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 35 **20 - 26 November 2013**

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

Annual subscription Rs 750

Party Decides to Shift China towards Market Economy by 2020

In a landmark move, Chinese leaders announced on Tuesday that the market will now play a “decisive role” in the economy.

The meeting, formally known as the Third Plenum of the 18th Central Committee of the Communist Party, brought together over 200 senior Chinese officials for four days of closed-door meetings in Beijing.

“The core issue is to properly deal with the relationship between government and market, and to let the market play a decisive role in allocating resources and to better perform the functions of government,” Tuesday’s communique said, according to reports by Chinese state media.

In previous plenums, where markets had been deemed to have only a “basic” role. The establishment of 2020 as a clear deadline for “decisive outcomes” with regards to the economy is another unusual step, they say.

Xi and Li in New leadership

The Asian economic giant, which ranks as the world’s second largest economy and one of the biggest traders, embarked on a once-in-a-decade leadership transition this past March that saw Xi Jinping and Li Keqiang take on the roles of President and Premier, respectively.

China has also been facing the worrisome possibility of an export slowdown, following a decade of rapid growth, giving the prospect of economic reforms added weight. The weeks leading up to the plenum had been rife with speculation on whether changes in the country’s controversial currency or interest rate policies, among other areas, might be announced.

Currency Undervalued

The strict control of the renminbi exchange rate, for instance, has drawn criticism from China’s trading partners - particularly the US - for years, with some saying that the currency is undervalued and therefore makes the country’s exports artificially cheap compared to their foreign competitiors. Currency policy is not explicitly mentioned in the document, though this does not necessarily rule it out as an area for reform, some say.

State Owned Enterprise will not Die

State-owned enterprises, another contentious area for China, are expected to continue playing a major role, according to the communique. Commentators have criticised the role of these enterprises, noting that they distort competition as they benefit unduly from state support, including from state-owned banks.

China will also need to lower barriers to investment, the communique said, along with speeding up the establishment of free trade areas. The latter comment comes just two months after the high-profile launch of the Shanghai Free Trade Zone, a pilot project that is set to test out policies such as market-established interest rates.

Tuesday’s document also mentions the establishment of a leadership group to oversee these economic reforms, which analysts predict could give Xi the opening to be involved more directly in pushing for change.

Though many have noted that earlier plenums have been similarly vague only later to yield significant changes, others have cautioned that promises of reform have not always lead to substantive follow-through. Thus, observers will be closely watching the extent of implementation of the Plenum’s call for change.

WTO Limps towards Bali, 12 Nov Deadline Extended to 21 Nov to Ink Deal

Negotiators in Geneva have just a few days left to finish putting together a “Bali package” ahead of next month’s WTO ministerial conference, after Director-General Roberto Azevêdo announced on 12 November, that he would be extending their original 12 November deadline.

The trade chief was originally expected to announce at Tuesday’s meeting of the Trade Negotiations Committee (TNC) whether a deal in Bali would actually be achievable. While members are far closer to a deal than they were a few months ago, Azevêdo confirmed this week, they are still toeing a dangerously fine line between success and failure, with the outcome of the past two months of negotiating too close to call.

Instead, the Director-General announced that he would be giving negotiators an additional few days to sort out their differences, which traverse all three areas of the proposed Bali package - trade facilitation, agriculture, and development. The upcoming week, he said, will be a “last-ditch” effort to rescue the talks before the organisation’s ministerial conference kicks off on 3 December.

A meeting of the WTO's General Council, which is the organisation's highest decision-making body outside of the ministerial conference, has now been set for 21 November, at which point it should be clear whether or not Geneva-based officials will have a package to transmit to their ministers. A formal TNC is likely to be held before then, in line with WTO procedures.

Race to the finish

The Bali ministerial comes as the organisation faces growing questions over its role, in a changing trade climate where preferential agreements-such as the Trans-Pacific Partnership or the Trans-Atlantic Trade and Investment Partnership - have been increasingly capturing the limelight. Should a deal be confirmed for Bali, it would mark the first major advance in the Doha Round negotiations in several years.

The Bali package, as proposed, includes a small subset of the Doha agenda. Its key feature would be an agreement on trade facilitation, a topic that was formally added to the Doha negotiating mandate in 2004. The proposed Bali deal would also include select elements relating to agriculture, along with a few issues of relevance to the organisation's developing and least developed country members.

As the December meeting has drawn closer, however, difficulties have emerged, leading the so-called "Bali package" to be slowly whittled down over the past few months as negotiators try to put together a "realistic" - though potentially less ambitious - outcome. Proposals relating to special and differential treatment (S&DT), such as the "Cancun-283 and six Agreement-specific S&DT proposals, were eventually dropped from the proposed deal. Meanwhile, other topics that initially looked easily resolved have met with unexpected hurdles, while long-standing disagreements in other areas have proven difficult to overcome.

WTO members and the Director-General alike have stressed that Bali cannot be a "negotiating ministerial," and that all outstanding issues must be resolved in Geneva, leaving only political topics for the December conference.

Customs cooperation involves how to exchange information between importing and exporting authorities of member countries, in order to address fraud. The topic has been difficult because of concerns such as how to handle the increased volume of requests for such data. Given its sensitive nature, it has lately been treated as its own "pillar," even though it falls under the broader "Section I" heading of the trade facilitation draft text.

Developing countries have long said that they need definite assurances that they will receive the support needed to implement some of the new commitments being negotiated in Section I. Otherwise, they say, putting these into practice could prove both difficult and costly.

Developed countries, meanwhile, have stressed that Section I commitments must be binding in order for the deal to provide the hoped-for increases in trade flows.

Agriculture

The agriculture dimension of the Bali package involves three proposals: two from the G-20 coalition of developing countries, and one from a separate developing country group known as the G-33.

With regards to the G-33 proposal, which deals with allowing food purchases at administered prices in developing countries as part of public stockholding programmes, members have spent the last several weeks fine-tuning the details of a so-called "peace clause." This legal mechanism would commit members to not bring legal disputes in this area against countries that wish to use the above-mentioned flexibility.

Though there has been a level of "constructive engagement" in recent discussions, Azevêdo said, questions remain over how long this "interim solution" will be in place and what safeguards other countries would be able to use in order to protect their own producers from trade distortions. A term of four years has been discussed by members, while others insist that this is too long, sources close to the talks told Bridges.

However, the G-20 proposal on how members manage their tariff rate quotas (TRQs) - which are used by some countries to charge higher tariffs on goods being imported after an initial quota has been filled - is "a different story," Azevêdo reported.

The TRQ proposal had initially been welcomed as one of the more "calibrated" agriculture proposals on the table. Since then, a stand-off between the US and China has emerged on the special and differential treatment (S&DT) provisions for developing countries outlined in this proposal, specifically on how reforms will be enforced.

Members remain divided on the ambition sought by the G-20 in a proposal on export competition. The group has called for an elimination of export subsidies as envisioned in earlier Doha Round documents, while those providing the payments insist that these need to be dealt with as part of a broader trade deal.

India Softens Stand on Food Subsidies at WTO

India has softened its stand at the World Trade Organisation (WTO) on the issue of food subsidies, brightening the prospects of some progress in the global trade talks, which had been stuck for over a decade, at the Bali ministerial next month.

The Doha Round of trade, which began in 2001, has made little progress over sharp differences between developing and developed countries on farm subsidies and tariff reduction.

India is leading the G-33, a grouping of 46 developing nations, which is seeking amendments to the WTO agreement on agriculture to allow government procurement from marginal and subsistence farmers or that procured to fight hunger should not be included under WTO-restricted subsidies.

The agreement allows so-called 'market distorting subsidies' up to a limit of 10% of total production.

India is apprehensive that its recently passed food security law, which promises ultra cheap food to nearly two thirds of the population, could push food subsidy beyond the 10% mark. Developed countries had, instead, offered a "peace clause" that will provide developing nations a relaxation of a few years before the provisions of this rule kick in.

Barely weeks ahead of the ninth WTO ministerial in Indonesia in the first week of December, India has accepted a compromise solution of the four-year 'peace clause' against 8-9 years sought by the G-33.

"As an interim measure, India has agreed to a four-year peace clause while working towards a permanent solution. It is an ongoing process; we are not putting curtains down," a commerce department official told.

But we have agreed to it on the condition that that the WTO members would engage on the issue post-Bali ministerial to find a permanent solution, he added.

"Earlier, developed countries were not even recognising that there was a problem. So now accepting that there is an issue that needs to be addressed, itself is a major achievement. And recognising that there is a need to address this permanently is the second-biggest achievement," the official added.

Till a few weeks ago, developing countries, including India, were averse to the four-year peace clause being offered and sought it for a minimum of 8-9 years. However, the latest development of developing countries agreeing to the four year peace clause will smoothen the prospects of a multilateral agreement being reached at Bali.

The WTO member-countries are trying to harvest low hanging fruits such as trade facilitation agreement even as larger trade talks remain stuck. This will be the first ministerial under new director-general Roberto Azevedo, who took over from Pascal Lamy in September.

During his India visit in October, Azevodo told that "the food security proposal would not form part of the Bali package as it was a complex issue and it was not possible However, some independent experts see this as a climb down by the G-33. "Developing countries were too hurried in going for a peace clause. They should have waited a bit longer to get a permanent solution to the issue," said a former WTO negotiator, who did not want to get quoted.

India has also largely agreed to the trade facilitation deal, the developed countries agenda at WTO. Trade facilitation is aimed at smoothening crossborder trade by removing red tape, improving infrastructure and harmonising Customs procedures.

Meanwhile, farmer groups have written to Prime Minister Manmohan Singh to stand up against developed nations and reject any proposal that will impact agricultural subsidies and affect over 600 million farmers of the country. "India cannot dilute its position on the G-33 proposal and accept a peace clause, which makes a travesty of the poverty and hunger faced by millions of Indians every day," 15 farmer groups, including Bhartiya Kisan Union (BKU), have said in a letter to the prime minister and commerce and industry minister Anand Sharma.

WEEKLY INDEX OF CHANGES

Window Opens for Pulses and Vegetable Oil under Advance Authorization with No Sale Condition – Policy

Subject: Amendment of paragraphs 4.1.13(a) and 6.2(a)(i) of FTP to permit export of an item which is otherwise prohibited for export, under Advance Authorisation and by EOUs

51-Ntfn(RE)
14.11.2013
(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 paragraphs 4.1.13(a) and 6.2(a)(i) of the FTP 2009-2014 (RE-2012).

2. The amended paragraphs will read as under (new words/sentence being added at the end of the para are in bold letters for easy reference):

(i) Para 4.1.13(a):

No export or import of an item shall be allowed under Advance Authorisation / DFIA if the item is prohibited for exports or imports respectively. ***Export of a prohibited item may be allowed under Advance Authorisation provided it is separately so notified subject to the conditions given therein.***

(ii) Para 6.2(a)(i)

An EOU / EHTP / STP / BTP unit may export all kinds of goods and services except items that are prohibited in ITC (HS). Export of Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) shall be subject to fulfillment of the conditions indicated in ITC (HS). ***In respect of an EOU, permission to export a prohibited item may be considered, by BOA, provided such raw materials are imported and there is no procurement of such raw material from DTA.***

Effect of this Notification

Certain items which are prohibited for export may be allowed for export under advance authorization scheme, subject to stipulated conditions. BOA can consider requests for export of a prohibited item from an EOU.

Window Opens for Pulses and Vegetable Oil under Advance Authorization with No Sale Condition – Procedure

Subject: Advance Authorization for export of an item which is otherwise prohibited for export

37-PN(RE)
14.11.2013
(DGFT)

In exercise of the powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-14, the Director General of Foreign Trade hereby makes the following amendments in paragraph 4.4.1 of the Handbook of Procedures Vol. I 2009-14 (RE 2012):

1. Existing para 4.4.1 is re-numbered as para 4.4.1 (a)

2. Sub-para (b) is added after para 4.4.1(a) as under:

Authorization for items which are otherwise prohibited for export

Items covered under Chapter 7 and Chapter 15 of ITC (HS) Schedule 2, which are prohibited for export, shall be allowed to be exported under the advance authorization scheme. Export shall be allowed subject to pre-import condition under notified SION/prior fixation of norms by Norms Committee in terms of Para 4.4.2 of HBP Vol.1. Import/Export would be permitted only through EDI enabled ports.

The Export obligation period (EOP) of advance authorizations issued for such items will be 90 days from the date of clearance of import consignment and no extension in EOP shall be allowed. Such import shall be subject to actual user condition and no transfer of imported raw material, for any purpose, including job work, shall be permitted. In case of non-fulfilment of EO/ non-achievement of stipulated value addition, a penalty equal to five times of the CIF value of the imported material, corresponding to the shortfall in EO, shall be imposed in addition to the applicable duty and interest. Provisions of Para 4.28 of HBP vol.1 shall not be applicable in this case

Effect of this Public Notice

Items which are otherwise prohibited for exports but which have been permitted for export under the advance authorization scheme have been specified alongwith conditions applicable for such exports.

Sugar Export Quota Raised to 50,000MTs from 25,000 MTs per RC

Online Registration Must

Subject:- Enhancement in registered quantity for export of sugar.

Reference: (i) Policy Circular No. 62(RE-2010)/2009-14 dated 14.05.2012

(ii) Policy Circular No. 63(RE-2010)/2009-14 dated 16.05.2012.

10-Pol.Cir
12.11.2013
(DGFT)

Conditions and modalities for registration of contracts for export of sugar with DGFT were given in the two policy circulars referred above. One of the conditions [condition at Para 2(i) of Policy Circular No. 63 dated 16.05.2012] was the upper limit of 25,000 MTs (Twenty five thousand metric tons) per application for registration. This limit is now enhanced to **50,000 MTs (Fifty thousand metric tons).** Accordingly, an exporter can seek registration of upto 50,000 MTs of sugar.

3. Other conditions of registration for export of sugar shall remain unchanged.

4. Applications for registration of contracts through online system are mandatory as per Trade Notice No. 3 of 28.05.2013.

Another Five Years of Anti-dumping Duty on Vitamin A Palmitate from China and Switzerland

Ntfn 30-ADD
13.11.2013
(DoR)

Whereas, the designated authority, *vide* notification No. 15/7/2011-DGAD, dated the 23rd March, 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 Vitamin A Palmitate (hereinafter referred to as the subject goods) falling under sub-heading 2936 21 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 Switzerland and the People's Republic of China (hereinafter referred to as the subject countries), imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 112/2007 dated the 30th October, 2007 published in Part II, Section 3, Sub-section (i) of the Gazette of India, Extraordinary, *vide* G.S.R. No. 683 (E), dated the 30th October, 2007.

And whereas, the Central Government had extended the anti-dumping duty on the subject goods, originating in or exported from the subject countries upto and inclusive of the 27th March, 2013 *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 21/2012 –Customs (ADD) dated the 12th April, 2012, published in Part II, Section 3, Sub-section (i) of the Gazette of India, Extraordinary, vide G.S.R No. 290 (E), dated the 12th April, 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 countries, the designated authority *vide* its final findings, *vide* notification No. 15/7/2011-DGAD dated the 21st August, 2013, published in Part I, Section 1, of the Gazette of India, Extraordinary, has come to the conclusion that,-

(i) the subject goods from subject countries are entering the Indian market at dumped prices and dumping margin is significant;

(ii) the subject goods continue to be exported to India at dumped prices despite the existing anti dumping duties and there is a likelihood of its continuation should the existing anti-dumping duties are allowed to expire;

(iii) the injury to the domestic industry is likely to continue in the event of withdrawal of anti dumping duty from the subject countries;

(iv) the situation of domestic industry continues to be fragile and therefore should the present anti dumping duties from the subject countries be withdrawn, injury to the domestic industry is likely to recur,

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

Now, therefore, in exercise of the powers conferred by sub-section (1) read with sub-section (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 sub-heading 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.	Sub-heading	Description of goods	Specification	Country of origin	Country of export	Producer	Exporter	Amount	Unit of measurement	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	2936 21	Vitamin-A Palmitate (excluding Vitamin A Palmitate 1.6 MIU/gm)	Any	Switzerland	Any	DSM Nutritional Products, AG Switzerland	DSM Nutritional Products Asia Pacific, a division of DSM Singapore Industrial Pte Ltd.	7.34	Kg	US $
2	2936 21	-do-	Any	Switzerland	Any other than People's Republic of China	Any other than above	Any	8.92	Kg	US $
3	2936 21	-do-	Any	Any other than People's Republic of China	Switzerland	Any	Any	8.92	Kg	US $
4	2936 21	-do-	Any	People's Republic of China	Any	Any	Any	15.37	Kg	US $
5	2936 21	-do-	Any	Any	People's Republic of China	Any	Any	15.37	Kg	US $

Note: Vitamin A Palmitate covers Vitamin A Palmitate 1.7 MIU/gm and Vitamin A Palmitate 1.0 MIU/gm in all its strengths and forms. It excludes Vitamin A Palmitate 1.6 MIU/gm.

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.354/31 /2007-TRU (Pt.I)]

Anti-dumping Duty on Diclofenac Sodium from China Extended to 9 April 2014 in Review

Ntfn 31-ADD 13.11.2013 (DoR) Whereas, the designated authority vide notification No. 15/3/2013-DGAD, dated the 9th April, 2013, published in Part I, Section 1 of the Gazette of India, Extraordinary, dated the 9th April, 2013, had initiated review, in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the said rules), in the matter of continuation of anti-dumping duty on Diclofenac Sodium, falling under heading 2942 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), originating in, or exported from, People's Republic of China imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue),No. 91/2008-Customs, dated the 30th July, 2008, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 565 (E), dated the 30th July, 2008, and has requested for extension of anti-dumping duty for a further period of one year, in terms of sub-section (5) of Section 9A of the said Customs Tariff Act;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the said Customs Tariff Act and in pursuance of rule 23 of the said rules, the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 91/2008-Customs, dated the 30th July, 2008, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 565 (E), dated the 30th July, 2008, namely: -

In the said notification, after paragraph 2, the following shall be inserted, namely: -

"3. Notwithstanding anything contained hereinabove, this notification shall remain in force up to and inclusive of the 9th day of April, 2014."

F.No.354/21/2008-TRU (Pt-I)

Anti-dumping Duty on Phenol from South Africa Extended to 30 Oct 2014 in Review

Ntfn 29-ADD 12.11.2013 (DoR) Whereas, the designated authority vide notification No. 15/21/2013-DGAD, dated the 28th October, 2013, published in Part I, Section 1 of the Gazette of India, Extraordinary, dated the 28th October, 2013, had initiated review, in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the said rules), in the matter of continuation of anti-dumping duty on Phenol, falling under chapter 27 or 29 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), originating in, or exported from, South Africa imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue),No. 10/2013-Customs, dated the 3rd May, 2013, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 285 (E), dated the 3rd May, 2013, and has requested for extension of anti-dumping duty upto one more year, in terms of sub-section (5) of section 9A of the said Customs Tariff Act;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the said Customs Tariff Act and in pursuance of rule 23 of the said rules, the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Finance (Department of

Revenue), No. **10/2013-Customs, dated the 3rd May, 2013**, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 285 (E), dated the 3rd May, 2013, namely: -

In the said notification, in paragraph 2, for the figures and word "30th October, 2013", the figures and words "30th day of October, 2014" shall be substituted.

F.No.354/124/2002-TRU (Pt-III)

Anti-dumping Duty on Cable Ties from China and Taiwan Extended upto 30 Oct 2014 in Review

Ntfn 28-ADD 12.11.2013 (DoR)

Whereas, the designated authority vide notification No. 15/20/2013-DGAD, dated the 17th October, 2013, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 17th October, 2013, has initiated review in terms of sub-section (5) of Section 9A of the Customs Tariff Act, 1975 (51 of 1975) and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 (hereinafter referred to as the said rules), in the matter of continuation of anti-dumping duty on imports of Cable Ties, falling under sub-heading 3926 90 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), originating in, or exported from, the People's Republic of China and Taiwan, imposed *vide* notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 56/2012-Customs (ADD), dated the 14th December, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R.891(E), dated the 14th December, 2012 and has requested for extension of anti-dumping duty upto 30th October, 2014, in terms of sub-section (5) of section 9A of the said Customs Tariff Act;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the said Customs Tariff Act and in pursuance of rule 23 of the said rules, the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 56/2012-Customs (ADD), dated the 14th December, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 891 (E), dated the 14th December, 2012, namely: -

In the said notification, in paragraph 2, for the figures and word "30th October, 2013", the figures and words "30th day of October, 2014" shall be substituted.

[F.No.354/165/2008 –TRU (Pt.I)]

Tariff Value of Brass Scrap Up US$155/MT, Crude Palm Oil $65/MT and Palmolein $60/MT

Silver and Gold Tariff Value Down $66/kg and $3 per 10 gms Respectively

111-Cus(NT) 14.11.2013 (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	914
2	1511 90 10	RBD Palm Oil	950
3	1511 90 90	Others – Palm Oil	932
4	1511 10 00	Crude Palmolein	957
5	1511 90 20	RBD Palmolein	960
6	1511 90 90	Others – Palmolein	959
7	1507 10 00	Crude Soyabean Oil	1023
8	7404 00 22	Brass Scrap (all grades)	3995
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	414 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	672 per Kilogram (i.e. no change)

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]

Tariff Value of Gold Down $23 per 10 gms

110-Cus(NT) 12.11.2013 (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 (i.e. no change)
2	1511 90 10	RBD Palm Oil	893 (i.e. no change)
3	1511 90 90	Others – Palm Oil	871 (i.e. no change)
4	1511 10 00	Crude Palmolein	897 (i.e. no change)
5	1511 90 20	RBD Palmolein	900 (i.e. no change)
6	1511 90 90	Others – Palmolein	899 (i.e. no change)
7	1507 10 00	Crude Soyabean Oil	1006 (i.e. no change)
8	7404 00 22	Brass Scrap (all grades)	3840 (i.e. no change)
9	1207 91 00	Poppy seeds	2556 (i.e. no change)

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	417 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 (i.e. no change)

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]

Unlisted Companies Allowed to Raise Capital Abroad for a Period of Two Years without Prior Listing in India

Sub: Amendment to the "Issue of Foreign Currency Convertible Bonds and Ordinary shares (Through Depository Receipt Mechanism) Scheme, 1993"

AP(DIR Srs) Cir.69 08.11.2013 (RBI)

Attention of Authorized Dealer Category-I (AD Category-I) banks is invited to A.P. (DIR Series) Circular No.11 dated September 5, 2005s regarding issue of American Depository Receipts (ADRs)/ Global Depository Receipts (GDRs) read with Paragraph 4 of Schedule 1 to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 notified vide Notification No. FEMA.20/2000-RB dated May 3, 2000, as amended from time to time, in terms of which unlisted Indian companies which have not yet accessed Global Depository Receipts/ Foreign Currency Convertible Bond route for raising capital in the international market were required to have prior or simultaneous listing in the domestic market.

2. On a review, it has now been decided to allow unlisted companies incorporated in India to raise capital abroad, without the requirement of prior or subsequent listing in India, initially for a period of two years, subject to conditions mentioned below. This scheme will be implemented from the date of the Government Notification of the scheme, subject to review after a period of two years. The investment shall be subject to the following conditions:

(a) Unlisted Indian companies shall list abroad only on exchanges in IOSCO/FATF compliant jurisdictions or those jurisdictions with which SEBI has signed bilateral agreements;

(b) The ADRs/ GDRs shall be issued subject to sectoral cap, entry route, minimum capitalisation norms, pricing norms, etc. as applicable as per FDI regulations notified by the Reserve Bank from time to time;

(c) The pricing of such ADRs/GDRs to be issued to a person resident outside India shall be determined in accordance with the captioned scheme as prescribed under paragraph 6 of Schedule 1 of Notification No. FEMA. 20 dated May 3, 2000, as amended from time to time;

(d) The number of underlying equity shares offered for issuance of ADRs/GDRs to be kept with the local custodian shall be determined upfront and ratio of ADRs/GDRs to equity shares shall be decided upfront based on applicable FDI pricing norms of equity shares of unlisted company;

(e) The unlisted Indian company shall comply with the instructions on downstream investment as notified by the Reserve Bank from time to time;

(f) The criteria of eligibility of unlisted company raising funds through ADRs/GDRs shall be as prescribed by Government of India;

(g) The capital raised abroad may be utilised for retiring outstanding overseas debt or for bona fide operations abroad including for acquisitions;

(h) In case the funds raised are not utilised abroad as stipulated above, the company shall repatriate the funds to India within 15 days and such money shall be parked only with AD Category-1 banks recognised by RBI and shall be used for eligible purposes ;

(i) The unlisted company shall report to the Reserve Bank as prescribed under sub-paragraphs (2) and (3) of Paragraph 4 of Schedule 1 to FEMA Notification No. 20.

3. A copy of the Press Release dated September 27, 2013 issued by Ministry of Finance, Government of India and the Government Notification dated October 11, 2013 are annexed (Annex 1 and 2, respectively).

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

5. 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.

[Annexures are available at our website www.worldtradescanner.com]

Credit Enhanced Bonds Limit Raised to $5bn

Subject: Foreign investment in India - participation by SEBI registered FIIs, QFIs and SEBI registered long term investors in credit enhanced bonds

AP(DIR Srs) Cir.74 11.11.2013 (RBI)

Attention of Authorized Dealer Category-I (AD Category-I) banks is invited to Schedule 5 to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 notified vide Notification No. FEMA.20/2000-RB dated May 3, 2000, as amended from time to time, in terms of which SEBI registered Foreign Institutional Investors (FIIs), Qualified Foreign Investors (QFIs) and long term investors, such as, Sovereign Wealth Funds (SWFs), Multilateral Agencies, Pension/ Insurance/ Endowment Funds, foreign Central Banks, may purchase, on repatriation basis, Government securities and non-convertible debentures (NCDs) / bonds issued by an Indian company subject to such terms and conditions as mentioned therein and limits as prescribed for the same by RBI and SEBI from time to time. The present limits for investments by FIIs, QFIs and long term investors registered with SEBI in Government securities and corporate debt stands at USD 30 billion and USD 51 billion, respectively.

2. Attention of AD Category - I banks is also invited to A.P. (DIR Series) Circular No. 40 dated March 02, 2010 and A.P. (DIR Series) Circular No. 120 dated June 26, 2013, relating to External Commercial Borrowings (ECB) Policy– Structured Obligations. In terms of A.P. (DIR Series) circular dated June 26, 2013, credit enhancement can be provided by eligible non-resident entities to the domestic debt raised through issue of INR bonds/ debentures by all borrowers eligible to raise ECB under the automatic route. All the other terms and conditions mentioned in para 4 (iv), (vi) to (viii) of A.P. (DIR Series) Circular No. 40 dated March 02, 2010 will remain unchanged.

3. On a review, it has been decided to allow SEBI registered Foreign Institutional Investors (FIIs), Qualified Foreign Investors (QFIs) and long term investors registered with SEBI – Sovereign Wealth Funds (SWFs), Multilateral Agencies, Pension/ Insurance/ Endowment Funds, foreign Central Banks - to invest in the credit enhanced bonds, as per paragraph 3 and 4 of A.P. (DIR Series) Circular No. 120 dated June 26, 2013, up to a limit of USD 5 billion within the overall limit of USD 51 billion earmarked for corporate debt.

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

5. Reserve Bank of India has since amended relevant Regulations vide Notification No.FEMA.289/2013 dated October 4, 2013, notified vide G.S.R.No.681(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.

Teetwal LCS in Kupwara Notified for Baggage Clearance

108-Cus(NT) 01.11.2013 (DoR)

In exercise of the powers conferred by clause (b) and clause (c) of sub-section (1) of section 7 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance, Department of Revenue, No.63/94-CUSTOMS (NT), dated the 21st November, 1994, namely:-

In the said notification,-

a. in the opening paragraph, after the seventh proviso, the following proviso shall be inserted, namely:-

"Provided also that Teetwal is appointed as land customs station for the purpose of clearance of baggage";

b. in the TABLE, against serial number 7 relating to Pakistan, in columns 3 and 4, after item number (10), the following shall be inserted, namely:-

(3)	(4)
"KUPWARA DISTRICT	
(11) Teetwal	Teetwal – Nauseri".

[F.No.558/26/2012-LC]

File FC-TRS Forms for Transfer of Shares from Residents to Non Residents without NOCs, says RBI

Subject: Foreign Direct Investment in Financial Sector – Transfer of Shares

AP(DIR Srs) Cir.72 11.11.2013 (RBI) Attention of Authorized Dealer Category-I (AD Category-I) banks is invited to Regulation 10(A)(v) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 notified vide Notification No. FEMA.20/2000-RB dated May 3, 2000, as amended from time to time and Para 2(B)(iv) of A.P.(DIR Series) Circular No.43 dated November 4, 2011, in terms which for transfer of shares from Residents to Non-Residents where the investee company is in the financial services sector, No Objection Certificate (NoC) is required to be obtained from the respective financial sector regulator/regulators of the investee company as well as transferor and transferee entities and such NoC(s) are to be filed with the form FC-TRS to the AD bank.

2. On a review, it has now been decided that the requirement of NoC(s) will be waived from the perspective of Foreign Exchange Management Act, 1999 and no such NoC(s) need to be filed along with form FC-TRS. However, any 'fit and proper/ due diligence' requirement as regards the non-resident investor as stipulated by the respective financial sector regulator shall have to be complied with.

3. All the other instructions contained in the above referred A.P.(DIR Series) Circular shall remain unchanged.

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

5. Reserve Bank of India has since amended the relevant Regulations and notified vide Notification No.FEMA.290/2013-RB dated October 4, 2013, notified vide. G.S.R.No.682(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.

Petroleum and Alcohol to be Kept Out of GST, says Chairman Empowered Committee

The empowered committee of state finance ministers today unanimously decided to keep petroleum and alcohol out of the proposed Goods and Service Tax (GST) stating that these were the main sources of income for states.

"There is total unanimity that these (petroleum and alcohol) should be kept out of GST," AR Rather, chairman of the empowered committee of state finance ministers, told reporters in Shillong on 18 November.

Mr Rather, who is also the finance minister of Jammu and Kashmir, said that the decision to exclude these two items from the proposed GST was based on an appeal made by states.

The central government, in its revised draft of the constitution amendment bill, had proposed that fuel and liquor should be brought under the ambit of GST.

Among the other core issues tackled on the first day of the two-day meeting here were regarding setting up of an independent mechanism to pay compensation to states that stood to lose with the introduction of the GST, the chairman of the empowered committee said.

He said the provision of Rs. 9,000 crore in the last budget signified that the compensation would be paid to states.

Mr Rather also said that the committee had decided that there should not be a 'reprovision' about declared goods and that the Centre should not have powers to declare certain goods as 'goods of special importance'.

States were also opposing subsuming of entry taxes levied on goods entering from other states and that the original draft be incorporated in the new draft to offset revenue losses.

Opposing the proposed incorporation of 92 D and 54 A in the proposed bill, Mr Rather said, "The Committee felt that these are not needed at all because proposed Article 246 A of the Amendment Bill gives powers to Government of India as also to the states to introduce GST."

The committee also expressed reservation on restriction of powers of the proposed GST council to recommend any special provisions, like an exemption from tax to a state without the Centre's consent.

"There was total consensus that since our country is essentially a federation, nothing should be done that will go against the states," the chairman said.

Among the other issues resolved was the acceptance of the recommendations of the Committee constituted by the Empowered Committee on September 19.

Repeal of Australian Carbon Tax soon under Abbott

The process to repeal Australia's carbon tax formally began this week, when the country's new Parliament began its session. Prime Minister Tony Abbott, who was elected in a landslide election in September, has called the repeal of the controversial measure one of his top policy priorities, making it the first bill to be introduced in this legislative session.

The carbon tax was passed two years ago during the government of then-Prime Minister Julia Gillard as part of the Clean Energy Act. Under the scheme, which targets Australia's largest emitters, carbon prices were initially fixed at A$23 (€16.43) per metric tonne during their first year, rising annually at a rate of 2.5 percent. Should the tax remain in place, it is scheduled to switch to a floating price emissions trading system (ETS) in 2015.

Australia is one of the world's largest per capita emitters, with most of the country's electricity needs being met by coal - also a major export. The tax, proponents say, would help meet the dual goals of becoming more reliant on gas and renewable energy, while funding investment into cleaner energy sources.

Opponents say that the measure has placed a financial burden on both Australian businesses and consumers, with some figures being cited by Abbott's coalition placing the increase in household energy bills at A$550 a year.

Abbott has pledged to introduce instead a "Direct Action Plan" to take the tax's place. The plan would, among other things, focus mainly on soil carbon, and will involve the establishment of an emissions reduction fund. Critics have warned that the funding being allocated for the Abbott scheme may not be enough to meet the goal of cutting emissions by five percent by 2020.

Onions Prices Push up Food Price

Record onion prices and the soaring cost of rice and coriander are frustrating Reserve Bank of India Governor Raghuram Rajan's battle to curb inflation while supporting growth in Asia's third-largest economy.

The wholesale-price index for onions, a staple food for India's 1.24 billion people, has climbed 155 percent this year, hitting an all-time high of 820.5 in September, according to the Ministry of Commerce and Industry. The index, set at 100 in 2004, has almost quadrupled in 12 months. A broader measure for food is up 19 percent in 2013, while spot prices for coriander climbed about 29 percent and basmati rice advanced 40 percent.

The RBI has said that it faces an "unenviable task" of trying to address the slowest economic expansion in a decade while tackling the fastest price gains among the largest emerging markets. Local newspapers have reported scuffles at vegetable markets in eastern India and food inflation is set to dominate state elections being held through Dec. 4. High onion prices were cited for the Bharatiya Janata Party losing a 1998 vote in New Delhi.

Food articles, including fruits, vegetables, milk and eggs, accounted for 47 percent of the increase in the benchmark inflation gauge, the wholesale price index. The measure rose 7 percent in October from a year earlier.

Currency Impact

Food prices climbed 18.2 percent in October from a year earlier, down from 18.4 percent in September, the Nov. 14 report showed. Fuel and power increased 10.3 percent. So-called core inflation accelerated as a weaker currency impacted manufacturers, according to HSBC.

India's rupee is the third-worst performing Asian currency versus the U.S. dollar this year, down 12 percent. It climbed 0.3 percent to 62.2475 in Mumbai on 18 November.

Rain Damage

Prices for onions have already come down in the growing areas of Maharashtra state, India's largest producer, according to C.B. Holkar, a director at the National Agricultural Cooperative Marketing Federation of India Ltd. High prices have encouraged farmers to plant more onions for their late summer crop after heavy rains in September cut production by as much as 50 percent of the usual 850,000 metric-ton output in the state, he said.

Divide over"Fast Track" Deepens Among US Lawmakers

US lawmakers in the House of Representatives are growing increasingly divided over whether to renew "Trade Promotion Authority," a provision essential to ratifying deals such as the Trans-Pacific Partnership (TPP) and the proposed US-EU trade pact.

Reports emerged on Tuesday that nearly half of the US House of Representatives' 435 members, from both sides of the aisle, have taken issue with renewing the provision, which expired in 2007. With Trade Promotion Authority, also known as "fast track," the executive branch can submit negotiated trade deals to Congress for straight up-or-down votes, without amendments.

Specific concerns that dissenting lawmakers have raised include whether Congress will have sufficient input into the crafting of new trade deals, and how to account for any adverse impacts such pacts may have on US workers and businesses.

US Trade Representative Mike Froman, as well as the leaders of the Senate Finance Committee, have lately been pushing for renewing "fast track" in the near future, particularly given the efforts of US trade negotiators and their foreign counterparts to conclude the TPP negotiations by the end of this year.

Chidambaram Launches RMS for 11 Customs Stations for Export

Finance Minister P. Chidambaram on 13 November inaugurated the All India rollout of an IT based Risk Management System (RMS) for the Customs clearance of export goods in the presence of representatives from the trade and industry at New Delhi.

Speaking on the occasion Finance Minister said that RMS is a trust based IT system that expects the trade to make correct declarations to Customs. It is a trade facilitation measure which, on implementation, would reduce dwell time from few days to few hours. In view of its obvious advantages, RMS is also being endorsed globally at all forums including WTO.

Finance Minister also emphasized that success of any trade facilitation measure depends on compliance of legal requirements by trade. He urged the trade to comply with the legal provisions so that Customs can ensure speedy clearance of the import and export goods.

The launch of RMS in exports covers 11 Customs stations at Bangalore, Chennai, Delhi, Hyderabad, Mumbai, Pune and Tutocorin. It would be extended to all EDI Customs stations by year end. Benefits are expected to accrue to the trade in terms of faster clearances and reduced transaction costs thereby enhancing the global competitiveness of our export goods.

[Source: PIB (MoF) Press Release dated 13 November 2013]

WIndex No. 35 - 20-26 November 2013

DIndex Delivered Daily by Email

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

Customs Valuation Exchange Rates

8 November 2013		Imports	Exports
Schedule I [Rate of exchange of one unit of foreign currency equipment to Indian Rupees]			
1	Australian Dollar	60.10	58.55
2	Bahrain Dinar	170.85	161.50
3	Canadian Dollar	60.85	59.30
4	Danish Kroner	11.55	11.15
5	EURO	85.70	83.70
6	Hong Kong Dollar	8.15	8.00
7	Kuwaiti Dinar	227.85	214.65
8	New Zealand Dollar	53.00	51.70
9	Norwegian Kroner	10.65	10.35
10	Pound Sterling	101.80	99.55
11	Singapore Dollar	51.00	49.80
12	South African Rand	6.30	5.90
13	South Arabian Riyal	17.15	16.25
14	Swedish Kroner	9.80	9.50
15	Swiss Franc	69.55	67.90
16	UAE Dirham	17.55	16.60
17	U.S. Dollar	63.10	62.10
Schedule II [Rate of exchange of 100 units of foreign currency equivalent to Indian rupees]			
1	Japanese Yen	64.30	62.75
2	Kenyan Shilling	75.65	71.10

(Source: Customs Notification 109(NT)/07.11.2013)

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: 91-11-2324 0230
Email:academy.delhi@gmail.com; Website: worldtradescanner.com
This issue contains 8 pages in all