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

WORLD TRADE SCANNER

ISSN: 0971-8095

Single copy Rs. 20 $2

Vol. XXX No 33 **06 - 12 November 2013**

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

Annual subscription Rs 750

ITA II Talks Resume in Geneva with 25

Phasing Out Tariffs Planned for Sensitive Goods

Negotiations to expand the list of products covered by the WTO's Information Technology Agreement (ITA) resumed in Geneva last week, following a three-month suspension. Members of the group are now hoping to finalise their product list in the coming weeks, sources say, with the goal of presenting an outcome at the global trade body's upcoming ministerial conference in December.

Talks to revise the ITA - a plurilateral pact that eliminates tariffs on a series of information and communication technology (ICT) products - kicked off last year, when Canada, Costa Rica, Japan, Korea, Malaysia, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, Singapore, and the US presented a concept paper calling for talks to expand the pact's product coverage and membership. The group negotiating the expansion has since increased to 25 of the ITA's 50 signatories, with Albania and Colombia joining last week.

Negotiators had previously aimed to conclude their expanded product list by July, only for the talks to be derailed after some members took issue with the number of products that Beijing wanted excluded from the final list, due to their being "sensitive" products for the Asian economic giant. China is currently the world's top exporter of ICT goods, and serves as a manufacturing and assembly base for many of the products covered under the ITA.

Participants in the expansion process then announced at the Asia-Pacific Economic Cooperation (APEC) summit earlier this month that they were ready to resume negotiations, following bilateral discussions with China to resolve some of these differences.

Shorter list of "sensitive items"

Following last week's meetings, the number of items that countries have deemed "sensitive" has been shortened, sources say. Participants are now also considering the option of "staging" some of these products - in other words, gradually phasing out tariffs on these products over a set time period - rather than excluding them from the expansion list entirely.

Under the terms of the proposed "staging," should participants decide to stage specific items, this process would not go beyond five years, and would be done in six equal annual reductions. For products that are particularly sensitive, however, this period could be extended for longer, sources say.

The group negotiating the expansion is now slated to have a revised list of products to add to the ITA by 4 November. This would then allow for them to start the next - and potentially final - round of talks during the week of 11 November, which would likely last for two weeks.

Changing trade landscape

The original ITA was finalised in 1996, entering into force in the following year. In the seventeen years since, bilateral ICT trade has skyrocketed from US$1.2 trillion annually to over US$4 trillion, according to some estimates. However, no new products have been added to the current list's coverage, leading many to argue that the ITA should be updated to reflect the changes in today's trade.

The existing ITA fully eliminates tariffs on several categories of ICT products and subcomponents. A 2010 report produced by Copenhagen Economics for the European Commission notes that nearly 80 percent of ITA trade is in computers, telecommunications equipment, and semi-conductors and integrated circuits.

However, technological advances over the past two decades have caused some products, such as those traditionally considered to be semiconductor products, to no longer qualify for duty-free treatment under the current ITA. Trade in some ITA products as a share of total world trade, industry groups warn, has fallen as a result.

While some of the items on the list have been rendered obsolete, new products have also entered the market. Advocates say that a revised product list could help address these "next generation" technologies, and some estimates place the expansion of the ITA as generating an additional US$800 billion in bilateral trade and US$190 billion to global GDP.

Push for new signatories

Since its adoption in 1996, the number of signatories to the agreement has ballooned from 29 participants to 78, if counting EU member states individually. Counting the EU collectively, this means that 50 of the WTO's 159 members have signed onto the deal, accounting for approximately 97 percent of global IT trade.

For instance, Brazil, Chile, Mexico, and South Africa are among those to demonstrate a strong increase in trade in ICT goods over the past several years, but are not yet ITA signatories. Russia, which has become a major ICT importer, joined onto the ITA earlier this year.

Indian Rupee Weakens, Fed Tapering on the Horizon

India's rupee touched the lowest level in almost a month as better-than-estimated U.S. data revived concern the Federal Reserve will pare stimulus earlier than anticipated. Bonds were steady.

The rupee fell 0.4 percent to 61.8600 per dollar in Mumbai, according to prices from local banks. The currency touched 62.0100 earlier, the weakest level since Oct. 10. One-month implied volatility, a gauge of expected moves in the exchange rate used to price options, rose 36 basis points, or 0.36 percentage point, to 11.25 percent.

Three-month onshore rupee forwards fell 0.4 percent to 63.21 per dollar. Offshore non-deliverable contracts fell 0.4 percent to 63.56. Forwards are agreements to buy or sell assets at a set price and date. Non-deliverable contracts are settled in dollars.

The rupee is unlikely to fall below 63 to a dollar even if the Reserve Bank of India (RBI) withdraws temporary measures such as direct sale of dollars to oil importing companies and the foreign currency non-resident (FCNR) swap facility put in place to support the currency, as speculative activity around it has mostly ebbed in the foreign exchange market, according to a paper released by the Associated Chambers of Commerce and Industry of India (Assocham).

Besides, foreign institutional investors (FIIs) have turned buyers in the capital market and exports have made an impressive rebound - the developments that would lend support to the rupee, which will trade in the range of 62-63, the paper says.

Worries on current account deficit (CAD) have also gone away, and Finance Minister P. Chidambaram has already stated that CAD for the current fiscal would not be more than $60 billion, the paper adds.

The FCNR deposit swap facility, which has already raked in more than $13 billion to the country's forex kitty, is likely to bring in $20 billion directly to the sovereign treasury when the facility ends by November 30.

Besides, the RBI may end the direct dollar access to the oil importing companies even earlier.

Dollar Rallies to Seven Week High

The dollar rose to an almost seven-week high after a gauge of service industries climbed more than forecast in October, adding to the case for the Federal Reserve_to taper monthly bond purchases.

New Zealand's dollar climbed against its U.S. counterpart after the nation's employment rose 1.2 percent from the prior quarter, according to Statistics New Zealand. The currency climbed 1 percent to 83.65 U.S. cents, the biggest increase since Sept. 18 on a closing basis.

The euro slid 1.4 percent in the past week, the worst performer after Sweden's krona of 10 developed-nation currencies as a report on Oct. 31 showed the region's annual inflation rate unexpectedly fell last month. The dollar added 0.7 percent and the yen rose 0.7 percent.

Iran Burns Gas as Sanctions Halt Trade

Iran will lead a club of the world's biggest natural gas exporters as its own shipments abroad are hampered by U.S. and European Union sanctions that force the country to burn off billions of dollars worth of the fuel.

Mohammad Hossein Adeli, the country's former deputy foreign minister, was elected secretary-general of the Gas Exporting Countries Forum, whose 13 member countries hold 60 percent of the world's reserves, the group said on 3 November in a statement. Adeli, who will replace Leonid Bokhanovsky of Russia next year, vowed to turn the Persian nation into a "major player among the gas exporting countries," he told reporters after a group meeting in Tehran.

U.S. and EU trade sanctions over Iran's nuclear program have cut the Persian nation's crude exports, its largest revenue source, by half since 2011 and are stifling projects to export some of its gas reserves, the world's largest. Iran is one of three GECF members that are net importers as the group faces increased competition from liquefied natural gas projects from the U.S. to Australia.

The vote is "a signal that attitudes toward Iran perhaps are thawing, and tension easing, since they were elected to represent this group on the international stage," Tom James, a Dubai-based managing director of Navitas Resources Ltd., an energy and commodity markets adviser, said on 3 November by e-mail.

Bank Governor

Adeli was fired as deputy foreign minister in 2005 by then President Mahmoud Ahmadinejad. Prior to that, he served as ambassador to Canada and the U.K. and was Iran's central bank governor. He holds a Ph.D. in business administration from California Coast University, according to the website of the Global Policy Journal. He is founder of the Ravand Institute for Economic and International Studies, which promotes "global dialog and consensus-building," according to its website.

The country nominated Adeli because he is "accustomed to moving in high places to accelerate Iran's development of Iran's most abundant export resource, one that will generate significant foreign exchange for them," Zach Allen, president of PanEurasian Enterprises Ltd., a Raleigh, North Carolina-based tracker of LNG shipments, said Oct. 30 by e-mail.

Iran burned off 11.4 billion cubic meters (400 billion cubic feet) of gas in 2011, the last year for which data is available, according to the World Bank's Global Gas Flaring Reduction Public-Private Partnership. That would meet about a quarter of demand in South Korea, the world's biggest buyer of LNG after Japan. The gas is worth about $7.3 billion on Asian spot LNG markets. Iran burns off the gas produced alongside oil because it lacks the infrastructure to process and transport it to markets.

LNG Prices

LNG prices in northeast Asia rose to $17.50 per million British thermal units in the week ended Oct. 28, the highest since Feb. 25, according to World Gas Intelligence assessments of cargoes for delivery in four to eight weeks.

Iran's reserves "must give them an interest in what happens with the price of gas longer term," said Neil Beveridge, a Hong Kong-based analyst at Sanford C. Bernstein. "They have the most at stake here after Russia in terms of what happens to the industry."

Iran is scheduled to hold talks over its nuclear program with the U.S., U.K., France, Germany, Russia and China on Nov. 7-8 in Geneva in hopes of reaching an agreement that loosens sanctions. Iran is willing to assent to more stringent inspections as part of confidence-building measures intended to defuse a decade-long standoff over its nuclear program, Deputy Foreign Minister Abbas Araghchi said last month.

'Essentially Absent'

The country, the world's third-largest gas producer, is a net importer of the fuel, according to BP Plc's Statistical Review, which last year rated its reserves above Russia's in a move denounced by Gazprom, the world's biggest exporter.

"Iran is essentially absent from the regional and global markets," Navitas'James said Oct. 30 by e-mail. "Iran could easily aim for a 10 percent share of global gas trade."

The sanctions have hampered development of Iran's South Pars, an extension of Qatar's North Field that make it the world's largest gas reservoir, and drove away international energy companies.

Royal Dutch Shell Plc, Repsol SA and Total SA abandoned plans for LNG in Iran, depriving it of the buyers, money and expertise needed to make and sell the fuel, which is chilled to minus 162 degrees Celsius (minus 260 Fahrenheit) to shrink it to 1/600th of its original size for transport by tankers.

Iran LNG

The Persian LNG project, from which Shell and Repsol withdrew in 2010, had an annual capacity of 16.2 million metric tons, or about 5 percent of the world's current capacity. The Pars LNG site abandoned by Total in 2009 had a planned capacity of 10 million tons. That compares with 61.2 million tons under construction in Australia and 39.55 million tons of U.S. projects that have signed off-take agreements or are being built.

"We will try to cooperate with other exporters that are not a member of this forum as it is beneficial for all of us," Adeli said. "I'm hopeful that."

Cont'd..248

WEEKLY INDEX OF CHANGES

One to One Nexus in Advance Authorisation Input-Output Extended to SEZ and Deemed Export Supplies

Subject: Amendments in Notification No. 31 (RE–2013)/2009-2014 dated 1st August, 2013

48-Ntfn(RE) 30.10.2013 (DGFT) In exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992),as amended, the Central Government hereby amends para 2 of Notification No. 31 dated 1.8.2013 by adding two sentences at the end of the existing para.

The amended paragraph 4.1.15 will read as under: (new sentences being added at the end of the para are in bold letters for easy reference)

"4.1.15 Wherever SION permits use of either (a) a generic input or (b) alternative inputs, unless the name of the specific input(s) [which has (have) been used in manufacturing the export product] gets indicated / endorsed in the relevant shipping bill and these inputs, so endorsed, match the description in the relevant bill of entry, the concerned Authorisation will not be redeemed. In other words, the name/description of the input used (or to be used) in the Authorisation must match exactly the name/ description endorsed in the shipping bill. At the time of discharge of export obligation (EODC) or at the time of redemption, RA shall allow only those inputs which have been specifically indicated in the shipping bill. ***These provisions will also be applicable for supplies to SEZs and supplies made under Deemed exports. Details as given above will have to be indicated in the relevant export documents/import documents/ documents for domestic procurement. "***

Effect of this Notification

This Notification makes it explicit that provisions of para 4.1.15 of FTP are applicable for supplies to SEZs and deemed exports as well.

No Protection to Prior Contract Protection under Para 2.4 for One to One Nexus in Advance Authorisation under Para 4.1.15 Inserted on 1 Aug 2013

Subject: Amendments in Notification No. 31 (RE–2013)/2009-2014 dated 1st August, 2013

35-PN(RE) 30.10.2013 (DGFT) In exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992),as amended, the Central Government hereby amends para 2 of Notification No. 31 dated 1.8.2013 by adding two sentences at the end of the existing para.

The amended paragraph 4.1.15 will read as under: (new sentences being added at the end of the para are in bold letters for easy reference)

"4.1.15 Wherever SION permits use of either (a) a generic input or (b) alternative inputs, unless the name of the specific input(s) [which has (have) been used in manufacturing the export product] gets indicated / endorsed in the relevant shipping bill and these inputs, so endorsed, match the description in the relevant bill of entry, the concerned Authorisation will not be redeemed. In other words, the name/description of the input used (or to be used) in the Authorisation must match exactly the name/ description endorsed in the shipping bill. At the time of discharge of export obligation (EODC) or at the time of redemption, RA shall allow only those inputs which have been specifically indicated in the shipping bill. ***These provisions will also be applicable for supplies to SEZs and supplies made under Deemed exports. Details as given above will have to be indicated in the relevant export documents/import documents/ documents for domestic procurement. "***

Effect of this Notification:

This Notification makes it explicit that provisions of para 4.1.15 of FTP are applicable for supplies to SEZs and deemed exports as well.

Clarification of CENVAT Declaration for Deemed Export Drawback

Subject: Clarification on requirement of CENVAT declaration as per PN 35 dated 01.03.2011.

09-Pol.Cir 30.10.2013 (DGFT) Representations have been received from trade and industry seeking clarifications relating to declaration prescribed under Public Notice No.35, dated 01.03.2011. Issues raised in these representations have been examined.

2. Para 8.5 of the FTP provides as follows:

"*Similarly, supplies will be eligible for deemed export drawback in terms of para 8.3(b) of FTP of Central Excise duty paid on inputs/components,* ***provided CENVAT credit/rebate has not been availed*** *of such duty paid by supplier of goods.* ***A declaration to this effect, in Annexure III of ANF 8, from supplier of goods, shall be submitted by applicant. Such supplies shall, however, be eligible for deemed export drawback on custom duty paid on inputs/components***".

3. As required under Para 8.5 of FTP, applicant has to give declarations regarding non-availment of CENVAT credit/rebate, as given in Public Notice No.35, dated 01.03.2011.

4. Accordingly, deemed export drawback, in terms of Para 8.3(b) of FTP, including as per Column B of All Industry Rate of Duty Drawback under Duty Drawback Schedule of Department of Revenue, is not admissible if facility of CENVAT credit/rebate has been availed. This is because if the CENVAT facility/rebate facility has been claimed, then central excise duty component on the inputs is already compensated. However, if basic custom duty has been paid, then same is refundable as Para 8.5 of FTP clearly prescribes "such supplies shall however be eligible for deemed export drawback on custom duty paid on inputs/components". Such basic custom duty paid can be taken back, as brand rate of duty drawback, based on actual duty paid documents, as per procedure prescribed in Chapter 8 of FTP and Chapter 8 of HBP Volume-I.

5. All Industry Rate of Duty Drawback, as notified by Department of Revenue, wherever admissible, also includes service tax component on input services. While giving a declaration for non-availment of CENVAT credit, applicant has to ensure that it has also not claimed CENVAT credit on service tax on input services. While making an application, applicant must ensure that it does not claim double benefit of CENVAT credit and duty drawback.

6. This issues with the approval of DGFT.

Anti-dumping Investigation of Persulphates Case Extended upto 27 Nov 2013

[Ref: No. 14/9/2012-DGAD Office Memorandum dated 23 October 2013]

Subject *Anti Dumping investigation concerning imports of Persulphates originating in or exported from Taiwan, Turkey and USA -* ***Extension of time to complete the subject investigation***

It is informed that the Central Government has accorded permission for extension of time up to 27th November, 2013 for completing the above referred antidumping investigation and notifying the final findings.

National Anti-Doping Agency Included in Dope Testing Equipment Duty Exemption

Ntfn 48 30.10.2013 (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 amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 146/94-Customs, dated the 13th July, 1994, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section(i) *vide* number G.S.R. 575(E), dated the 13th July, 1994, namely:-

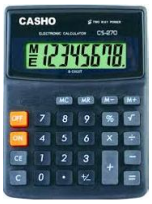
In the said notification, in the Table, against serial number 10, in column (3), in item (a), before the words "National Dope Testing Laboratory", the words "National Anti-Doping Agency or" shall be inserted.

[F.No.354/77/2009 –TRU (Pt.I)]

Electronic Calculator from China in Anti-dumping Hit List on Complaint of Ajanta Ltd.

[Anti-Dumping Initiation Notification F.No.14/19/2013-DGAD dated 18th October 2013]

Subject: Initiation of Anti-Dumping Investigation concerning imports of Electronic Calculators originating in or exported from China PR.



Whereas Ajanta Ltd. (hereinafter referred to as the applicant) has filed an application before the Designated Authority (hereinafter referred to as the Authority), on behalf of the domestic industry, 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 Rules), alleging dumping of Electronic Calculators (hereinafter referred to as the subject goods), originating in or exported from China PR (hereinafter referred to as the subject country), for initiation of anti-dumping investigation and for levy of anti-dumping duties on the imports of the subject goods, originating in or exported from the subject country.

2. AND WHEREAS, the Authority finds sufficient prima facie evidence of dumping of the subject goods, originating in or exported from subject country, and injury to the domestic industry, and causal link between the dumping and injury and hereby initiates an investigation into the alleged dumping, and consequent injury to the domestic industry in terms of the Rule 5 of the Anti-dumping 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.

Product under Consideration

3. The product under consideration in the present investigation is Electronic Calculators. An electronic calculator is a small and portable electronic device used for performing arithmetic operations and certain other mathematical functions. Simple numeric operations include basic arithmetic such as addition, subtraction, multiplication and division. Complex mathematical functions include exponential operations, roots, logarithms, trigonometric functions, and hyperbolic functions, etc. and include all its commercial/trade parlance names.

4. The product under consideration for the present investigation is 'Electronic Calculator of all types', *excluding* the following:

a. Calculators with attached printers, commonly referred to as *printing calculators*

b. Calculators with ability to plot charts and graphs, commonly referred to as *graphing calculators*

c. Programmable calculators

Domestic Industry Standing

5. The application has been filed by M/s Ajanta Ltd., the sole producer of the product under consideration in India. From the available information, the Authority prima facie notes that the production of subject goods produced by the domestic producer accounts for "a major proportion" of total production of the product under consideration in India. The Authority, therefore, prima facie determines that the applicant constitutes domestic industry within the meaning of the Rule 2 (b) of Rules, and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules *supra*.

Like Article

6. The applicant has claimed that the subject goods, which are being dumped into India, are like articles to the goods produced by the domestic industry. There are no differences between the goods produced by the applicant and goods imported into India from the subject country in terms of technical characteristics, functions & uses, product specifications, distribution & marketing, pricing and tariff classification of the goods. The two are technically and commercially substitutable and hence be treated as 'like article' under the Rules. For the purpose of the present investigation, the subject goods produced by the applicant in India are being treated prima facie as 'like article' to the subject goods being imported from the subject country.

Country Involved

7. The country involved in the present investigation is China PR.

Normal Value

8. The applicant has claimed that China PR should be treated as a non-market economy and determined normal value in accordance with Para 7 and 8 of Annexure I of the Rules. The applicant has claimed normal value on the basis of cost of production in India, duly adjusted. In terms of Para 8 in Annexure 1 to the Rules it is presumed that the producers of the subject goods in China PR are operating under non-market economy conditions. In view of the above non-market economy presumption and subject to rebuttal of the same by the responding exporters, normal value of the subject goods in China PR has been estimated in terms of Para 7 of Annexure 1 to the Rules.

Export Price

9. The applicant has claimed export prices on the basis of data obtained from Infodrive (India). The data from the same source has been taken into consideration for the injury period including the POI. Price adjustments have been prima facie allowed on account of overseas freight, overseas insurance, commission, port expenses, and inland freight and bank charges to arrive at the net ex-factory export price.

Dumping Margin

10. Normal value and export price have been compared at ex-factory level, which shows significant dumping margin in respect of each of the subject country. There is prima facie evidence to show that the normal value of the subject goods in each of the subject country is significantly higher than the ex-factory export price to India, indicating, prima facie, that the subject goods are being dumped into the Indian market by the exporters from the subject country. The dumping margins estimated are significantly above de minimis.

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 depression, negative profitability, financial losses, declining return on capital employed, declining cash flow, etc. There is sufficient prima facie evidence of 'injury' being suffered by the domestic industry, caused by dumped imports from the subject country to justify initiation of an antidumping investigation.

Period of Investigation

12. The Authority has considered the period of investigation for the purpose of the present investigation from 1st April 2012 to 31st March 2013. The injury investigation period will however cover the periods April 2009-March 2010, April 2010- March 2011, April 2011-March 2012 and the POI.

Submission of Information

13. The known exporters in the subject country and the Government through its respective Embassy in India, importers and users in India known to be concerned with the product under consideration and the domestic industry are being informed separately to enable them to file all relevant information in the form and manner prescribed. Any other interested party may also make its submissions relevant to the investigation within the time-limit set out below and write to:

The Designated Authority
Directorate General of Anti Dumping & Allied Duties, Ministry of Commerce & Industry,
Department of Commerce,
Government of India, Room No. 240,
Udyog Bhavan, New Delhi –110011.

Time Limit

14. Any information relating to the present investigation should be sent in writing so as to reach the Authority at the address mentioned above not later than 40 (forty) days from the date of publication of this notification. The known exporters and importers who are being addressed separately are, however, required to submit the information within 40 (forty) days from the date of the letter addressed to them separately. If no information is received within the prescribed time limit or the submitted information is incomplete, the Authority may record its findings on the basis of the facts available on record in accordance with the Rules. It may be noted that no request, whatsoever, shall be entertained for extension in the prescribed time limit.

[Full text of Notification is available at our website www.worldtradescanner.com]

Another Five Years for Anti-dumping Duty on Paracetamol from China in Review

Ntfn 26-ADD 28.10.2013 (DoR)

Whereas, the designated authority, *vide* notification No. 14/1009/2012-DGAD, dated the 28th August, 2012, published in Part I, Section I of the Gazette of India, Extraordinary had initiated a review in the matter of continuation of anti-dumping duty on imports of paracetamol (hereinafter referred to as the subject goods) falling under tariff item 2922 29 33 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), originating in or exported from, People's Republic of China (hereinafter referred to as the subject country), imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 99/2007 dated the 3rd September, 2007 published in Part II, Section 3, Sub-section (i) of the Gazette of India, Extraordinary, *vide* G.S.R. No. 571 (E), dated the 3rd September, 2007.

And whereas, the Central Government had extended the anti-dumping duty on the subject goods, originating in or exported from the subject country upto and inclusive of the 2nd September, 2013 *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 42/2012 –Customs (ADD) dated the 19th September, 2012, published in Part II, Section 3, Sub-section (i) of the Gazette of India, Extraordinary, vide G.S.R No. 704(E), dated the 19th September, 2012.

And whereas, in the matter of review of anti-dumping duty on import of the subject goods, originating in or exported from the subject country, the designated authority *vide* its final findings, No. 14/1009/2012-DGAD dated the 26th August, 2013, published in Part I, Section 1, of the Gazette of India, Extraordinary, has come to the conclusion that,-

(i) there has been continued dumping of the subject goods from China PR and the dumping is likely to continue and increase if the anti-dumping duty is allowed to cease;

(ii) despite the anti-dumping measures in force, the subject goods are entering the Indian market at dumped prices and both the dumping margin as well as the injury margin has remained significant, resulting in continued injury to domestic industry;

(iii) the volume of dumped import is likely to increase causing further injury to the domestic industry in the event of revocation of anti-dumping duty;

(iv) should the present anti-dumping duties be revoked, dumping of the subject goods may in all likelihood intensify, causing further injury to the domestic industry,

and has recommended continued imposition of the anti-dumping duty against the subject goods, originating in or exported from the subject country;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, read with rules 18 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, after considering the aforesaid final findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, falling under tariff item of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column (2), the specification of which is specified in column (4) of the said Table, originating in the countries as specified in the corresponding entry in column (5), and exported from the countries as specified in the corresponding entry in column (6), and produced by the producers as specified in the corresponding entry in column (7), and exported by the exporters as specified in the corresponding entry in column (8), and imported into India, an anti-dumping duty at the rate equal to the amount as specified in the corresponding entry in column (9) in the currency as specified in the corresponding entry in column (11) and as per unit of measurement as specified in the corresponding entry in column (10), of the said Table.

Table

SNo	Tariff item	Description of goods	Specification	Country of origin	Country of Export	Producer	Exporter	Amount	Unit of measure-ment	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	2922 29 33	Paracetamol	All grades	People's Republic of China	People's Republic of China	Any	Any	787	MT	US Dollar
2	2922 29 33	Paracetamol	All grades	People's Republic of China	Any country other than People's Republic of China	Any	Any	787	MT	US Dollar
3	2922 29 33	Paracetamol	All grades	Any country other than People's Republic of China	People's Republic of China	Any	Any	787	MT	US Dollar

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

3. The anti-dumping duty imposed under this notification shall be paid in Indian currency.

Explanation.- For the purposes of this notification, rate of exchange applicable for the purposes of calculation of such anti-dumping duty shall be the rate which is specified in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), issued from time to time, in exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and the relevant date for the determination of the rate of exchange shall be the date of presentation of the bill of entry under section 46 of the said Customs Act.

[F.No.354/93 /2001-TRU (Pt.III)]

Group Company Definition Notified under FDI Policy

Sub: Foreign Direct Investment (FDI) in India – definition of 'group company'

AP(DIR Srs) Cir.68 01.11.2013 (RBI)

Attention of Authorised Dealer Category – I (AD Category-I) banks is invited to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 notified by the Reserve Bank vide Notification No. FEMA. 20/2000-RB dated 3rd May 2000, as amended from time to time.

2. The extant FDI policy has since been reviewed and it has been decided to incorporate the definition for 'group company' as under;

'Group company' means two or more enterprises which, directly or indirectly, are in position to:

(i) exercise twenty-six per cent, or more of voting rights in other enterprise; or

(ii) appoint more than fifty per cent, of members of board of directors in the other enterprise.

3. Copy of Press Note No. 2 (2013 Series) dated June 3, 2013 issued by Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industry, Government of India in this regard is enclosed.

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

5. Reserve Bank has since amended the subject Regulations accordingly through the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Sixteenth Amendment) Regulations, 2013 which have been notified vide Notification No. FEMA.292/2013-RB dated October 4, 2013, vide G.S.R. No. 683(E) dated October 11, 2013.

6. 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.

Tariff Value Up on Silver (US$39/kg), Palmolein (US$31/MT), Crude Palm Oil (US$38/MT), Crude Soyabean Oil (US$54/MT)

Brass Scrap Tariff Value Down by US$93/MT

107-Cus(NT) 31.10.2013 (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, TABLE-2, and TABLE-3 the following Tables shall be substituted namely:-

"Table-1

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value US $ (Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	849
2	1511 90 10	RBD Palm Oil	893
3	1511 90 90	Others – Palm Oil	871
4	1511 10 00	Crude Palmolein	897
5	1511 90 20	RBD Palmolein	900
6	1511 90 90	Others – Palmolein	899
7	1507 10 00	Crude Soyabean Oil	1006
8	7404 00 22	Brass Scrap (all grades)	3840
9	1207 91 00	Poppy seeds	2556

Table-2

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value (US $)
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	440 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	738 per Kilogram

Table-3

SNo.	Chapter/heading/sub-heading/tariff item	Description of goods	Tariff value (US $ Per Metric Tons)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	1707 (i.e. no change)"

[F. No. 467/01/2013-Cus.V Pt-I]

Indonesia Slaps Local Exchange Trading on Tin to Challenge LME

Tin shipments from Indonesia probably rebounded last month from September as buyers began to adjust to new rules that have curbed sales from the biggest exporter, while remaining on course for a drop this quarter. Prices fell.

Exports of refined metal and products increased to 2,750 metric tons in October from 786 tons in September. The forecast compares with exports of 11,048 tons in October 2012. Shipments in September were the lowest monthly total since 2007, when the government began tracking sales of the metal used as solder and packaging.

Indonesia ordered exporters from Aug. 30 to trade the metal on a local exchange before shipment, seeking greater control over supplies and prices in a challenge to the London Metal Exchange. The rule pushed futures to a six-month high in October and forced PT Timah, the country's largest producer, to declare force majeure. Exports may drop 64 percent to 10,000 tons this quarter compared with the same period in 2012.

BNP's Outlook

Futures, which rallied to $24,000 a ton on Oct. 4, fell 0.8 percent to $22,821 in Singapore. Tin outperformed the five other main base metals on the LME this year amid forecasts for a global deficit and the Indonesian shift. The trading rule may help to boost prices to average $25,000 next year.

Shippers from Indonesia are carefully maintaining quality in accordance with the new rules to build customers' trust, Nugroho said. Indonesia, which may release the October trade figures next week, set the minimum purity for exports at 99.9 percent and maximum lead content of 300 parts per million.

Trading on the Indonesia Commodity and Derivatives Exchange, the only bourse that's allowed to trade the metal before shipment, more than doubled to 3,020 tons in October from September, exchange data show. Members that can trade tin rose to 28 from 12 on Aug. 30, the Jakarta-based ICDX said Oct. 30. That comprises 16 producers and 12 buyers, it said.

LME Stockpiles

Stockpiles tracked by the LME dropped to 12,120 tons on 4 November, 21.5 percent below a 22-month high Aug. 30, when the rule took effect.

MEP on Onions Raised to US$1150/MT from US$900/MT

Subject: Export Policy of Onions.

49-Ntfn(RE) 01.11.2013 (DGFT) In exercise of 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, the Central Government amends para 2 of Notification No.03(RE-2012)/2009-14 dated 29.06.2012 read with Notification No.41(RE-2013)/2009-14 dated 19.09.2013 with immediate effect .

2. The amended para 2 of Notification No. 03(RE-2012)/2009-14 dated 29.06.2012 will now read as:

"Export of onion for the item description at Serial Number 51 & 52 of Schedule 2 of ITC(HS) Classification of Export & Import Items shall be permitted subject to a Minimum Export Price(MEP) of US$ 1150 per Metric Ton F.O.B. or as notified by DGFT from time-to-time".

3. Effect of this Notification

Export of all varieties of onions as described above will be subject to a Minimum Export Price (MEP) of USD 1150 per MT.

Imported Onion Allowed to be Fumigated in India: Norm Extended Till November End

It has been decided, in the light of public concern over high prices of onion in the market, to extend the derogation allowed from the condition of fumigation and endorsement of PSC as per the Plant Quarantine Order, 2003 for onion imports upto 30th November, 2013 on the following conditions:

i. Such consignments of imported onion which arrive in Indian port without fumigation and endorsement to that effect on the PSC (Phytosanitary Certificate) would be fumigated in India by the importer through an accredited treatment provider. The consignment would be inspected thoroughly by quarantine officials and released only if found free from pests and diseases of concern to India.

ii. Such consignments of onion for consumption will not be subjected to the four times penal fees on account of non compliance of conditions of import under the PQ Order, 2003.

[Source: PIB (MoA) Press Release dated 23rd October 2013]

Indonesia, which used to account for about 40 percent of global trade, exported 98,817 tons last year.

Global demand will rise 2.3 percent to 350,000 tons next year, exceeding supply by 2,000 tons after an estimated 4,000-ton shortage in 2013, according to BNP. Unless Indonesian exports rebound there will probably be a period of "severe market tightness," Briggs wrote in an Oct. 15 report.

Indonesia GDP Grows Less Than 6%, Rupiah on the Slide

Indonesia's economy expanded less than 6 percent last quarter as higher interest rates weighed on consumption and exports fell.

Gross domestic product increased 5.62 percent in the three months ended Sept. 30 from a year earlier, the Central Bureau of Statistics said in Jakarta on 5 November. That compares with a previously reported 5.81 percent pace for the second quarter and the median estimate of 5.6 percent in a News survey of 23 economists.

The third-quarter data highlights the vulnerability of Southeast Asia's largest economy as it weathers a depreciated exchange rate, faster inflation and diminished foreign capital inflows ahead of elections in 2014. Bank Indonesia has raised its benchmark rate by 1.5 percentage points since early June to shore up the rupiah and stem price gains, while the government has acknowledged growth next year will be slower as it reins in spending to narrow a record current-account gap.

Indonesia will hold parliamentary elections in April and a presidential one in July. President Susilo Bambang Yudhoyono, whose party won the 2009 poll and who can't run for a third term, is seeing his legacy of economic stability threatened by the sliding rupiah and current-account deficit.

The World Bank said last month downside risks to Indonesia's economic outlook are sizeable, as higher borrowing costs and inflation may have a greater-than-expected effect on domestic demand. Inflation remained above 8 percent for a fourth month in October. Exports have dropped for 18 consecutive months.

Foreign direct investment into Indonesia rose 18.4 percent last quarter from a year earlier, after increasing about 19 percent in the April-June period.

Kolkata Income Tax Commissioners as LTU Assessing Officers Notified

13-CE(NT) 25.10.2013 (DoR)

In pursuance of the provisions of sub-rule (ea) of rule 2 of the Central Excise Rules, 2002, made under Central Excise Act, 1944 (1 of 1944), and sub-rule (cc) of rule 2 of the Service Tax Rules, 1994, made under Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following further amendment in the notification of the Ministry of Finance (Department of Revenue), No. 20/2006-Central Excise (N.T.), published in the Gazette of India *vide* number G.S.R. 609(E), dated the 30th September, 2006, namely :-

In the said notification, in paragraph 2, after item (iii), after the words, "Chief Commissioner of Income - tax , Chennai II, "the words, "Chief Commissioners of Income-tax, Kolkata – I, II, III and IV, Kolkata and the Commissioners of Income- tax (Central) – I , II and III, Kolkata and Director of Income-tax (International Taxation), Kolkata," shall be inserted .

[F.No. 201/21/2013-CX - 6]

Floods in China Cuts Maize Output

China's corn harvest is poised to decline for the first time in four years after flooding in its biggest-producing province and drought in its fifth largest cut yields, easing a global glut as the U.S. reaps a record crop.

Output by the world's second-biggest corn grower fell 3.2 percent to 199.1 million metric tons, according to SGS SA, which carried out 302 interviews in the seven largest growing areas during the harvest in September and October. The state-owned China National Grain & Oils Information Center expects a 4.6 percent advance to 215 million tons and a unit of the U.S. Department of Agriculture projects a 2.1 percent gain to 210 million tons.

Smaller harvests and benchmark prices that slumped 50 percent from the record set in 2012 signal Chinese buyers will import the maximum 7.2 million tons allowed by annual government quotas. Futures have tumbled to a three-year low, curbing income for farmers from Brazil to Ukraine while lowering costs for Tyson Foods Inc. and other poultry producers.

Import Orders

U.S. corn for shipment to China in December already costs 18 percent less than local grain, according to Shanghai JC Intelligence Co., a research company. Feed mills bought at least 1.3 million tons of U.S. supply in October and began placing orders for next year, according to Shanghai JC, which is forecasting a 4.6 percent gain in the Chinese crop.

Severe Drought

The harvest in Heilongjiang province in China's northeast, the biggest growing region, contracted 5.7 percent because of flooding while water damage in Shandong cut output by 22 percent, according to SGS. A severe mid-season drought in Henan reduced its crop by almost 15 percent, SGS said. Production in Jilin rose 13 percent while in Liaoning it climbed 9.2 percent.

Excessive rainfall was cited as the cause of bad weather in 52 percent of cases, from 19 percent a year earlier, SGS said. Reports of severe insect damage increased by 10 percentage points to 23 percent of the total, SGS found. Reports of crops severely damaged by disease rose to 6 percent from 4 percent.

Net Importer

Even a smaller-than-expected Chinese harvest won't be enough to erase the global surplus that the International Grains Council in London says will swell stockpiles by 26 million tons in the 2013-14 crop year. China has been a net importer of corn every year since 2010, data from its customs agency shows.

Global Production

The International Grains Council increased its forecast for global production by 5 million tons to 948 million tons on Oct. 31 and said stockpiles by the end of the season would reach a 13-year high of 152 million tons.

China's per-capita disposable income jumped almost fourfold since 2000, expanding meat consumption and demand for feed for livestock. The nation will produce about 711 million hogs this year, almost double the amount two decades ago, USDA data show.

Rules of Origin (ROO) for Bali Moves Forward

The language for a draft decision on rules-of-origin is now reaching convergence, WTO Director-General Roberto Azevêdo told members at Friday's meeting of the Trade Negotiations Committee (TNC), which is tasked with the overall Doha Round negotiations. Members will soon be able to transmit this document to their ministers for agreement at Bali, he said.

The LDC group had tabled a revised version of their original rules-of-origin proposal earlier this autumn, which was reportedly well-received by members at the time.

Rules of origin specify how much processing must take place locally before goods are considered to be the product of the exporting country. They are often considered to be overly restrictive and inflexible, making it difficult for LDCs to take full advantage of the preferences they are granted.

Currently, these rules are designed on a unilateral basis without any harmonised standard, which critics say creates additional problems for the WTO's poorest members, forcing them to adapt to a range of rules depending on the intended export market.

The draft decision presented on Friday sets out the technical aspects of preferential rules of origin and discusses different ways to determine when substantial or sufficient transformation has taken place in the place of origin. The draft decision also details a series of provisions related to transparency and cumulation - the latter of which allows two or more parties to a preferential scheme to jointly fulfill the relevant local processing requirement.

Whether a product is eligible for any preferences offered under a trade agreement depends on the level of transformation achieved. In this context, the draft decision suggests a percentage benchmark as one way to determine transformation. This would be derived from the value of the materials used in making the products.

Considering their limited productive capacity, LDCs wish to keep the threshold level of "value addition as low as possible," allowing foreign inputs to make up to 75 percent of a product's value in order to qualify for preferential treatment.

However, they note that the choice of a single rule should not preclude preference for product-specific rules where these are in the interest of LDCs - for example, in the clothing sector.

On cumulation provisions, the LDC Group maintains that these should be considered as a feature of non-reciprocal preference schemes. They say that cumulation is of secondary importance to liberal rules of origin, which would allow them to source their inputs from the most competitive producer, irrespective of origin.

Cotton for DFQF Submitted by C-4

Discussions on LDC topics are now set to switch gears to the controversial topic of cotton, after Africa's four largest cotton producers - Benin, Burkina Faso, Chad, and Mali, collectively known as the C-4 - tabled a provisional proposal on the subject last week.

According to a copy of the proposal seen by Bridges, the C-4 is requesting that cotton imports from LDC markets be granted DFQF market access from 1 January 2015 onwards. The group has also called for the elimination of cotton export subsidies, and is requesting that the WTO secretariat circulate a compilation of any trade-distorting domestic support from all cotton stakeholders over the past decade.

The current C-4 proposal has set 31 December 2014 as a deadline for the General Council to find a definite solution on the cotton issue, which has long been a difficult subject in trade circles. Under the terms of the proposal, the General Council would be expected to periodically review the proposal's implementation throughout the coming year.

The proposal would also require that a link be made between the development aspects of the cotton issue and the WTO's Aid for Trade Initiative.

West African producers have long lobbied for a change in the WTO's rules on cotton, arguing that developed country subsidy schemes have kept global cotton prices low, hurting their cotton-dependent economies.

The global cotton market has experienced some notable changes in recent years, however, such as a decline in developed country subsidies to their domestic producers. Cotton prices today, though lower from the all-time peak seen in 2011, also remain high by historical standards. Given these conditions, some analysts say that any cotton deal may have a limited impact on world prices.

Cont'd..242

Of the four LNG projects Iran originally envisioned, it's pushing ahead with one, a 10.5 million-ton-a-year facility known as Iran LNG, at Tombak near the Gulf port of Assaluyeh. The government is working alone on the $3.3 billion project after suspending a contract with its Chinese partner, Mehr news agency reported in September last year.

The relaxation of sanctions would encourage international oil companies to reactivate Iranian LNG projects, Robin Mills, head of consulting at Manaar Energy Consulting and Project Management in Dubai, said in an Oct. 29 phone interview.

Adeli may improve Iran's access to governments and global industry leaders, Allen said. "The opportunities there are enormous for both Iran and foreign investors."

Nationalizing Assets

Shell complies with sanctions on Iran, Sarah Bradley, a company spokeswoman in London, said by e-mail. Kristian Rix, a Repsol spokesman in Madrid, declined to comment. Total didn't return an e-mail seeking comment.

The GECF member states are Algeria, Bolivia, Egypt, Equatorial Guinea, Iran, Libya, Nigeria, Oman, Qatar, Russia, Trinidad and Tobago, United Arab Emirates and Venezuela.

WIndex No. 33 - 06-12 November 2013

DIndex Delivered Daily by Email

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

Customs Valuation Exchange Rates

18 October 2013		Imports	Exports
Schedule I [Rate of exchange of one unit of foreign currency equipment to Indian Rupees]			
1	Australian Dollar	59.55	58.10
2	Bahrain Dinar	168.30	159.10
3	Canadian Dollar	60.50	58.95
4	Danish Kroner	11.40	11.00
5	EURO	84.55	82.60
6	Hong Kong Dollar	8.00	7.90
7	Kuwaiti Dinar	224.75	212.15
8	New Zealand Dollar	52.70	51.25
9	Norwegian Kroner	10.45	10.15
10	Pound Sterling	99.65	97.45
11	Singapore Dollar	50.15	49.05
12	South African Rand	6.45	6.05
13	South Arabian Riyal	16.90	16.00
14	Swedish Kroner	9.65	9.40
15	Swiss Franc	68.50	66.70
16	UAE Dirham	17.25	16.35
17	U.S. Dollar	62.20	61.20
Schedule II [Rate of exchange of 100 units of foreign currency equivalent to Indian rupees]			
1	Japanese Yen	63.30	61.75
2	Kenyan Shilling	74.90	70.40

(Source: Customs Notification 105(NT)/17.10.2013)

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