

Postal Regn.No. DL(C)-01/1251/09-11  
Licence to Post without  
Prepayment U(C)-30/09-11  
RNI No. 42906/84

# WORLD TRADE SCANNER

ISSN: 0971-8095

Single copy Rs. 20 \$2

Vol. XXVIII No 24 07-13 September 2011

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

Annual subscription Rs 750

## Duty Free Access on 46 Textile Lines to Bangladesh

Extracts from the Prime Minister Dr. Manmohan Singh's statement at the Joint Media Meet at Dhaka on 6 September 2011.

I thank Her Excellency Prime Minister Sheikh Hasina for her very kind words of welcome. I also thank the government and people of Bangladesh for the gracious hospitality and excellent arrangements made for my visit to this beautiful country.

As the Prime Minister has just announced, we have worked out 24-hour access to the enclaves of Dahagram-Angarpota through the Tin Bigha Corridor.

We have decided to continue discussions to reach a mutually acceptable, fair and amicable arrangement for the sharing of the Teesta and Feni river waters.

India is fully alive to the problem of trade imbalance between India and Bangladesh. I am pleased to announce that, with immediate effect, we will provide duty free access to the Indian market to 46 textile tariff lines as

requested by Bangladesh.

We have embarked on a series of measures to improve border infrastructure. These will facilitate Bangladesh's exports to India and provide it greater opening to India and other neighbouring countries. We are addressing issues relating to non-tariff barriers together with Bangladesh.

India will supply bulk power to Bangladesh by connecting our national grids. We will assist in the setting up of a 1320 megawatt joint venture power plant in Khulna.

Projects worth over 750 million US dollars under the 1 billion US dollar Line of Credit announced last year have been identified for implementation.



## Voices from Bangladesh

### No Teesta, no transit

Dhaka, Delhi shelve major deals to sign minor ones as Mamata's U-turn on Teesta upsets course of talks

Bangladesh and India have failed to sign agreements on transit and Teesta and Feni rivers, the most sought after takeaways expected from the visit of Indian Prime Minister Manmohan Singh to Bangladesh in a new blow to their bilateral ties.

### Hasina hopes all pending bilateral issues with India to be resolved soon

She said that since assuming office in January 2009, her government has sought to shape Bangladesh's relations with India in this light

Prime Minister Sheikh Hasina on Tuesday reiterated her government's commitment to resolving all pending bilateral issues with India as soon as possible.

### Duty-free access to be a 'drop in the ocean'

Even if India keeps its entire market open to Bangladesh, it won't hurt India's interest,"

There is nothing for the Indian business community to be worried about the probable duty-free access of Bangladeshi products to their market as it would be a drop in the ocean, according to Bangladesh business leaders. "It'll be a drop in the ocean... I don't see any reason to be worried about.

### Police bar protesters from rallying against Indo-Bangla deal -DU students oppose 'secret' deals with India

The police also barred the local leftist leaders from staging rallies in Kushtia and Khulna and arrested some of them, they said in their statement.

The police on Tuesday barred the activists of three left-leaning parties from staging a rally in front of the National Press Club to protest against the visit of Indian Prime Minister Manmohan Singh.

### Public Reaction: What's the gain of Bangladesh?

We should be careful about what we are going to give India and what we are getting in return,"

The general public are confused and sceptical about Bangladesh's gain from Indian Prime Minister Manmohan Singh's visit.

### Manmohan dashes 'strong belief'

Dipu Moni had told journalists on Monday night despite the strong speculation suggestion a 'no deal' on Teesta, "We strongly believe that the deal would be signed

Foreign minister Dipu Moni's 'strong belief' in a Teesta deal appears to have fizzled out after her meeting with Manmohan Singh.

River sharing	X
Transit	X
Power	X
Land	✓

## Dhaka, Delhi sign agreements, protocols, MoUs

Bangladesh Premier Sheikh Hasina and her Indian counterpart Manmohan Singh inked a comprehensive framework agreement on bilateral cooperation

Bangladesh and India Tuesday evening signed a number of agreements, protocols and Memorandum of Understanding (MoU) in a bid to enhance bilateral ties between the two neighbours.

Bangladesh disappointed over India's stance not to sign Teesta pact

The Foreign Ministry summoned Indian High Commissioner to Bangladesh Rajeet Mitter in

the afternoon and was conveyed the disappointment.

Bangladesh Tuesday expressed her disappointment over India's decision not to sign the Teesta water sharing deal.

## Manmohan arrives to tumultuous ovation

A 19-gun salute heralded the arrival of the Indian Prime Minister as he alighted from a special flight of the Air India at 11:39 am.

Indian Prime Minister Manmohan Singh flew in Tuesday amid a tumultuous reception to begin his two-day visit, seen as a big step towards resolving bilateral irritants and to strengthen economic cooperation.

## Milestones in Trade between Bangladesh and India

Bangladesh's exports to India in 2010-11 were worth \$512.5 million and India's exports to Bangladesh in the same period were of \$4,586.8 million.

Tariff concessions granted by India to Bangladesh under Safta (as Saarc LDC) include a zero-duty market access for all but 480 items in the sensitive list. India had further increased the duty-free access to 10 million pieces of readymade garments from Bangladesh every year.

Furthermore, Indian Prime Minister Manmohan Singh announced yesterday the removal of all 46 Bangladeshi textile items from the sensitive list and zero-duty access in all these 46 items for exports to India.

India is upgrading seven main border land customs stations (LCS) as integrated check posts (ICPs) at a total cost of Rs 467 crores. ICPs will have facilities for immigration, customs, parking, banks, warehousing, quarantine, and

fuelling.

The measure will help improve trade with Bangladesh across West Bengal, Assam, Meghalaya, Tripura and Mizoram. Movement of goods between the two countries is covered by the existing 'Protocol on Inland Water Transit and Trade' for use of waterways, 'Fundamental and Subsidiary Rules' guiding movement of railways, 'Standard Operating Procedures for Movement of Trucks' between LCSs and 'Air Services Agreement'. Further, to restore the traditional economic and cultural links between people in adjoining states in India and Bangladesh, border haats have been established, starting with inauguration of Border Haat in Meghalaya.

So far 225 Indian firms have proposed foreign direct investment totalling \$558.77 million as 100 percent Indian-owned or joint venture proposals. In 2008 and 2009, the total Indian investment was \$400 million.

## Exports Shoot Up by 82% in July with DEPB to Sunset in Sept 2011

### Exports (including re-exports)

India's exports during July, 2011 were valued at US \$ 29344.03 million (Rs. 130338.54 crore) which was 81.79 per cent higher in Dollar terms (72.40 per cent higher in Rupee terms) than the level of US \$ 16141.65 million (Rs. 75603.11) during July, 2010. Cumulative value of exports for the period April-July 2011 -12 was US \$ 108347.77 million (Rs 483677.41 crore) as against US \$ 70364.35 million (Rs. 323184.79 crore) registering a growth of 53.98 per cent in Dollar terms and 49.66 per cent in Rupee terms over the same period last year.

### Imports

India's imports during July, 2011 were valued at US \$ 40425.82 million (Rs.179561.00 crore) representing a growth of 51.52 per cent in Dollar

terms (43.69 per cent in Rupee terms) over the level of imports valued at US \$ 26681.05 million (Rs. 124966.83 crore) in July, 2010. Cumulative value of imports for the period April-July, 2011-12 was US \$ 151039.62 million (Rs.674324.07 crore) as against US\$107883.65 million (Rs. 495148.95 crore) registering a growth of 40.00 per cent in Dollar terms and 36.19 per cent in Rupee terms over the same period last year.

### Crude Oil and Non-Oil Imports

Oil imports during July, 2011 were valued at US \$ 11445.4 million which was 37.02 per cent higher than oil imports valued at US \$ 8353.2 million in the corresponding period last year. Oil imports during April-July, 2011-12 were valued at US\$ 41972.6 million which was 22.72 per cent higher than the oil imports of US \$ 34202.7

## Lamy in Delhi – Lauds India for Leveraging on Trade for Growth

Commerce Minister Anand Sharma said that India has an abiding commitment to building capacities for the people in the developing world and we have been doing so for decades in Africa, Asia and Latin America through a whole list of scholarship programmes. "The Regional Trade Policy Course is a flagship Capacity Building Programme of the WTO and this is the first time that this course for the Asia Pacific region is being organized in South Asia, which makes it truly special", he added

The WTO Director General Mr Pascal Lamy was in Delhi on 5-6 September in a meeting at IIFT while admitting the 'deadlock' in the Doha negotiations, said that with leadership, pragmatism and determination we should continue to address the various issues. "We can't give up because of steep slope or long path" he said. He further said that WTO is a member driven organization and its negotiations are a collective enterprise. Stakeholders of global trading systems recognize its worth and contribution in times like these. "India is a good example of how trade can be leveraged to achieve growth and reduce poverty", he added.

Regional Trade Policy Courses (RTPCs) inaugurating in Delhi is a three-month courses for government officials from developing countries/separate customs territories, LDCs, economies in transition, and countries in the process of accession to the WTO. They are organized and run by the WTO in partnership with institutions of higher learning in different regions of the world. The RTPC in 2011 for Asia – Pacific Region is being organized jointly by the WTO and the Centre for WTO Studies, IIFT New Delhi, during 5 September – 25 November 2011. 25 participants from 19 countries of Asia – Pacific region will participate in the forthcoming RTPC. Twenty academics/trade specialists from the region, together with WTO officials will deliver the course.

million in the corresponding period last year.

Non-oil imports during July, 2011 were estimated at US \$ 28980.4 million which was 58.12 per cent higher than non-oil imports of US \$ 18327.8 million in July, 2010. Non-oil imports during April - July, 2011-12 were valued at US\$ 109067.0 million which was 48.03 per cent higher than the level of such imports valued at US\$ 73680.9 million in April - July, 2010-11.

### Trade Balance

The trade deficit for April - July, 2011-12 was estimated at US \$ 42691.85 million which was higher than the deficit of US \$ 37519.30 million during April -July, 2010-11.

### Dollar-Rupee Rate at NSE Futures

Trade Date	Open Price	High Price	Low Price	Close Price	Daily Settlement Price	Open Interest	No. of Contracts	Value (Rs. lakhs)	RBI Reference rate
05-Sep-11	46.0050	46.1075	45.8975	46.0625	46.0625	1116046	1527135	702609	45.9375
02-Sep-11	46.0400	46.0500	45.9200	45.9625	45.9625	1087875	1280843	588966	45.8965
30-Aug-11	46.0500	46.1875	45.9625	46.1100	46.1100	1103726	1578338	727317	46.0190

[Source: NSE and RBI Website]

Cont'd..228

Subscription rate for the Weekly Index with World Trade Scanner

- Six months Rs. 375 US\$45
- 1 Year Rs. 750 US\$70
- 2 Years Rs. 1400 US\$140
- 3 Years Rs. 2100 US\$200

## CBEC Bans Export of Pan Masala in Plastic Sachet

[F.No. 528/69/2011-STO (TU) dated 30th August 2011]

Subject: Export of Pan Masala-Gutkha packed in plastic sachet by 100% EOU -Application of provisions of Plastic Waste Management and Handling Rules, 2011.



Board has received references seeking clarification on the applicability of the Plastic Waste (Management and Handling) Rules, 2011 to the

export of pan masala / gutkha packed in plastic sachets by Export Oriented Units.

2. Some Chief Commissioners are of the view that whereas the manufactures of pan masala / gutkha shall be required to give an undertaking to comply with the provisions of the Plastic Waste (Management and Handling) Rules, 2011 under no circumstance should export of the goods in question be stopped or disallowed. Other Chief Commissioners had a contrary view that allowing the export of pan masala / gutkha packed in plastic sachets would be a contravention of the said Rules of 2011. The Board has examined the matter in the background of the Plastic Waste (Management and Handling) Rules, 2011 as well as the conflicting views of Chief Commissioners.

3. The Ministry of Environment and Forests notified the Plastic Waste (Management and Handling) Rules, 2011 on 04.02.2011 and amended the same on 02.07.2011. Rule 3(b) earlier defined a carry bag to mean "all plastic bags used to carry commodities, including self carrying features". After 02.07.2007 this definition has been changed as "bags made from all plastic material, used for the purpose of carrying or dispensing commodities but do not include bags that constitute or form an integral part of the packaging in which goods are sealed prior to use". On its part, Rule 3(k) earlier defined "multilayered packaging" and w.e.f. 02.07.2007 this was changed to apply to "multilayered plastic pouch or sachet" and corresponding changes

have been made in Rule 3(m) and Rule 8.

4. Rule 5 of the said Rules deals with the conditions to be met during the course of manufacture, stocking, distribution, sale and use of carry bags and sachets. Of particular relevance is Rule 5 (d) which states that "sachets using plastic material shall not be used for storing, packing or selling gutkha, tobacco and pan masala". Further, Rule 5 (g), which is inserted w.e.f. 02.07.2011, states that "plastic material in any form, shall not be used in any package for packing gutkha, pan masala and tobacco in any form".

Rule 2, however, grants exemption from the application of Rule 5. Prior to 02.07.2011 the exemption was available to "the manufacture of carry bags exclusively for export purposes, by export oriented units, against an order for export..." whereas w.e.f. 02.07.2011 the exemption is available to "manufacture of carry bags exclusively for export purposes, against an order for export...".

5. It is clear from the above that carry bags and sachets are two distinct items. Also, the exemption from the requirement of Rule 5 is available only to a manufacture of carry bags. Thus, a unit manufacturing pan masala / gutkha cannot claim this exemption. Therefore, export of said goods in plastic sachets / plastic material in any form would be in contravention of the provisions of Plastic Waste (Management and Handling) Rules, 2011.

6. Action in respect of all past cases may therefore be finalised in the light of the aforesaid clarification. Suitable Public Notice / Standing Order may be issued for guidance of all concerned in respect of all cases relating to past, present and future.

## Centralised Payment of Court Fee w.e.f. 1 September 2011

[F. No. 275/05/2011-CX.8A dated 25th August 2011]

Subject: Centralised payment of court fee, w.e.f. 1.9.2011, by the Directorate of Legal Affairs in appeals filed before the Supreme Court.

The existing practice of payment of court fee by the department, as appellant or as respondent, in the appeals filed before the Supreme Court, is that the respective field formation/directorate deposits it in a decentralized manner through the Central Agency Section (Supreme Court). However, the decentralized process of payment of court fee results in avoidable delays and thus causing delays in filing of appeals or the counters, as the case may be.

2. This issue has been examined by the Board and a decision has been taken that henceforth the process of payment of court fee in Supreme Court would be centralized and the Directorate of Legal Affairs has been entrusted with this work. In this regard, a separate fund has been sanctioned to Directorate of Legal Affairs for the

financial year 2011-12 under the head "Law Charges". The Directorate of Legal Affairs has, after working out the modalities, informed that it is now in a position to start payment of court fee in a centralized manner.

3. In this context, the undersigned is directed to say that in respect of appeals filed on or after 1.9.2011 in Supreme Court the court fee would be deposited by the Directorate of Legal Affairs, CBEC.

4. The trigger document for depositing court fee in respect of appeals filed by department is the communication that is sent by the Legal or Judicial Wing of the Board to the field formation wherein a direction to deposit the court fee is also communicated. Under the revised procedure, w.e.f. 1.9.2011, direction for depositing

## Safeguard Duty on 6 PPD Slapped on NOCIL Complaint Duty to Operate after Netting of Anti-dumping Duty

Ntfn 83  
30.08.2011  
(DoR)

Whereas, in the matter of import of N1, 3-dimethyl butyl-N'phenylenediamine (PX-13 also known as 6

PPD) (hereinafter referred as the subject goods), falling under tariff items 3812, 3810, 2921, 2925, 2934 and 2942 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the said Act), the Director General (Safeguard), in its final findings vide number G.S.R.433 (E), dated the 6<sup>th</sup> June, 2011, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 6<sup>th</sup> June, 2011, has come to the conclusion that increased imports of the subject goods into India has caused and threatened to cause serious injury to the domestic producers of the subject goods and it necessitates to impose safeguard duty on imports of the subject goods into India, and has recommended the imposition of safeguard duty on imports of the subject goods into India;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 8B of the said Act, read with rules 12 and 14 of the Customs Tariff (Identification and Assessment of Safeguard Duty) Rules, 1997, the Central Government after considering the said findings of the Director General (Safeguards), hereby imposes on N1, 3-dimethyl butyl-N'phenylenediamine (PX-13 also known as 6 PPD), falling under tariff items 3812, 3810, 2921, 2925, 2934 and 2942 of the First Schedule to the said Act, when imported into India, a safeguard duty at the rate of -

(a) Thirty percent ad valorem minus anti-dumping duty payable, if any, upto one year from the date of publication of this notification in the Official Gazette; and

(b) Twenty five percent ad valorem, minus anti-dumping duty payable, if any, after one year referred to in clause (a), upto two years from the date of publication of this notification in the Official Gazette

2. Nothing contained in this notification shall apply to imports of N1, 3-dimethyl butyl-N'phenylenediamine (PX-13 also known as 6 PPD) from countries, notified as developing countries under clause (a) of sub-section (6) of section 8B of the said Act, other than China PR.

[F. No.354/211/2011-TRU]

court fee in such cases would be issued by the Board to the Directorate of Legal Affairs.

4.1 As regards party appeals, the trigger document is the communication sent by the Directorate of Legal Affairs to the field formation for depositing the court fee. Under the revised procedure, Directorate of Legal Affairs will not issue such communications to field formations

and instead would deposit the fee itself.

5. It may however be noted that wherever a communication, as mentioned in paras 4 and 4.1 above, is issued to field formations before 1.9.2011, by the Board or the Directorate of Legal Affairs, as the case may be, in such cases fee would be deposited by the respective field formation/directorate as per the exiting practice, irrespective of the date of actual filing

of appeal.

6. It is requested that during the transition period from the existing practice to centralized payment of court fee, a proper coordination may please be ensured with the Directorate of Legal Affairs.

7. Any difficulty or doubt in the matter may please be brought to the notice of Commissioner (Legal), CBEC, or the undersigned.

## DG Safeguards Initiates Investigation on Phthalic Anhydride Imports on Thirumalai Complaint

**[Notice of Initiation of a Safeguard Investigation dated 10<sup>th</sup> August 2011]**

*Sub: Initiation of safeguard investigation concerning imports of Phthalic Anhydride into India.*

An application has been filed before me under Rule 5 of the Customs Tariff (Identification and Assessment of Safeguard Duty) Rules, 1997 by M/s. Thirumalai Chemicals Ltd., Ranipet, Tamilnadu, M/s. IG Petrochemicals Ltd., Raigad, Maharashtra, M/s. Mysore Petrochemicals Ltd, Raichur, Karnataka for imposition of Safeguard Duty on imports of Phthalic Anhydride into India to protect the domestic producers of Phthalic Anhydride against serious injury caused by the increased imports of Phthalic Anhydride into India.

### 2. Domestic Industry

The application has been filed by M/s Thirumalai Chemicals Ltd., Ranipet, Tamilnadu, M/s. IG Petrochemicals Ltd., Raigad, Maharashtra, M/s. Mysore Petrochemicals Ltd., Raichur, Karnataka for imposition of Safeguard Duty on imports of Phthalic Anhydride. The application has been made by three of the five domestic producers of Phthalic Anhydride in India accounting for 86% of the total production.

### 3. Product Involved

The product under consideration is Phthalic Anhydride. It is an anhydride of Phthalic Acid, and is commercially produced by catalytic oxidation of Ortho- xylene or Naphthalene. It is a colourless solid, variously referred as Phthalic Anhydride flakes, Phthalic Anhydride (98% min.), Phthalic Acid Anhydrous, Phthalic Anhydride (99.8% min), etc. The product is produced only in one grade, though, it may be consumed as a solid or liquid in processes it is used. As regards different applications, it does not have distinguishable different types or forms. Further, it is used in production process of various chemicals, which use the same characteristic properties of Phthalic Anhydride. Phthalic Anhydride is used to produce Phthalate esters, which function as plasticizers. It is an important chemical intermediate in plastic industry. Phthalic Anhydride is classified under Customs sub-heading No. 29173500 under the Customs Tariff Act, 1975

### 4. Brief history

An investigation was initiated by the DG (safeguards) earlier on the application filed under Rule 5 of the Customs Tariff (Identification and Assessment of Safeguard Duty) Rules, 1997 [hereinafter referred to as "Safeguard Rules"] by (1) M/s. Thirumalai Chemicals Ltd, Ranipet Tamilnadu, (2) M/s. IG Petrochemicals Ltd Raigad Maharashtra, (3) M/s. Mysore

Petrochemicals Ltd, Raichur Karnataka, and (4) M/s SI Group India Ltd., Navi Mumbai Maharashtra, seeking imposition of Safeguard Duty on imports of Phthalic Anhydride into India alleging that increased imports of Phthalic Anhydride was causing and/or threatening to cause serious injury to the domestic producers of Phthalic Anhydride in India. Having satisfied that the requirements of Rule 5, safeguard investigation against imports of Phthalic Anhydride was initiated vide notice of initiation dated 28<sup>th</sup> November 2008 published in the Gazette of India, Extraordinary on the same day.

4.1 After expeditious conduct of investigation preliminary findings were issued on 1<sup>st</sup> January 2009. Central Government levied provisional safeguard duty at the rate of 25% with effect from 29th January 2009 vide customs notification No.9/2009-Cus dated 29th January 2009 based on the recommendation of DG Safeguard.

4.2 Director General (Safeguard) issued Final Findings G.S.R. 366(E), dated the 28<sup>th</sup> May, 2009, recommending definitive Safeguard duty for a period of three years, i.e. from 29-01-2009 to 28-01-2012. The Central Government however imposed definitive Safeguard duty for one year only, @ 25% from 29.01.2009 to 30.06.2009 and @ 15% from 01.07.2009 to 31.12.2009.

4.3 The definitive safeguard duty has expired on 31.12.2009. Thereafter, no application was filed for review by the domestic industry. However, the instant application filed by the domestic industry has been for imposition of safeguard duty for one year with the purpose to enable the domestic industry to improve its capacity utilization in order to survive.

### 5. Increased Imports

Phthalic Anhydride is imported into India from a number of countries, and primarily from Republic of Korea, Israel, Iran and Taiwan. The imports of Phthalic Anhydride have shown an increasing trend in absolute terms as well as compared to the domestic production. The imports and domestic production of Phthalic Anhydride during Q4 of 2008-09 to April-May, 2011 remained as under:

Financial Year	Quarter	Total Imports (MT)	Domestic Production (MT)
2008-09	Q4	6103	49607
2009-10	Q1	7240	47985

Q2	5163	58259	
Q3	8526	40437	
Q4	7169	52853	
2010-11	Q1	23615	55503
	Q2	8611	58168
	Q3	18082	52319
	Q4	11657	51271
2011-12	April-May	9188	35716

The Imports have increased from 28098 MT 2009-10 to 61965 MT in 2010-11 which shows an increase of 121% which is phenomenal. Further the import with respect to domestic production was 14.08 % in 2009-10 and increased to 28.52 % in 2010-11.

### 6. Injury

The applicant have claimed that the increased imports of Phthalic Anhydride have caused and are threatening to cause serious injury to the domestic producers of Phthalic Anhydride as indicated by the following factors:

a) *Production:* The domestic production has been falling steadily from 58259MT in Quarter 2 (2010-11), then 52319 MT in Quarter 3 (2010-11) & further to 51271MT in Q4(2010-11) and finally to 50124 MT in Q1(2011-12) .

Year	Index	Qty (MT)
2008-09	Q4	100
2009-10	Q1	97
	Q2	117
	Q3	82
	Q4	107
2010-11	Q1	112
	Q2	117
	Q3	105
	Q4	103
2011-12	Q1	101

b) *Capacity Utilization:* Capacity utilization of the domestic industry has declined significantly in the most recent period, from 87% in Q2 of 2010-11 to 75% in Q1 of 2011-12.

Year	Capacity utilized (%)	
2008-09	Q4	83
2009-10	Q1	72
	Q2	87
	Q3	60
	Q4	79
2010-11	Q1	83
	Q2	87
	Q3	78
	Q4	76
2011-12	Q1	75

The plant of Mysore Petrochemicals is at present under shutdown for an indefinite period w.e.f 20.06.2011 due to accumulation of high stocks.

c) *Share of domestic producers in domestic consumption:* Market share of domestic producers has fallen significantly. Applicants had a market share of 75% in 2009-10 which fell to 69% during 2010-11. The market share of the applicants further declined to 64% in Q1 (Apr-May 2011).

d) *Profit/loss* – the profitability of the domestic industry has steeply deteriorated to such a situation that the domestic industry is now suffering financial losses. This is evident from the table below:-

Rs. in Lakhs

Financial Year	Profitability
2009-10	2583
2010-11 (Annualized)	-1513
2011-12 (Q1)	-384
2011-12 (Annualized)	-1536

e) *Inventories* – the inventories with the domestic industry have increased significantly. The table below depicts the inventories level which have witnessed a massive surge from 4530 MT in 2009-10 to 5718 MT in 2010-11 and further to 8131 MT in Q1 (2011-12), almost doubling in 2011-12 from the 2009-10 level, reflecting the plight of the domestic industry.

Year	Index	Qty (MT)	
2008-09	Q4	100	5365
2009-10	Q1	30	1604
	Q2	114	6101
	Q3	9	487
	Q4	84	4530
2010-11	Q1	83	4468
	Q2	46	2484
	Q3	172	9232
	Q4	107	5718
2011-12	Q1	152	8131

7. The domestic industry has requested for immediate imposition of safeguard measures for a period of one year in their application. The domestic industry's request for imposition of provisional safeguard duty for one year is in light of critical circumstances, since interim measures are imperative in view of steep deterioration in performance of the domestic industry as a result of increased imports of product under

## Marble Quota from Bhutan Raised to 5882 MTs

69-Ntfn(RE) In exercise of powers  
01.09.2011 conferred under section 5 of  
(DGFT) the Foreign Trade (Develop-  
ment and Regulation) Act,

1992 read with paragraph 2.1 of the Foreign Trade Policy, 2004-09, 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. (4) at the end of Chapter 25, will be amended to read as under:

"(4) Import of Marble, classified under Chapter 25 and 68, from Bhutan shall be subject to a combined annual quota of 10 lakh sq ft( 5882

## Cotton Yarn Exporters can Pay Penalty of Rs. 10K + 1% of Shortfall to Regularise Default

Subject: Penalty for failure to export cotton yarn in terms of Policy Circular No. 27 dated 01.04.2011 and Policy Circular No. 38 dated 10.08.2011.

19-TN Attention is invited to Policy  
30.08.2011 Circular No. 27 dated  
(DGFT) 01.04.2011 which stipulates  
conditions and modalities for  
registration of contracts of cotton yarn with  
DGFT. Para 4 of this Policy Circular deals with  
the consequences of failure to export the al-  
lowed quantity within stipulated time.

consideration. The major Chinese market for PAN has clogged for the export oriented producers of Korea and Taiwan whereas the Indian market is still strong which led to tremendous increase in imports. The applicants have further submitted that despite increase in the prices of raw materials, the prices of PAN remained the same or at times declined. This is due to market pressure faced by the domestic industry from the increase in imports leading to financial losses.

8. The application has been examined and it has been found that prima facie increased imports of PAN (Phthalic Anhydride) have caused and are threatening to cause serious injury to the domestic producers of PAN and such increase in imports has caused irreparable damage to the domestic industry and accordingly, it has been decided to initiate an investigation through this notice.

9. All interested parties may make their views known within a period of 30 days from the date of this notice to:

The Director General (Safeguards)  
Bhai Vir Singh Sahitya Sadan: 2nd Floor,  
Bhai Vir Singh Marg, Gole Market,  
New Delhi-110 001, INDIA.  
Telefax: 011-23741542/ 23741537  
E-mail: dgsafeguards@nic.in

10. All known interested parties are also being addressed separately.

11. Any other party to the investigation who wishes to be considered as an interested party may submit its request so as to reach the Director General (Safeguards) on the aforementioned address within 21 days from the date of this notice.

MT). The quota shall come into effect immediately and shall operate on a financial year basis. Monitoring and allocation of the quota shall be made by the Government of Bhutan."

3. Import Licensing Note No. (2) at the end of Chapter 68 will be amended to read as under:

"(2) Import of Marble, classified under Chapter 25 and 68, from Bhutan shall be subject to a combined annual quota of 10 lakh sq ft( 5882 MT). The quota shall come into effect immediately and shall operate on a financial year basis. Monitoring and allocation of the quota shall be made by the Government of Bhutan."

### 4. Effect of this notification

The annual quota for import of marble from Bhutan will now be 5,882 MTs. Previously it was 1847 MTs.

2. Subsequently, Policy Circular No. 38 issued on 10.08.2011 provided tolerance for variation of (-) 5% (negative five percent) in weight. Thus, exporters with a shortfall of (and upto) 5% in weight will not face any penal action.

3. It has been decided that shortfall beyond 5% can be regularised by the respective RAs if the defaulters pay a penalty of Rs. 10,000/+ 1%

## Sugar Zero Duty Import Extended by Three Months to 1 December 11

Ntfn 84 In exercise of the powers  
01.09.2011 conferred by sub-section  
(DoR) (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. 21/2002-Customs, dated the 1<sup>st</sup> March, 2002, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 118(E) dated the 1<sup>st</sup> March, 2002, namely :-

In the preamble, in the proviso, in clause (m) for the figures and words "1<sup>st</sup> day of September, 2011", the figures and words "1<sup>st</sup> day of December, 2011" shall be substituted.

[F. No.354/78/2011-TRUPt I]

of value of shortfall in excess of the allowance of 5%. Such exporters will not be treated as defaulters for the purpose of future registrations.

## Rupee Remittances Allowed from Malaysia

Sub: Opening and Maintenance of Rupee / Foreign Currency Vostro Accounts of Non-resident Exchange Houses

AP(DIR Srs) Attention of Authorised Dealer  
Cir.09 Category-I (AD Category-I)  
29.08.2011 banks is invited to the  
(RBI) A.P.(DIR Series) No.28  
[A.P.(FL/RLSeries) Circular

No.02] dated February 06, 2008 on the Memorandum of instructions for Opening and Maintenance of Rupee/ Foreign Currency Vostro accounts of Non-resident Exchange Houses and the subsequent amendments thereto.

2. In terms of para (A) (1) of Annex-I of the afore-mentioned circular, under the Rupee Drawing Arrangements (RDAs), inward remittances for permissible purposes are received in India through Exchange Houses situated in Gulf countries, Hong Kong and Singapore, with prior approval of the Reserve Bank. With a view to extending the scope of the said Arrangement to other jurisdictions, it has been decided to extend the Rupee Drawing Arrangements (RDAs) only under the Speed Remittance procedures to Exchange Houses situated in Malaysia.

3. The other instructions issued vide the above mentioned circular, as amended from time to time remain unchanged.

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

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

## EPCES Shifts to Barakhamba Road from Bhikaji Cama Place

Subject: Amendment in Appendix 2 and Appendix 5 of Handbook of Procedure Vol. I (Appendices and Aayat Niryat Forms), 2009-2014.

75-PN(RE) In exercise of powers conferred under paragraph 30.08.2011 2.4 of the Foreign Trade Policy (DGFT) 2009-2014, the Director General of Foreign Trade hereby makes the following amendments in of Handbook of Pro-

SNNo.	Name of EPC	Revised Entries
11	Export Promotion Council for EOUs & SEZ Units	<b>Change of Address of Registered Office/ Head Office</b> 8G, 8 <sup>th</sup> Floor, Hansalaya Bldg., 15 Barakhamba Road, New Delhi-1 Tel:23329766-69,FaxNo.011-23329770,e-mail:epcesho@gmail.com, epcesho@hotmail.com, epces@vsnl.net <b>Following changes are incorporated in the Regional Offices:</b> <b>i. Chennai – Change in e-mail address</b> New e-mail: epceschen@dataone.in in place of epceschen@vsnl.net <b>ii. Cochin- Additional e-mail:</b> e-mail: tradetrack@eth.net <b>iii. Kandla (Gujrat) - Minor changes:</b> Premises No. 13-A is added to the postal address and STD Code is changed to 02836. <b>iv. Mumbai- Change of Address:</b> SEEPZ-Special Economic Zone,Office no. 3, 3 <sup>rd</sup> Floor, Business Facilitation Centre, SEEPZ- SEZ Andheri (East), Mumbai-96.Tel: 022-28291343, e-mail: epceswr@yahoo.com <b>v. Noida (U.P.)-New Phone No. and e-mail address:</b> Tel:0120-2463110; e-mail:export_promotion@dataone.in, epces_nsez@yahoo.com <b>vi.Visakhapatnam-Change in Phone No. and e-mail:</b> Tel:0891-2749334, Fax:0891-2755424, e-mail: epces.vsez@gmail.com <b>There is no change in other entries, as they exist at present.</b>

B. Amendment in Appendix 5 (List of Inspection and Certification Agencies)

SNNo.	Existing entry	Revised entry
23	Best Mulyakan Consultants Ltd, 307-A, BEST Commercial Complex, Opp Andheri Rly Station (W) Mumbai 400 058 Ph: 022-26285662, Fax: 022- 26702917 E-Mail: mulyakan@vsnl.com	Best Mulyakan Consultants Ltd., Aditya Building, 1 <sup>st</sup> Floor, Corner of N.S. Phadke Marg and Telli Galli, Opp. Flyover Apartment Andheri (East), Mumbai-400069. Telefax: 022-26841836 26841839, Email: mulyakan@vsnl.com

### 2. Effect of Public Notice

Changes in the address, contact numbers and e-mail address of Export Promotion Council for EOUs & SEZ Units/its Regional Offices in serial number 11 and that of Best Mulyakan Consultants Ltd in serial number 23 have been incorporated.

## Billets of Iron/Low Carbon Steel Included in Iron-Nickel Alloy Wire SION

Subject: Modification OF SION C-1579 under Engineering Product Group.

74-PN(RE) In exercise of the powers conferred under Paragraph 30.08.2011 2.4 of the Foreign Trade Policy, 2009-14, the following amendment is made in SION C – 1579 in the Handbook of Procedure Vol. II.

Export Item		Import Items	
Description	Quantity	Description	Quantity
Iron-Nickel Alloy(s) Wire / Strip of different composition	1 kg	1. Nickel Pellets and / or cathodes	1.03 kg/kg content in the export product

3. Amended entry in SION C-1579 will now be as under: -

Export Item		Import Items	
Description	Quantity	Description	Quantity
Iron-Nickel Alloy(s) Wire / Strip of different composition	1 kg	1. Nickel Pellets and / or cathodes 2. Billets of Iron/ Low Carbon Steel for Remelting	1.03 kg/kg content in the export product 1.03 kg/kg content in the export product

### Effect of this modification

Earlier only one item at SI No. 1 was allowed for import. Now one more input i.e. Billets of Iron/

Low Carbon Steel for Remelting has been added at SI No. 2. There is no change either in description or in the quantity of export item.

## Corrigendum Clarifies Coal Specs

[Corrigendum to Ntfn 77/17.08.2011 dated 25<sup>th</sup> August 2011]

In the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 77/2011-Customs, dated the 17<sup>th</sup> August, 2011 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i)

vide number G.S.R. 629(E), dated the 17<sup>th</sup> August, 2011, in clause (ii) , -  
for the words and figure “more than 1 “, read “1 and above”.  
[F. No. 354/78/2011-TRU]

## Epoxide Resin Norms – Unit of Measurement Corrected

Subject: Modification of SION B-149 under Electronics Product Group.

76-PN(RE) In exercise of the powers 02.09.2011 conferred under Paragraph (DGFT) 2.4 of the Foreign Trade Policy, 2009-14, the

following amendment is made in SION B – 149 in the Handbook of Procedure Vol. II.

2. The unit of measurement of SI No. 4 of import list of SION B-149 is at present Kft. Hereinafter unit of measurement of SI No. 4 of import list of this SION will be corrected to read as Lbs instead of Kft.

SNNo.	Import item	Quantity
4	Epoxide Resin	3.5 Lbs

There is no other change in the import items or the export product (either in their description or quantity).

### Effect of this modification

The unit of measurement of import item at SI No. 4 has been corrected to read as Lbs instead of Kft as Lbs is the standard unit of weight. There is no other change.

## Service Tax Leviable on Film Distribution on Revenue Share Basis

[Draft Circular – F.No.354/27/2011-TRU dated 23<sup>rd</sup> August 2011]

Subject: Clarification on levy of service tax on distributors/sub-distributors of films & exhibitors of movie.

1. Representations requesting clarification on taxability of consideration earned by the distributors/sub-distributors/area distributors of Indian & Foreign films in the form of 'revenue share' from the exhibitors of the movie, and on revenue retained as percentage by the exhibitors of the movie from the sale of tickets have been received from certain sections of service providers in the light of recent changes in the law and CBEC Circular No 109/03/2009 dated 23.02.2009 issued under F. No. 137/186/2007-CX.4.

2. These representations have been examined. Subsequent to CBEC Circular No. 109/03/2009 dated 23.02.2009, temporary transfer or permitting the use or enjoyment of, any copyright defined in the Copyright Act, 1957 (14 of 1957), except the rights covered under sub-clause (a) of clause (1) of section 13 of the said Act were made taxable w.e.f. 01.07.2010 under the sub-clause (zzzzt) of Sec 65(105) by the Finance Act of 2010. Also, for the words 'operational assistance for marketing', the words 'operational or administrative assistance in any manner' were substituted in the clause (104c) of Sec 64 of the Act by the Finance Act, 2011, w.e.f. 01.05.2011.

3. The normal business practice in the industry is that the producer of the film, who owns the intellectual property rights of the film, temporarily transfers the rights to a person [normally distributor or any other person] who directly or indirectly enters into an agreement with the exhibitor [normally theater owner] for screening of the film. There are also other variant modes

## Tariff Value of Brass Scrap and Poppy Seeds

63-Cus(NT) In exercise of the powers conferred by sub-section 30.08.2011 (2) of section 14 of the Customs Act, 1962 (52 of (DoR) 1962), the Board, being satisfied that it is necessary and expedient so to do, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Cus (N. T.), dated, the 3<sup>rd</sup> August 2001, namely:-

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

**Table**

SNo.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value US \$ (Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	447 (i.e. no change)
2	1511 90 10	RBD Palm Oil	476 (i.e. no change)
3	1511 90 90	Others – Palm Oil	462 (i.e. no change)
4	1511 10 00	Crude Palmolein	481 (i.e. no change)
5	1511 90 20	RBD Palmolein	484 (i.e. no change)
6	1511 90 90	Others – Palmolein	483 (i.e. no change)
7	1507 10 00	Crude Soyabean Oil	580 (i.e. no change)
8	7404 00 22	Brass Scrap (all grades)	4355
9	1207 91 00	Poppy seeds	2281

[F. No. 467/2/2011-Cus.V]

of transaction in the industry.

4. In the cases where distributor transfers the rights to sub-distributor, area distributor, exhibitor or theatre owner, the distributor is liable to collect the service tax under copyright service & deposit it to the government exchequer. Similarly when the sub-distributor or area distributor etc further transfers the rights to any person, he is also liable to collect the service tax under copyright service & deposit it to the government exchequer.

5. In cases where no such copyrights are transferred by the distributor or sub-distributor or area distributor to the exhibitor or theatre owner, the same is not chargeable to service tax under Copyright Services. However the business transaction needs to be examined for levability of service tax under other heads. Depending upon the arrangement whether the theatre owner has merely let out its premises to the distributor or is also involved in giving support services for the business of the distributor, there can be a case of levability of service tax on the remuneration retained by such theatre owner under "Business Support service" or "Renting of Immovable Property". The definition of "Business Support service" has been amended in Budget 2011 to include "operational or administrative assistance in any manner" in its definition.

6. It is being represented that in certain situation the distributor and the theatre owner conduct business together and hence no service tax is leviable. Where the distributor or sub-distributor or area distributor enters

## Customs Valuation Exchange Rates

September 2011	Imports	Exports	
<b>Schedule I</b>			
1 Australian Dollar	48.85	47.65	
2 Canadian Dollar	47.35	46.10	
3 Danish Kroner	9.05	8.80	
4 EURO	67.25	65.60	
5 Hong Kong Dollar	5.95	5.85	
6 Norwegian Kroner	8.65	8.35	
7 Pound Sterling	76.45	74.65	
8 Swedish Kroner	7.40	7.15	
9 Swiss Franc	58.90	57.15	
10 Singapore Dollar	38.60	37.70	
11 U.S. Dollar	46.55	45.75	
<b>Schedule II</b>			
1 Japanese Yen	60.80	59.10	

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

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

(Source: Customs Notification 62(NT)/26.08.2011)

## Commodity Spot Prices in India – 03-06 September 2011

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

						(Rs.)
Commodity	Unit	Market	03-Sep	05-Sep	06-Sep	
CER (Carbon Trading)	1 MT	Mumbai	571.5	571.5	554	
Chana	100 KGS	Delhi	3220	3277	3270	
Masur	100 KGS	Indore	2938	2950	2927	
Potato	100 KGS	Agra	483.7	484.7	487.5	
Potato TKR	100 KGS	Tarkeshwar	469.9	470.2	469.9	
Areca nut	100 KGS	Mangalore	NA	NA	NA	
Cashewkern	1 KGS	Quilon	NA	NA	NA	
Cardamom	1 KGS	Vandanmedu	621.7	625.3	623.6	
Coffee ROB	100 KGS	Kushalnagar	NA	NA	NA	
Jeera	100 KGS	Unjha	NA	NA	NA	
Pepper	100 KGS	Kochi	NA	NA	NA	
Red Chili	100 KGS	Guntur	NA	NA	NA	
Turmeric	100 KGS	Nzmbad	6259	6235	6078	
Guar Gum	100 KGS	Jodhpur	NA	NA	NA	
Maize	100 KGS	Nzmbad	1234.5	1227.5	1225	
Wheat	100 KGS	Delhi	1154.2	1151.7	1150	
Mentha Oil	1 KGS	Chandausi	1339.8	1353.5	1345.6	
Cotton Seed	100 KGS	Akola	NA	NA	NA	
Castorsd RJK	100 KGS	Rajkot	4854	4795.5	4795.5	
Guar Seed	100 KGS	Bikaner	4307	4271	4280	
Soya Bean	100 KGS	Indore	2379	2361.5	2353	
Mustrdsd JPR	20 KGS	Jaipur	596	594.6	592.65	
Sesame Seed	100 KGS	Rajkot	5538	5488	5456	
Coconut Oil Cake	100 KGS	Kochi	NA	NA	NA	
RCBR Oil Cake	1 MT	Raipur	NA	NA	NA	
Kapaskhali	50 KGS	Akola	1384.6	1382.9	1385	
Coconut Oil	100 KGS	Kochi	9412	9360	9360	
Refsoy Oil	10 KGS	Indore	662	657.6	654.8	
CPO	10 KGS	Kandla	489.1	488.7	485.9	
Mustard Oil	10 KGS	Jaipur	650.5	648.6	644.2	
Gnutoilexp	10 KGS	Rajkot	1050	1040	1023.3	
Castor Oil	10 KGS	Kandla	NA	NA	NA	
Crude Oil	1 BBL	Mumbai	3968	3968	3968	
Furnace Oil	1000 KGS	Mumbai	NA	NA	NA	
Sourcrd Oil	1 BBL	Mumbai	NA	NA	NA	
Brent Crude	1 BBL	Mumbai	5156	5156	5057	
Gur	40 KGS	Muzngr	NA	NA	NA	
Sugars	100 KGS	Kolhapur	NA	2713	2724	
Sugarm	100 KGS	Delhi	2900	2909	2910	
Natural Gas	1 mmBtu	Hazirabad	177.7	177.7	177.7	
Rubber	100 KGS	Kochi	21662	21498	21439	
Cotton Long	1 Candy	Kadi	NA	NA	NA	
Cotton Med	1 Maund	Sriganganagar	NA	NA	NA	
Jute	100 KGS	Kolkata	2606	2624	2607	
Gold	10 GRMS	Ahmd	27710	28103	28005	
Gold Guinea	8 GRMS	Ahmd	22257	22573	22494	
Silver	1 KGS	Ahmd	64152	64031	63333	
Sponge Iron	1 MT	Raipur	NA	NA	NA	
Steel Flat	1000 KGS	Mumbai	NA	NA	NA	
Steel Long	1 MT	Gobindgarh	NA	NA	NA	
Copper	1 KGS	Mumbai	417.35	417.35	417.35	
Nickel	1 KGS	Mumbai	989.9	966	951.3	
Aluminium	1 KGS	Mumbai	110.15	108.55	108.2	
Lead	1 KGS	Mumbai	115.95	112.25	111.8	
Zinc	1 KGS	Mumbai	100.5	97.95	99.25	
Tin	1 KGS	Mumbai	1104	1096.75	1102	

(Source: MCX Spot Prices)

into an agreement with the exhibitor or theatre owner, a new entity may emerge, distinct from its constituents. If it acquires the character of a "person", then the transactions between it and the other independent entities namely the distributor and the exhibitor may be a taxable service. Revenue sharing will exist only if the arrangement entered into between the two independent persons is also recognized as a person. It may be noted that though the word "person" has not been defined in the Finance Act, 1994 it shall include any company or association or body of individuals, whether incorporated or not. In this regard attention is invited to explanation to Sec 65 of the Finance Act, 1994 wherein the taxable service includes any taxable service provided or to be provided by any unincorporated association or body of persons to a member thereof. If the character of "person" is not acquired by the arrangement then the two entities are in a business transaction with each other in their respective capacities. Any of the entities, be the constituent members or the newly created distinct entity or otherwise, if provides any taxable service as defined in the Finance Act, 1994, as amended, is liable to discharge appropriate service tax under relevant entry. Service Tax, levied under Sec 66 of the Finance Act, is on rendition of services which are classified under Sec 65(105) of the

Act. The liability is fastened on a person, hence it is important to discern whether a service has been rendered, and then identify the person on whose liability it is to collect and pay it to the government.

**7. To sum-up the above, the arrangements**

Type of Arrangement	Movie exhibited on whose account	Appropriate Service Tax Classification
Principal – to – Principal Basis	Movie being exhibited by Theatre Owner or Exhibitor on his account – i.e. the copyrights are temporarily transferred	Service Tax under Copyright Service to be provided by Distributor or Sub-Distributor or Area Distributor or Producer etc, as the case may be
	Movie being exhibited on behalf of Distributor or Sub-Distributor or Area Distributor or Producer etc – i.e. no copyrights are temporarily transferred	Service Tax under Business Support Service / Renting of Immovable Property Service, as the case may be, to be provided by Theatre Owner or Exhibitor
Profit / Revenue Sharing	Service provided by each of the person i.e. the 'new entity' [if it acquires the character of 'person'] / Theater Owner or Exhibitor / Distributor or Sub-Distributor or Area Distributor or Producer etc, as the case may be, is liable to	Service Tax under respective service head

**8.** It is understood that the Circular dated 23.02.2009 has been misinterpreted to exclude all 'revenue sharing' arrangements from the levy of service tax. Even though the arrangement entered into by the two entities is on 'revenue share' basis, the nature of service provided by the theatre owner to the distributor does not change owing to operation on revenue share basis. The nature of arrangement en-

tered into by the distributor or sub-distributor or area distributor etc and the exhibitor or theatre owner etc in exhibiting the film produced by the producer, the original copyright holder, the arrangements and their respective service tax classification is tabulated as under:

tered amongst them is not a determining factor for leviability of service tax. Remuneration or payment arrangements on basis of fixed or revenue sharing or profit sharing or hybrid versions of these may exist. However, the nature of transaction determines the leviability of service tax. Each case may be looked into on its merits and decision be taken on case to case basis.

**9.** The arrangements mentioned in this Circular will apply *mutatis mutandis* to similar situations across all the services taxable under the Finance Act.

**10.** The clarification given in the CBEC Circular No 109/03/2009 dated 23.02.2009 stands amended to the extent it is contrary to the present Circular.

**11.** Chambers, trade, industry and field formations are requested to go through the Circular and offer their comments, views and suggestions. In order to provide wide publicity to the proposed Circular, this is also being posted on the CBEC website, [www.cbec.gov.in](http://www.cbec.gov.in) and it is requested that comments, views and suggestions on the same may be forwarded to the undersigned on or before **23<sup>rd</sup> September 2011**.

**Cont'd..222**

**Exports & Imports : (US \$ Million)**

	(Provisional)	
	July	April-July
<b>Exports</b> (including re-exports)		
2010-11	16141.65	70364.35
2011-12	29344.03	108347.77
%Growth2011-12/ 2010-2011	81.79	53.98
<b>Imports</b>		
2010-11	26681.05	107883.65
2011-12	40425.82	151039.62
%Growth2011-12/ 2010-2011	51.52	40.00
<b>Trade Balance</b>		
2010-11	-10539.40	-37519.30
2011-12	-11081.79	-42691.85

**WORLD TRADE SCANNER**

Duty Free Access on 46 Textile Lines to Bangladesh	221
Voices from Bangladesh	221
Milestones in Trade between Bangladesh and India	222
Exports Shoot Up by 82% in July with DEPB to Sunset in Sept 2011	222
Lamy in Delhi – Lauds India for Leveraging on Trade for Growth	222
Commodity Spot Prices in India – 03-06 September 2011	227

**BIG's WEEKLY INDEX OF CHANGES**

**Foreign Trade Policy**

69-Ntnf(RE)/01.09.2011	Marble Quota from Bhutan Raised to 5882 MTs	225
74-PN(RE)/30.08.2011	Billets of Iron/Low Carbon Steel Included in Iron-Nickel Alloy Wire SION	226
75-PN(RE)/30.08.2011	EPCES Shifts to Barakhamba Road from Bhikaji Cama Place	226
76-PN(RE)/02.09.2011	Epoxide Resin Norms – Unit of Measurement Corrected	226
19-TN/30.08.2011	Cotton Yarn Exporters can Pay Penalty of Rs. 10K + 1% of Shortfall to Regularise Default	225

**Customs**

Ntnf 83/30.08.2011	Safeguard Duty on 6 PPD Slapped on NOCIL Complaint	223
Ntnf 84/01.09.2011	Sugar Zero Duty Import Extended by Three Months to 1 Dec' 11	225
63-Cus(NT)/30.08.2011	Tariff Value of Brass Scrap and Poppy Seeds	227
DGS Ntnf/10.08.2011	DG Safeguards Initiates Investigation on Phthalic Anhydride Imports on Thirumalai Complaint	224

Corrigendum Clarifies Coal Specs **226**

**CBEC Circulars**

CBEC Instruction/2 5.08.2011	Centralised Payment of Court Fee w.e.f. 1 September 2011	223
CBEC Instruction/ 30.08.2011	CBEC Bans Export of Pan Masala in Plastic Sachet	223

**Service Tax**

Draft Circular/ 23.08.2011	Service Tax Leviable on Film Dis-tribution on Revenue Share Basis	226
-------------------------------	---	-----

**RBI Circulars [AP(DIR Series)]**

Cir.09/29.08.2011	Rupee Remittances Allowed from Malaysia	225
-------------------	---	-----