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Mexico Challenges China over Subsidies for Clothing, Textiles

China is being called on to defend its support of clothing and textile manufacturers, after Mexico City filed a complaint with the WTO on Monday accusing Beijing of unfairly subsidising its domestic industry. Citing a number of alleged government support measures, the Mexican complaint adds to the list of a growing number of challenges by some of China's trading partners - in particular, the US - over what they claim is an unfair use of subsidies.

The move comes as Mexico seeks to reduce its trade deficit with China and to consolidate its position as a credible competitor to the Asian economic powerhouse in its role as a key manufacturing exporter to the US.

Longstanding tensions in competition for US market

Trade between the two countries has increased more than tenfold between 2000 and 2011, according to official Chinese figures, with Mexico representing China's second largest trading partner in Latin America behind Brazil. It is, however, the two countries' evolving roles as competitors for a share in the US import market which have come to characterise their relationship in recent years.

Protecting its ability to fairly compete for trade with other countries is central to the complaint, clarified the Mexican statement announcing the move. "The Government of Mexico reiterates its commitment to fight any practice that improperly puts our products at a disadvantage compared with other products in a third country market," the government said.

The spat comes as China and Mexico have in recent months been looking to improve relations following the tension which came to characterise their competition for the US market.

In April, it was reported that the two countries had entered into a cooperation agreement aimed at promoting a fairer balance of trade and ending what the Mexican government described as "unfair Chinese practices" in shoemaking. In December 2011, a series of trade agreements were concluded between Mexico City and Beijing, in part to protect Mexico from cheap Chinese imports.

This is the fourth time that Mexico has lodged a trade complaint against China, with two of its previous challenges also concerning tax breaks and other subsidies which Mexico accused China of unlawfully providing to its manufacturers.

Mexico and China will now have 60 days for consultations to reach settlement of the dispute. If unsuccessful, Mexico will then be able to request the establishment of a WTO dispute panel to consider the case.

IMF Tokyo Meet Grapples with Global Slow Down

The protracted global financial crisis dominated the agenda at last week's International Monetary Fund (IMF) Annual Meeting in Tokyo, Japan, as new data showed that economic growth is likely to be even lower than anticipated this year and next. As officials debated how best to boost growth while addressing macroeconomic imbalances, the controversial topic of rich countries using further quantitative easing to boost their job markets - a practice slammed by many emerging economies as putting their own exchange rates and trade at risk - featured prominently during the high-level discussions.

Ahead of the Tokyo meetings, the IMF released more pessimistic economic and trade growth forecasts for 2012 and 2013 than it had projected in July. Economic growth is now slated to reach 3.3 percent this year, down from the earlier estimate of 3.5. Next year, output is expected to expand by 3.6 percent, down from the previous prediction of 3.9 percent.

Exchange rate issue sparks debate

Recently, a new IMF pilot report indicated that various exchange rates are either under- or overvalued compared to what would be considered desirable policies and fundamentals, risking additional imbalances that could cause increased vulnerability.

While current accounts are believed to be too strong and real exchange rates undervalued in China, Germany, Indonesia, Malaysia, the Netherlands, Singapore, South Korea, Sweden, and Thailand, these imbalances "are fully offset," the IMF said, given that current accounts are too weak and real effective exchange rates overvalued in Australia, Brazil, Canada, Japan, Turkey, Russia, South Africa, United States, the United Kingdom, and, within the Euro area, Spain, Italy, and France.

Against this background, various emerging market members of the IMFC argued that new rounds of quantitative easing, such as the ones enacted by the US Federal Reserve, Bank of Japan, and European Central Bank last month, would adversely affect their economies.

Brazilian Finance Minister Guido Mantega, whose warnings of a global "currency war" when the US introduced its second round of quantitative easing in 2010 made international headlines, cautioned on Saturday that rich countries' "lax" monetary policies have also proven less than effective, and that they would instead prompt depreciations in developed economy exchange rates and result in export increases.

Fed Eases $85bn per month

Under the Federal Reserve policy announced in September-nicknamed QE3 - the US will buy an additional US$40 billion per month in mortgage-backed securities, along with the current US$45 billion a month it buys via other asset purchase programmes. The policy is set to continue until the US job market sees substantial improvements.

Ukraine to Ban Wheat Exports from mid-November

Ukraine will begin restricting wheat exports from 15 November onward, the country's agriculture minister announced on 24 October. The news comes as the country - one of the world's largest wheat exporters - attempts to deal with the fall-out of a poor harvest and rising prices for staples.

Both Russia - another major exporter - and Ukraine have restricted exports of wheat in the past, with their 2010-2011 limits prompting vociferous criticism from their trading partners. Both countries scrapped these policies in June of last year.

Unlike Kiev, however, Moscow is not yet expected to impose any new export restrictions on grains of its own, according to recent comments by President Vladimir Putin.

Prices for contracts to purchase wheat in December have risen slightly - but not dramatically - since the news broke last week that Kiev was considering limiting its exports of the staple. Back in 2010 when Russia announced its own restrictions, prices surged to a 23-month high as a result.

Export restrictions in periods of high prices or poor harvests have been blamed for exacerbating hunger for the most vulnerable. Food riots followed such measures in the past and, some analysts say, may have contributed to the 'Arab Spring' uprisings. Delegates at the WTO circulated two separate proposals to address export restrictions last year ahead of the WTO's December ministerial conference, only for both proposals to ultimately be dropped.

Not yet a repeat of 2008 food price crisis, experts say

Ukraine has "very large" stocks, according to Abdolreza Abbassian of the UN Food and Agriculture Organization, and could "easily" export six to seven million tonnes. The FAO official chalked up the ban on exports to domestic politics and an upcoming election.

The fundamentals of the wheat situation, in Abbassian's view, do not suggest a repeat of "what happened a few years ago." While stocks, he explained, are very low globally, production both in some importing countries and others, such as France, has improved. This could lead Europe to export more than anticipated and for others to perhaps import less if their domestic production has increased.

However, prospects for agricultural production elsewhere are looking grim. Australia's harvest is likely to be down by 28 percent when compared with last year, and a key wheat producing region in Russia is facing a drought. Abbassian observed, though, that the Australian comparison was with a record year for the country. Such news, when taken in isolation, could be "horrifying," but when the numbers are added up there was less reason for immediate concern, he said.

Food importing countries worried

Several developing country trade officials told that countries should have a right to restrict exports in the case of a shortage of critical foodstuffs. However, they observed, such restrictions do affect others and should be taken with caution and consultation. The WTO's Agreement on Agriculture governing the issue stipulates as much.

WTO rules require that countries imposing export restrictions notify other members, with an exception for developing countries that are not major exporters. One major wheat importer told that consultations with Ukraine have not yet taken place.

Although Ukraine has submitted notifications to the WTO in the past on measures restricting exports, sources told that an announcement for the new measure has not yet been circulated to members.

Wheat Climbs, Ukraine may Limit Shipments

Wheat futures climbed for a third day on signs that Ukraine will limit exports, and on speculation that dry weather in the southern U.S. Great Plains will curb production. Corn advanced, while soybeans fell.

Ukraine's wheat exports will reach 5 million metric tons by Nov. 15, Volodymyr Klymenko, the head of the country's Grain Association, said on 19 October. That may prompt the government to introduce shipment limits, he said. Parts of Kansas, the biggest U.S. producer of winter varieties, have received little rain in the past month, National Weather Service data show.

WTO Releases 2011 Trade and Tariff Data

World Merchandise Exports Up by 5% in 2011 in Volume Term

The WTO released on 23 October 2012 its annual package of trade and tariff data, providing detailed statistics on import/export trade flows and tariff rates in 2011. This package includes the 2012 editions of its annual publications - International Trade Statistics, Trade Profiles and World Tariff Profiles - plus an update of the WTO Statistics Database and other data sources.

The statistics reveal that world merchandise exports increased by 5 per cent in 2011 in volume terms. The United States remains the world's biggest trader (in value terms), with imports and exports totalling US$ 3,746 billion in 2011. China and Germany rank second and third respectively. Exports of commercial services grew by 11 per cent in value terms. The United States is the world's largest trader, with US$ 976 billion of services trade in 2011.

International Trade Statistics 2012 provides a comprehensive overview of world trade up to the end of 2011, covering merchandise trade by product and services trade by category. Through the use of extensive charts and maps, the publication illustrates noteworthy trends in global trade with links to numerous tables containing more detailed data. A methodological chapter explains how the data is compiled while an appendix illustrates historical trends.

The publication summarizes the market access that each country offers to imports as well as the market access conditions faced by its products in its major export markets. The profiles show both the maximum tariff rates that are legally "bound" in the WTO and the rates that countries actually apply.

The **World Tariff Profiles 2012** includes new technical annex tables on the implementation of WTO members' scheduled commitments under the Agreement on Agriculture (AoA), based on notifications supplied. The tables cover domestic support, tariff quotas, recourse to Article 5 of the AoA (special agricultural safeguard) and export subsidies.

Trade Profiles 2012 provides the latest information on trade flows and the trade policy measures of WTO members, observers and other selected economies. With information for each of these provided in a standardized format, the publication is a quick reference tool for anyone looking for essential trade statistics.

Dear Reader:

The Weekly Index of Changes with World Trade Scanner Issue No. 32 is a combined issue, i.e., Issue No. 31 and 32 dated 24 October 2012 to 06 November 2012.

Editor

WTO Appellate Body Hands Victory to Washington on China Steel Duties

The Appellate Body on Thursday, 18 Oc tober confirmed an earlier panel finding that had largely sided with Washington in its claim that Beijing had breached WTO rules governing the imposition of anti-dumping (AD) and countervailing (CV) duties.

The US-produced grain oriented flat-rolled electrical steel (GOES) targeted by China had been manufactured in the US states of Ohio and Pennsylvania, where it had benefitted from the 2009 American Recovery and Reinvestment Act - more commonly known as the US economic stimulus package - as well as certain state government procurement laws. GOES is used primarily for power generation, specifically in transformers, rectifiers, reactors, and large electric machines.

The legality of the governmental support, however, had not been subject to the WTO dispute. Rather, Washington had alleged that China had not followed the procedures spelled out in the WTO's Antidumping Agreement and the WTO's Subsidy and Countervailing Measure Agreement.

Washington's initial victory was now confirmed in full by the Appellate Body after China had challenged in its appeal certain issues of law and legal interpretations.

"This is a victory for the United States as well as for American workers and manufacturers," US Trade Representative Ron Kirk said.

WEEKLY INDEX OF CHANGES

India Bangladesh Trade through Border Haat

Trade Goods without Exchange Control Notified, Purchase Limit of $100 per day per Individual Specified

Subject: Trade in Border Haats across the border at Meghalaya between Bangladesh and India.

23-PN(RE) 15.10.2012 (DGFT) In supersession of the Public Notice No.61/2009 -2014 (RE-2010) dated the 1st July, 2011 and in exercise of powers conferred under paragraph 2.4 of the Foreign Trade Policy, 2004-09, the Director General of Foreign Trade hereby makes the following arrangements under the Memorandum of Understanding (MOU) dated 23.10.2010 and addendum to this MOU dated 15.05.2012 for the operation of Border Haats across the border between India and Bangladesh:

1. In terms of the provisions contained in the Foreign Trade Policy, the following commodities will be allowed to be traded in the Border Haats at Baliamari – Kalaichar and Lauwaghar–Balat:

i. Vegetables, food items, fruits, spices;

ii. Minor forest produce e.g. bamboo, bamboo grass, and broom stick but excluding timber;

iii. Products of cottage industries like Gamcha, Lungi etc;

iv. Small agriculture household implements e.g., dao, plough, axe, spade, chisel etc;

v. Garments, melamine products, processed food items, fruit juice, toiletries, cosmetics, plastic products, aluminum products, cookeries.

2. Clarification as to the specific commodity falling under the above list of items will be given by the Haat Management Committee, constituted under Article 1 of the operational guidelines of the MOU.

3. Vendors who are allowed to sell their products in the Border Haats shall be the residents of the area within five (5) km radius from the location of Border Haat. The vendees may offer immediate consumption items of snack foods/ juices as may be allowed by the Haat Management Committee.

4. The commodities will be allowed to be exchanged in the designated Border Haats in local currency and / or barter basis. Each individual will be allowed to purchase only as much of the commodities produced in Bangladesh/India which are reasonable for bonafide personal/family consumption. Estimated value of such consumption shall not be more than respective local currency equivalent of US$ 100 (One Hundred) for any particular day.

5. The regulations relating to the foreign exchange will be suspended in the designated Border Haats.

6. Effect of this Public Notice

Arrangements for operationalisation of Border Haats between India and Bangladesh have been harmonized with addendum dated 15th May, 2012 to the MOU dated 23rd October, 2010.

NRAI given Self Certification Powers for Arms and Ammunitions Imports by Sports Persons

23-Ntfn(RE) 16.10.2012 (DGFT) In exercise of powers conferred under section 5 of the Foreign Trade (Development and Regulation) Act, 1992 read with paragraph 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government hereby makes the following amendments in Policy Condition No. 1 under Chapter 93 in Schedule 1 – Import Policy of ITC (HS) - 2012 :-

2. Under the existing Policy Conditions (1) import of arms (including parts thereof) & ammunition is permitted freely, inter alia, to National Rifle Association of India (NRAI) for its own use and for transfer to its State/district affiliates by due certification by Sports Authority of India. The phrase **"**due certification by Sports Authority of India" has been substituted by "self certification by NRAI".

3. The amended policy would now read as under:

Policy Conditions: (1)

"Import of arms (including parts thereof) & ammunition is permitted freely to the following sports persons/sports bodies:

Renowned shooters (as defined in Policy Condition 3) on the recommendation of National Rifle Association of India (NRAI); National Rifle Association of India (NRAI) for its own use and for transfer to its State/district affiliates by **self certification by NRAI**; Sports Authority of India (SAI) or State Sport Authorities of concerned State by self certification and Services Sports Control Board (SSCB), Ministry of Defence. Respective recommending or certifying Bodies will maintain the required records."

4. Effect of Notification

"Due certification by Sports Authority of India" has been substituted by "self certification by NRAI". The substituted portion is shown para 3 above in bold for easy reference. This would simplify the process.

Corrigendum dated 17 Oct 2012 to 49/2012 – Torrent Power Substitutes Jindal Power for Project Import Duty

[Corrigendum dated 17 October 2012]

In the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 49/2012-Customs, dated the 10th September, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 675(E), dated the 10th September, 2012, in Para (B), in List 32A,

for

"70 Akhakhol GBPP, Gujarat- 3x382.5= 1147.5 MW (M/s. Jindal Power Ltd.)",

read

"70 Akhakhol GBPP, Gujarat- 3x382.5= 1147.5 MW (M/s. Torrent Power Ltd.)".

[354/78/2010-TRU(Pt-1)]

Edible Oil Export Ban Extended Indefinitely

Subject: Extension of ban on export of edible oils till further orders.

24-Ntfn(RE) 19.10.2012 (DGFT) In exercise of the powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with Para 2.1 of the Foreign Trade Policy, 2009-2014 (as amended from time to time), the Central Government hereby amends, with immediate effect, Sl. No. 92 of Schedule 2 of ITC(HS) Classification of Export and Import Items.

2. Export of edible oils was initially prohibited for a period of one year with effect from 17.03.2008 vide Notification No. 85 dated 17.03.2008 which was extended from time to time. Now the ban on export of edible oil is extended till further orders.

3. In relaxation of above prohibition, certain exemptions have been granted through various notifications issued from time to time namely (a) export of Castor Oil (b) export of coconut oil through Cochin Port (c) Deemed export of edible oils(as input raw material) from DTA to 100% EOUs for production of non-edible goods to be exported (d) export of oil produced out of minor forest produce even if edible, ITC(HS) Code 15159010, 15159020, 15159030, 15159040, 15179010 and 15219020. These exemptions will continue till further orders.

4. In addition, export of edible oils in branded consumer packs of upto 5 Kgs with ceiling of 20,000 tons is permitted for the 12 month period ending on 30.09.2013. Such exports can take place only through Custom EDI Ports.

5. Effect of this notification:

Prohibition on export of edible oils has been extended till further orders. But, the same will not apply to relaxations/exemption as mentioned in para 3 & 4 above. Export of fish oil continues to be free as per Notification No. 60 dated 20.11.2008.

Zero Customs Duty for Long Range Surface to Air Missile (LR-SAM) Programme of Ministry of Defence

Ntfn 57
18.10.2012
(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. 39/96-Customs, dated the 23rd July, 1996, published in the Gazette of India, Extraordinary, vide number G.S.R. 291(E), dated the 23rd July, 1996, namely:-

In the said notification, in the Table, after S.No.38 and the entries relating thereto, the following S.No. and entries shall be inserted, namely:-

(1)	(2)	(3)
"39.	Machinery, equipment, instruments, components, spares, jigs, fixtures, dies, tools, accessories, computer software, raw materials and consumables required for the Long Range Surface to Air Missile (LR-SAM) Programme of Ministry of Defence 	If,- (a) the said goods are imported by authorized works centres of the Long Range Surface to Air Missile (LR-SAM) Programme, as may be designated by an officer not below the rank of Deputy Secretary to the Government of India in the Ministry of Defence; and (b) the authorized works centre produces to the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, at the time of import, in each case, a list of the said goods with their relevant description duly certified by the Programme Director, Programme Office LR-SAM, to the effect that - (i) the goods mentioned in the said list are required for the purposes of the LR-SAM; (ii) the import of the goods mentioned in the said list are authorized by the Ministry of Defence under LR-SAM programme and these goods shall be used only for the purpose of the LR-SAM programme. **Explanation**. – Nothing contained in this exemption shall have effect on or after the 25th day of November, 2012."

[F.No.354/139/2006 –TRU (Pt)]

Zero Excise Duty for Long Range Surface to Air Missile (LR-SAM) Programme of Ministry of Defence

38-CE
18.10.2012
(DoR)

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), 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.64/95-Central Excise, dated the 16th March, 1995 which was published in the Gazette of India, Extraordinary, vide number G.S.R.256(E), dated the 16th March, 1995, namely:-

In the said notification, in the Table, after S.No. 30 and the entries relating thereto, the following S.No. and entries shall be inserted, namely:-

(1)	(2)	(3)
"31	Machinery, equipment, instruments, components, spares, jigs, fixtures, dies, tools, accessories, computer software, raw materials and consumables required for the Long Range Surface to Air Missile (LR-SAM) Programme of Ministry of Defence	If,- (i) supplied to the Programme LR-SAM under the Ministry of Defence; and (ii) before clearance of the said goods, a certificate from the Programme Director, Programme LR-SAM to the effect that such goods are intended for the said Programme LR-SAM, is produced to the proper officer. **Explanation**. – Nothing contained in this exemption shall have effect on or after the 25th day of November, 2012."

[F.No.354/139/2006 –TRU (Pt)]

Submission of Physical Copy of RCMC by Exporters not Required from 1 December 2012

DGFT will Use Softcopy Uploaded from Council website

Subject: Amendment in Para 2.64 of the Handbook of Procedures Vol I(RE 2012)/ 2009-14 – Dispensing with the submission of physical copy of RCMC by the exporters.

25-PN(RE)
19.10.2012
(DGFT)

In exercise of powers conferred under paragraph 2.4 of the Foreign Trade Policy, 2004-09, the Director General of Foreign Trade hereby amends Para 2.64 of the Handbook of Procedures Vol I (RE 2012)/ 2009-14 as under:

2. In Para 2.64 (Registration-cum-Membership Certificate), new Sub-paras (c) and (d) are added after Sub-para (b). The new sub-paras will be as under:

"c. The EPCs/Commodity Boards/Development Authorities/other competent authorities as prescribed in FTP/HBP shall upload the digitally signed RCMC data of the exporters on DGFT website.

d. Submission of physical copy of RCMC with the applications submitted by the exporters for any benefit or concession under FTP shall not be mandatory with effect from 1.12.2012."

3. Effect of Public Notice

Details of RCMC would be made available (uploaded) by respective EPCs/Commodity Boards Development Authorities/other competent authorities. Accordingly, submission of physical copy of RCMC by the applicants will not be required. This will be with effect from 01/12/2012.

Corrigendum dated 18 October 2012 to Ntfn 43-ADD/21.09.2012

Moulded Door Skin Excluded from Item Description of the Anti-dumping Duty Notification

[Corrigendum dated 18th October 2012]

In the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 43/2012-Customs (ADD), dated the 21st September, 2012 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 710 (E), dated the 21st September, 2012,-

(i) in Duty Table in column 3,

for

"Resin or other organic substances bonded wood or ligneous fibre boards of thickness below 6mm, except insulation boards, laminated fibre boards and boards which are not bonded either by resin or other organic substances",

read

"Resin or other organic substances bonded wood or ligneous fibre boards of thickness below 6mm, except insulation boards, laminated fibre boards, moulded door skin, and boards which are not bonded either by resin or other organic substances.";

(ii) in Note: I,

for

"For the purposes of this notification Fibre boards of thickness 6mm or above, Insulation boards, Laminated fibre boards and Boards which are not bonded either by resin or other organic substances shall not be liable to pay anti-dumping duty",

read

"For the purposes of this notification Fibre boards of thickness 6mm or above, Insulation boards, Laminated fibre boards, Moulded door skin, and Boards which are not bonded either by resin or other organic substances shall not be liable to pay anti-dumping duty."

F.No.354/140/2012-TRU]

Reliance, DCW and Others Complain of Dumping of PVC Suspension Grade Resin from EU and Mexico

China, Taiwan, Indonesia, Japan, Korea, Malaysia, Thailand and USA Already in Duty Net w.e.f 23.01.2008

[F.No.14/1012/2012-DGAD dated 5th October 2012]

Subject: Initiation of Anti-Dumping investigation concerning imports of Polyvinyl Chloride (PVC) Suspension Grade Resin from European Union and Mexico.

M/s DCW Limited (DCW), Chemplast Sanmar Limited (Chemplast), Reliance Industries Ltd (RIL) and DCM Shriram Consolidated Ltd. (DCM), have filed an application before the Designated Authority (hereinafter referred to as the petitioners or applicants) in accordance with the Custom Tariff Act, 1975 as amended from time to time (hereinafter referred to as the Act) and the Customs Tariff (Identification, Assessment and Collection of Anti Dumping Duty on Dumped articles and for Determination of injury) Rules,1995 as amended from time to time (hereinafter referred to as the AD Rules) for initiation of Anti-Dumping investigations concerning imports of Polyvinyl Chloride (PVC) grade Suspension Resin (hereinafter referred to as the subject goods) originating in or exported from European Union and Mexico (hereinafter also referred to as the subject countries).

Product under consideration

1. The Product under consideration in the present investigation is homopolymer of vinyl chloride monomer (suspension grade), where various polymer chains are not linked to each other, falling under customs classification no. 3904, known as PVC suspension resin. The product under consideration excludes specialty PVC suspension resins such as cross-linked PVC, chlorinated PVC (CPVC), vinyl chloride – vinyl acetate copolymer (VC-VAc), PVC paste resin and PVC blending resin. The product under consideration has been referred to as "Poly Vinyl Chloride (PVC) Resin Suspension Grade" or "PVC Suspension Resin" or "the subject goods").

2. The petitioners have submitted that the product under consideration does not have dedicated HS Code and the imports are cleared under different HS Codes falling under 3904. The customs classification is indicative only and in no way binding on the scope of the present investigation.

Domestic Industry & Standing

3. The petition has been jointly filed by DCW Limited (DCW), Chemplast Sanmar Limited (Chemplast), Reliance Industries Ltd (Reliance) and DCM Shriram Consolidated Ltd. (DCM). M/s Finolex Industries Limited, the sole other known producer of the subject product in India has supported the petition. The petitioners have stated that none of the petitioner companies except DCM Shriram Consolidated Ltd have imported the product under consideration during period of investigation. Further they have submitted that petitioner company who is importing the subject goods is not resorting to imports in order to benefit from dumping. Thrust of this petitioner company has not turned to imports. The company's thrust continues to be on own production.

4. The Authority has examined the matter and holds that none of the Petitioner companies are a trader per se and have not resorted to imports in order to take advantage of dumping. The focus of the petitioner companies continues to be that of a producer of the subject goods. The Authority after examining the information on record determines that the applicant companies constitute domestic Industry within the meaning of the Rule 2(b) and the application satisfies the criteria of standing in terms of Rule 5 of the Rules supra.

Like Articles

5. The Petitioners have claimed that the product produced by them is a like article to the product imported from the subject countries in terms of physical and technical characteristics, manufacturing process and technology, functions & uses, product specifications, pricing, distribution & marketing, and tariff classification of the goods. The two are technically and commercially substitutable, and consumers use the two interchangeably. Subject goods produced by the petitioners are being treated as 'like article' to the goods being imported from the subject countries for the purpose of the present investigation.

Subject Countries

6. The present application has been filed in respect of alleged dumping of the product under consideration from European Union and Mexico (hereinafter referred to as subject countries).

Normal value

7. The petitioners have for the purpose of determining normal value for European Union and Mexico referred to the prices quoted in the Harriman Chemsult report. For European Union, the petitioners have considered the price quoted for Benelux (Belgium, Netherland and Luxemberg), France, Germany, Italy, Spain and UK. Petitioners have determined month-wise normal value by considering the average of the highest and the lowest price given in the report. Further, the petitioners have claimed that the prices in some of the months of the investigation period were significantly below the cost of production and have additionally determined normal value considering cost of production for those months where the sales are claimed to be below estimates of cost of production. The selling price of the product during the relevant months have been compared with the estimates of cost of production for those months.

8. The petitioners have also determined normal value on the basis of estimates of cost of production of the foreign producers by considering international price of VCM, estimates of the conversion cost and overhead costs. There is sufficient prima facie evidence of normal value of the subject goods in the subject countries/territory.

Export Price

9. The export price has been determined as the weighted average import price from subject countries based on the transaction wise import data provided by the International Business Information Services (IBIS). Price adjustments have been claimed on account of sea freight, marine insurance, port expenses, inland freight, bank charges and commission to arrive at the net export price. In view of significant variation in the prices with time period, the petitioners have determined separate export price for each of the months of the proposed investigation period.

Dumping Margin

10. In view of the significant variation in the prices over the time period, the petitioners have determined separate dumping margin for each month of the investigation period.

11. Petitioners have provided sufficient evidence that the normal values of the subject goods in the subject countries/territory are significantly higher than the net export prices, prima-facie, indicating that the subject goods originating in or exported from the subject countries are being dumped, to justify initiation of an antidumping investigation.

Injury and Causal Link

12. The petitioners have claimed that domestic industry has suffered material injury by way of adverse price effects as evidenced by price undercutting and price suppression leading to deterioration in profits to negative levels, decline in return on capital employed and cash profits, etc. . The petitioners have claimed that the material injury has been caused due to the dumped imports from the subject countries. The Authority considers that there is sufficient prima facie evidence of 'injury' caused to the domestic industry by dumped imports from subject countries/territory to justify initiation of an anti-dumping investigation.

Initiation of Anti Dumping Investigations

13. The Designated Authority, in view of the foregoing paragraphs, holds that sufficient evidence of dumping of the subject goods originating in or exported from the subject countries, injury to the domestic industry and causal link between the alleged dumping and injury exist to

Last Date for ST-3 Return Filing for Q1 Extended to 25 November 2012 Pending Issue of New Form

[Service Tax Order No. 03 dated 15th October 2012]

In exercise of the powers conferred by sub-rule(4) of rule 7 of the Service Tax Rules, 1994, the Central Board of Excise & Customs hereby extends the date of submission of the return for the period 1st April 2012 to 30th June 2012, from 25th October, 2012 to 25th November,2012.

The circumstances of a special nature which have given rise to this extension of time are as follows:

a) ACES will start releasing the return in Form ST3 in a quarterly format, shortly before the due date of 25th October, 2012.

b) This will result in all the assesses attempting to file their returns in a short time period, which may result in problems in the computer network and delay and inconvenience to the assesses.

F.No.137/99/2011-Service Tax

justify initiation of an anti-dumping investigation. The Authority hereby initiates an investigation into the alleged dumping and consequent injury to the domestic industry in terms of Rule 5 of the AD Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of anti-dumping duty, which if levied would be adequate to remove injury to the domestic industry.

Period of Investigation (POI)

14. The Period of Investigation for the purpose of the present investigation is 1st April 2011 to 31st March 2012 (12 months). However, the period for injury examination would cover periods from 1st April 2008 to the end of the POI i.e. 2008-09, 2009-10, 2010-11 and 2011-12(POI).

[See full text at www.worldtradescanner.com]

Anti-dumping Investigation on Persulphates from Taiwan, Turkey and USA Initiated

[F.No.14/9/2012-DGAD dated 28th September 2012]

Subject: Initiation of anti-dumping investigations on imports of 'Peroxosulphates' (also known as 'Persulphates') originating in or exported from Taiwan, Turkey and USA.

M/s Gujarat Persalts Pvt. Limited, M/s Calibre Chemicals Pvt. Limited, M/s VR Persulphates and M/s Yoyo Chemicals, have jointly filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped articles and for Determination of injury) Rules, 1995 as amended from time to time (hereinafter referred to as the AD Rules) for initiation of Anti-Dumping Duty investigation concerning imports of **'**Peroxosulphates' (also known as 'Persulphates') (hereinafter also referred to as the subject goods) originating in or exported from Taiwan, Turkey and USA (hereinafter also referred to as the subject countries).

2. AND WHEREAS, the Authority finds that sufficient evidence of dumping of the subject goods originating in or exported from the subject countries, 'injury' to the domestic industry and causal link between the alleged dumping and 'injury' exist to justify initiation of an anti-dumping investigation; the Authority hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rules 5 of the AD Rules, to determine the existence, degree and effect of any alleged dumping and to recommend the amount of antidumping duty, which if levied would be adequate to remove the 'injury' to the domestic industry.

Domestic industry

3. The application has been jointly filed by M/s Gujarat Persalts Pvt. Limited, M/s Calibre Chemicals Pvt. Limited, M/s VR Persulphates and M/s Yoyo Chemicals. The Applicants have claimed that they represent the domestic industry as they are the only domestic producers of the subject goods. As per information available on record, the Applicants account for the total Indian production of the subject goods and hence constitute the domestic industry in terms of the AD Rules.

Product under consideration and Like Article

4. The product involved in the original investigation was 'Peroxosulphates' (also known as 'Persulphates'). This being a Sunset review investigation; therefore, the investigation covers the same product, as was covered in the original investigation. Persulphates are a group of closely related compounds. These are produced as Alkali Metal salts which include Ammonium Persulphates (APS), Potassium Persulphates (PPS) and Sodium Persulphates (SPS).

5. The Chemical Formula of these 'Persulphates' are, respectively, (NH4)2S2O8, K2S2O8, Na2S2O8. The three types of 'Persulphates' have the same end-uses as an initiator and oxidizing agent in the textile and chemical industries and one can be substituted for another. All three salts are one and same product. 'Persulphates' are used as an initiator and oxidizing agent in the textile and chemical industries.

6. 'Persulphates' are classified in Chapter 28 of the Customs Tariff Act, 1975 under subheading 2833 40 and under subheading 28334000.

7. The domestic industry also produces 'Persulphates' having similar characteristics and specifications. No argument has been extended, by any interested party in the previous investigation, on the issue of product under consideration or like article. The present investigation is a Sunset review of the anti dumping duty earlier imposed. Therefore, the Authority considers that the product being manufactured by the domestic industry is 'like article' to the product under consideration as per the AD Rules.

Normal value for Taiwan, Turkey and USA

8. The applicant has estimated the normal values in respect of subject countries stating that neither they were able to get any documentary evidence or reliable information with regard to domestic prices of the subject goods in the subject countries nor the same is available in the public domain. The Authority has prima-facie estimated the normal values of subject goods in subject countries on the basis of constructed values as made available by the applicants for the purpose of this initiation.

Export Price

9. The applicant has claimed export prices on the basis of data obtained from IBIS. Price adjustments have been allowed on account of Ocean Freight, Marine Insurance, Inland Freight and Port expenses to arrive at the net export price.

Dumping Margin

10. The applicant has provided sufficient evidence that the normal values of the subject goods in the subject countries are significantly higher than the net export prices, prima-facie indicating that the subject goods originating in or exported from the subject countries are being dumped, to justify initiation of an antidumping investigation.

Injury and Causal Link

11. The applicant has furnished evidence regarding the 'injury' having taken place as a result of the alleged dumping in the form of increased volume of dumped imports, price undercutting, price suppression and decline in profitability, return on capital employed and cash flow for the domestic industries. There is sufficient evidence of the 'injury' being suffered by the applicant caused by dumped imports from subject countries to justify initiation of an antidumping investigation.

Countries involved

12. The countries involved in this investigation are Taiwan, Turkey and USA.

Period of Investigation

13. The Period of Investigation (POI) for the purpose of the present investigation is 1st April 2011 to 31st March 2012. However, injury analysis shall cover the years 2008-09, 2009-10, 2010-11 & POI.

[See full text at www.worldtradescanner.com]

Amendments in Central Excise Act, 1944

29-CE(NT) 10.10.2012 (DoR)	In exercise of powers under section 12 of the Central Excise Act, 1944(1 of 1944), the Central

Government hereby declares that the provisions of section 28AAA of the Customs Act, 1962 (5 of 1962) shall be applicable in regard to like matters in respect of the duties imposed by section 3 of the first mentioned Act, subject to the following modifications and alterations which the Central Government considers necessary and desirable to adapt those provisions to the Circumstances, namely:-

(I) In sub-section (1),-

(a) In the opening paragraph, the second reference to "this Act" shall be deemed to be reference to "the Central Excise Act,1944 (1 of 1944)";

(b) In the proviso, the reference to "importer under section 28"shall be deemed to be reference to "person chargeable with the duty under section 11A of the Central Excise Act, 1944 (1 of 1944)";

(c) In the ***Explanation*** 1, the reference to "this Act" shall be deemed to be reference to "the Central Excise Act, 1944 (1 of 1944").

(II) In sub-section (2), the reference to "section 28AA" shall be deemed to be reference to "section 11AA of the Central Excise Act, 1944(1 of 1944)".

(III) In sub-section (3), the reference to "proper officer" shall be deemed to be reference to "Central Excise Officer as defined in clause(b) of section 2 of the Central Excise Act,1944(1 of 1944)".

(IV) In sub- section (4), the reference to "section 28" shall be deemed to be reference to "section 11A of the Central Excise Act, 1944 (1 of 1944).

[F. No. 267/48/2012-CX8]

Tariff Value of RBD Palmolein Cut by US$119/MT

94-Cus(NT) 15.10.2012 (DoR) In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the 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 and TABLE-2, the following Tables shall be substituted namely:-

"Table-1

S.No.	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	**893**
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)	**4121**
9	1207 91 00	Poppy seeds	**5346**

Table-2

S.No.	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	**574.20** 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	**1097.30** per kilogram"

[F. No. 467/01/2012-Cus.V Pt.I]

Exchange Rates for Customs Valuation

Rupee Rises to Rs. 53.20 for Customs Valuation on Imports w.e.f. 19 October 2012

95-Cus(NT) 18.10.2012 (DoR) In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 91/2012-CUSTOMS (N.T.), dated the 4th October, 2012 *vide* number S.O. 2360(E), dated the 4th October, 2012, 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 19th October, 2012** 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.

		Imprted Goods		**Exported Goods**	
SNo.	Currency	Current	Previous	Current	Previous
Schedule I – Rate of exchange of one unit of foreign currency equivalent to Indian rupees					
1.	Australian Dollar	55.10	54.30	53.70	52.80
2.	Bahrain Dinar	144.05	143.05	135.85	134.85
3.	Canadian Dollar	54.15	53.90	52.80	52.55
4.	Danish Kroner	9.40	9.20	9.10	8.90
5.	EURO	69.85	68.45	68.20	66.65
6.	Hong Kong Dollar	6.85	6.80	6.75	6.70
7.	Kenya Shilling	63.90	63.50	60.00	59.55
8.	Kuwait Dinar	193.80	192.00	182.15	180.60
9.	Newzeland Dollar	43.75	43.75	42.45	42.40
10.	Norwegian Kroner	9.50	9.30	9.15	9.00
11.	Pound Sterling	86.10	85.45	84.00	83.40
12.	Singapore Dollar	43.80	43.05	42.75	41.90
13.	South African Rand	6.25	6.10	5.90	5.75
14.	Saudi Arabian Riyal	14.50	14.40	13.65	13.55
15.	Swedish Kroner	8.10	8.00	7.85	7.75
16.	Swiss Franc	57.85	56.65	56.35	55.05
17.	UAE Dirham	14.80	14.70	13.95	13.85
18.	US Dollar	53.20	52.85	52.25	51.85
Schedule II – Rate of exchange of 100 units of foreign currency equivalent to Indian rupees					
1.	Japanese Yen	67.95	67.95	66.05	66.00

[F.No.468/16/2012-Cus.V]

All Large Software Exporters in STPIs to Follow Feb 2012 Circular for SOFTEX Exchange Control Return

Subject: Export of Goods and Services – Simplification and Revision of Softex Procedure

AP(DIR Srs) Cir.47 23.10.2012 (RBI) Attention of the Authorised Dealers is invited to Regulation 6 of the Notification No. FEMA 23/2000-RB dated May 3, 2000 viz. Foreign Exchange Management (Export of Goods and Services) Regulations, 2000, as amended by the Notification No.FEMA.36/2001-RB dated February 27, 2001, in terms of which designated officials of the Ministry of Information Technology, Government of India at the Software Technology Parks of India (STPIs) or at Free Trade Zones (FTZs) or Export Processing Zones (EPZs) or Special Economic Zones (SEZs), had been authorized to certify exports declared through SOFTEX Forms.

2. Considering the spurt in the volume of software exports from India in recent times, the complexity of work contracts involved, the voluminous nature of contract agreements and the duration involved in execution of each contract as well as the time-consuming process involved in the certification of SOFTEX forms, simplified and revised Softex procedure was introduced vide A.P. (DIR

Series) Circular No.80 dated February 15, 2012. Initially the revised procedure was applicable in STPI at Bangalore, Hyderabad, Chennai, Pune and Mumbai with effect from April 01, 2012.

3. Since the revised procedure is running successfully at the 5 designated centres, it has been decided to implement the revised procedure in all the STPIs in India with immediate effect.

4. As per the revised procedure, a software exporter, whose annual turnover is at least Rs.1000 crore or who files at least 600 SOFTEX forms annually on all India basis, will be eligible to submit a statement in excel format as detailed in our A.P. (DIR Series) Circular No.80 dated February 15, 2012.

5. Authorised Dealers may bring the contents of this circular to the notice of their constituents concerned.

6. The directions contained in this circular have been issued under Section 10(4) and Section 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.

DTA Units will Get Forex for Payment to SEZ Units

Subject: Supply of Goods and Services by Special Economic Zones (SEZs) to Units in Domestic Tariff Areas (DTAs) against payment in foreign exchange

AP(DIR Srs) Cir.46 23.10.2012 (RBI)

Attention of the Authorised Dealer (AD) Category - I banks is invited to A.P. (Dir Series) Circular No.105 dated June 16, 2003, in terms of which units in the Domestic Tariff Areas (DTAs) have been permitted to purchase foreign exchange from ADs for making payment towards goods supplied to them by units in the Special Economic Zones (SEZs).

2. The matter has since been reviewed in consultation with the Ministry of Commerce and Industry, Government of India and it has been decided to allow ADs to sell foreign exchange to a unit in the DTA for making payment in foreign exchange to a unit in the SEZ for the services rendered by it (i.e. a unit in SEZ) to a DTA unit. It may, however, be ensured that there is an enabling provision of supplying these goods/ services by the SEZ unit to the DTA unit and for payment in foreign exchange for such goods/ services to the SEZ unit, in the Letter of Approval (LoA) issued to the SEZ unit by the Development Commissioner(DC) of the SEZ.

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

4. The directions contained in this circular have been issued under Sections 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.

Japan Exports Tumble 10%, BOJ may Pump in More Money

Japan's exports fell the most since the after math of last year's earthquake as a global slowdown, the yen's strength and a dispute with China increase the odds of a contraction in the world's third-largest economy.

Shipments slid 10.3 percent in September from a year earlier, leaving a trade deficit of 558.6 billion yen ($7 billion), the Finance Ministry said in Tokyo on 22 October. Imports rose 4.1 percent.

Economy Minister Seiji Maehara pressed the Bank of Japan for more action on 21 October, saying the nation is "falling behind" in monetary stimulus and is at risk of another credit- rating downgrade. The BOJ cut its view of eight out of nine regional economies while Taiwanese unemployment rose to a one-year high, underscoring weakness across Asia after China's third-quarter growth was the slowest since 2009.

China Spat

The decline in shipments, exacerbated by a spat with China over islands in the East China Sea, was the biggest since May last year, when the country was rebuilding supply chains wrecked in the March earthquake and tsunami.

Shipments to China, the nation's largest export market, slid 14.1 percent from a year earlier. Exports to the European Union fell 21.1 percent, while those to the U.S. rose 0.9 percent. Auto shipments to all markets dropped 14.6 percent.

In a speech in Tokyo on 22 October, BOJ Governor Masaaki Shirakawa vowed to conduct "seamless" monetary easing as the Japanese economy is "leveling off." In its quarterly regional economic report for October, the bank cut its assessment of eight out of nine Japanese regions, the most downgrades since 2009. Only Tohoku, the area hit hardest by last year's earthquake, escaped a downgrade as the BOJ said its economy was supported by post- disaster reconstruction spending.

Earlier this month, the International Monetary Fund's Deputy Managing Director Naoyuki Shinohara said in an interview that the BOJ has room to ease further, adding international weight to calls for more action by the central bank.

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