

## G33 for SSM and SSG, Agri Exporters Complain

Members of the G33 group of import-sensitive developing countries aired their concerns about weaknesses in the Special Safeguard Mechanism, which would allow developing countries to raise tariffs in the case of an import surge or price depression, in a document released last week. In the face of strong criticism from exporters, the group laid out a politically charged position to advance ongoing technical discussions ahead of a March 'stocktaking' exercise at the WTO.

The G33 provided a scathing critique of the most recent December 2008 WTO agricultural draft modalities, on the grounds that what is now on the table does not make a "serious dent into the removal of distortions in agricultural trade." The group noted the absence of effective cuts in developed country subsidies and the protection of developed country markets through 'sensitive products' as the basis of their assessment.

Reiterating that food security, the livelihoods of small farmers and rural development provided the motivation for the SSM, the G33 said that the mechanism should not be viewed "primarily through the prism of commerce."

Given the ongoing 'agricultural crisis' in developing countries, the G33 stressed the importance of policy mechanisms, such as the SSM, as well as increased investment to help developing country farmers boost their productivity.

Major exporting countries such as Australia, Uruguay and the US informally circulated technical analysis of the SSM in October. The recent G33 paper attempts to address many of the issues that those countries raised while tying them into an analysis of the state of the negotiations.

The G33 paper was released on 27 January, three days before trade ministers gathered on the sidelines of the World Economic Forum in Davos, Switzerland to assess prospects for concluding the Doha Round this year. A delegate speculated that WTO Director-General Pascal Lamy would not be pleased with the timing of the document, since he "is trying to sell the idea that progress has been achieved" on the SSM.

### 'Normal Trade'

Disagreements over the SSM were largely blamed for the collapse of high-level trade talks in July 2008; since then,

exporters have taken care to outline many of their concerns with the mechanism. Among them, the protection of 'normal trade,' or trade outside of import surges, has been key. Exporters want to ensure that the SSM can only be used in the case of import surges and not in response to growth in 'normal trade'.

Although the notion of normal growth in trade is not clearly defined, the G33 responded to exporter concerns by showing that, between 1987 and 2007, growth in trade for the ten most traded agricultural commodities has remained in the single digits, with the exception of soy.

The SSM has a proposed trigger of a ten-percent surge in import volume compared to a three-year moving average. The G33 document suggests that, under such a scenario, normal trade is likely to flow unimpeded.

But a delegate from an exporting country exclaimed that in some countries imports increased by "70 percent year over year" and that the use of aggregated data in the statistical analysis overlooked the variability across countries.

The G-33 paper effectively rejects the notion of normal trade and

some delegates complained that it throws a wrench into the delicate machinery of the negotiations. One exporter-country delegate asserted in frustration that these are the "concepts that we have been working on" all along.

Additionally, exporters have called for more analysis and are awaiting the release of a detailed technical document and data describing the G33's position on 'normal trade'.

### The SSM and the SSG

The G33 has pointed to the Special Agricultural Safeguard (SSG) – a Uruguay Round tool initiated by developed countries to limit import surges – in making its case on the SSM. Citing WTO data, the group shows that between 1995 and 2008, developing countries invoked the SSG a total of 527 times, while developed countries applied the measure 1,906 times, accounting for 78 percent of the measure's use.

To press their case further, the G33 noted that Barbados, Costa Rica, Nicaragua and the Philippines were entitled to invoke the SSG 29 times between 2000 and 2004 yet used it only once.

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Conditions for the SSM, as it currently stands in the draft modalities, would require a variety of measures to ensure that it would only be used with due cause. These include seasonal limits, which may vary from an importer and exporters perspective, a check to ensure that import surges and price declines are concurrent and a methodology to prorate the three year average baseline of trade if the SSM is invoked, among others.

Exporters have not looked so kindly on the SSG. Celebrating the end of the SSG in the current Doha Round, a delegate said the "SSG was bad and was horrible for exporters." More importantly perhaps, the SSG was had "in exchange for tariffication" while the SSM is "free," the delegate noted. (Tariffication refers to the conversion of tariffs from a per unit figure to a percentage of the imported product's value; per unit tariffs are more complex, making them difficult to compare across products.)

### Response

A compromise on the SSM is seen as key to an agreement on agriculture, one of the pillars of the Doha Round talks. The G33 has said that its paper on the SSM is meant to clarify the group's position, but one disgruntled delegate said that there is "no point in keeping on meeting" if the

paper will form the basis of future talks.

Others have been more conciliatory, even when questioning the SSM, noting that they need to understand why conditionalities on the SSM, for example, are considered 'unnecessary'.

Challenging the assertion that the SSM protects poor developing country farmers, an official from an agriculture exporting developing country said that they "want to protect their farmers as well" through improvements in market access.

Agriculture negotiators in Geneva are occupied with visiting trade officials and a series of small-group consultations with the chair, meetings that have focused on templates and data needs for scheduling commitments. A plurilateral meeting of 40 to 50 WTO members is expected to take place this Friday on the SSM. Two additional meetings are scheduled for Thursday and Friday of next week.

Although currently focusing on the technical issues, chair Walker is expected to move from a small group process into something involving the wider WTO membership before the stock-taking exercise in March.

### Trade Balance

|           |        |         |
|-----------|--------|---------|
| 2008-2009 | -6088  | -106240 |
| 2009-2010 | -10147 | -76242  |

Figures for 2008-09 are the latest revised whereas figures for 2009-10 are provisional

## Vietnam Initiates First-Ever WTO Dispute, Targets US Action on Shrimp



Vietnam has requested WTO consultations with the United States over Washington's anti-dumping duties on Vietnamese shrimp. The move marks the first time that Vietnam has ever filed a complaint with the global trade body's dispute settlement system.

The complaint centres on anti-dumping duties of as much as 25 percent that the US has slapped on imports of Vietnamese shrimp since 2005.

The Vietnamese private sector is confident that country's challenge will be successful, largely due to the fact that Washington used a practice known as 'zeroing' in calculating the margin by which Vietnamese shrimp were being 'dumped' - or sold at below-normal value - in the US market. The WTO has repeatedly ruled against zeroing on the grounds that it artificially inflates dumping margins.

In a case that was decided in July 2008, Thailand brought a similar challenge against the US, claiming that Washington's anti-dumping duties on its warm water shrimp were unfairly high because the US had used the 'zeroing' methodology in calculating the dumping margin. The Dispute Settlement Body ruled in Thailand's favour.

But the case brought by Vietnam may be different.

When Vietnam acceded to the WTO in 2007, it agreed to be temporarily recognised as a non-market economy, a status that US law defines as not operating "on market principles of cost or pricing structures, so that the sales of merchandise...do not reflect the fair value of the merchandise."

Article VI of the General Agreement on Tariffs and Trade (GATT) appears to support special practices for non-market economies as it allows different treatment of states that have "a complete or substantially complete monopoly of its trade and where all domestic prices are fixed by the state."

With reference to this provision, the US had considered Chinese (which equally agreed to the status of a non-market economy, or NME) and Vietnamese shrimp exports separately from other shrimp exporters when it conducted its dumping investigation in 2004.

To calculate the dumping margin, Washington used Hanoi's NME status to 'construct' a normal value of shrimp based on a 'surrogate' market economy, rather than using Vietnam's market prices, according to the US-Vietnam WTO Coalition.

## December 09 Shows Rise in Exports and Imports

India's exports during December, 2009 were valued at US \$14606 million (Rs. 68107 crore) which was 9.3 per cent higher in dollar terms (4.8 per cent in Rupee terms) than the level of US \$ 13368 million (Rs. 65015 crore) during December, 2008. Cumulative value of exports for the period April- December, 2009 was US \$ 117587 million (Rs 563304 crore) as against US \$ 147569 million (Rs. 652919 crore) registering a negative growth of 20.3 per cent in Dollar terms and 13.7 per cent in Rupee terms over the same period last year.

India's imports during December, 2009 were valued at US \$ 24753 million (Rs. 115420 crore) representing a growth of 27 per cent in dollar terms (22 per cent in Rupee terms) over the level of imports valued at US \$ 19456 million (Rs. 94625 crore) in December, 2008. Cumulative value of imports for the period April- December 2009 was US \$ 193829 million (Rs. 927969 crore) as against US \$ 253809 million (Rs. 1126199 crore) registering a negative growth of 23.6 per cent in Dollar terms and 17.6 per cent in Rupee terms over the same period last year.

Oil imports during December, 2009 were valued at US \$ 6536 million which was 42.8 per cent higher than oil imports valued at US \$ 4578 million in the corresponding period last year. Oil imports during April- December, 2009 were valued at US\$ 56918 million which was 29.8 per cent lower than the oil imports of US \$

81101 million in the corresponding period last year.

Non-oil imports during December, 2009 were estimated at US \$ 18217 million which was 22.4 per cent higher than non-oil imports of US \$ 14879 million in December, 2008. Non-oil imports during April- December, 2009 were valued at US\$136911 million which was 20.7 per cent lower than the level of such imports valued at US\$ 172708 million in April- December, 2008.

The trade deficit for April- December, 2009 was estimated at US \$ 76242 million which was lower than the deficit of US \$ 106240 million during April-December, 2008.

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

(Provisional)

|                                       | December | April-December |
|---------------------------------------|----------|----------------|
| <b>Exports (including re-exports)</b> |          |                |
| 2008-2009                             | 13368    | 147569         |
| 2009-2010                             | 14606    | 117587         |
| %Growth 2009-2010/<br>2008-2009       | 9.3      | -20.3          |
| <b>Imports</b>                        |          |                |
| 2008-2009                             | 19456    | 253809         |
| 2009-2010                             | 24753    | 193829         |
| %Growth 2009-2010/<br>2008-2009       | 27.2     | -23.6          |

### Dollar-Rupee rate at NSE Futures

| Trade Date | Open Price | High Price | Low Price | Close Price | Daily Settlement Price | Open Interest | No. of Contracts | Value (Rs. lakhs) | RBI Reference rate |
|------------|------------|------------|-----------|-------------|------------------------|---------------|------------------|-------------------|--------------------|
| 8-Feb-10   | 46.7600    | 46.9075    | 46.7050   | 46.8525     | 46.8525                | 430122        | 2740506          | 1282552.61        | 46.8100            |
| 5-Feb-10   | 46.6000    | 46.8025    | 46.5400   | 46.7800     | 46.7800                | 453490        | 2740777          | 1278647.87        | 46.5600            |
| 4-Feb-10   | 46.1100    | 46.3000    | 46.0825   | 46.2650     | 46.2650                | 447123        | 2633209          | 1216161.95        | 46.0900            |
| 3-Feb-10   | 46.1625    | 46.2000    | 45.9975   | 46.0375     | 46.0375                | 462134        | 2693711          | 1241593.92        | 46.0400            |

[Source: NSE and RBI Website]

**Procedure for Re-credit of 4% SAD in DEPB**

*Subject: Procedure to re-credit 4% Special Additional Duty (SAD) of Customs in DEPB, VKGUY, FPS, FMS, MLFPS scrips in view of the refund facility allowed under Customs Notification No. 102/2007-Customs dated 14<sup>th</sup> September, 2007 (as amended) to be read with the Customs instructions communicated vide F.No.354/129/2007-TRU dated 14.9.2007, Customs circular No.6 /2008-Customs dated 28<sup>th</sup> April, 2008 and 6 /2009-Customs dated 9th February, 2009.*

22-Pol.Cir Attention is invited to Customs  
03.02.2010 Notification No. 102/2007  
(DGFT) Customs dated 14<sup>th</sup>  
September, 2007 (as

amended) to be read with Customs instructions communicated vide F.No.354/129/2007-TRU dated 14.9.2007, Customs circular No..6 /2008-Customs dated 28<sup>th</sup> April, 2008 and 6 /2009-Customs dated 9th February, 2009 on the provision to re-credit the 4% SAD to applicants who qualify for the re-credit subject to compliance of the conditions stated therein. This re-credit facility is available in case of debit of the 4% SAD from the duty credit scrips such as DEPB, VKGUY, FPS and FMS Scrips subject to fulfillment of the conditions.

2. Various representations from importers, exporters, trade and industry associations have been received in this Directorate seeking clarification regarding the procedure for re-credit of 4% Additional Duty of Customs (SAD) leviable under sub-section (5) of Section 3 of the Customs Tariff Act, 1975 in pursuance of Notification No.102/2007-Customs dated 14.9.2007 and the Customs circulars stated above. Department of Revenue have also referred the matter for a corresponding procedure for re-credit for uniform action by the field formations of DGFT and the Customs.

3. These issues have been examined in details in consultation with the Department of Revenue. Accordingly the following guidelines are being laid down for the re-credit of the 4% SAD:

(i) The duty credit scrip holder including the transferee (henceforth referred as Applicant) shall submit the original copy of the relevant Duty credit scrip, scheme wise consolidated certificate (credit note) issued by the customs authority at the port of registration along with the forwarding letter to the Regional Authority (RA) who had issued the scrip. The RA concerned shall make an endorsement in the scrip as follows:

“An amount of Rupees \_\_\_\_\_ stands credited in the balance duty credit available in the scrip, in terms of consolidated certificate (credit note) No. \_\_\_\_\_ dated \_\_\_\_\_ issued by \_\_\_\_\_ (name and address of the customs authority at the port of import). “

In case the validity of the scrip is less than 6 months on the date of submission of request to the RA, the scrip may be revalidated for 6 months from the date of endorsement for utilization of the re-credit amount so allowed by the RA. The Customs authority at the Port of Import and the Port of Registration (in case import is from a port other than the port of registration in the original scrip) shall be intimated immediately accordingly for their record and cross verification be-

fore allowing clearance of import consignment against the scrip.

(ii) In case, the original duty credit scrip, after partial utilization, has been transferred to another importer and the earlier importer wants to get the re-credit facility for the 4% SAD component, proportionate to imports effected by him, the applicant would be required to produce the attested copy of the duty credit scrip, the proof of having transferred the original duty credit scrip, the consolidated certificate (credit note) issued by the customs authority along with an Indemnity Bond indemnifying to pay the loss (the re-credit amount along with the interest) caused to the exchequer in case of unjustified re-credit detected subsequently. In such cases after due examination, the RA concerned shall process the case manually and issue a duplicate duty credit scrip with the following endorsement along with the other endorsements being made while issuing original scrips as per policy :

“An amount of Rupees \_\_\_\_\_ stands credited in this scrip, in terms of consolidated certificate (credit note) No. \_\_\_\_\_ dated \_\_\_\_\_ issued by \_\_\_\_\_ (Name and address of the customs

**Revalidation of Duty Credit Scrips in Re-credit of 4% Cases**

*Subject: Amendment of paragraph 2.13.1, 3.11.7 and 4.50 of HBP Vol. 1 for revalidation of freely transferable Authorization/ Duty credit scrips and re-credit of 4% SAD thereof.*

38-PN(RE) In exercise of powers conferred  
03.02.2010 under Para 2.4 of the Foreign  
(DGFT) Trade Policy, 2009-14, the  
Director General of Foreign

Trade hereby makes the following amendments in the Handbook of Procedures (Vol.1), 2009-14:-

1. Paragraphs 2.13.1 of HBP Vol. 1 shall be substituted by the following:

2.13.1 However, revalidation of freely transferable Authorisation / Duty credit scrips and stock and sale Authorisation shall not be permitted unless validity has expired while in custody of Customs authority / RA.

2. A new Paragraph 2.13.2A stands added in the HBP Vol. 1 as under:

2.13.2A For the purpose of re-credit of 4% Special Additional Duty (SAD) of customs in the freely transferable Duty credit scrips (including

authority at the port of import). This scrip shall have a validity of 6 months only from the date of issuance.”

The scrip shall also have the endorsement of the number and date of original duty credit scrip so as to establish the co-relation. Once such scrip is issued, RA shall send immediately a copy of the same to the Customs authority at the Port of Import and the Port of Registration (in case import is from a port other than the port of registration in the original scrip).

(iii) RA shall endorse the Bills of entry Nos and dates and the credit amount on the scrip along with the name and address of the consolidated certificate (credit note) issuing authority, as per the consolidated certificate (credit note) issued by the customs authority.

(iv) All such applications shall be filed by the applicant within 3 months of issuance of the consolidated certificate (credit note) by the Customs authority. These applications shall be filed scheme-wise and port-wise to the RA concerned who had issued the original duty credit scrip.

(v) Finalization of such applications shall be subject to fulfillment of the prescribed conditions and careful scrutiny of all documents submitted in support of the claim so that no fraudulent applications are approved. This may please be brought to the notice of all concerned.

4. Any difficulty in implementation of the aforesaid guidelines shall be brought to the notice of this Directorate immediately.

This issues with the approval of Competent Authority.

DEPB), revalidation for a maximum period of 6 months from the date of endorsement, shall be allowed in case the balance period of validity is less than 6 months on the date of re-credit.

3. Paragraph 3.11.7 related to validity period of duty credit scrips issued under chapter 3 shall be replaced by the following:

3.11.7 Duty Credit Scrip shall be valid for a period of 24 months & Revalidation of Duty Credit Scrip shall not be permitted unless covered under paragraph 2.13.1 or paragraph 2.13.2 A of HBP v1.

4. Paragraph 4.50 related to revalidation of DEPB shall be replaced by the following:

No revalidation shall be granted beyond original period of validity of DEPB unless covered under paragraph 2.13.1 or paragraph 2.13.2 A of HBP v1.

This issues in public interest.

**Anti Subsidy Investigation on Sodium Nitrite from China Terminated**

*[Ref: F. No.17/1/2008-DGAD dated 12<sup>th</sup> January 2010]*

*Subject: Termination of Countervailing Duty investigation concerning imports of 'Sodium Nitrite' originating in or exported from People's Republic of China.*

Having regard to the Customs Tariff Act 1975 as amended from time to time (hereinafter referred to as the Act) and the Customs Tariff (Identification, Assessment And Collection of Countervailing Duty on Subsidized Articles and for Determination of Injury) Rules, 1995 as amended from time to time (hereinafter referred to as CVD Rules), thereof.



## World Bank Pink Sheet – January 2010 Prices

World Bank Pinksheet issued in February 2010 covers price movements in 43 energy and non-energy products is published by the World Bank every month. This Pink Sheet focuses on price movements in January 2010.

### Crude, Edible Oils and Sugar on the Rise

- Crude and Coal up. Natural gas up.
- Cocoa and Coffee up. Tea down.
- Copra and Coconut oil up. Groundnut oil and Palm Kernel oil up. Palm oil and Soybean oil on the rise. Soybean oil and Soybeans down.
- Thai Rice A.1 up, Maize up. Barley and Sorghum down.
- Wheat down. Bananas down. Oranges up.
- Shrimp steady. Meat up, Fishmeal up.
- World sugar on the rise.
- Logs down. Plywood and Woodpulp steady. Sawwood down.
- Cotton and Rubber up.
- DAP up. Phosphate rock up. Urea and TSP up. Potassium Chloride down.
- Gold down. Silver up
- Iron ore steady. Aluminium, Copper, Lead, Nickel, Tin and Zinc up.
- Steel sheets steady. Steel rebar up, Steel Wire Rod down.



|  | Monthly averages |     |      | Quarterly averages |         |         |         |         | Annual averages |         |         |
|--|------------------|-----|------|--------------------|---------|---------|---------|---------|-----------------|---------|---------|
|  | 2009             |     | 2010 | 2008               | 2009    |         |         | 2008    | 2009            | 2010    |         |
|  | Nov              | Dec | Jan  | Oct-Dec            | Jan-Mar | Apr-Jun | Jul-Sep | Oct-Dec | Jan-Dec         | Jan-Dec | Jan-Dec |

#### Energy

|                                   |       |       |       |       |       |       |       |       |        |       |       |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|
| Coal, Australia \$/mt             | 78.80 | 83.10 | 97.00 | 92.97 | 71.93 | 66.48 | 71.31 | 77.66 | 127.10 | 71.84 | 97.00 |
| Crude oil, average \$/bbl         | 77.55 | 74.88 | 77.12 | 56.00 | 44.11 | 59.19 | 68.21 | 75.50 | 96.99  | 61.76 | 77.12 |
| Crude oil, Brent \$/bbl           | 77.04 | 74.67 | 76.37 | 55.89 | 44.98 | 59.13 | 68.37 | 74.97 | 97.64  | 61.86 | 76.37 |
| Crude oil, Dubai \$/bbl           | 77.63 | 75.49 | 76.64 | 53.67 | 44.56 | 58.93 | 68.07 | 75.46 | 93.78  | 61.75 | 76.64 |
| Crude oil, West Texas Int. \$/bbl | 78.00 | 74.49 | 78.36 | 58.45 | 42.80 | 59.52 | 68.21 | 76.08 | 99.56  | 61.65 | 78.36 |
| Natural gas Index 2000=100        | 141.1 | 164.0 | 178.4 | 266.2 | 198.2 | 142.9 | 123.3 | 149.3 | 267.9  | 153.4 | 178.4 |
| Natural gas, Europe \$/mmbtu      | 7.81  | 8.01  | 8.80  | 15.75 | 11.94 | 8.18  | 6.91  | 7.81  | 13.41  | 8.71  | 8.80  |
| Natural gas, US \$/mmbtu          | 3.69  | 5.37  | 5.81  | 6.40  | 4.57  | 3.70  | 3.17  | 4.36  | 8.86   | 3.95  | 5.81  |
| Natural gas LNG, Japan \$/mmbtu   | 9.13  | 9.50  | 10.00 | 14.62 | 10.90 | 7.60  | 7.91  | 9.24  | 12.53  | 8.91  | 10.00 |

#### Beverages

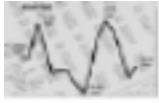
|                                |       |       |       |       |       |       |       |       |       |       |       |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Cocoa ¢/kg                     | 338.5 | 350.9 | 352.3 | 224.1 | 259.4 | 257.9 | 296.4 | 341.8 | 257.7 | 288.9 | 352.3 |
| Coffee, Arabica ¢/kg           | 335.6 | 348.7 | 350.3 | 267.8 | 283.9 | 320.2 | 322.7 | 341.7 | 308.2 | 317.1 | 350.3 |
| Coffee, robusta ¢/kg           | 153.2 | 154.1 | 154.5 | 192.6 | 175.8 | 165.3 | 160.1 | 156.4 | 232.1 | 164.4 | 154.5 |
| Tea, auctions (3) average ¢/kg | 305.6 | 297.4 | 292.3 | 206.6 | 218.0 | 266.1 | 303.6 | 301.9 | 242.0 | 272.4 | 292.3 |
| Tea, Colombo auctions ¢/kg     | 335.0 | 326.7 | 341.1 | 208.8 | 261.7 | 299.1 | 356.1 | 338.0 | 278.9 | 313.7 | 341.1 |
| Tea, Kolkata auctions ¢/kg     | 291.2 | 267.7 | 251.4 | 220.2 | 177.4 | 271.3 | 273.0 | 284.4 | 225.5 | 251.5 | 251.4 |
| Tea, Mombasa auctions ¢/kg     | 290.6 | 297.7 | 284.5 | 190.8 | 214.9 | 228.0 | 281.7 | 283.2 | 221.8 | 252.0 | 284.5 |

#### Fats and Oils

|                      |       |       |       |       |       |       |       |       |       |       |       |
|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Coconut oil \$/mt    | 729   | 768   | 785   | 772   | 677   | 779   | 711   | 734   | 1,224 | 725   | 785   |
| Copra \$/mt          | 493   | 509   | 524   | 520   | 447   | 513   | 469   | 491   | 816   | 480   | 524   |
| Groundnut oil \$/mt  | 1,116 | 1,192 | 1,314 | 1,773 | 1,283 | 1,166 | 1,133 | 1,152 | 2,131 | 1,184 | 1,314 |
| Palm oil \$/mt       | 725   | 792   | 795   | 512   | 577   | 743   | 679   | 732   | 949   | 683   | 795   |
| Palmkernel oil \$/mt | 726   | 829   | 878   | 609   | 577   | 763   | 700   | 761   | 1,130 | 700   | 878   |
| Soybean meal \$/mt   | 422   | 401   | 405   | 320   | 365   | 424   | 431   | 412   | 424   | 408   | 405   |
| Soybean oil \$/mt    | 931   | 935   | 924   | 830   | 755   | 863   | 856   | 921   | 1,258 | 849   | 924   |
| Soybeans \$/mt       | 440   | 450   | 437   | 377   | 394   | 461   | 454   | 439   | 523   | 437   | 437   |

#### Grains

|                           |       |       |       |       |       |       |       |       |       |       |       |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Barley \$/mt              | 155.3 | 150.6 | 146.5 | 129.5 | 116.3 | 129.5 | 122.0 | 145.5 | 200.5 | 128.3 | 146.5 |
| Maize \$/mt               | 171.6 | 164.6 | 167.3 | 168.4 | 166.9 | 176.0 | 151.3 | 167.8 | 223.1 | 165.5 | 167.3 |
| Rice, Thailand, 5% \$/mt  | 542.8 | 591.0 | 571.3 | 564.4 | 586.3 | 552.4 | 539.0 | 542.3 | 650.2 | 555.0 | 571.3 |
| Rice, Thailand, 25% \$/mt | 460.3 | 515.3 | 510.8 | 449.9 | 469.4 | 458.7 | 441.4 | 462.8 | n.a.  | 458.1 | 510.8 |
| Rice, Thailand, 35% \$/mt | n.a.  | n.a.  | n.a.  | n.a.  | n.a.  | n.a.  | n.a.  | n.a.  | n.a.  | n.a.  | n.a.  |
| Rice, Thai, A.1 \$/mt     | 337.0 | 403.0 | 419.8 | 314.1 | 323.4 | 326.3 | 309.7 | 346.1 | 482.3 | 326.4 | 419.8 |



|                               | Monthly averages |        |        | Quarterly averages |         |         |         |         | Annual averages |         |         |
|-------------------------------|------------------|--------|--------|--------------------|---------|---------|---------|---------|-----------------|---------|---------|
|                               | 2009             |        | 2010   | 2008               | 2009    |         |         |         | 2008            | 2009    | 2010    |
|                               | Nov              | Dec    | Jan    | Oct-Dec            | Jan-Mar | Apr-Jun | Jul-Sep | Oct-Dec | Jan-Dec         | Jan-Dec | Jan-Dec |
| Sorghum \$/mt                 | 166.0            | 166.3  | 161.8  | 151.0              | 145.3   | 155.8   | 139.3   | 163.8   | 207.8           | 151.1   | 161.8   |
| Wheat, Canada \$/mt           | 288.4            | 287.8  | 287.2  | 322.1              | 321.9   | 325.6   | 271.2   | 283.4   | 454.6           | 300.5   | 287.2   |
| Wheat, US, HRW \$/mt          | 211.0            | 206.3  | 201.2  | 228.1              | 231.6   | 250.5   | 208.8   | 205.4   | 326.0           | 224.1   | 201.2   |
| Wheat, US SRW \$/mt           | 204.7            | 206.5  | 198.8  | 182.7              | 187.4   | 195.6   | 165.2   | 195.6   | 271.5           | 186.0   | 198.8   |
| <b>Other Food</b>             |                  |        |        |                    |         |         |         |         |                 |         |         |
| Bananas EU \$/mt              | 1,027            | 989    | 941    | 944                | 1,142   | 1,288   | 1,118   | 1,032   | 1,188           | 1,145   | 941     |
| Bananas US \$/mt              | 834              | 796    | 785    | 847                | 891     | 858     | 826     | 813     | 844             | 847     | 785     |
| Fishmeal \$/mt                | 1,526            | 1,651  | 1,683  | 1,023              | 1,013   | 1,097   | 1,276   | 1,535   | 1,133           | 1,230   | 1,683   |
| Meat, beef ¢/kg               | 275.6            | 280.0  | 295.1  | 268.0              | 245.2   | 262.8   | 273.2   | 273.5   | 313.8           | 263.6   | 295.1   |
| Meat, chicken ¢/kg            | 164.6            | 164.7  | 166.4  | 174.7              | 173.5   | 174.1   | 173.9   | 165.1   | 169.6           | 171.7   | 166.4   |
| Meat, sheep ¢/kg              | 457.0            | 447.5  | 451.2  | 410.0              | 378.5   | 428.7   | 453.3   | 450.1   | 458.5           | 427.6   | 451.2   |
| Oranges \$/mt                 | 1,154            | 1,014  | 1,089  | 842                | 799     | 870     | 861     | 1,107   | 1,107           | 909     | 1,089   |
| Shrimp, Mexico ¢/kg           | 863              | 794    | 794    | 1,014              | 976     | 970     | 970     | 864     | 1,069           | 945     | 794     |
| Sugar EU ¢/kg                 | 49.63            | 48.92  | 47.81  | 51.97              | 51.44   | 53.76   | 55.43   | 49.11   | 69.69           | 52.44   | 47.81   |
| Sugar US ¢/kg                 | 70.25            | 73.42  | 86.77  | 44.72              | 43.82   | 47.89   | 57.31   | 70.48   | 46.86           | 54.88   | 86.77   |
| Sugar, world ¢/kg             | 49.07            | 51.87  | 58.36  | 26.28              | 28.85   | 33.89   | 46.98   | 50.29   | 28.21           | 40.00   | 58.36   |
| <b>Timber</b>                 |                  |        |        |                    |         |         |         |         |                 |         |         |
| Logs, Cameroon \$/cum         | 451.1            | 452.7  | 442.4  | 473.8              | 426.8   | 394.8   | 414.9   | 449.5   | 526.9           | 421.5   | 442.4   |
| Logs, Malaysia \$/cum         | 272.0            | 264.8  | 258.2  | 315.7              | 313.6   | 284.5   | 279.6   | 271.1   | 292.3           | 287.2   | 258.2   |
| Plywood ¢/sheets              | 558.6            | 557.2  | 557.2  | 645.5              | 572.8   | 565.8   | 561.5   | 558.4   | 645.5           | 564.6   | 557.2   |
| Sawnwood, Cameroon \$/cum     | 821.0            | 807.7  | 804.1  | 770.8              | 689.2   | 721.2   | 779.0   | 806.3   | 958.3           | 748.9   | 804.1   |
| Sawnwood, Malaysia \$/cum     | 821.1            | 796.0  | 792.4  | 859.9              | 813.7   | 829.7   | 771.4   | 807.4   | 889.1           | 805.5   | 792.4   |
| Woodpulp \$/mt                | 722.0            | 731.4  | 731.4  | 711.0              | 565.1   | 550.0   | 627.7   | 715.6   | 820.2           | 614.6   | 731.4   |
| <b>Other Raw Materials</b>    |                  |        |        |                    |         |         |         |         |                 |         |         |
| Cotton A Index ¢/kg           | 158.3            | 167.6  | 170.5  | 126.9              | 120.8   | 132.4   | 141.9   | 157.7   | 157.4           | 138.2   | 170.5   |
| Cotton Memphis ¢/kg           | 173.9            | 179.5  | 179.7  | 129.4              | 122.4   | 137.5   | 148.8   | 172.4   | 161.3           | 145.3   | 179.7   |
| Rubber RSS1, US ¢/kg          | 279.3            | 310.0  | 335.1  | 202.8              | 165.8   | 187.0   | 221.0   | 284.7   | 284.1           | 214.6   | 335.1   |
| Rubber RSS3, SGP ¢/kg         | 254.2            | 280.1  | 309.2  | 159.0              | 146.0   | 166.4   | 199.3   | 256.5   | 258.6           | 192.1   | 309.2   |
| <b>Fertilizers</b>            |                  |        |        |                    |         |         |         |         |                 |         |         |
| DAP \$/mt                     | 290.3            | 360.4  | 427.5  | 663.3              | 362.2   | 303.6   | 309.6   | 316.9   | 967.2           | 323.1   | 427.5   |
| Phosphate rock \$/mt          | 90.0             | 90.0   | 97.5   | 371.3              | 193.3   | 113.3   | 90.0    | 90.0    | 345.6           | 121.7   | 97.5    |
| Potassium chloride \$/mt      | 435.0            | 399.0  | 354.4  | 766.7              | 865.2   | 726.7   | 506.8   | 423.0   | 570.1           | 630.4   | 354.4   |
| TSP \$/mt                     | 228.5            | 232.0  | 296.3  | 658.7              | 321.7   | 247.7   | 224.7   | 235.7   | 879.4           | 257.4   | 296.3   |
| Urea \$/mt                    | 244.8            | 261.1  | 275.8  | 292.2              | 267.3   | 241.1   | 241.6   | 248.3   | 492.7           | 249.6   | 275.8   |
| <b>Metals and Minerals</b>    |                  |        |        |                    |         |         |         |         |                 |         |         |
| Aluminum \$/mt                | 1,949            | 2,180  | 2,235  | 1,821              | 1,360   | 1,485   | 1,812   | 2,003   | 2,573           | 1,665   | 2,235   |
| Copper \$/mt                  | 6,676            | 6,982  | 7,386  | 3,905              | 3,428   | 4,663   | 5,859   | 6,648   | 6,956           | 5,150   | 7,386   |
| Gold \$/toz                   | 1,127            | 1,135  | 1,118  | 795                | 909     | 922     | 960     | 1,102   | 872             | 973     | 1,118   |
| Iron ore ¢/dmtu               | 101.0            | 101.0  | 101.0  | 140.6              | 101.0   | 101.0   | 101.0   | 101.0   | 140.6           | 101.0   | 101.0   |
| Lead ¢/kg                     | 230.9            | 232.9  | 236.8  | 124.5              | 115.7   | 149.9   | 192.8   | 229.3   | 209.1           | 171.9   | 236.8   |
| Nickel \$/mt                  | 16,991           | 17,066 | 18,439 | 10,843             | 10,471  | 12,920  | 17,700  | 17,528  | 21,111          | 14,655  | 18,439  |
| Silver ¢/toz                  | 1,788            | 1,764  | 1,775  | 1,020              | 1,265   | 1,376   | 1,477   | 1,760   | 1,500           | 1,469   | 1,775   |
| Steel products index 2000=100 | 206.8            | 205.1  | 205.8  | 310.4              | 274.5   | 215.5   | 210.8   | 207.4   | 289.3           | 227.1   | 205.8   |
| Steel cr coilsheet \$/mt      | 700              | 700    | 700    | 1,100              | 1,033   | 700     | 700     | 700     | 966             | 783     | 700     |
| Steel hr coilsheet \$/mt      | 600              | 600    | 600    | 1,000              | 933     | 600     | 600     | 600     | 883             | 683     | 600     |
| Steel rebar \$/mt             | 495              | 490    | 510    | 630                | 473     | 450     | 500     | 522     | 760             | 486     | 510     |
| Steel wire rod \$/mt          | 825              | 768    | 750    | 1,200              | 1,200   | 1,007   | 857     | 814     | 1,010           | 969     | 750     |
| Tin ¢/kg                      | 1,494            | 1,555  | 1,771  | 1,310              | 1,103   | 1,351   | 1,459   | 1,517   | 1,851           | 1,357   | 1,771   |
| Zinc ¢/kg                     | 219.3            | 237.6  | 243.4  | 118.5              | 117.2   | 147.3   | 176.1   | 221.4   | 187.5           | 165.5   | 243.4   |

\$ = US dollar; ¢ = US cent; bbl = barrel; cum = cubic meter; dmtu = Dry Metric Ton Unit; kg = kilogram; mmbtu = million British thermal units; mt = metric ton; toz = troy oz; n.a. = not available; n.q. = no quotation

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2. Whereas M/s Deepak Nitrite Limited (hereinafter referred to as the Domestic industry), had filed a written application before the Designated Authority (hereinafter referred to as the Authority) in accordance with the Act and the CVD Rules for initiation of a Countervailing Duty investigation concerning imports of 'Sodium Nitrite' (hereinafter referred to as the subject goods) originating in or exported from China PR (hereinafter referred to as the subject country).

3. And whereas, the Authority after holding pre-initiation consultations in accordance with Article 13.1 of the WTO's Agreement on Subsi-

dies And Countervailing Measures, initiated the investigation as per CVD Rules concerning the subject goods originating in or exported from the subject country vide Notification No. 17/1/2008-DGAD dated 14th January 2009.

4. Whereas the Domestic Industry vide their letter dated 3rd January 2010 has now withdrawn their application and requested for termination of the investigation as per Rule 16 of the CVD Rules.

5. The Authority, in view of the request of the domestic industry, hereby terminates the investigation concerning the subject goods originating in or exported from the subject country in accordance with Rule 16 of the CVD Rules.

## Aluminium Non Stick Utensils SION Notified

Subject:- Amendments/corrections in SION C-23 and C-2046.

35-PN(RE) In exercise of the powers  
21.01.2010 conferred under Paragraph  
(DGFT) 2.4 of the Foreign Trade Policy,  
2004-09 and Paragraph 1.1 of  
the Handbook of Procedures (Vol.1), the Direc-  
tor General of Foreign Trade hereby makes the  
following amendments/corrections in the Hand-  
book of Procedures, (Vol.2), 2009-2014, as  
amended from time to time.

2. In the statement of Standard Input Output  
Norms (SION) as contained in the Handbook of  
Procedures (Vol.2), 2009-2014, as amended  
from time to time, amendments/corrections at  
appropriate places as mentioned in ANNEX-  
URE "A" and ANNEXURE "B" to this Public  
Notice are made.

This issues in the public interest.

Annexure "A" to the Public Notice No. 35(RE-2010)/2009-2014 Dated: 21.01.2010

### Engineering Products Amendments/Corrections/Modification

SION at Sl. No. C- 23

| Sl. No. | Description   | Quantity | Material                                    | Rate  |
|---------|---|----------|---|---|
| C-23    | Aluminium Utensils with interior PTFE Coating & Exterior Coating material as Silicon and or PTFE base (Non Stick) with/without handle (less than 40 micron thickness of PTFE Non-Stick Coating) | 1 Kg.    | 1. Aluminium Scrap                          | 1.15 Kgs./kg. content of Aluminium in the export product. |
|         |   |          | OR  |   |
|         |   |          | Aluminium Ingots                            | 1.10 Kgs./kg content of Aluminium in the export product   |
|         |   |          | 2. PTFE Non-Stick Coating material          | 0.128 Ltr./sq.mtr. of internal coating area               |
|         | 3. High Temp. Resistance Coating material as Silicon and/or PTFE Base   |          | 0.128 Ltr./sq.mtr. of external coating area |   |
|         | 4. Bakelite Moulding Powder   |          | 1.05 Kgs./kg content in the export product  |   |

Note:1. Item No.4 to be allowed only if exported with Bakelite handle.

2. Item No.3 will be allowed only if export product is painted.

Annexure "B" to the Public Notice No. 35(RE-2010)/2009-2014 Dated: 21.01.2010

### Engineering Products Amendments/Corrections/Modification

SION at Sl. No. C- 2046

| Sl. No. | Description  | Quantity                                    | Material           | Rate   |
|---------|--|---|--------------------|--|
| C-2046  | Aluminium Non Stick Utensils with interior Three Layer PTFE Coating of 40 micron & Exterior Coating Material as Silicon and or PTFE base (Non Stick) with/without handle | 1 Kg.                                       | 1. Aluminium Scrap | 1.15 Kgs./kg content of Aluminium in the export product. |
|         |  |   | OR                 |  |
|         |  |   | Aluminium Ingots   | 1.10 Kgs./kg content of Aluminium in the export product  |
|         |  |   | OR                 |  |
|         |  |   | Aluminium Circles  | 1.07 Kgs./kg content of Aluminium in the export product  |
|         |  |   | OR                 |  |
|         | Uncoated Aluminium Utensils  | Net to net basis                            |                    |  |
|         | 2. PTFE Non-Stick Coating material   | 0.403 Ltr./sq.mtr. of internal coating area |                    |  |
|         | 3. High Temp. Resistance Coating material as Silicon and/or PTFE Base  | 0.128 Ltr./sq.mtr. of external coating area |                    |  |
|         | 4. Bakelite Moulding Powder  | 1.05 Kgs./kg. content in the export product |                    |  |
|         | 5. Stainless Steel Handles   | Net to net                                  |                    |  |
|         | 6. Aluminium Rivets  | Net to net                                  |                    |  |

Note: 1. Item No.3 will be allowed only if export product is painted.

2. Item No.4 will be allowed if exported with Bakelite Handle.

3. Item No.5 will be allowed only if exported with Stainless Steel Handles.

## FTDR Offences Portion Extended to SEZs

[Ref: F. No. C. 1/1/2009-SEZ dated 13<sup>th</sup> January 2010]

In exercise of the powers conferred by sub-section (1) of Section 21 of the Special Economic Zones Act, 2005, (28 of 2005), the Central Government hereby specifies the acts or omissions punishable under the Foreign Trade (Development and Regulation) Act, 1992 (28 of 2005) as notified offences for the purposes of the Special Economic Zones Act, 2005.

## Valuation of Petroleum Products under MOU for IPP is not Transaction Value

Sub: Valuation of MS and HSD sold amongst OMCs – MOU – Withdrawal of instructions dated 14-2-2007.

913-CBEC Attention of field formations  
03.02.2010 is invited to the Board's  
(DoR) instructions issued from  
F. No. 6/21/2003-CX.I (Pt)

on 14-2-2007, a copy of which is available on the departmental web-site cbec.gov.in. The issue discussed in the said instructions is regarding valuation of petroleum products sold by one oil company to other oil company based on import parity price as per MOU entered between them.

2. In the aforesaid instructions field formations were directed to decide the cases pertaining to SCNs issued to the Oil companies on the inter company sale during the relevant period on the basis of the decision of CESTAT, Bangalore in the case of CCE Vishakhapatnam vs HPCL [2005(187) ELT 479 (Tri.Bang.)] as the SLP filed by the department had been dismissed by the Hon'ble Supreme Court as reported in 2006(196) ELT A 72 (SC).

3. Subsequently, in another decision on the same subject in the case of BPCL V/s Commissioner of Central Excise Nasik, CESTAT vide its order No. A/220/09/EB/C-II dated 17-6-2009 [2009(242) ELT. 358 T], has held that price as per MOU cannot be considered as 'transaction value' under section 4 and decided the case in favour of the department. M/s BPCL, have reportedly filed an appeal against this order of CESTAT before the Supreme Court after obtaining COD clearance.

4. In view of the aforesaid developments, it has been decided to withdraw the Board's instructions dated 14-2-2007. However, as the appeal of BPCL is pending before the Supreme Court, field formations are directed to consign all the pending show cause notices on the issue to the call book pending a final verdict from the Supreme Court. Further, for the cases within the review/appeal period necessary action to file appeal may be taken immediately.

[F.No. 6/21/2003-CX.1 (Pt)]

## Condonation of Delay in IEC Modification only after Rs. 1000/- Penalty

Subject: amendment in ANF 2-A of HBP vol.1

37-PN(RE) In exercise of powers conferred under paragraph 2.4 of  
28.01.2010 the Foreign Trade Policy 2009 2014 the Director General  
(DGFT) of Foreign Trade hereby makes the following amendment  
in Handbook of Procedures Vol. 1 2009-2014:-

### ANF 2 - A

Para 3 (B) of Part B of the "Guidelines for Applicants" given at the end of proforma ANF 2-A of HBP Vol. 1 is hereby amended to read as under: -  
B-3. No fee is payable for modification/amendment if such application is made within 90 days provided, however, that RA issuing I.E.Code may condone delay on payment of penalty of Rs.1000/- to be made in the form of Demand Draft. No fee is required for inclusion of PAN no. in the old IEC. This issues in public interest.

## 10% Reservation for SSI in Private SEZs

[Instruction No. 46 – No. C-8/7/2009-SEZ dated 12<sup>th</sup> January 2010]

46-SEZ-Cir I am directed to say that references have been received  
12.01.2010 from Small Scale Industries Associations about high  
lease rentals they have to bear when setting up units in  
private SEZs. Keeping in view the necessity to encourage small scale  
units it has been decided that in Central Government SEZs, preference  
may be given to "small scale units" as defined under the Micro, Small and  
Medium Enterprises Development Act, 2006. Accordingly, the Develop-  
ment Commissioners of the Central Government SEZs may ensure that  
preference is given to the SSI units while allotting space in the SEZ.

2. DCs of the IT/ITES SEZs may please ensure that the IT/ITES SEZs  
are advised to set up incubators of size of minimum 200 seats and the  
minimum 10% of the space in the SEZ may be reserved for SSI IT/ITES  
units.

3. All other SEZs will allocate 10% space to SSI units.

4. DCs will review the same in the meeting of UAC each month.

[F.No. C-8/7/2009-SEZ]

## Local Audit Objections and Show Cause Notices

[Ref: F. No. 206/02/2010-CX.6 dated 3<sup>rd</sup> February 2010]

Subject: Modification of Circular No. 5/83-CX.6 dated 10.03.83- Issue of  
show cause notice on receipt of Audit objections from CERA.

Attention is invited to Board's Circular No. 5/83-CX.6 dated 10.03.83, as  
amended, wherein instructions have been issued to issue show cause  
notice immediately on receipt of an Audit objection from CERA, even if the  
objection is not admitted. The field formations have also been directed to  
issue protective demand notices and transfer the same to Call Book, till the  
settlement of the objection.

## Customs Valuation Exchange Rates

| February 2010       | Imports | Exports |  |
|---------------------|---------|---------|--|
| <b>Schedule I</b>   |         |         |  |
| 1 Australian Dollar | 42.40   | 41.25   |  |
| 2 Canadian Dollar   | 44.25   | 43.10   |  |
| 3 Danish Kroner     | 8.95    | 8.60    |  |
| 4 EURO              | 66.15   | 64.40   |  |
| 5 Hong Kong Dollar  | 6.00    | 5.85    |  |
| 6 Norwegian Kroner  | 8.10    | 7.80    |  |
| 7 Pound Sterling    | 75.25   | 73.30   |  |
| 8 Swedish Kroner    | 6.50    | 6.25    |  |
| 9 Swiss Franc       | 45.00   | 43.70   |  |
| 10 Singapore Dollar | 33.35   | 32.50   |  |
| 11 U.S. Dollar      | 46.60   | 45.70   |  |
| <b>Schedule II</b>  |         |         |  |
| 1 Japanese Yen      | 51.90   | 50.45   |  |

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

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

(Source: Customs Notification 09(NT)/27.01.2010)

## Commodity Spot Prices in India – 05-08 February 2010

These commodity prices are taken from Multi Commodity Exchange of India (Mumbai) at 6 pm every day. The weekly prices of commodities from different cities of India will be given in the order of Harmonized System classification.

Commodity Spot Prices covers price movements of 55 commodities (agricultural products and metals) provided on Multi Commodity Exchange of India on a daily basis. This Commodity Spot Prices Table focuses on price movements from 05-08 February.

| Commodity            | Unit     | Market      | 05-Feb | 06-Feb | 08-Feb |
|----------------------|----------|-------------|--------|--------|--------|
| CER (Carbon Trading) | 1 MT     | Mumbai      | 751    | 754    | 754    |
| Chana                | 100 KGS  | Delhi       | 2266   | 2285   | 2270   |
| Masur                | 100 KGS  | Indore      | 3478   | 3600   | 3607   |
| Potato               | 100 KGS  | Agra        | NA     | NA     | NA     |
| Potato TKR           | 100 KGS  | Tarkeshwar  | NA     | NA     | NA     |
| Arecanut             | 100 KGS  | Mangalore   | 9892   | 9654   | 8904   |
| Cashewkern           | 1 KGS    | Quilon      | 305    | 305    | 303    |
| Cardamom             | 1 KGS    | Vandanmedu  | 1111.5 | 1107.5 | 1065.5 |
| Coffee ROB           | 100 KGS  | Kushalnagar | 60.3   | 60.3   | 60.3   |
| Jeera                | 100 KGS  | Unjha       | 12114  | 12149  | 12153  |
| Pepper               | 100 KGS  | Kochi       | 13480  | 13446  | 13210  |
| Red Chili            | 100 KGS  | Guntur      | 5456   | 5456   | 5456   |
| Turmeric             | 100 KGS  | Nzmbad      | 10188  | 10188  | 10325  |
| Guar Gum             | 100 KGS  | Jodhpur     | 4875   | 4925   | 4925   |
| Maize                | 100 KGS  | Nzmbad      | 876    | 877    | 872    |
| Wheat                | 100 KGS  | Delhi       | 1413.8 | 1400   | 1399.2 |
| Mentha Oil           | 1 KGS    | Chandausi   | 631.3  | 629.9  | 627.7  |
| Cotton Seed          | 100 KGS  | Akola       | 1263   | 1252   | 1263   |
| Castorsd RJK         | 100 KGS  | Rajkot      | 2904.5 | 2898   | 2844.5 |
| Guar Seed            | 100 KGS  | Jodhpur     | 2390   | 2410   | 2412   |
| Soya Bean            | 100 KGS  | Indore      | 2092   | 2115   | 2135   |
| Mustrdsd JPR         | 20 KGS   | Jaipur      | 512.75 | 515    | 517.4  |
| Sesame Seed          | 100 KGS  | Rajkot      | 5931   | 5938   | 5925   |
| Coconut Oil Cake     | 100 KGS  | Kochi       | 1092   | 1092   | 1092   |
| RCBR Oil Cake        | 1 MT     | Raipur      | 5350   | 5356   | 5430   |
| Kapaskhali           | 50 KGS   | Akola       | 1103.8 | 1099.6 | 1099.8 |
| Coconut Oil          | 100 KGS  | Kochi       | 5356   | 5356   | 5356   |
| Refsoy Oil           | 10 KGS   | Indore      | 454.05 | 457.55 | 460.7  |
| CPO                  | 10 KGS   | Kandla      | 352.5  | 356.5  | 359.5  |
| Mustard Oil          | 10 KGS   | Jaipur      | 496.2  | 499.2  | 499.1  |
| Gnutoilexp           | 10 KGS   | Rajkot      | 678.3  | 672.5  | 670    |
| Castor Oil           | 10 KGS   | Kandla      | 605    | 605    | 595    |
| Crude Oil            | 1 BBL    | Mumbai      | 3371   | 3315   | 3315   |
| Furnace Oil          | 1000 KGS | Mumbai      | 29276  | 29276  | 29138  |
| Sourcrd Oil          | 1 BBL    | Mumbai      | 3652.5 | 3652.5 | 3307   |
| Brent Crude          | 1 BBL    | Mumbai      | 3283   | 3256   | 3256   |
| Gur                  | 40 KGS   | Muzngr      | 1088   | 1084.2 | 1082   |
| Sugars               | 100 KGS  | Kolhapur    | NA     | NA     | 3623   |
| Sugarm               | 100 KGS  | Delhi       | 4016   | 4020   | 4002   |
| Natural Gas          | 1 mmBtu  | Hazirabad   | 249.6  | 256.8  | 256.8  |
| Rubber               | 100 KGS  | Kochi       | 13400  | 13354  | 13319  |
| Cotton Long          | 1 Candy  | Kadi        | 26080  | 26080  | 25970  |
| Cotton Med           | 1 Maund  | Abohar      | 2510   | 2495   | 2485   |
| Jute                 | 100 KGS  | Kolkata     | 2685   | 2685   | 2685   |
| Gold                 | 10 GRMS  | Ahmd        | 16055  | 16277  | 16285  |
| Gold Guinea          | 8 GRMS   | Ahmd        | 12844  | 13021  | 13028  |
| Silver               | 1 KGS    | Ahmd        | 24110  | 24308  | 24280  |
| Sponge Iron          | 1 MT     | Raipur      | 16505  | 16495  | 16505  |
| Steel Flat           | 1000 KGS | Mumbai      | 30950  | 30640  | 30650  |
| Steel Long           | 1 MT     | Bhavnagar   | 26160  | 25690  | 25170  |
| Copper               | 1 KGS    | Mumbai      | 292.55 | 293.3  | 293.3  |
| Nickel               | 1 KGS    | Mumbai      | 822.7  | 807.2  | 810.4  |
| Aluminium            | 1 KGS    | Mumbai      | 382    | 90.7   | 94.15  |
| Lead                 | 1 KGS    | Mumbai      | 91.15  | 89.6   | 93.6   |
| Zinc                 | 1 KGS    | Mumbai      | 93.8   | 92.25  | 95.6   |
| Tin                  | 1 KGS    | Mumbai      | 749.25 | 729.25 | 722    |

(Source: MCX Spot Prices)



2. It has been noticed that during audit by C&AG officers, Local Audit Paras (LAR) are initially raised, some of them are converted to Statement of Facts (SOF). A few SOF are made into Draft Audit Para (DAP). Generally, a LAR is converted into SOF within a period of 6 months. In some cases, it has been noticed that objections raised in LAR is not accepted by the department but the reply given by the department is also not accepted by AG's office. Further, if the said LAR is not converted to SOF/ DAP, the said objection remain unsettled and these show cause notices are transferred to Call Book. For these cases, jurisdictional Commissioners are

required to hold meeting with local DAGs to settle the objection. However, in many cases, these issues are not settled for a long period.

3. The issue has been examined. It is clarified that in cases where a LAR has not been admitted by the department, and the same is not converted into SOF/ DAP by CERA, then the SCNs issued on account of said LAR may be adjudicated after a period of one year from the date of sending the reply to the LAR. However, before adjudication, it must be ensured that the LAR has not been converted into SOF/ DAP.

4. Instruction issued by Circular No. 5/83-CX.6 dated 10.03.83 is modified accordingly.

waiving the requirement of original documents.

3. Therefore, in order to further simplify the procedure and to ensure expeditious disposal of such claims it has been decided that in genuine cases where reasons for absence of original Bill of Entry or the TR-6 challan are explained by the importer and the particulars are verified from the EDI System, the refund claims may be sanctioned by the by the Astt./Dy. Commissioner, without seeking approval of the Commissioner, after obtaining an indemnity bond from the importer in this regard.

4. Public Notice No. 43/2008 dated 06/06/2008 stands modified to the extent mentioned above. The procedure as mentioned above shall also apply mutatis mutandis in other than SAD Refund cases also.

5. The contents of this Facility Notice may be brought to the notice of all the members of the trade, importers and their agents.

F. No. S/26-Misc-37/2009-10 CRC IIA JNCH

## Indemnity Bond for Absence of Original Documents Ok for 4% SAD Refund

The following Facility Notice was issued by the Commissioner of Customs (Import) Jawaharlal Nehru Custom House on 27<sup>th</sup> January 2010.

Sub: Refund of 4% Additional Duty of Customs in pursuance of Notification No. 102/2007-Customs dated 14.9.2007 -Submission of original documents.

05-FN Attention of all Importers,  
27.01.2010 Customs House Agents,  
Member of Trade and all

concerned is invited to Public Notice No. 43 / 2008 dated 06/06/2008, wherein it is provided that interalia the claimant shall produce Duplicate Bill of Entry (Importer's Original Copy) with Original TR-6 challan for refund of 4% SAD. These original documents are necessary not only because the refund should always be granted on the basis of original documents after verification of relevant facts but also to endorse the fact of refund of duty on these documents.

2. There are instances when the claimant importers are unable to produce these original

documents for various reasons. Sometimes the importers by mistake submit the Duplicate Bill of Entry (Importer's Original Copy) to the bank and submit original Triplicate Bill of Entry (Exchange Control copy) to the Customs for refund. Sometimes the original Bill of Entry submitted by the importer is partially torn or damaged and it cannot be ascertained whether this is duplicate or triplicate Bill of Entry. Under these circumstances reconstruction of the Bill of Entry or the TR-6 challan, as the case may be, becomes necessary and processing of refund claim is delayed. In such cases the importers are required to submit an indemnity bond and the cases are being put up to the Commissioner for

## China to Impose Dumping Penalties on U.S. Chicken



China will impose anti-dumping measures on imports of some chicken products from the U.S. after an investigation showed they had harmed local producers, the Ministry of Commerce said.

Importers of U.S. broiler chicken products will be required to pay a deposit based on the extent of their trade violation, the ministry said in a statement on its Web site citing a preliminary ruling. The measure will become effective Feb. 13, it said.

The ruling threatens to deepen a trade rift between the U.S. and China, which began the investigation into whether the U.S. sold poultry for below-market prices in September, two weeks after the U.S. imposed tariffs on tire shipments from the Asian nation. Ties have further soured over proposed arms sales to Taiwan and President Obama's plans to meet with the Dalai Lama later this month.

Beijing launched the probe in response to President Barack Obama administration's decision to impose tariffs on imports of Chinese tires and a decision by Congress that effectively bans imports of cooked poultry, James Sumner, president of the poultry export council, said Sept. 14.

China's trade relations with the European Union have also been strained, with Beijing on 4 February complaining to the World Trade Organization against the European Union's anti-dumping measures targeting Chinese-made leather shoes.

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Although there has been much protest against the US method, Washington has yet to revoke Hanoi's NME status. Moreover, the US has abandoned the particular zeroing practice that Thailand challenged in its case - known as weighted-to-weighted averaging.

This dispute marks the first time that Vietnam has been a complainant in WTO proceedings. Hanoi had previously been a third party in three disputes.

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