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# WORLD TRADE SCANNER

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## RBI Clamps Down on Bitcoin Virtual Currency

A number of bitcoin operators in India have begun suspending their businesses following a warning from the Reserve Bank of India (RBI) against use of such virtual currencies due to potential money laundering and cyber security risks.

While the apex bank is yet to come out with a clear regulatory framework for the bitcoin, the currency which has been gaining across the world over the past few months, it has issued an advisory cautioning general public against use of virtual currencies.

Within days of this advisory issued on December 24, a number of entities offering bitcoin services have suspended their operations, temporarily or indefinitely, while websites of a few others have gone down.

However, some other entities continue to run their operations of offering bitcoin exchange services for rupee and other currencies.

Bitcoin is a virtual currency that can be generated through complex computer software systems with solutions shared on a network, although the process is complex and such 'mining' can be done only on very powerful servers.

Hardly three years into existence, bitcoin has already become the world's most expensive currency and its per unit value recently soared past $1,000, or about Rs. 63,000. Its prices, however, have now slipped below Rs. 50,000.

There was a phenomenal surge in the exchange rate for bitcoin from little over $200 to well past $1,000 during November, but there has been an extreme volatility since then and the RBI's warning has further added to its woes in India.

One of the bitcoin operators in India, Buysellbitco.in, has posted its website, "Post the RBI circular, we are suspending buy and sell operations until we can outline a clearer framework with which to work."

"This is being done to protect the interest of our customers and in no way is a reflection of Bitcoin's true potential or price."

Another bitcoin trading entity, INRBTC, also said, "In light of RBI's notice, services of INRBTC.com are being suspended indefinitely."

Explaining its decision, INRBTC said that the Reserve Bank has stated that users of virtual currencies are exposed to both legal and financial risks.

"Further it (RBI) states that absence of information of counterparties could subject the users to unintentional breaches of Anti-Money laundering and combating the financing of terrorism (AML/CFT) laws," it added.

"The only option left now is suspend the services until further arrangements can be made." It, however, also said that all trades executed till December 26, 2013 will be processed completely.

"All pending orders will be cancelled and the deposits on those orders will be refunded 100 per cent to the users," it said. Many other websites offering bitcoin services in India have gone down, although a few continue to operate as of now despite increasing regulatory glare on bitcoins globally.

While authorities and experts are becoming worried about its potential money laundering risks, concerns have also been raised about this new phenomenon snowballing into an 'e-ponzi' or an electronic version of investor fraud, given the growing promotion of bitcoin as investments without any enabling regulations for them.

While the US has declared that all prevailing money laundering laws would apply to bitcoins, China has asked its banks and other financial institutions not to deal in bitcoins and the public has been asked to do so at their own risk.

Bitcoin came into existence in 2009 and the current number of bitcoin units generated so far stands at about 12 million. However, only a small number of bitcoins are being used for real commercial and retail purposes and a majority of transactions are happening for speculative investments.

Adding to the challenges before the regulators, this e-currency, or virtual currency, is already being accepted by some online retailers in countries like the US, China and a few others, for various purposes including pizza delivery.

While regulators are tight-lipped about their plan of action, a senior official said that one possible way forward can be following the US, where authorities have decided to subject bitcoins to money laundering rules applicable to all other financial transactions in the country.

### Customs Declaration for Baggage Postponed by Three Months

### Implementation Date from New Year Shifted to New Financial Year

133-Cus(NT) 30.12.2013 (DoR) In exercise of the powers conferred by clause (a) of section 81 of the Customs Act, 1962, the Central Board of Excise and Customs hereby makes the following regulations to amend the Customs Baggage Declaration Regulations, 2013, namely:—

**1. Short title.**— These regulations may be called the Customs Baggage Declaration (Amendment) Regulations, 2013.

**2.** In **regulation 2** of the Customs Baggage Declaration Regulations, 2013, for the figures, letters and word "*1st January, 2014*", the figures, letters and word "*1st March, 2014*" shall be substituted.

*[F. No. 520/13/2013-Cus.VI]*

## AAM AADMI at Ramlila Maidan in Delhi

*- Arun Goyal -*

Arvind Kejriwal took the oath of office at the 40,000 capacity Ramlila Maidan on 28 December. The ground was packed to capacity with the Aam Aadmi, the lower middle class dominated the audience. The people were anxious and expectant, they were confident that Arvind will deliver. The restive fun loving youth of yesterday so active during the Nirbhaya rising were in a minority with the real old witch in the drama of Kaun Banega Chief Minister. Arvind is the fish in waters of the media streams. The Aam Aadmi look, ready smile, quick responses. It is food to the TV audiences.

Till now, Arvind is Aam Aadmi. On my way out of the Ramlila Maidan, I ran into this 80 plus lady struggling her way to the exit with on the legs of a walker. I knelt before her to take

aam aadmi out at the ground. He donned the caps recycled from the days of Lokpal agitation. The Indian flag and Vande Mataram slogans dotted the sunny noon.

The vendors sold briskly to the crowd: two fresh cream rolls, a bag of fried crisp papad, four oranges, four kelaas, please choose, its just ten rupees. Its Aam Aadmi fare.

Gone were the hired goons of the Congress which lost the crowd pullers after Sonia took the reins. The motley inchoate crowd in BJP meets too was missing, The aam aadmi in this meet was serious, he was here on business. Most walked for some two kilometres to reach the venue.

The army of TV cameras captured every moment of Kejriwal, he is the new JP-Subhas Bose and even Gandhi blended in one. Arvind is a story, a living legend; his marriage, family, village, school everything about him valuable news. Shiela Dixit in contrast, is the villainous a picture. Her companion introduced the lady as Arvind's mom-in-law (sasu ma). I was impressed with how she was still Aam Aurat with her jawain (son in law) as the CM of Delhi. I requested the police to let in a car in the Maidan to reduce the stress on the very old Aam Aurat. He growled back at me with something nasty. I asked him if she would say the same words if the old lady was Shiela Dixit's aunt. The police man did not like this discussion at all and started narrating all the things that he could do to me but for my age. I cut him short saying, discussion over, have to go.

The Aam Aadmi Kejriwal has certainly turned a new leaf in India, and also made Rahul and NaMo do new things. So far, so good.

*(Rem: those halcyon days post Emergency, post Indira Gandhi assassination, post VP Singh victory on Bofors guns and Swiss accounts. The smell of those days is sweet and so is the bitter taste of the aftermath.)*

## G-20 Trade Restrictions Increase as Trade Flows Slow Down, says WTO Report

In the last six months, most G-20 members have put in place new trade restrictions or measures that have the potential to restrict trade, according to the latest WTO report on G-20 trade measures published on 18 December 2013. A total of 116 new trade restrictive measures were identified since the last WTO report, up from 109 measures recorded for the previous seven-month period.

**Summary of WTO Report on G-20 Trade Measures**

*(Mid-May 2013 to mid-November 2013)*

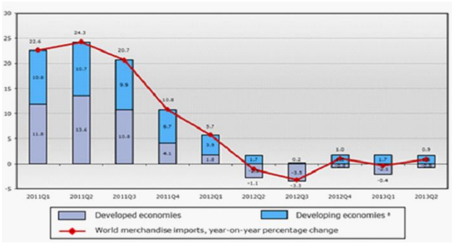
Trade restrictive measures increase as trade flows slow down

*World trade growth in 2013 is slower than expected*

Global economic growth remains slow and uneven, not only in most developed economies but also in major emerging markets. The shortfall in activity has weighed heavily on world trade flows. Trade growth this year is expected to register only a slight increase over 2012, and although prospects are improving the forecast for next year is still below the historical trend. The volume of world merchandise trade is expected to grow by 2.5% in 2013 and 4.5% in 2014.

**Contributions to year-on-year growth in world merchandise imports, 2011Q1 - 2013Q2**

*(percentage change in US$ values)*




### The number of new trade restrictions has increased

In the last six months, most G-20 members have put in place new trade restrictions or measures that have the potential to restrict trade. The trend is towards more restriction. 116 new trade restrictive measures were identified since the last WTO report, up from 109 measures recorded for the previous seven-month period. These were mainly new trade remedy actions, in particular the initiation of anti-dumping investigations, tariff increases and more stringent customs procedures. New measures affect around 1.1% of G-20 merchandise imports, equivalent to 0.9% of world merchandise imports.

The trade restrictive or distorting effects of behind-the-border measures, such as subsidies, public procurement activity and goods and services regulations, are more difficult to measure. These are more varied than border measures, their effects on trade are usually more indirect, and they are harder to monitor, particularly those applied at sub-federal levels and where implementation involves administrative discretion. All of these measures can affect trade, but for the purposes of this Report the key question is whether they are being used deliberately to restrict or distort access to domestic

*Cont'd..303*

## China Commerce Minister: Optimistic About 2014 Exports

China's Commerce Minister Gao Hucheng said Monday that he is optimistic about the nation's export prospects for 2014 as high-speed rail and nuclear power equipment become new drivers of growth while more traditional areas retain strength.

In a statement posted on the ministry's website, Mr. Gao said combined exports and imports will likely total more than $4 trillion this year, up more than 7% from a year earlier, while China's exports will expand their global market share.

In the first 11 months of 2013, combined import and export growth was 7.7%, slightly below the official target of 8%.

In November, China posted a trade surplus of $33.8 billion, its biggest surplus in almost five years and up from $31.1 billion in October. Exports in November rebounded, climbing 12.7% from a year earlier and well ahead of October's 5.6% gain.

China will consolidate its traditional export advantage in labor-intensive industries such as textiles, toys and furniture production while exploring export potential in emerging areas like thermal power and infrastructure equipment, said Mr. Gao.

China's foreign trade remains a powerful engine in driving global trade growth, though it has decelerated from the average 20% growth recorded in the decade following its entry into the World Trade Organization in 2001, he said.

The minister also said that China's retail sales will likely total 23.8 trillion yuan ($3.9 trillion) in 2013, up 13% from a year earlier. Retail sales climbed 13.7% year-on-year in November and were up about 13% for the year to date.

Foreign direct investment will likely reach $117 billion for the full year, up around 5% over last year, said Mr. Gao. China attracted $8.5 billion in foreign direct investment in November, up 2.35% year on year, and had total foreign direct investment of $105.5 billion in the January-November period for a 5.48% year-on-year gain, data from the ministry showed.

## WEEKLY INDEX OF CHANGES

### Revenue Adds Four New Categories for Exclusion of FMS Benefits

*(Impact: Amendment may Kill Floating Stock of FMS Scrips in the Four Categories. Editor's Suggestion: Let DGFT Policy Work Independently).*

Ntfn 52
26.12.2013
(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 amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 93/2009-Customs, dated the 11th September, 2009 published in the Gazette of India, Extraordinary Part-II, Section 3, subsection(i), vide number G.S.R. 659 (E), dated 11th September, 2009, namely:-

In the said notification,-

(a) in paragraph 2, after serial number (xv) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely:-

"(xvi) Export of Meat and Meat Products;

(xvii) Export of Cotton;

(xviii) Export of Cotton Yarn;

(xix) Export which are subject to Minimum Export Price or Export Duty.";

(b) in paragraph 3, after serial number (xvii) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely:-

"(xviii) Cotton (for the paragraph 3.14.5 of the Foreign Trade Policy);

(xix) Cotton Yarn (for the paragraph 3.14.5 of the Foreign Trade Policy);

(xx) Export which are subject to Minimum Export Price or Export Duty (for the paragraph 3.14.5 of the Foreign Trade Policy).".

*[F.No. 605/10/2013-DBK]*

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31-CE
26.12.2013
(DoR)

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) and sub-section (3) of section 3 of the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 (40 of 1978), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 30/2012-Central Excise, dated the 9th July, 2012, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i), vide number G.S.R. 542 (E), dated the 9th July, 2012, namely:-

In the said notification, in paragraph 2, in condition (a),-

(a) in the first proviso, after serial number (xv) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely:-

"(xvi) Export of Meat and Meat Products;

(xvii) Export of Cotton;

(xviii) Export of Cotton Yarn;

(xix) Export which are subject to Minimum Export Price or Export Duty:";

(b) in the second proviso, after serial number (xvii) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely:-

"(xviii) Cotton (for the paragraph 3.14.5 of the Foreign Trade Policy);

(xix) Cotton Yarn (for the paragraph 3.14.5 of the Foreign Trade Policy);

(xx) Export which are subject to Minimum Export Price or Export Duty (for the paragraph 3.14.5 of the Foreign Trade Policy);".

*[F.No. 605/10/2013-DBK]*

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17-ST
26.12.2013
(DoR)

In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 6/2013-Service Tax, dated the 18th April, 2013 published in the Gazette of India, Extraordinary Part-II, Section 3, subsection(i), vide number G.S.R. 254 (E), dated 18th April, 2013, namely:-

In the said notification, in paragraph 3, in condition (a),-

(a) in the first proviso, after serial number (xv) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely,-

"(xvi) Export of Meat and Meat Products;

(xvii) Export of Cotton;

(xviii) Export of Cotton Yarn;

(xix) Export which are subject to Minimum Export Price or Export Duty:";

(b) in the second proviso, after serial number (xvii) and the entry relating thereto, the following serial numbers and entries shall be inserted, namely,-

"(xviii) Cotton (for the paragraph 3.14.5 of the Foreign Trade Policy);

(xix) Cotton Yarn (for the paragraph 3.14.5 of the Foreign Trade Policy);

(xx) Export which are subject to Minimum Export Price or Export Duty (for the paragraph 3.14.5 of the Foreign Trade Policy);".

*[F.No. 605/10/2013-DBK]*

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### MEP on Onions Cut to US$150 from US$350/MTs

Great Fall from $900 on 14 Aug 2013

*A meeting was held on December 25, 2013 between the Minister of Agriculture and the Minister for Commerce and Industry to discuss the issues related with sharp decline in the wholesale prices of onions in the producing mandies of Maharashtra and need for a review of MEP. This meeting was attended by senior officials from the Departments of Agriculture & Cooperation, Consumer Affairs and Commerce.*

*After reviewing the situation of arrivals in the producing and major consuming mandies, retail and wholesale modal rates as well as foreign trade scenario, inter-alia, the following decisions were taken:*

***Decisions:***

*(i) To further reduce the MEP from USD 350 PMT to USD 150 PMT.*

*(ii) Secretaries of Departments of Commerce, Consumer Affairs and Agriculture/ Inter Ministerial Committee (IMC) on onions will regularly and closely monitor the arrivals, wholesale modal prices and retail prices of onions in the country. The government will make appropriate interventions in future as and when required to ensure price stability for consumers and adequate domestic availability of onions along with price protection for farmers with a view to balance the interests of both farmers and domestic consumers.*

*Subject: Export Policy of Onions.*

61-Ntfn(RE)
26.12.2013
(DGFT)

In exercise of powers conferred by Section 5 of the Foreign Trade (Development& Regulation) Act, 1992 (No. 22 of 1992) read with Para 1.3 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.59(RE-2013)/2009-14 dated 19.12.2013 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$ 150 per Metric Ton F.O.B. or as notified by DGFT from time-to-time".

**3. Effect of this Notification**

Export of all varieties of onions as described above will be subject to a Minimum Export Price (MEP) of US$ 150 per MT.

## SAD Exemption on Stock Transfers from SEZ to DTA Withdrawn

- CBEC Issues Clarification on Notification 45/2005
- FTWZ Clearances Affected – Past Clearances may be reopened
- Trade Asks CBEC to Put SAD Refund Procedure in Place

*Subject: Exemption from Special Additional Duty of Customs (SAD) on goods cleared from the SEZ/ FTWZ into the DTA – Clarification.*

44-CBEC
30.12.2013
(DoR)

It has been brought to the notice of the Board that varying practices are being followed by the field formations regarding exemption from SAD on goods cleared from SEZs / Free Trade Warehousing Zones (FTWZ) into the DTA under notification No.45/ 2005-Customs, dated 16.05.2005. The issue raised is whether the benefit of exemption from SAD under this notification would be available when a DTA unit imports goods and routes it through SEZ / FTWZ for self-consumption i.e. in the nature of stock transfer from SEZ / FTWZ.

2. The matter has been examined by the Ministry. Notification No. 45/2005-Customs, dated 16.05.2005 exempts from SAD goods cleared from SEZ / FTWZ and brought into DTA. The notification clearly states that the exemption shall not be available if such goods, when sold in DTA, are exempt from payment of sales tax / VAT. Prior to the issue of notification, it was brought to the notice of the Ministry that in some States sales tax is exempted in respect of DTA clearances by SEZ units. Further, in certain cases, such as stock transfer of goods from an SEZ unit to its unit in the DTA, no sales tax is levied. Hence, a condition was imposed that the exemption from SAD would be available only if such goods, when sold in the DTA, are not exempted from VAT/ sales tax. The intention was to avoid double taxation.

3. In the case of clearances which are in the nature of stock transfer from SEZ / FTWZ unit to the DTA unit for self-consumption i.e. otherwise than for sale as such, no sales tax / VAT is leviable on such a transaction. As no sales tax/ VAT is leviable on the said transaction, SAD is payable.

4. In view of the above, it is clarified that the benefit of SAD exemption on goods cleared from the SEZ / FTWZ unit into DTA unit on stock transfer basis for self-consumption i.e. otherwise than for sale as such, is not available under notification No.45/2005-Customs, dated 16.05.2005. In such cases, SAD would be leviable.

5. Trade Notice/Public Notice may be issued to the field formations and taxpayers.

6. Difficulties faced, if any, in implementation of this Circular may be brought to the notice of the Board.

*F.No.DGEP/SEZ/32/2011*

*F.No.354/261/2013-TRU*

## Zero Customs Duty for Kameng Hydro Electric Power Project at Arunachal Pradesh

Ntfn 53
26.12.2013
(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 amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 12/2012- Customs, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 185(E), dated the 17th March, 2012, namely:-

In the said notification, in the ANNEXURE, in List 32A, after item number 112 and the entry relating thereto, the following item number and entry shall be inserted, namely:-

"113 Kameng Hydro Electric Power Project, Arunachal Pradesh-600 MW [North Eastern Electric Power Corporation Ltd. (NEEPCO)]".

*[F.No. 354/78/2010-TRU (Pt-1)]*

## Wood Charcoal Exports to Bhutan Permitted

*Subject: Relaxation in policy for export of Wood Charcoal to Bhutan.*

60-Ntfn(RE)
23.12.2013
(DGFT)

In exercise of powers conferred by Section 5 of the Foreign Trade (Development& Regulation) Act, 1992, as amended, read with paragraph 1.3 of the Foreign Trade Policy, 2009-14 the Central Government hereby makes the following amendments in respect of Sl. No. 179 of Schedule 2 of ITC(HS) Classifications of Export and Import Items as under:

"Sl. No.179 of Chapter 44 of Schedule 2 of the ITC(HS) Classifications of Export and Import Items prohibits export of wood charcoal. This prohibition will not apply to Bhutan".

**2. Effect of this notification**

There will be no prohibition on export of wood charcoal to Bhutan.

## Zero Excise Duty for Kameng Hydro Electric Power Project at Arunachal Pradesh

32-CE
26.12.2013
(DoR)

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 12/2012-Central Excise, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 163(E), dated the 17th March, 2012, namely:-

In the said notification, in the ANNEXURE, in List 11, after item number 105 and the entry relating thereto, the following item number and entry shall be inserted, namely:-

"106 Kameng Hydro Electric Power Project, Arunachal Pradesh-600 MW [North Eastern Electric Power Corporation Ltd. (NEEPCO)]".

*[F.No. 354/78/2010-TRU (Pt-1)]*

## Electronic Procedure for Authorizations for Export of Dimethylamine Hcl, Sodium Cyanide and Sodium Fluoride

Subject: Application for grant of authorization for export of various chemicals in terms of Notification No. 56 dated 12.12.2013.

11-Pol.Cir
30.12.2013
(DGFT)

Export of (i) Dimethylamine Hydrochloride (ii) Sodium Cyanide and (iii) Sodium Fluoride had been restricted as per Notification No. 56 dated 12.12.2013. Accordingly, these can be exported only with an authorization issued by DGFT.

An electronic procedure has been designed to issue such export authorizations expeditiously. Exporters may address an e-mail to chemicalexport-dgft@nic.in, with a CC to the concerned Jurisdictional Regional Authority (RA) of DGFT from where export authorizations will be issued.

The e-mail should contain the following:

Line 1: IE Code *(Example: 0500030001)*

Line 2-4: Name & Address of Applicant *(Example: ABC Exports——)*

Line 5: Name of Item & ITC(HS) Code *(Example: Sodium Cyanide- 2837 19 90)*

Line 6: Quantity applied for *(In MT, both in figure and words).(Example 100 MT, One Hundred MT)*

Line 7: FOB Value of export *(Rs. ——)*

Line 8-10: Name and Address of Foreign Buyer

Details of export made earlier, in the previous three years, if any

Line 11: Year –Name of Item-Quantity-Destination. *(Example: 2010-11-Sodium Cyanide-100 MT-Singapore)*

Line 12: Year –Name of Item-Quantity-Destination. *(Example: 2011-12-Sodium Cyanide-100 MT-Singapore)*

Line 13**:** Year –Name of Item-Quantity-Destination. *(Example: 2012-13-Sodium Cyanide-100 MT-Singapore)*

Based upon the above information, a decision will be taken by DGFT (Hqrs). Authorizations will be issued from Jurisdictional RA on clearance from DGFT (Hqrs) and on submission of application in ANF 2 D by the applicant.

## Sheet Glass from China under Anti-dumping Investigation on Complaint of Bharat Glass Tube Ltd.

***[Anti-dumping Initiation Notification No.14/22/2013-DGAD dated 20th December 2013]***

*Subject: Initiation of Anti-Dumping Duty investigation concerning imports of Sheet Glass originating in or exported from China PR*

M/s Bharat Glass Tube Limited, has filed an application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Customs Tariff Act, 1975 as amended from time to time (hereinafter referred to as the Act) and Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped articles and for Determination of injury) Rules, 1995 as amended from time to time (hereinafter referred to as the AD Rules) for initiation of Anti-Dumping Duty investigation concerning imports of Sheet Glass (hereinafter also referred to as the subject goods) originating in or exported from China PR (hereinafter referred to as the subject country).

### Product under Consideration

2. The product under consideration in the present investigation is Sheet Glass, originating in or exported from China PR. It is produced by using horizontally lehr. The glass is taken directly from the free surface of the melt and the edges of the sheet are stabilized by driving the glass upward using rotating bodies. The molten glass passes from the glass furnace to a vertical drawing machine to a height of about 1000 MM from where the formed glass is converted in to glass sheet by horizontal flow. Once the sheet is formed it is bent over a polished metal roll and carried away horizontally into a lehr. Float glass, Figured and Wired glass are not covered within the scope of Product under Consideration.

3. Product under Consideration is classified under the heading "Glass and Glassware" in Chapter 70 and further under 7004.20.The classification at 8 digit level is 70042011 and 70042019. The classification, is only indicative and in no way binding on the scope of the present investigation.

### Like Article

4. Petitioner has claimed that the subject goods, which are being dumped into India, are identical to the goods produced by the domestic industry. There are no differences either in the technical specifications, functions or end-uses of the dumped imports and the domestically produced subject goods. The two are technically and commercially substitutable and hence should be treated as 'like articles' under the Anti Dumping Rules. Therefore for the purpose of present investigation the subject goods produced by the applicant in India are being treated as like article to the subject goods being imported from subject country.

### Domestic Industry & 'Standing'

5. The Application has been filed by M/s Bharat Glass Tube Limited Ankaleshwar , who has claimed that they are the sole producer of the product under consideration. The Authority, therefore, determines that the applicant constitutes domestic industry within the meaning of the Rule 2 (b) and the application satisfies the criteria of standing in terms of Rule 5 (3) of the Rules supra..

### Subject Country

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

### Normal Value

7. The Petitioners have submitted that China PR should be treated as a non-market economy and the normal value should be determined in accordance with para-7 of Annexure-I to the Rules. The petitioners have claimed normal value of subject goods on the basis of cost of production in India, duly adjusted stating that information relating to cost or price in a market economy third country is not available. The Authority has prima-facie considered the normal value of subject goods in subject country on the basis of constructed values as made available by the applicants for the purpose of this initiation.

### Export Price

8. The applicant has claimed export prices on the basis of data obtained from DGCI&S. Price adjustments have been allowed on account of Ocean freight, marine insurance, inland transportation, commission, bank charges, port handling and port charges etc. to arrive at the net export price.

### Dumping Margin

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

### Injury and Causal Link

10. Information of petitioners has been considered for assessment of injury to the domestic industry. The Petitioners have furnished evidence regarding the 'injury' having taken place as a result of the alleged dumping in the form of increased volume of dumped imports in absolute terms and in relation to production and consumption in India, significant price undercutting and price depression and consequent significant adverse impact in terms of production, capacity utilization, domestic sales volumes, inventories, market share, profits, return on capital employed, and cash flow for the domestic industry. There is sufficient evidence of the 'injury' being suffered by the domestic industry caused by dumped imports from subject country to justify initiation of an antidumping investigation.

### Initiation of Investigation

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

### Period of Investigation

12. The period of investigation (POI) for the purpose of present investigation is 1st July 2012 to 30th June 2013 (12 months). However, for the purpose of injury investigation, the period will cover the data of previous three years, i.e. April 2010 to March2011, April 2011 to March 2012, April 2012 to March-2013 and the period of investigation (POI).

***[Full text of the notification is available at our website www.worldtradescanner.com]***

## Only Scrutinized Applications for IEC Please, says Mumbai ZDGFT

*The following Trade Notice was issued by the Additional DGFT, Mumbai on 18th December 2013.*

*Subject: IEC Assistance Cell to assist the exporters in filing IEC applications*

03-TN
18.12.2013

In order to facilitate trade and cut down processing time delays that occur due to deficiencies which are there in the IEC applications or their supporting documents, it has been decided to create an IEC Assistance Cell at the IEC counter which shall do the preliminary scrutiny of the IEC applications when the same are submitted at the counter. Whenever an IEC application is received at the IEC Counter, the IEC Assistance Cell shall verify, on the spot, the application and the supporting documents therein. If there is a deficiency in the application/ supporting documents, the same shall be intimated to the applicant on the spot, by making a noting in the side margin of the application and the application along with the supporting documents shall be returned to the applicant. Such applications, therefore, would not be recorded as 'Received' in the office. Only if the application is found complete in all respects, including the documents submitted, the IEC application will be accepted in this office and acknowledgement regarding the same shall be given to the applicant.

The above business process re-engineering will ensure that there is an 'on the spot' scrutiny at the counter of the IEC applications and the supporting documents therein by the IEC Assistance Cell and they are pointed out there itself so that time of the applicant is saved in receiving the deficiencies and then addressing them.

This Trade Notice is issued in interest of trade.

## CBEC Revises Unit Quantity Code in Customs Tariff Schedule

Many Quantities Falls in Kgs Change to Numbers

Comments Invited by Tariff Unit by 15 January on Draft

***[CBEC Draft Circular dated 23rd December 2013]***

*Subject: Draft changes of UQC against HS Code in Customs Tariff of India for declaration in Bills of Entry/Shipping Bills.*

Representations have been received in the CBEC from the trade and industry for change of Standard Unit Quantity Code (UQC) in the Customs Tariff Act, 1975 as per common trade parlance. The CBEC has also made it mandatory that importer and exporter should declare Standard Unit Quantity Code (UQC) in the Bills of Entry and Shipping Bills. Accordingly an exercise has been taken by the CBEC to incorporate changes in Standard Unit Quantity Code in respect of certain items. A list of proposed UQC changes has been finalized and attached as Annexure **'A'**.

2. Chambers, trade, industry and field formations are requested to go through the draft list of UQC and offer their comments, views and suggestions. It is requested that comments, views and suggestions on the same may be forwarded to the undersigned on or before 15th January, 2014. The same may also be emailed to tariffunit-rev@nic.in.

3. The draft list of UQC has been put up only to elicit public response. No final decision has been taken as yet by the Government / Board. Any decision in the matter will be finalized only after due examination of the responses received.

**Annexure 'A'**

**List of Proposed Changes in UQC against the HS Codes**

| SNo. | ITC-HS Code | Description | Standard | Recom-mended |
|---|---|---|---|---|
| 1 | 40159020 | --- Labels | Nos | Kgs |
| 2 | 41021010 | --- Sheepskins | Nos | Kgs |
| 3 | 41021020 | --- Pelts of Baby Lambs | Nos | Kgs |
| 4 | 41021030 | --- Lamb Skin Other Than Pelts | Nos | Kgs |
| 5 | 41022110 | --- Sheep Skins | Nos | Kgs |
| 6 | 41022120 | --- Lamb Skins | Nos | Kgs |
| 7 | 41022130 | --- Lamb Pelt | Nos | Kgs |
| 8 | 41022910 | --- Sheep Skins | Nos | Kgs |
| 9 | 41022920 | --- Lamb Skins | Nos | Kgs |
| 10 | 4412 | Plywood, Veneered Panels And Similar Laminated Wood | Cum | Kgs |
| 11 | 4901 | Printed Books, Brochers, Leaflets and similar printed matter, whether or not in single sheets | Kgs | Nos |
| 12 | 4909 | Printed or Illustrated Post Cards; Printed Cards Bearing Personal Greetings, messages or announce-ments, whether or not illustrated, with or without envelops or trimmings | Kgs | Nos |
| 13 | 4910 | Calendars of Any Kind, Printed, including calender blocks | Kgs | Nos |
| 14 | 7308 | Structures(excluding Prefabricated building of Heading 9406) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frame-work, doors and windows and other frames and thresholds for doors… | Kgs | Nos |
| 15 | 7323 | Table, Kitchen or Other Household Articles and parts thereof, of iron or steel; iron or steel wool; pot scourers and scouring or polishing pads, gloves and the like, of iron or steel | Kgs | Nos |
| 16 | 7324 | Sanitary Ware & Parts Thereof, of iron or steel | Kgs | Nos |
| 17 | 82051000 | - Drilling, threading or tapping tool | Kgs | Nos |
| 18 | 82089090 | --- others | Kgs | Nos |
| 19 | 83014090 | --- other | Kgs | Nos |
| 20 | 84051010 | --- Producer Gas & Water Gas Generators | Kgs | Nos |
| 21 | 84051020 | - Acetylene Gas Generators | Kgs | Nos |
| 22 | 84051090 | --- Other | Kgs | Nos |
| 23 | 84186100 | - Heat Pumps other than air conditio-ning machine of headin 8415 | Kgs | Nos |
| 24 | 841869 | -- others | Kgs | Nos |
| 25 | 842191 | -- of centrifuges, including centrifugal dryers | Kgs | Nos |
| 26 | 842199 | -- others | Kgs | Nos |
| 27 | 84314990 | --- others | Kgs | Nos |
| 28 | 84328010 | --- Lawn or Sports Ground Rollers | Kgs | Nos |
| 29 | 84328020 | --- Rotary Tiller | Kgs | Nos |
| 30 | 84669400 | -- for machines of heading 8462 or 8463 | Kgs | Nos |
| 31 | 84733010 | --- Microprocessor | Kgs | Nos |
| 32 | 84733020 | --- Motherboard | Kgs | Nos |
| 33 | 84733091 | ---- Network access Controller | Kgs | Nos |
| 34 | 84733092 | Graphic and Intelligence based Script Technology (GIST) Cards for multilingual computers | Kgs | Nos |
| 35 | 84733099 | ---- Others | Kgs | Nos |
| 36 | 84734090 | --- others | Kgs | Nos |
| 37 | 84813000 | - Check (non-return) Valve | Kgs | Nos |
| 38 | 84839000 | - Toothed wheel, chain sprockets and other trasnsmission elements presented seperatly; parts | Kgs | Nos |
| 39 | 85030029 | ---- others | Kgs | Nos |
| 40 | 85030090 | --- others | Kgs | Nos |
| 41 | 85177010 | -- Populated; loaded or stuffed printed circuit boards | Kgs | Nos |
| 42 | 85189000 | - Parts | Kgs | Nos |
| 43 | 85299090 | --- others | Kgs | Nos |
| 44 | 85322200 | -- Aluminium electrolytic | Kgs | Nos |
| 45 | 8533 | Electrical Resistors (Including Rheostats and Potentiometers), other than heating resistors | Kgs | Nos |
| 46 | 85340000 | Printed Circuits | Kgs | Nos |
| 47 | 8535 | Electrical Apparatus for Switching or protecting electric circuits, or for making connections…… for a voltage exceeding 1,000 volts | Kgs | Nos |
| 48 | 8536 | Electrical Apparatus for Switching or protecting electric circuits, or for making connections…… for a voltage not exceeding 1,000 volts: connectors for optical fibres, optical fibre bundles or cables. | Kgs | Nos |
| 49 | 85381010 | --- For industrial use | Kgs | Nos |
| 50 | 85442010 | --- Co-axial Cable | Kgs | Mtr |
| 51 | 85444220 | --- Plastic insulated | Kgs | Kgs |
| 52 | 8546 | Electrical Insulators of any material | Kgs | Nos |
| 53 | 87149220 | --- Bicycle Spokes | Nos | Kgs |
| 54 | 90049090 | --- others | Kgs | Nos |
| 55 | 90058090 | --- Other | Kgs | Nos |
| 56 | 90269000 | - parts & accessories | Kgs | Nos |
| 57 | 9031 | Measuring or Checking Instruments, Appliances and machines, not specified or included elsewhere in this chapter; profile projectors | Kgs | Nos |
| 58 | 91101200 | --- Incomplete Movements, Assembled | Kgs | Nos |
| 59 | 91101900 | --- Rough Movements | Kgs | Nos |
| 60 | 91109000 | - Other | Kgs | Nos |
| 61 | 91131000 | - Of Precious Metal or of Metal clad with precious metal | Kgs | Nos |
| 62 | 9401 | Seats (other than those of heading 9402) whether or not convertible into beds, and parts thereof | Kgs | Nos |

*F.No.528/69/2012-STO (TU)*

## Manual Procedure for Inputs in Shipping Bill in Special Cases

*The following Trade Notice was issued by the Additional DGFT, Mumbai on 27th December 2013.*

*Sub: Indication of specific (not generic) name/description of all the inputs used in manufacturing of the goods presented for Export*

04-TN
27.12.2013

Attention of all the members of trade and industry is invited to DGFT Notification No.31 dated 01.08.2013 vide which the DGFT has made an amendment in the FTP(2009-14) by inserting a new para 4.1.15 which stipulates that:

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

Some of the Exporters had approached this office that they are not able to specify the details in the Bills of Export being filed at the Dahej SEZ since the online module of SEZ-online for filing Bills of Export do not have the facility for the same.

This office had taken up the issue with the Development Commissioner, Kandla Special Economic Zone. In this regard the office of Development Commissioner, Kandla Special Economic Zone has issued a Public Notice No.01/2013 wherein instructions have been issued to all concerned that till the modification of online-module of the SEZ-online for filing of Bills of Export, all concerned, while assessing the Bills of Export, should also put their dated signature on the body of the relevant invoice(s), attached with the Bills of Export, as a token to have verified the specific name/description of all the inputs used in the manufacturing of the goods presented for export.

All the firms/companies are hereby requested to utilize this facility to avoid any difficulties being faced in complying with the provisions of paragraph 4.1.15 of the FTP.

## Final Findings Date in Steel Pipes Safeguard Case Pushed Back by Three Months to 21 March 2014

132-Cus(NT)
27.12.2013
(DoR)

In pursuance of sub-rule (1) of rule 11 of the Customs Tariff (Identification and Assessment of Safeguard Duty) Rules, 1997, the Central Government hereby extends the period upto 21st March, 2014 for submission of final findings on safeguard investigation concerning import of "Seamless Pipes, Tubes and Hollow profiles of iron or non-alloy steel".

*[F.No. 528/89/2012-Cus (TU)]*

## Tariff Value of Gold Down $6/10 gms, Silver $5/ kg; Crude Soyabean Oil $37/MTs, Palmolein $29/ MTs, Palm Oil US$20-25/MTs

### Brass Scrap Tariff Value Up US$10/MT, Poppy Seeds US$41/MTs

134-Cus(NT)
31.12.2013
(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 | 892 |
| 2 | 1511 90 10 | RBD Palm Oil | 922 |
| 3 | 1511 90 90 | Others – Palm Oil | 907 |
| 4 | 1511 10 00 | Crude Palmolein | 925 |
| 5 | 1511 90 20 | RBD Palmolein | 928 |
| 6 | 1511 90 90 | Others – Palmolein | 927 |
| 7 | 1507 10 00 | Crude Soyabean Oil | 958 |
| 8 | 7404 00 22 | Brass Scrap (all grades) | 3940 |
| 9 | 1207 91 00 | Poppy seeds | 3195 |

**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 | 392 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 | 638 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 | 1816 (i.e. no change)" |

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

***Cont'd..298***

markets. In the case of new TBT and SPS regulations, where data is more available, 2 to 3% of the thousands that are notified each year to the WTO are taken up by Members for closer scrutiny on the grounds that they raise specific trade concerns, and that proportion has not significantly changed over the past six years.

Better transparency and more evidence are needed to evaluate properly the trade impact of behind-the-border measures.

**Trade restrictive measures**

| Type of measure | Mid-Oct 10 to Apr 11 (6 months) | May to mid-Oct 11 (6 months) | Mid-Oct 11 to mid-May12 (7 months) | Mid-May to mid-Oct 12 (5 months) | Mid-Oct 12 to mid-May13 (7 months) | Mid-May to mid-Nov 13 (6 months) |
|---|---|---|---|---|---|---|
| Trade remedy | 53 | 44 | 66 | 46 | 67 | 70 |
| Import | 52 | 36 | 39 | 20 | 29 | 36 |
| Export | 11 | 19 | 11 | 4 | 7 | 8 |
| Other | 6 | 9 | 8 | 1 | 6 | 2 |
| **Total** | **122** | **108** | **124** | **71** | **109** | **116** |
| *Average per month* | *20.3* | *18.0* | *17.7* | *14.2* | *15.6* | *19.3* |

**Fewer trade liberalising or facilitating measures were taken than in the past**

Some G-20 members also took measures that facilitate trade, although fewer than in the period covered by the last report. Around 33% of the total recorded measures can be considered as trade facilitating, compared with 40% at the time of the previous trade monitoring report. Facilitating measures are mainly in the form of termination of trade remedy actions and tariff reductions. These measures cover around 0.8% of G-20 merchandise imports and 0.6% of world imports.

**Trade restrictions continue to accumulate**

The accumulation of trade restrictions continues. This is a result of more new measures being taken during the most recent period. This time the rate of removal of restrictions put in place since the outbreak of the global crisis is slightly higher than in the previous period. Around 20% of the total number of trade-restrictive measures taken since October 2008 has so far been eliminated; this compares with 19% at the time of the previous report in June 2013.

All import-restrictive measures adopted since October 2008, excluding those that have been reported as terminated up to mid-November 2013, are estimated to cover around 3.9% of world merchandised imports, and around 5% of G-20 imports.

### G-20 economies should show leadership in reinvigorating the multilateral trading system

Strong leadership by the G-20 economies is crucial for the world, in particular to move forward on the positive momentum generated by the adoption of the Bali package. The success in the WTO's 9th Ministerial Conference should not be the end of the road, but the beginning of the process towards conclusion of the Doha Round. The multilateral trading system must be reinforced and strengthened to help global trade liberalization continue and so that trade rules are updated to reflect the issues of the 21st century.

The multilateral trading system remains the best defence against protectionism and the strongest force for economic growth, sustainable recovery and development. The system has proved its usefulness as an insurance policy against protectionist tendencies. Protectionist pressures are bound to remain in a context of slow uneven economic recovery and persistent high levels of unemployment. In this period, it is all the more important to put the spotlight on trade as a source of growth, employment creation and development.

*[The members of the G20 are: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, United Kingdom, United States, European Union.]*

## Aam Aadmi Party Government Simplifies VAT Filing System

The Aam Aadmi Party (AAP) government on 31 December decided to simplify filing of the Value Added Tax (VAT) by the traders which has been a long standing demand by various traders' associations of the city.

This was decided at a Cabinet meeting presided over by Chief Minister Arvind Kejriwal in Delhi.

Talking to reporters, Mr Kejriwal said, "The Cabinet has decided to simplify filing of the VAT by the traders as demanded by them."

Various traders' associations have been demanding the simplification of the VAT system.

He also announced extending the date to file the Form AR1 by the traders till January 31. Every registered dealer is required to get his accounts audited as per Delhi VAT Act and need to furnish audit report in Form AR1.

In its election manifesto the AAP had promised to simplify the VAT tax system.

## WIndex No. 41 - 01-07 January 2014

## DIndex Delivered Daily by Email



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### Customs Valuation Exchange Rates

| **20 December 2013** | | Imports | Exports |
|---|---|---|---|
| **Schedule I** [Rate of exchange of one unit of foreign currency equipment to Indian Rupees] | | | |
| 1 | Australian Dollar | 55.80 | 54.30 |
| 2 | Bahrain Dinar | 170.25 | 160.90 |
| 3 | Canadian Dollar | 58.90 | 57.45 |
| 4 | Danish Kroner | 11.60 | 11.25 |
| 5 | EURO | 86.15 | 84.15 |
| 6 | Hong Kong Dollar | 8.10 | 8.00 |
| 7 | Kuwaiti Dinar | 227.40 | 214.85 |
| 8 | New Zealand Dollar | 51.75 | 50.45 |
| 9 | Norwegian Kroner | 10.30 | 10.00 |
| 10 | Pound Sterling | 103.30 | 101.00 |
| 11 | Singapore Dollar | 49.90 | 48.80 |
| 12 | South African Rand | 6.20 | 5.85 |
| 13 | South Arabian Riyal | 17.10 | 16.15 |
| 14 | Swedish Kroner | 9.65 | 9.35 |
| 15 | Swiss Franc | 70.45 | 68.75 |
| 16 | UAE Dirham | 17.45 | 16.50 |
| 17 | U.S. Dollar | 62.90 | 61.90 |
| **Schedule II** [Rate of exchange of 100 units of foreign currency equivalent to Indian rupees ] | | | |
| 1 | Japanese Yen | 60.70 | 59.30 |
| 2 | Kenyan Shilling | 74.70 | 70.20 |

*(Source: Customs Notification 131(NT)/19.12.2013)*

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