trade on the basis of inputs generated and received from other Departments so as to take appropriate action as per the legal provisions.

Dear Reader:

The Weekly Index of Changes with World Trade Scanner Issue No. 23 is a combined issue, i.e., Issue No. 22 and 23 dated 20 August to 02 September 2014.

Editor

## WEEKLY INDEX OF CHANGES

### Safeguard Duty Imposed on Seamless Pipes and Tubes on Complaint of Jindal Steel, Maharashtra Seamless and ISMT, Pune – Final Findings

- 20% for the Period 13 Aug 2014 – 12 Aug 2015
- 10% for the Period 13 Aug 2015 – 12 Aug 2016
- 5% for the Period 13 Aug 2016 – 12 Feb 2017

Ntfn 02(SG) 13.08.2014 (DoR) Whereas, in the matter of import of Tubes, Pipes and Hollow Profiles, Seamless of iron, alloy or non-alloy steel (other than cast iron and stainless steel) whether hot finished or cold drawn or cold rolled, of external diameter not exceeding 273.1 mm (Outer Diameter) with the tolerance as specified under relevant standards (hereinafter referred to as Seamless Pipes and Tubes), falling under tariff items 73041910, 73041920, 73041990, 73042310, 73042390, 73042910, 73042990, 73043111, 73043119, 73043121, 73043129, 73043131, 73043139, 73043911, 73043919, 73043921, 73043929, 73043931, 73043939, 73045110, 73045120, 73045130, 73045910, 73045920, 73045930 and 73049000 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), the Director General (Safeguard), in his final findings, published *vide* number G.S.R. 180 (E), dated the 11<sup>th</sup> March, 2014, in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 11<sup>th</sup> March, 2014, has come to the conclusion that increased imports of Seamless Pipes and Tubes into India has caused serious injury to the domestic producers of Seamless Pipes and Tubes, necessitating the imposition of safeguard duty on imports of Seamless Pipes and Tubes into India, and accordingly has recommended the imposition of safeguard duty on imports of the Seamless Pipes and Tubes into India.

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 8B of the Customs Tariff Act, read with rules 12, 14 and 17 of the Customs Tariff (Identification and Assessment of Safeguard Duty) Rules, 1997, the Central Government after considering the said findings of

the Director General (Safeguard), hereby imposes on Seamless Pipes and Tubes falling under aforesaid tariff items to the Customs Tariff Act, when imported into India, a safeguard duty at the following rate, namely:-

(a) twenty per cent. ad valorem when imported during the period from 13<sup>th</sup> August, 2014 to 12<sup>th</sup> August, 2015 (both days inclusive);

(b) ten per cent. ad valorem when imported during the period from 13<sup>th</sup> August, 2015 to 12<sup>th</sup> August, 2016 (both days inclusive); and

(c) five per cent. ad valorem when imported during the period from 13<sup>th</sup> August, 2016 to 12<sup>th</sup> February, 2017.

2. Nothing contained in this notification shall apply to imports of Seamless Pipes and Tubes from countries notified as developing countries under clause (a) of sub-section (6) of section 8B of the Customs Tariff Act, other than the People's Republic of China.

Note: For the purpose of this notification, Seamless Pipes and Tubes does not include-

(i) Seamless alloy-steel pipes, tubes and hollow profiles of specification ASTM A213/ASME SA 213 and ASTM A335 /ASME SA 335 or equivalent BIS/DIN/BS/EN or any other equivalent specifications;

(ii) Non API and Patented Premium Joints/Premium Connections/Premium Threaded Tubes and Pipes of grades Q-125, 13CR, L-80, P110, C-90, C-95, T-90 and T-95;

(iii) All 13 Chromium (13CR) Grades Tubes and Pipes not included in item (ii) above; and

(iv) Drill Collars.

[F.No.354/53/2014-TRU]

### Ceftriaxone Sodium Sterile from China - Another Five Years of Anti-dumping Duty in Review but Amount Slashed to \$21.85 per kg from 77.35 per kg

Ntfn 39-ADD 14.08.2014 (DoR) Whereas, the designated authority, *vide* notification No. 15/12/2012-DGAD dated 22<sup>nd</sup> November, 2012, published in the Gazette of India, Extraordinary, Part I, Section 1, had initiated a review in the matter of continuation of anti-dumping duty on imports of Ceftriaxone Sodium Sterile, also known as Ceftriaxone Disodium Hemiheptahydrate-Sterile (hereinafter referred to as subject goods) falling under heading 2941 or 2942 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 the People's Republic of China (hereinafter referred to as the subject country), imposed *vide* notification of the Government of India, in the Ministry of Finance

(Department of Revenue), No. 98/2008-Customs dated 27<sup>th</sup> August, 2008, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 614(E), dated the 27<sup>th</sup> August, 2008;

And whereas, the Central Government had extended the anti-dumping duty on the subject goods, originating in or exported from the subject country upto and inclusive of the 28<sup>th</sup> November, 2013 *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 50/2012-Customs dated (ADD) dated 29<sup>th</sup> November, 2012, published in Part II, Section 3, Sub-section (i) of the Gazette of India, Extraordinary *vide* number G.S.R 855(E), dated the 29<sup>th</sup> November, 2012;

And whereas, in the matter of review of anti-

### Sugar Duty Raised to 25% from 15%

Ntfn 26 21.08.2014 (DoR) In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the

Central Government, on being satisfied that it



is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India

in the Ministry of Finance (Department of Revenue), No. 12/2012-Customs, dated the 17<sup>th</sup> March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R.185(E), dated the 17<sup>th</sup> March, 2012, namely:-

In the said notification, in the Table,-

(i) against S. No.76, for the entry in column (4), the entry 25% shall be substituted;

(ii) against S. No.77, for the entry in column (4), the entry 25% shall be substituted;

(iii) against S.No.78, for the entry in column (4), the entry 25% shall be substituted.

[F. No.354/78/2009-TRU Pt I]

dumping duty on import of the subject goods, originating in or exported from the subject country, the designated authority in its final findings, published *vide* notification No. 15/12/2012-DGAD dated 20<sup>th</sup> May, 2014, in Part I, Section 1 of the Gazette of India, Extraordinary, has come to the conclusion that-

(i) there is continued dumping of the product concerned from the subject country, causing injury to the domestic industry;

(ii) dumping of the product under consideration is likely to intensify from the subject country should the current anti-dumping duty be withdrawn,

and has recommended imposition of the anti-dumping duty on the subject goods, originating in or exported from subject country.

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, 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, after considering the aforesaid final findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, specification of which is specified in column (4), falling under tariff item of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column (2), originating in the countries as specified in the corresponding entry in column (5), and exported from the countries as specified in the corresponding entry in column (6), and produced by the producers as specified in the corresponding entry in column (7), and exported by the exporters as specified in the corresponding entry in column (8), and imported into India, an anti-dumping duty

at the rate equal to the amount as specified 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, namely:-

**Table**

| SNo. | Tariff Item              | Description of goods  | Specifi-cations | Country of origin                                 | Country of export                                 | Producer | Exporter | Amount | Unit | Currency  |
|------|--------------------------|---|-----------------|---|---|----------|----------|--------|------|-----------|
| (1)  | (2)                      | (3)   | (4)             | (5)   | (6)   | (7)      | (8)      | (9)    | (10) | (11)      |
| 1    | 2941 90 90 or 2942 00 90 | Ceftriaxane Sodium Sterile or, Ceftriaxone Disodium Hemiheptahyd rate-Sterile | Any             | People's Republic of China                        | People's Republic of China                        | Any      | Any      | 21.85  | Kg   | US Dollar |
| 2    | 2941 90 90 or 2942 00 90 | -do-  | Any             | People's Republic of China                        | Any country other than People's Republic of China | Any      | Any      | 21.85  | Kg   | US Dollar |
| 3    | 2941 90 90 or 2942 00 90 | -do-  | Any             | Any country other than People's Republic of China | People's Republic of China                        | Any      | Any      | 21.85  | Kg   | US Dollar |

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

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

Government of India, in the Ministry of Finance (Department of Revenue), issued from time to time, in exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and the relevant date for the determination of the rate of exchange shall be the date of presentation of the bill of entry under section 46 of the said Customs Act.

[F.No. 354/166/2007-TRU (Pt.-I)]

## Anti-dumping Duty on Polypropylene from Singapore Extended till 29 July 2015 in Review

Ntnf 38-ADD 13.08.2014 (DoR) Whereas, the designated authority *vide* notification No. 15/14/2014-DGAD, dated the 28th July, 2014, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 28th July, 2014, 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 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 "Polypropylene", falling under Chapter 39 of the First Schedule to the Customs Tariff Act, originating in, or exported from, Singapore imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 119/2010-Customs, dated the 19th November, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 919 (E), dated the 19th November, 2010 and has

requested for extension of anti-dumping duty for a further period of one year, in terms of sub-section (5) of section 9A of the Customs Tariff Act.

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff 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. 119/2010-Customs, dated the 19th November, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 919 (E), dated 19th November, 2010, namely: -  
In the said notification, after paragraph 2 and before the Explanation, the following paragraph shall be inserted, namely: -

"3. Notwithstanding anything contained in paragraph 2, this notification shall remain in force up to and inclusive of the 29<sup>th</sup> day of July, 2015, unless revoked earlier."

[F.No.354/140/2009-TRU (Pt.-I)]

## Nexus Condition between Advance Licence Import and Export Tightened – Flexibility of Exporters Curtailed

90-Ntnf(RE) 21.08.2014 (DGFT) In exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with paragraph 1.2 of the Foreign Trade Policy, 2009-2014, the Central Government hereby notifies the following amendment in the Foreign Trade Policy (FTP), 2009-2014.

2. Para 4.1.15 of FTP, as inserted *vide* Notification No.31 dated 1.8.2013, is amended to read as follows:

4.1.15 (a) "Wherever SION permits use of either (a) a generic input or (b) alternative inputs, unless

the name of the specific input(s) [which has (have) been used in manufacturing the export product] gets indicated / endorsed in the relevant shipping bill and these inputs, so endorsed, match the description in the relevant bill of entry, the concerned Authorisation will not be redeemed. In other words, the name/description of the input used (or to be used) in the Authorisation must match exactly the name/description endorsed in the shipping bill.

(b) In addition in case in any SION, a single quantity has been indicated against number of

## MEP on Onions Returns to US\$300 per MT from \$500 per MT

*Subject: Export Policy of Onions.*

91-Ntnf(RE) 21.08.2014 (DGFT) In exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992), as amended, read with Para 1.3 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendment, with immediate effect, in Notification No. 86 (RE-2013)/2009-14 dated 02.07.2014 read with Notification No. 73 (RE-2013)/2009-14 dated 12.03.2014 relating to export of onion.



2. The amended para 2 of Notification No. 86 (RE-2013)/2009-14 dated 02.07.2014 will now read as:

"Export of onion for the item description at Serial Number 51 & 52 of Chapter 7 of Schedule 2 of ITC(HS) Classification of Export & Import Items shall be permitted subject to a Minimum Export Price (MEP) of US\$ 300 per Metric Ton F.O.B. or as notified by DGFT from time-to-time".

### 3. Effect of this notification

Export of all varieties of onions as described above will be subject to a Minimum Export Price (MEP) of US\$ 300 per MT.

*inputs (more than one input), then quantities of such inputs to be permitted for import shall be in proportion to the quantity of these inputs actually used/consumed in production, within overall quantity against such group of inputs. Proportion of these inputs actually used/consumed in production of export product shall be clearly indicated in shipping bills.*

(c) At the time of discharge of export obligation (EODC) or at the time of redemption, RA shall allow only those inputs which have been specifically indicated in the shipping bill."

### 3. Effect of this Notification:

Quantity of input to be allowed under Advance Authorisation/DFIA shall be in proportion to the quantity of input actually used/consumed in production.

## New Guidelines for Ad hoc Exemptions of Customs Duty under Sec 25(2) Covers only Free of Cost Goods for Charitable Purposes or Grants to Government Agencies

*Subject: Guidelines for considering request for exemption from payment of Customs Duty under Section 25(2) of Customs Act, 1962.*

09-CBEC 12.08.2014 (DoR) The Central Government has provided exemptions from payment of duty of customs for import of specified goods for

charitable purposes and for specified organizations engaged in relief & rehabilitation under notification no. 148/94 – Cus. dated 13.7.1994. Import of goods to meet specific needs relating to the country's defense have been exempted from customs duty under notification no. 39/96-Cus dated 23.7.96 and 50/96-Cus dated 23.7.96. The Central Government also considers specific requests for exemption from customs duty under section 25(2) of the Customs Act, 1962 in cases involving circumstances of an exceptional nature. For this purpose, guidelines have been laid down in Circular no. 49/2003-Customs dated 10<sup>th</sup> June, 2003 and Circular no. 10/2007-Customs dated 13<sup>th</sup> February, 2007. In view of the requests received seeking grant of exemption from time to time and after due consideration to the existing general exemptions, the following revised guidelines are issued for considering the pending and future requests for exemption under Section 25(2) of the Customs Act, 1962, in supersession of the guidelines under Circular no. 49/2003-Customs dated 10<sup>th</sup> June, 2003 and Circular no. 10/2007-Customs dated 13<sup>th</sup> February, 2007.

2. Imports made by Central/State Governments, Municipalities, public sector undertakings and autonomous bodies will not be considered for ad-hoc exemption. All such agencies are expected to make budgetary provisions for payment of customs duty along with the cost of the imported goods. However, an exception could be considered in cases where such agencies are recipients of imported goods as grants from foreign Governments/foreign organizations. Such requests should be forwarded with the approval of the Secretary to Government of India in the administrative Ministry concerned, stating the circumstances under which the imports are taking place and the public interest sought to be served for which duty exemption should be considered.

3. Exemptions could also be considered in respect of cases recommended by the Secretary, Ministry of External Affairs for reasons of furthering India's foreign relations. While recommending any such case, Ministry of External Affairs shall state why the exemption is in national interest.

4. Cases of re-import of artefacts and memorabilia representing India's historical, cultural and art heritage intended for public exhibition, could also be considered for exemption, subject to recommendation for duty exemption by the Secretary, Ministry of Culture, Government of India.

5. Cases of import required for treatment of individuals, who are suffering from life threatening diseases, could be considered on case-to-case basis. Such cases will be examined from the point of view of the nature of the medical condition and financial circumstances of the applicant.

6. Import of goods meant for relief and rehabilitation of people affected by natural disasters and epidemics could be considered for exemption subject to fulfilling the following conditions:

a. The goods imported for charitable use should be distributed free of cost in a manner so as not to restrict access to their benefits on the basis of factors like caste, creed, language, race or religion.

b. The goods should not be in the nature of or tend to promote/propagate any religious or spiritual activity.

c. The distribution of the goods to the affected people shall be certified by the authorities of the State Government concerned not below the rank of the District Magistrate/Collector.

6.1 Applications for ad-hoc exemption on import of goods meant for relief and rehabilitation must contain the information/ documents listed below, along with self-certified copies of supporting documents:-

a. Details of goods sought to be imported, the Customs Station(s) at which they are to be imported and the location(s) where they are intended to be used/distributed. The description, quantity and value of goods shall be evidenced through a commercial document such as an invoice, contract, etc.

b. The applicant should furnish copies of last 3 years' audited balance sheets.

c. If the applicant had been granted any ad-hoc exemptions in the past, details of the same, along with proof of fulfilment of the conditions of such orders must be submitted.

d. The applicant should furnish an undertaking to the effect that he/she would fulfill the conditions prescribed for grant of exemption.

e. In cases where exemption is sought for goods where a Bill of Entry has been filed with Indian Customs, a copy of the Bill of Entry must be provided.

f. A certificate in the proforma at Annex A must be submitted, issued by any of the authorities specified therein.

7. Import of medical or surgical instruments and apparatus by charitable hospitals could be considered for exemption of duty subject to fulfilling the following conditions:

a. The hospital should not charge any fee for medical services from any class of patients.

b. The goods should be used in a manner so as not to restrict access to their benefits on the basis of factors like caste, creed, language, race or religion.

c. The hospital should be registered with the Income Tax authorities as a charitable organization/institution.

7.1 Import of goods for free distribution by charitable institutions/organizations could also be considered for exemption of duty subject to fulfill-

## Six Percent Interest in Delayed Refund of Deposits after Appellate Order

70-Cus(NT) 12.08.2014 (DoR) In exercise of powers conferred by section 129EE of the Customs Act, 1962 (52 of 1962), the Central

Government hereby fixes the rate of interest at six percent per annum for the purpose of the said Section.

[F.No. 390/Budget/1/2012-JC (Pt)]

24-CE(NT) 12.08.2014 (DoR) In exercise of powers conferred by section 35FF of the Central Excise Act, 1944 (1 of 1944), the Central

Government hereby fixes the rate of interest at six percent per annum for the purpose of the said Section.

[F.No. 390/Budget/1/2012-JC (Pt)]

ing the following conditions:

a) The import should be received as donation or gift by the institution/organization.

b) The institution/organization should not be engaged in any commercial activity.

c) The goods should be for distribution, free of cost, in a manner so as not to restrict access to their benefits on the basis of factors like caste, creed, language, race or religion.

d) The goods should not be in the nature of or tend to promote/propagate any religious or spiritual activity.

e) The Institution/organization should be registered with the Income Tax authorities as a charitable organization/institution.

### Application for Ad-Hoc Exemption

8. Requests for ad-hoc exemption by charitable institutions / Organizations must contain the information/ documents listed below, along with self-certified copies of supporting documents:-

a. Details of goods sought to be imported, the Customs Station(s) at which they are to be imported and the location(s) where they are intended to be used/distributed. The description, quantity and value of goods must be evidenced through a commercial document such as an invoice, contract, etc.

b. A certificate from the donor of the goods must be furnished evidencing the fact of donation and the absence of payment for the goods.

c. The applicant should furnish copies of last 3 years' audited balance sheets, income and expenditure statement, income tax returns and details of exemption granted by the Income-tax authorities etc.

d. If the applicant had been granted any ad-hoc exemptions in the past, details of the same, along with proof of fulfilment of the conditions of such orders must be submitted.

e. Where applicable, a copy of the memorandum of association, trust deed, certificate of registration or other similar document evidencing the setting up and the overall objectives and activities of the applicant institution must be submitted.

f. The applicant should furnish an undertaking to the effect that they would fulfill the conditions prescribed for grant of exemption.

g. In cases where exemption is sought for goods where a Bill of Entry has been filed with Indian Customs, a copy of the Bill of Entry must be provided.

h. A certificate in the proforma in the Annex B must be submitted, issued by any of the authorities specified therein.

8.1 Applicants may submit the application for ad-hoc exemption, complete in all respects, addressed to Member (Customs), Central Board of Excise & Customs, Department of Revenue, Ministry of Finance, North Block, New Delhi.

### Examination of Requests for Ad-Hoc Exemption

9. Ad-hoc exemption orders will be issued subject to the conditions that the imported goods will not be put to any commercial use and will not be sold, gifted, disposed of or used in any manner other than that specified in order granting exemption, without prior permission of the Central Board of Excise and Customs. The imported goods should be available for inspection by jurisdictional Customs/Central Excise officers as and when required.

10. If any other conditions are considered necessary to ensure that goods are used in public interest, or if any of the above conditions are modified in a given case, the same shall be specified in the Ad-Hoc Exemption Order for compliance.

### Monitoring of Ad-Hoc Exemption Orders (AEO)

11. An undertaking to comply with the conditions mentioned in the AEO shall be given by the applicant before the Commissioner of Customs at the port of import for claiming benefit of exemption under the order at the time of clearance. The said Commissioner of Customs shall send copies of documents pertaining to the import, such as the Bills of Entry, Invoices, etc. along with a copy of the said undertaking to the Commissioner of Central Excise having jurisdiction over the site of utilization of the goods or the location of the applicant, as specified in the AEO, within fifteen days of the clearance of the items exempted by the order.

12. The applicant shall intimate the said jurisdictional Commissioner of Central Excise, as soon as possible, and not later than seven days from the date of Customs clearance of the goods, of the site of utilization of the exempted items, and also furnish any other information that the said Commissioner may require for verifying the compliance of the conditions of the order. The Commissioner of Central Excise shall, within three months of the clearance of the items exempted by the order, verify the compliance with the conditions of the order and send a report to the Commissioner of Customs of the port of import. The verification report shall be sent so as to reach the Commissioner of Customs not later than six months of the issuance of the order.

13. Since the conditions of the AEO are binding on the importer in perpetuity, any infringement of conditions of the AEO should be brought to the

notice of the Commissioner of Customs of the port of import by the concerned Commissioner of Central Excise for taking further necessary action such as realization of Customs duty on the subject goods, penal action for such violations, etc. The action taken as indicated above by the Commissioner of Customs of the port of import should be immediately brought to the notice of the Central Board of Excise & Customs.

14. The importation of goods exempted by an Order issued under Section 25 (2) of the Customs Act 1962 shall be completed within six months of the date of the said order. Under exceptional circumstances if the applicant requests in writing for extending the validity of the order, the Central Board of Excise and Customs may extend the said period of six months by a further period not exceeding six months. The AEO will be void and no exemption will be granted to that quantity of goods covered in the AEO but not imported within the expiration of the permitted period.

15. These guidelines may be given wide publicity.

[F.No. 460/04/2014-Cus-V]

### Annex A Certificate

(In terms of para 6 of the Circular 09/2014-Customs dated 19<sup>th</sup> August, 2014)

This is to certify that \_\_\_\_\_ (applicant) proposes to undertake free distribution of goods to the people of \_\_\_\_\_ (name of District and State) in wake of \_\_\_\_\_ (event)

It is further certified that the organization enjoys a good reputation.

Place: \_\_\_\_\_ (Signature)

Date: \_\_\_\_\_ (Official Seal)

N.B.: The following officers alone are entitled to issue this certificate, namely,

1. Concerned Secretary of the State Government.
2. Concerned Joint Secretary of the Central Government.

### Annex B Certificate

(In terms of para 7 and 7.1 of the Circular 09/2014-Customs dated 19<sup>th</sup> August, 2014)

This is to certify that \_\_\_\_\_ (applicant) has been engaged in activities in the field of \_\_\_\_\_ for the last \_\_\_\_\_ years.

## Rupee Value under Indo-USSR Deferred Payment Protocols Revised to Rs. 83.137417 w.e.f. 12 Aug 2014

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

AP(DIR Srs) Attention of Authorised Dealer  
Cir.20 Category-I (AD Category-I)  
12.08.2014 banks is invited to A.P. (DIR  
(RBI) Series) Circular No. 134 dated  
May 26, 2014 wherein the

Rupee value of the Special Currency Basket was indicated as Rs. 80.603699 effective from May 21, 2014.

2. AD Category-I banks are advised that a further revision has taken place on August 07, 2014 and accordingly, the Rupee value of the

## Service Tax Exempted for Kailash Yatra Pilgrims

17-ST In exercise of the powers  
20.08.2014 conferred by sub-section (1)  
(DoR) of section 93 of the Finance  
Act, 1994 (32 of 1994), the

Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.25/2012-Service Tax, dated the 20<sup>th</sup> June, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 467 (E), dated the 20<sup>th</sup> June, 2012, namely:-

In the said notification,-

(i) in the opening paragraph, after entry 5, the following entry shall be inserted, namely:-

“5A. Services by a specified organisation in respect of a religious pilgrimage facilitated by the Ministry of External Affairs of the Government of India, under bilateral arrangement;”;

(ii) in paragraph 2 relating to definitions, after clause (zf), the following clause shall be inserted, namely:-

‘(zfa) “specified organisation” shall mean,-

- (a) Kumaon Mandal Vikas Nigam Limited, a Government of Uttarakhand Undertaking; or
- (b) ‘Committee’ or ‘State Committee’ as defined in section 2 of the Haj Committee Act, 2002 (35 of 2002);’.

[F. No.B1/1/2014 -TRU]

2. The charitable nature of the organization and its having been in existence for not less than three years has been duly verified and found to be correct. It is further certified that the organization enjoys a good reputation.

Place: \_\_\_\_\_ (Signature)

Date: \_\_\_\_\_ (Official Seal)

N.B.: The following officers alone are entitled to issue this certificate, namely,

1. Concerned Secretary of the State Government.
2. Concerned Joint Secretary of the Central Government.
3. Concerned Jurisdictional Commissioner of Central Excise/Customs.

Special Currency Basket has been fixed at Rs.83.137417 with effect from August 12, 2014

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

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

## Tariff Value Rises on Brass Scrap to \$63/MT; Gold \$5/10 gms; Areca nuts by \$159/MT and Crude Soyabean Oil \$8/MT

Tariff Value Falls on Crude Palm Oil \$25/MT; RBD Palm Oil \$32/MT; Palm Oil \$28/MT; Crude Palmolein \$33/MT; RBD Palmolein \$27/MT and Palmolein \$30/MT

71-Cus(NT) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the (DoR) Central Board of Excise & Customs, being satisfied that it is necessary and expedient so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S.O. 748 (E), dated the 3rd August, 2001, namely:-

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

**Table-1**

| SNo. | Chapter/heading/sub-heading/tariff item | Description of goods     | Tariff value US \$ (Per Metric Tonne) |
|------|---|--------------------------|---------------------------------------|
| (1)  | (2)                                     | (3)                      | (4)                                   |
| 1    | 1511 10 00                              | Crude Palm Oil           | 811                                   |
| 2    | 1511 90 10                              | RBD Palm Oil             | 842                                   |
| 3    | 1511 90 90                              | Others – Palm Oil        | 827                                   |
| 4    | 1511 10 00                              | Crude Palmolein          | 851                                   |
| 5    | 1511 90 20                              | RBD Palmolein            | 854                                   |
| 6    | 1511 90 90                              | Others – Palmolein       | 853                                   |
| 7    | 1507 10 00                              | Crude Soyabean Oil       | 935                                   |
| 8    | 7404 00 22                              | Brass Scrap (all grades) | 4138                                  |
| 9    | 1207 91 00                              | Poppy seeds              | 3255                                  |

**Table-2**

| SNo. | Chapter/heading/sub-heading/tariff item | Description of goods   | Tariff value (US \$) |
|------|---|--|----------------------|
| (1)  | (2)                                     | (3)  | (4)                  |
| 1    | 71 or 98                                | Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed   | 426 per 10 grams     |
| 2    | 71 or 98                                | Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed | 650 per Kilogram     |

**Table-3**

| SNo. | Chapter/heading/sub-heading/tariff item | Description of goods | Tariff value (US \$ Per Metric Tons) |
|------|---|----------------------|--------------------------------------|
| (1)  | (2)                                     | (3)                  | (4)                                  |
| 1    | 080280                                  | Areca nuts           | 2017                                 |

[F. No. 467/01/2014-Cus-5 Pt. I]

## Resident Individual can Buy Property Outside India – Reporting Procedure

*Sub: Liberalised Remittance Scheme for resident individuals-clarification*

AP(DIR Srs) Attention of Authorised Dealer Category-I Cir.19 (AD Category-I) bank is invited to A.P. 11.08.2014 (DIR Series) Circular No. 5 dated July 17, (RBI) 2014, in terms of which it was clarified that the Scheme can also be used for acquisition of immovable property outside India.

2. In the light of the above clarification, the requirement of post facto reporting stipulated in terms of A.P. (DIR Series) Circular No.32 dated September 04, 2013, (Sr. no. 4 of Annexure to the Circular) stands withdrawn.

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

## Exchange Rates for Customs Valuation

### Rupee Gains to 61.25 from 61.85 for Imports w.e.f. 22 Aug 2014

72-Cus(NT) In exercise of the powers conferred by section 14 of the 21.08.2014 Customs Act, 1962 (52 of 1962), and in super session (DoR) of the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.57/2014-CUSTOMS (N.T.), dated the 7<sup>th</sup> August, 2014 vide number S.O. 2009(E), dated the 7<sup>th</sup> August, 2014, except as respects things done or omitted to be done before such super session, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currency specified in column (2) of each of Schedule I and Schedule II annexed hereto into Indian currency or vice versa shall, with effect from 22<sup>nd</sup> August, 2014 be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

| SNo. | Currency | Imported Goods |          | Exported Goods |          |
|------|----------|----------------|----------|----------------|----------|
|      |          | Current        | Previous | Current        | Previous |
| (1)  | (2)      | (3)            |          | (3)            |          |
|      |          | (a)            |          | (b)            |          |

#### Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees

|     |                     |        |        |        |        |
|-----|---------------------|--------|--------|--------|--------|
| 1.  | Australian Dollar   | 56.95  | 57.70  | 55.45  | 56.30  |
| 2.  | Bahrain Dinar       | 165.80 | 167.45 | 156.70 | 158.25 |
| 3.  | Canadian Dollar     | 56.05  | 56.90  | 54.65  | 55.60  |
| 4.  | Danish Kroner       | 10.95  | 11.20  | 10.65  | 10.85  |
| 5.  | EURO                | 81.50  | 83.05  | 79.55  | 81.10  |
| 6.  | Hong Kong Dollar    | 7.90   | 8.00   | 7.75   | 7.85   |
| 7.  | Kuwait Dinar        | 220.05 | 223.00 | 207.85 | 210.65 |
| 8.  | Newzeland Dollar    | 51.45  | 52.75  | 50.15  | 51.25  |
| 9.  | Norwegian Kroner    | 9.95   | 9.95   | 9.65   | 9.65   |
| 10. | Pound Sterling      | 101.85 | 104.55 | 99.60  | 102.25 |
| 11. | Singapore Dollar    | 49.10  | 49.70  | 48.00  | 48.60  |
| 12. | South African Rand  | 5.80   | 5.90   | 5.50   | 5.55   |
| 13. | Saudi Arabian Riyal | 16.65  | 16.85  | 15.75  | 15.90  |
| 14. | Swedish Kroner      | 8.90   | 9.05   | 8.65   | 8.80   |
| 15. | Swiss Franc         | 67.30  | 68.55  | 65.70  | 66.70  |
| 16. | UAE Dirham          | 17.00  | 17.20  | 16.10  | 16.25  |
| 17. | US Dollar           | 61.25  | 61.85  | 60.25  | 60.85  |

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

|    |                |       |       |       |       |
|----|----------------|-------|-------|-------|-------|
| 1. | Japanese Yen   | 59.20 | 60.80 | 57.80 | 59.30 |
| 2. | Kenya Shilling | 70.85 | 71.90 | 66.85 | 67.80 |

[F.No.468/01/2014-Cus.V]

## Date of Taxation Event to Determine Exchange Rate for Service Tax

19-ST In exercise of the powers conferred by sub-section (1) read 25.08.2014 with sub-section (2) of section 94 of the Finance Act, 1994 (DoR) (32 of 1994), the Central Government hereby makes the following rules further to amend the Service Tax Rules,

1994, namely:-  
1. (1) These rules may be called the Service Tax (Second Amendment) Rules, 2014.

(2) They shall come into force on the 1st day of October, 2014.  
2. In the Service Tax Rules, 1994, after rule 10, the following rules shall be inserted, namely:-

"11. Determination of rate of exchange. - The rate of exchange for determination of value of taxable service shall be the applicable rate of exchange as per the generally accepted accounting principles on the date when point of taxation arises in terms of the Point of Taxation Rules, 2011.

12. Power to issue supplementary instructions. - The Board or the Chief Commissioners of Central Excise may issue instructions for any incidental or supplemental matters for the implementation of the provisions of the Act."

[F. No. 334 /15 /2014-TRU]

**India and Japan Will Deepen Strategic Cooperation at September Summit**

As Clint noted in the *Tokyo Report*, additional details have emerged about the content of the upcoming and much-awaited summit between Indian Prime Minister Narendra Modi and Japanese Prime Minister Shinzo Abe. The two countries will formalize a “two-plus-two” bilateral framework between their defense and foreign ministers allowing for improved strategic communication. India and Japan have held such meetings before but on an irregular schedule.

Under a new agreement that the two sides are expected to sign during Modi’s trip to Japan in early September, such exchanges will occur

annually. Currently, India and Japan hold prime ministerial summits every year—a rare feature in the foreign policy of each country.

The Modi-Abe summit could be one of the Asia-Pacific regions more important bilateral meetings this year. For one, it will demonstrate the trajectory that India’s new government wants to take with Japan. India and Japan have come together since 2006 when they signed a Strategic and Global Partnership. The strategic convergence between the two countries—one being Asia’s richest democracy and the other its most populous—was largely precipitated by China’s rise.

**Service Tax Proposals in July 2014 Budget to Apply from 1 Oct**

18-ST 25.08.2014 (DoR) In exercise of the powers conferred by clauses (A), (B) and (C) of section 114 of the Finance (No.2) Act, 2014 (25 of 2014), the Central Government hereby appoints the 1st day of October, 2014 as the date on which the provisions of clauses (A), (B) and (C) of the said section of the said Act shall come into force.  
[F. No. 334 /15 /2014-TRU]

In recent years, as Beijing has grown more assertive in its near seas, India and Japan have concomitantly scaled up their relations. During Modi’s trip, expect to see discussion (or possibly a deal) involving the military technology transfer deal between the two countries. Japan is slated to sell New Delhi 15 amphibious maritime surveillance aircraft this year.

During September’s summit, expect to see both Modi and Abe come together in expressing their support for status quo principles governing the use of Asia’s inner seas, including preserving the freedom of navigation and the safety of vital sea lanes. The two sides may further formalize cooperation between their navies. Each of these developments will come at Beijing’s expense. The United States, meanwhile, will be happy to see India and Japan come together to preserve the existing order in the Asia-Pacific.

In strategic terms, it’s worth keeping a close eye on the outcome of the first summit between Modi and Abe. Abe is a known Indophile who makes no secret of his deep admiration for India. He additionally sees India as a pivotal element of an Asian security order alongside Japan, Australia, and the United States.

**Service Tax in CENVAT Credit Restrictions Ambit under Amended 12AAACENVAT Rules**

25-CE 25.08.2014 (DoR) In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944) and section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely:-  
1. (1) These rules may be called the CENVAT Credit (Seventh Amendment) Rules, 2014.  
(2) They shall come into force on the date of their publication in the Official Gazette.  
2. In the CENVAT Credit Rules, 2004, in rule 12AAA, after the words “first stage and second stage dealer”, the words “provider of taxable service” shall be inserted.  
[F.No. 334/15/2014-TRU]

| <b>WIndex No. 23 – 27 August-02 September 2014</b>  | <b>Dindex WIndex</b> |
|---|----------------------|
| <b>Dindex Delivered Daily by Email</b>  |                      |
| <b>World Trade</b>  |                      |
| Modi on Five Day Visit to Japan – Leads delegation of 10 Business Men to Court Shinkansen Bullet Trains   | 5312 <b>153</b>      |
| India is Safe for Japanese Money, Market Good for Low Price Japanese Goods  | 5313 <b>153</b>      |
| Anti-dumping Duty Final Findings on Solar Cells Lapses after FinMin No to Protect Consumers   | 5314 <b>153</b>      |
| Malaysia Launches Safeguard Investigation on Hot Rolled Steel Plate   | 5302 <b>154</b>      |
| Karwar Godown Owner sent to Jail after High Court NBW for Service Tax Default   | 5301 <b>154</b>      |
| India and Japan Will Deepen Strategic Cooperation at September Summit   | 5315 <b>160</b>      |
| <b>Foreign Trade Policy</b>   |                      |
| Nexus Condition between Advance Licence Import and Export Tightened – Flexibility of Exporters Curtailed – 90-Ntfn(RE)/21.08.2014   | 5306 <b>156</b>      |
| MEP on Onions Returns to US\$300 per MT from \$500 per MT – 91-Ntfn(RE)/21.08.2014  | 5304 <b>156</b>      |
| <b>Customs</b>  |                      |
| Sugar Duty Raised to 25% from 15% – Ntfn 26/21.08.2014  | 5303 <b>155</b>      |
| Safeguard Duty Imposed on Seamless Pipes and Tubes on Complaint of Jindal Steel, Maharashtra Seamless and ISMT, Pune – Final Findings – Ntfn 02-SG/13.08.2014                     | 5292 <b>155</b>      |
| Anti-dumping Duty on Polypropylene from Singapore Extended till 29 July 2015 in Review – Ntfn 38-ADD/13.08.2014   | 5293 <b>156</b>      |
| Ceftriaxone Sodium Sterile from China - Another Five Years of Anti-dumping Duty in Review but Amount Slashed to \$21.85 per kg from 77.35 per kg – Ntfn 39-ADD/14.08.14           | 5299 <b>155</b>      |
| Six Percent Interest in Delayed Refund of Deposits after Appellate Order – 70-Cus(NT) and 24-CE(NT)/12.08.2014  | 5295 <b>157</b>      |
| Tariff Value Rises on Brass Scrap to \$63/MT; Gold \$5/10 gms; Areca nuts by \$159/MT and Crude Soyabean Oil \$8/MT – 71-Cus(NT)/14.08.2014                                       | 5294 <b>159</b>      |
| Rupee Gains to 61.25 from 61.85 for Imports w.e.f. 22 Aug 2014 – 72-Cus(NT)/21.08.14  | 5305 <b>159</b>      |
| <b>Excise</b>   |                      |
| Six Percent Interest in Delayed Refund of Deposits after Appellate Order – 70-Cus(NT) and 24-CE(NT)/12.08.2014  | 5295 <b>157</b>      |
| Service Tax in CENVAT Credit Restrictions Ambit under Amended 12AAA CENVAT Rules – 25-CE(NT)/25.08.2014   | 5311 <b>160</b>      |
| <b>CBEC Circular</b>  |                      |
| New Guidelines for Ad hoc Exemptions of Customs Duty under Sec 25(2) Covers only Free of Cost Goods for Charitable Purposes or Grants to Government Agencies – 09-CBEC/19.08.2014 | 5307 <b>157</b>      |
| <b>Service Tax</b>  |                      |
| Service Tax Exempted for Kailash Yatra Pilgrims – 17-ST/20.08.2014  | 5308 <b>158</b>      |
| Service Tax Proposals in July 2014 Budget to Apply from 1 Oct – 18-ST/25.08.2014  | 5309 <b>160</b>      |
| Date of Taxation Event to Determine Exchange Rate for Service Tax – 19-ST/25.08.14  | 5310 <b>159</b>      |
| <b>RBI Circular [AP(DIR Series)]</b>  |                      |
| Resident Individual can Buy Property Outside India – Reporting Procedure – Cir.19/11.08.2014  | 5297 <b>159</b>      |
| Rupee Value under Indo-USSR Deferred Payment Protocols Revised to Rs. 83.137417 w.e.f. 12 Aug 2014 – Cir.20/12.08.2014  | 5296 <b>158</b>      |
| <b>*See details in www.worldtradesScanner.com</b>   |                      |