

*WEEKLY UPDATES*  
*28-11-2010 to 05-12-2010*

*VIKAS GUPTA*

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### DETAILS OF STOCK EXCHANGES

| Sr. No. | Name of the Exchange   | Valid Upto         |
|---------|--|--------------------|
| 1       | Ahmedabad Stock Exchange Ltd.  | PERMANENT          |
| 2       | Bangalore Stock Exchange Ltd.  | PERMANENT          |
| 3       | <a href="#">Bhubaneswar Stock Exchange Ltd.</a>  | June 04, 2011      |
| 4       | Bombay Stock Exchange Ltd.   | PERMANENT          |
| 5       | Calcutta Stock Exchange Ltd.   | PERMANENT          |
| 6       | <a href="#">Cochin Stock Exchange Ltd.</a>   | November 07, 2011  |
| 7       | Coimbatore Stock Exchange Ltd.<br><br>Due to pending litigation before the Hon'ble Madras High Court, Coimbatore Stock Exchange Ltd. (CSX) has not filed application for renewal of recognition which expired on 17.09.06. However, in terms of order dated 15.09.06 of the Hon'ble Court, the right of CSX to apply for renewal shall be subject to further orders of the court and the stock exchange shall not be entitled to oppose the renewal solely on the ground of lapse of time. | September 17, 2006 |
| 8       | Delhi Stock Exchange Ltd.,The  | PERMANENT          |
| 9       | <a href="#">Gauhati Stock Exchange Ltd.,The</a>  | April 30, 2011     |
| 10      | <a href="#">Hyderabad Stock Exchange Ltd.,The</a><br><br>The Hyderabad Stock Exchange Ltd. (HSE) failed to dilute atleast 51% of its equity share capital to public other than shareholders having trading rights on or before the stipulated date i.e. August 28, 2007. Consequently, in terms of section 5(2) of the Securities Contracts (Regulation) Act, 1956, the recognition granted to HSE stands withdrawn with effect from August 29, 2007.                                      |                    |
| 11      | <a href="#">Interconnected Stock Exchange of India Ltd.</a>  | November 17, 2010  |
| 12      | <a href="#">Jaipur Stock Exchange Ltd.</a>   | January 08, 2011   |
| 13      | <a href="#">Ludhiana Stock Exchange Ltd.,The</a>   | April 27, 2011     |
| 14      | Madhya Pradesh Stock Exchange Ltd  | PERMANENT          |
| 15      | Madras Stock Exchange Ltd.   | PERMANENT          |
| 16      | Magadh Stock Exchange Ltd.<br><br>"SEBI vide order dated September 3, 2007 refused to renew the recognition granted to Magadh Stock Exchange Ltd."   |                    |

|    |  |                    |
|----|--|--------------------|
| 17 | * Mangalore Stock Exchange<br>As per Securities Appellate Tribunal order dated October 4, 2006, the Mangalore Stock Exchange is a de-recognized Stock Exchange under Section 4 (4) of SCRA |                    |
| 18 | <a href="#">MCX Stock Exchange Ltd</a>   | September 15, 2011 |
| 19 | National Stock Exchange of India Ltd.  | PERMANENT          |
| 20 | <a href="#">OTC Exchange of India</a>  | August 22, 2011    |
| 21 | <a href="#">Pune Stock Exchange Ltd.</a>   | September 01, 2011 |
| 22 | Saurashtra Kutch Stock Exchange Ltd.<br><br>SEBI vide order dated July 06, 2007 has withdrawn the recognition granted to Saurashtra Kutch Stock Exchange Limited.                          |                    |
| 23 | <a href="#">U.P. Stock Exchange Limited</a>  | June 02, 2011      |
| 24 | <a href="#">United Stock Exchange of India Limited</a>   | March 21, 2011     |
| 25 | <a href="#">The Vadodara Stock Exchange Ltd.</a>   | January 03, 2011   |

**SEBI UPDATES**

**CIRCULAR**

CIR/MRD/DP/ 35 /2010

December 01, 2010

To,

All Stock Exchanges

Dear Sir / Madam,

**Sub: Establishment of Connectivity with both depositories NSDL and CDSL – Companies eligible for shifting from Trade for Trade Settlement (TFTS) to normal Rolling Settlement**

1. It is observed from the information provided by the depositories that the companies listed in Annexure 'A' have established connectivity with both the depositories during the months of July and August 2010.

2. The stock exchanges may consider shifting the trading in these securities to normal Rolling Settlement subject to the following:

a) **At least 50% of other than promoter holdings as per clause 35 of Listing Agreement are in dematerialized mode before shifting the trading in the securities of the company from TFTS to normal Rolling Settlement. For this purpose, the listed companies shall obtain a certificate from its Registrar and Transfer Agent (RTA) and submit the same to the stock exchange/s. However, if an issuer-company does not have a separate RTA, it may obtain a certificate in this regard from a practicing company Secretary/Chartered Accountant and submit the same to the stock exchange/s.**

b) There are no other grounds/reasons for continuation of the trading in TFTS.

3. The Stock Exchanges are advised to report to SEBI, the action taken in this regard in the Monthly/Quarterly Development Report.

Yours faithfully,

**Harini Balaji**  
**Deputy General Manager**  
**022-26449372**  
email: [harinib@sebi.gov.in](mailto:harinib@sebi.gov.in)

## **RBI UPDATES**

### **Circular**

**RBI/2010-11/292**

**A.P. (DIR Series) Circular No.20**

**A.P. (FL/RL Series) Circular No.03**

**November 30, 2010**

To,

All Authorised Persons

Madam/ Sir,

**Know Your Customer (KYC) norms/ Anti-Money Laundering (AML) standards/ Combating the Financing of Terrorism (CFT)/ Obligation of Authorised Persons under Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009- Money changing activities**

Attention of the Authorized Persons is invited to the [A.P. \(DIR Series\) Circular No. 17 \[A.P.\(FL/RL Series\) Circular No. 04\] dated November 27, 2009](#) on Know Your Customer (KYC) norms/ Anti-Money Laundering (AML) standards/ Combating the Financing of Terrorism (CFT)/ Obligation of Authorised Persons under Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009 in respect of money changing activities.

#### **Countries which do not or insufficiently apply the FATF recommendations**

2. In F-Part-I, paragraph 4.10 (b) of the circular dated November 27, 2009 referred to above, Authorised Persons (APs) have been advised to take into account the risks arising from the deficiencies in the AML/ CFT regime of certain jurisdictions, as identified in the Financial Action Task Force (FATF) Statement, issued from time to time, while dealing with the individuals or businesses from these jurisdictions. It is advised that APs should, in addition to the FATF Statements, issued from time to time, also consider using publicly available information for identifying countries, which do not or insufficiently apply the FATF Recommendations. Further, it is clarified that APs should also give special attention to business relationships and transactions with persons (including legal persons and other financial institutions) from or in countries that do not or insufficiently apply the FATF recommendations and jurisdictions included in FATF Statements.

3. In terms of F-Part-I, paragraph 4.6 of the circular dated November 27, 2009 referred to above, it is advised that ongoing monitoring is an essential element of effective KYC procedures. In this regard, it is advised that APs should examine the background and purpose of transactions with persons (including legal persons and other financial institutions) from jurisdictions included in FATF Statements and countries that do not or insufficiently apply the FATF Recommendations. Further, if the transactions have no apparent economic or visible lawful purpose, the background and purpose of such transactions should, as far as possible, be examined and written findings together with all the documents should be retained and made available to the Reserve Bank/ other relevant authorities, on request.

4. These guidelines would also be applicable mutatis mutandis to all agents/ franchisees of Authorised Persons and it will be the sole responsibility of the Authorised Persons (franchisers) to ensure that their agents/ franchisees also adhere to these guidelines.

5. Authorised Persons should bring the contents of this circular to the notice of their constituents concerned.

6. The directions contained in this Circular are issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and also under the **Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009** and Prevention of Money-Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005, as amended from time to time. Non-compliance with the guidelines would attract penal provisions of the Acts concerned or Rules made there under.

Yours faithfully,

**(Salim Gangadharan)**  
**Chief General Manager-in-Charge**

**RBI UPDATES**

**Circular**

**RBI/2010-11/293**

**A.P. (DIR Series) Circular No.21**

**A.P. (FL Series) Circular No. 04**

**November 30, 2010**

To

All Authorised Persons, who are Indian Agents under the Money Transfer Service Scheme.

Madam/ Sir,

**Know Your Customer (KYC) norms/ Anti-Money Laundering (AML) standards/ Combating the Financing of Terrorism (CFT)/ Obligation of Authorised Persons under Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009- Cross Border Inward Remittance under Money Transfer Service Scheme**

Attention of all the Authorised Persons, who are Indian Agents [APs (Indian Agents)] under the Money Transfer Service Scheme (MTSS) is invited to the [A.P. \(DIR Series\) Circular No. 18 \[ A.P. \(FL/ RL Series\) Circular No. 05\] dated November 27, 2009](#) on Know Your Customer (KYC) norms/ Anti-Money Laundering (AML) standards/ Combating the Financing of Terrorism (CFT)/ Obligation of Authorised Persons under Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009 in respect of cross border inward remittances under Money Transfer Service Scheme (MTSS).

**Countries which do not or insufficiently apply the FATF recommendations**

2. In Annex – I, paragraph 5.10 (b) of the circular dated November 27, 2009 referred to above, Authorised Persons (Indian Agents) [APs (Indian Agents)] have been advised to take into account the risks arising from the deficiencies in AML/ CFT regime of the jurisdictions as identified in the FATF Statement issued from time to time, while dealing with individuals from these jurisdictions. It is advised that APs (Indian Agents) should, in addition to the FATF Statements issued from time to time, also consider using publicly available information for identifying the countries, which do not or insufficiently apply the FATF Recommendations. Further, it is clarified that APs (Indian Agents) should also give special attention to business relationships and transactions with persons (including legal persons and other financial institutions) from or in countries that do not or insufficiently apply the FATF recommendations and jurisdictions included in FATF Statements.

3. In terms of Annex – I, paragraph 5.6 of the circular dated November 27, 2009 referred to above, it is advised that ongoing monitoring is an essential element of effective KYC procedures. In this regard, it is advised that APs (Indian Agents) should examine the background and purpose of transactions with persons (including legal persons and other financial institutions) from jurisdictions included in the FATF Statements and countries that do not or insufficiently apply the FATF Recommendations. Further, if the transactions have no apparent economic or visible lawful purpose, the background and purpose of such transactions should, as far as possible, be



examined and written findings together with all the documents should be retained and made available to the Reserve Bank/ other relevant authorities, on request.

4. These guidelines would also be applicable mutatis mutandis to all Sub-agents of the Indian Agents under MTSS and it will be the sole responsibility of the APs (Indian Agents) to ensure that their Sub-agents also adhere to these guidelines.

5. Authorised Persons (Indian Agents) should bring the contents of this circular to the notice of their constituents concerned.

6. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and also under the Prevention of Money Laundering Act, (PMLA), 2002 as amended by Prevention of Money Laundering (Amendment) Act, 2009 and Prevention of Money-Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005, as amended from time to time. Non-compliance with the guidelines would attract penal provisions of the Acts concerned or Rules made there under.

Yours faithfully,

**(Salim Gangadharan)**  
**Chief General Manager-in-Charge**

**RBI UPDATES**

**Circular**

**RBI/2010-11/295  
DNBS.PD/ CC.No. 204 / 03.05.002/2010-11**

**December 1, 2010**

All NBFCs

Dear Sir,

**Submission of Balance sheet and Profit and Loss Account**

In terms of para 12 of both the Non-Banking Financial (Deposit Accepting) Companies Prudential Norms Directions, 2007 and Non-Banking Financial (Non-Deposit Accepting) Companies Prudential Norms Directions, 2007, every NBFC shall prepare its balance sheet and profit and loss account as on March 31 every year and extension of date of balance sheet requires prior approval of RBI. Further in terms of para 15 of the above Directions, all NBFCs are required to submit a certificate from Statutory Auditor with respect to the position of the company as on March 31<sup>st</sup> every year within one month from the date of finalization of the balance sheet and in any case not later than December 30<sup>th</sup> of that year.

2. While emphasizing that the certificate from Statutory Auditor shall be submitted to RBI within one month from the date of finalization of the balance sheet, it is also advised that all NBFCs shall finalise their balance sheet within a period of 3 months from the date to which it pertains. For eg: balance sheet as on March 31<sup>st</sup> of an year shall be finalized by June 30<sup>th</sup> of the year.

3. A copy each of amending [Notifications No.DNBS.217/CGM\(US\)-2010](#) and [Notification No.DNBS.218/CGM\(US\)-2010](#) both dated December 1, 2010 is enclosed.

Yours sincerely,

(Uma Subramaniam)  
Chief General Manager-in-Charge

Encl: As above

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**RESERVE BANK OF INDIA  
DEPARTMENT OF NON-BANKING SUPERVISION  
CENTRAL OFFICE  
CENTRE I, WORLD TRADE CENTRE,  
CUFFE PARADE, COLABA,  
MUMBAI 400 005.**

**Notification No. DNBS. 217 / CGM(US)-2010 dated December 01, 2010**

In exercise of the powers conferred by Section 45JA of the Reserve Bank of India Act, 1934 and of all the powers enabling it in this behalf, and in partial modification of its Non-Banking Financial (Deposit Accepting) Companies Prudential Norms Directions, 2007 issued vide Notification No.

DNBS. 192 dated DG (VL)-2007 dated February 22, 2007, the Reserve Bank hereby notifies as follows, namely-

In para 12 of the Directions, the following shall be added at the end.

"Every non-banking financial company shall finalise its balance sheet within a period of 3 months from the date to which it pertains".

(Uma Subramaniam)  
Chief General Manager in Charge

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**RESERVE BANK OF INDIA  
DEPARTMENT OF NON-BANKING SUPERVISION  
CENTRAL OFFICE  
CENTRE I, WORLD TRADE CENTRE,  
CUFFE PARADE, COLABA,  
MUMBAI 400 005.**

**Notification No. DNBS. 218 / CGM(US)-2010 dated December 01, 2010**

In exercise of the powers conferred by Section 45JA of the Reserve Bank of India Act, 1934 and of all the powers enabling it in this behalf, and in partial modification of its Non-Banking Financial (Non-Deposit Accepting) Companies Prudential Norms Directions, 2007 issued vide Notification No. DNBS. 193 dated DG (VL)-2007 dated February 22, 2007, the Reserve Bank hereby notifies as follows, namely-

In para 12 of the Directions, the following shall be added at the end.

"Every non-banking financial company shall finalise its balance sheet within a period of 3 months from the date to which it pertains".

(Uma Subramaniam)  
Chief General Manager in Charge

**RBI UPDATES**

**Circular**

RBI/2010-11/298  
RPCD.CORRB.AML.BC.No.31/ 03.05.33(E)/2010-11

December 06, 2010

**The Chairmen  
All Regional Rural Banks (RRBs)**

Dear Sir,

**Opening of bank accounts - salaried employees**

Please refer to our circular [RPCD. No. RRB. BC. 81/03.05.33\(E\) / 2004-05 dated February 18, 2005](#) on 'Know Your Customer'(KYC) Guidelines – Anti Money Laundering Standards. In Annex II to the Guidelines on 'Know Your Customer' norms and Anti-Money Laundering Measures enclosed with the circular, an indicative list of the nature and type of documents/ information that may be relied upon for customer identification and address verification for opening bank accounts has been given.

2. It has been brought to the notice of RBI that for opening bank accounts of salaried employees, some banks rely on a certificate/letter issued by the employer as the only KYC document for the purposes of certification of identity as well as address proof. Such a practice is open to misuse and fraught with risk. It is, therefore, clarified that with a view to containing the risk of fraud, banks need to rely on such certification only from corporates and other entities of repute and should be aware of the competent authority designated by the concerned employer to issue such certificate/letter. Further, **in addition** to the certificate from employer, RRBs should insist on at least one of the officially valid documents as provided in the Prevention of Money Laundering Rules (viz. passport, driving licence, PAN Card, Voter's Identity card, etc.) or utility bills for KYC purposes for opening bank account of salaried employees of corporates and other entities.

3. These guidelines are issued under Section 35A of the Banking Regulation Act, 1949 and Rule 7 of Prevention of Money-Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005. Any contravention thereof or non-compliance shall attract penalties under Banking Regulation Act.

4. Compliance Officer/Principal Officer should acknowledge receipt of this letter to our Regional Office concerned.

Yours faithfully

(B.P.Vijayendra)  
Chief General Manager

## **CUSTOM UPDATES**

Circular No. 42/ 2010-Customs

F.No.528/49/2010-STO (TU)  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs

229A, North Block,  
New Delhi-110001

29<sup>th</sup> November, 2010.

To  
All Chief Commissioners of Customs / Customs (Prev.).  
All Chief Commissioners of Customs & Central Excise.  
All Commissioners of Customs / Customs (Prev.).  
All Commissioners of Customs & Central Excise.  
All Director Generals under CBEC.

**Subject: Classification of PXI Controllers, Input/Output Modules, Signal Converters and Chassis and its parts-regarding.**

Sir / Madam,

It has been brought to the notice of the Board that there are divergent practices regarding classification of PXI Controllers, Input/Output Modules, Signal Converters and Chassis and its parts. Essentially, PXI Controllers are designed for measurement and automation applications, which require high performance and a rugged industrial form. Further, Input/Output Modules are tailored to a specific function as a part of a regulating and controlling apparatus like a sensor, thermostat etc. Therefore, one has to look at the PXI machine holistically for the purpose of classification but some field formations are classifying these under CTH 8471 as Automatic Data Processing machines while others are doing so under CTH 9032 as automatic or controlling instruments and apparatus.

2. In this regard, your attention is invited to Hon'ble Supreme Court order in CA No.5394/2010 (D No.4818/2010), reported in ELT vide 2010 (256) ELT 173 (SC). As per the said Hon'ble Supreme Court order, *PXI Controller constitutes a complete system performing work of measurement-programmable Automation Controllers (PACs) by themselves are not measuring, regulating or controlling instrument but perform specific function as parts of sensors and are classifiable under CTH 9032 89 10. Chassis of PXI provides connectivity and housing for embedded controllers and data acquisition modules allowing them to communicate with each other. Input/Output Module is tailored to a specific function and each of them is a part of regulating and controlling apparatus like sensor, thermostat etc. and their primary function is part of measuring and control system and are classifiable under CTH 9032 90 00.* Accordingly, the Hon'ble Supreme Court set aside the impugned order of CESTAT and allowed the Appeal filed by the department.

3. Based on the above referred **Hon'ble Supreme Court order, Industrial Process Controllers (PXI) is a measuring and control system classifiable under Tariff Item 9032 89 10 of Customs Tariff Act, 1975 while Input/Output Modules, Signal Converters and Chassis**

**are parts of such system and are classifiable under Tariff Item 9032 90 00 of the said Act.** Accordingly, Board desires that all Chief Commissioners may ensure uniform practice of assessment of PXI Controllers, Input/Output Modules, Signal Converters and Chassis.

4. All pending assessments, if any, may be finalized accordingly.
5. Difficulty faced, if any, may be brought to notice of the Board.

Yours faithfully,  
(G. S. Sinha)  
OSD (Tariff Unit)

VIKAS GUPTA

**CUSTOM UPDATES**  
**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**(DEPARTMENT OF REVENUE)**

**NOTIFICATION**  
**No.120 /2010-Customs**

New Delhi, the 1<sup>st</sup> December, 2010

**G.S.R. (E).** - Whereas in the matter of imports of Phenol [hereinafter referred to as the subject goods], falling under sub heading 2907 11 10 or 2707 99 00 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), originating in, or exported from, Thailand and Japan (hereinafter referred as the subject countries) and imported into India, the designated authority in its preliminary findings *vide* notification No.14/27/2009-DGAD, dated the 3<sup>rd</sup> February, 2010, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 3<sup>rd</sup> February, 2010, had come to the conclusion that –

- (a) the subject goods had been exported to India from the subject countries below its normal value;
- (b) the domestic industry had suffered material injury;
- (c) the injury had been caused by the dumped imports from subject countries;

**and had recommended imposition of provisional anti-dumping duty on the imports of subject goods, originating in, or exported from, the subject countries;**

And whereas, on the basis of the aforesaid findings of the designated authority, the **Central Government had imposed provisional anti-dumping duty on the subject goods** *vide* notification No. 53/2010-Customs, dated the 19<sup>th</sup> April, 2010, published in the Gazette of India, Extraordinary Part II, Section 3, Sub-section (i), *vide* number G.S.R. 335(E), dated the 19<sup>th</sup> April, 2010;

And Whereas, the designated authority, in its final findings *vide* notification No. 14/27/2009-DGAD dated the 8<sup>th</sup> October, 2010, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 8<sup>th</sup> October, 2010, had come to the conclusion that **various parameters have established positive dumping margin as well as material injury to the domestic industry caused by such dumped imports of Phenol originating in, or exported, from Thailand and Japan and imported into India;**

Now, therefore, in exercise of the powers conferred by sub-section (1) read with sub-section (5) of section 9A of the said Customs Tariff Act, 1975 read with rules 18 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the **Central Government, on the basis of the aforesaid findings of the designated authority, hereby imposes on the goods, the description of which is specified in column (3) of the Table below, falling under subheading the First Schedule to the said Customs Tariff Act as specified in the corresponding entry in column (2), originating in the country specified in the corresponding entry in column (4), and exported from the country specified in the corresponding entry in column (5) and produced by the producer specified in the corresponding entry in column (6) and exported by the exporter specified in the corresponding entry in column (7), and imported into India, an anti-dumping duty at the rate equal to the amount indicated in the corresponding entry in column (8), in the**

currency as specified in the corresponding entry in column (10) and per unit of measurement as specified in the corresponding entry in column (9) of the said Table.

**Table**

| Sl. No | Sub-heading              | Description of goods | Country of origin   | Country of export   | Producer  | Exporter   | Duty amount | Unit of Measurement | Currency |
|--------|--------------------------|----------------------|---|---|---|--|-------------|---------------------|----------|
| (1)    | (2)                      | (3)                  | (4)   | (5)   | (6)   | (7)  | (8)         | (9)                 | (10)     |
| 1.     | 2907 11 10 or 2707 99 00 | PHENOL               | Thailand  | Thailand  | M/s PTT Phenol Company Limited, Thailand            | M/s PTT Phenol Company Limited, Thailand /M/s PTT Public Company Ltd.                    | 10.03       | MT.                 | USD      |
| 2.     | 2907 11 10 or 2707 99 00 | PHENOL               | Thailand  | Thailand  | M/s PTT Phenol Company Limited, Thailand            | Mitsui & Co. Ltd., Japan (MBK) <b>OR</b> Mitsui & Co. (Asia Pacific) Pte. Ltd. Singapore | Nil         | MT.                 | USD      |
| 3.     | 2907 11 10 or 2707 99 00 | PHENOL               | Thailand  | Thailand  | Any combination other than at Sl. no. 1 and 2 above |  | 172.53      | MT.                 | USD      |
| 4.     | 2907 11 10 or 2707 99 00 | PHENOL               | Thailand  | Any other than Singapore, USA, South Africa, EU, Korea, RP, Japan | Any   | Any  | 172.53      | MT.                 | USD      |
| 5.     | 2907 11 10 or 2707 99 00 | PHENOL               | Any other than Singapore, USA, South Africa, EU, Korea, RP, Japan | Thailand  | Any   | Any  | 172.53      | MT.                 | USD      |
| 6      | 2907 11 10 or 2707 99 00 | PHENOL               | Japan   | Japan   | M/s Mitsui Chemical Inc., Japan(M                   | Mitsui & Co. Ltd., Japan (MBK) <b>OR</b> Mitsui & Co. (Asia Pacific)                     | 468.17      | MT.                 | USD      |



|    |                                      |        |   |   |   |                        |        |     |     |
|----|--------------------------------------|--------|---|---|---|------------------------|--------|-----|-----|
|    |                                      |        |   |   | CI)   | Pte. Ltd.<br>Singapore |        |     |     |
| 7. | 2907 11<br>10<br>or<br>2707 99<br>00 | PHENOL | Japan   | Japan   | Any combination other than<br>Sl.no.6 above |                        | 547.03 | MT. | USD |
| 8. | 2907 11<br>10<br>or<br>2707 99<br>00 | PHENOL | Japan   | Any<br>other<br>than<br>Singapo<br>re, USA,<br>South<br>Africa,<br>EU,<br>Korea,<br>RP,<br>Thailand | Any   | Any                    | 547.03 | MT. | USD |
| 9. | 2907 11<br>10<br>or<br>2707 99<br>00 | PHENOL | Any<br>other<br>than<br>Singapo<br>re, USA,<br>South<br>Africa,<br>EU,<br>Korea,<br>RP,<br>Thailand | Japan   | Any   | Any                    | 547.03 | MT. | USD |

2. The anti-dumping duty imposed shall be levied for a period of five years (unless revoked, superseded or amended earlier) from the date of imposition of the provisional anti-dumping duty, that is, the 19<sup>th</sup> April, 2010, and shall be payable in Indian currency.

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

[F.No.354/23/2010 –TRU]

(Prashant Kumar)  
Under Secretary to the Government of India.

**CUSTOM UPDATES**

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)

**Notification No. 121 /2010-Customs**

New Delhi, dated the 1st December, 2010

G.S.R. (E).- 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. 96/2008-Customs, dated the 13<sup>th</sup> August, 2008 which was published in the Gazette of India, Extraordinary, vide number G.S.R. 590 (E), dated the 13<sup>th</sup> August, 2008, namely:-

In the said notification, in the Schedule, after serial number 25 and the entries relating thereto, the following serial number and entries shall be added, namely:-

| S. No. | Name of the Country        |
|--------|----------------------------|
| "26    | Central African Republic " |

F. No. 354/189/2005-TRU (Vol. II)]

(Prashant Kumar)

Under Secretary to the Government of India

*Note: The principal notification was published in the Gazette of India, Extraordinary, vide number G.S.R. 590(E), dated the 13<sup>th</sup> August, 2008 and was last amended by notification No.95/2010-customs, dated the 15<sup>th</sup> September, 2010 which was published in the Gazette of India, Extraordinary, vide number G.S.R.762 (E) dated the 15<sup>th</sup> September,2010.*

## **CUSTOM UPDATES**

Government of India  
Ministry of Finance  
(Department of Revenue)

### **Notification No. 122/2010-Customs**

New Delhi, the 2<sup>nd</sup> December, 2010

**G.S.R. 947(E).** – Whereas, in the matter of import of Bus and Truck Radial Tyres, (hereinafter referred to as the subject goods), falling under item numbers 40112010 (for tyres) and 40131020 and 40129049 (for tubes and flaps respectively) of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and originating in, or exported from the People's Republic of China(China PR) and Thailand (hereinafter referred to as the subject countries), the designated authority, vide its final findings in notification No. 14/17/2008-DGAD, dated the 1<sup>st</sup> January, 2010 published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 1<sup>st</sup> January, 2010, had come to the conclusion that —

- a) there had been increase in the volume of dumped imports from the subject countries, both in absolute terms as also in relation to total production and market demand of the subject goods in India, resulting in a decline in the market share of the domestic industry;
- b) the imports were causing significant price undercutting resulting in price suppressing effect on the domestic industry;
- c) in spite of increase in production and sales, profitability of the domestic industry per unit of sales declined after increasing in 2006-07, resulting in deterioration in profits, cash profits and a decline in the return on capital employed;
- d) decline in the market share had resulted in increase in inventories with the domestic industry in spite of higher capacity utilization;
- e) this had led to domestic industry suffering material injury and imposition of final duty is required to offset dumping and injury;

and had recommended imposition of definitive anti-dumping duty on all imports of the subject goods, originating in, or exported from, the subject countries;

And whereas on the basis of the aforesaid findings of the designated authority, the Central Government had imposed an anti-dumping duty on subject goods falling under Chapter 40 of the First Schedule to the said Customs Tariff Act, 1975 originating in or exported from China PR and imported into India vide notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2010-Customs, dated the 19<sup>th</sup> February, 2010, published in Part II, section 3, sub-section (i) of the Gazette of India, Extraordinary, G.S.R. 93(E) dated the 19<sup>th</sup> February, 2010;

And whereas, in the said matter, M/s. Giti Tire(Anhui) Company Ltd (“Giti Anhui”), M/s. Giti Tire(Fujian) Company Ltd (“Giti Fujian”) and M/s. Giti Tire(Chongqing) Company Ltd (“Giti Chongqing”),(All the three being both producers and exporters), have requested for review in terms of rule 22 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 in respect of exports made by them, and the designated authority, vide new shipper review initiation notification No. 15/25/2010-DGAD, dated the 21<sup>st</sup> September, 2010 published in the Gazette of India, Extraordinary, Part I, section 1, dated the 21<sup>st</sup> September, 2010 has recommended provisional

assessment of all exports of Bus and Truck Radial Tyres, made by M/s. Giti Tire(Anhui) Company Ltd ("Giti Anhui"), M/s. Giti Tire(Fujian) Company Ltd ("Giti Fujian") and M/s. Giti Tire(Chongqing) Company Ltd ("Giti Chongqing"), (All the three being both producers and exporters), when imported in to India, till the completion of the said review;

Now, therefore, in exercise of the powers conferred by sub-rule (2) of rule 22 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, after considering the aforesaid recommendation of the designated authority, hereby orders that pending the outcome of the said review by the designated authority, export of Bus and Truck Radial Tyres falling under item nos. 40112010 (for tyres) and 40131020 and 40129049 (for tubes and flaps respectively) of the First Schedule to the Customs Tariff Act, 1975, by M/s. Giti Tire(Anhui) Company Ltd ("Giti Anhui"), M/s. Giti Tire(Fujian) Company Ltd ("Giti Fujian") and M/s. Giti Tire(Chongqing) Company Ltd ("Giti Chongqing"), from China PR, when imported into India, shall be subjected to provisional assessment till the review is completed.

2. The provisional assessment may be subject to such security or guarantee as the Assistant Commissioner of Customs or Deputy Commissioner of Customs, as the case may be, deems fit for payment of the deficiency, if any, in case a definitive anti dumping duty is imposed retrospectively, on completion of investigation by the designated authority.

3. In case of recommendation of anti-dumping duty after completion of the said review by the designated authority, the importer shall be liable to pay the amount of such anti-dumping duty recommended on review and imposed on all imports of Bus and Truck Radial Tyres in to India, when exports made by M/s. Giti Tire(Anhui) Company Ltd ("Giti Anhui"), M/s. Giti Tire(Fujian) Company Ltd ("Giti Fujian") and M/s. Giti Tire(Chongqing) Company Ltd ("Giti Chongqing"), when imported in to India, from the date of initiation of the said review.

[F. No. 354/207/2009-TRU (Pt.1)]

**(K.S.V.V. Prasad)**  
**Under Secretary to the Government of India**

## CUSTOM UPDATES

### Circular No.43/ 2010-Customs

F.No.528/53/2007-Cus (TU)  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs

229A, North Block, New Delhi-110001  
6<sup>th</sup> December, 2010.

To,

All Chief Commissioners of Customs / Customs (Prev.).  
All Chief Commissioners of Customs & Central Excise.  
All Commissioners of Customs / Customs (Prev.).  
All Commissioners of Customs & Central Excise.  
All Director Generals under CBEC.

**Subject: - Anti Dumping Duty on parts/components of Compact Fluorescent Lamps (CFL) from China and Hong Kong as per Customs Notification No.138/2002-Customs dated 10.12.2002 – Regarding.**

Sir / Madam,

It has been brought to the notice of the Board that Board's letter dated 25.10.2007 issued vide F.No. 528/53/2007-Cus (TU) is being interpreted wrongly to mean that anti-dumping duty would not be imposed on CFLs if they are imported in CKD/SKD condition either together or in part shipments.

2. The matter has been examined by the Board. It is observed that the Board's letter dated 25.10.2007 (referred above) clarified that anti dumping duty on CFLs imported from Peoples Republic of China and Hong Kong was not leviable/recommended on parts/components of CFLs but only on complete CFLs as mentioned in the relevant Notification No.138/2002-Cus dated 10.12.2002. This was based on a clarification issued by the Directorate General of Anti Dumping and Allied Duties (DGAD) and was necessitated because of reports of confusion whether such duty is also levied on parts/components. However, it is now learnt that the said clarification in respect of parts/components of CFLs is being wrongly extended to import of CFLs in CKD/SKD condition.

3. In this regard, it is observed that Rule 2(a) of the General Interpretative Rules is relevant for the purpose of classification of goods imported in CKD/SKD condition. In terms of the said Rule 2(a), any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, the incomplete or unfinished articles has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this rule), presented unassembled or disassembled. Thus, when any article such as CFL is imported in CKD/SKD condition, its classification for purpose of assessment would be done as complete or finished article in terms of the said Rule 2(a). Accordingly, when anti-dumping duty is attracted on any article then it is also to be levied if the said article is imported in CKD/SKD condition either together in one lot or in part shipments.

4. All pending assessments, if any, may be finalized accordingly.
5. Difficulty faced, if any, may be brought to notice of the Board.

Yours faithfully,

(G. S. Sinha)  
OSD (Tariff Unit)

VIKAS GUPTA

## EXCISE UPDATES

**Circular No. 938/28/09-CX**

F.No. 6/5/2009-DS (CX.1 & 4)

Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise and Custom

New Delhi, the 29<sup>th</sup> November, 2010

To,

Director General (All)  
Chief Commissioners of Central Excise including LTU (All)  
Commissioners of Central Excise (All)

Sir/Madam

**Subject: Clarification regarding Quantity discounts, bonus quantities, etc. cleared without payment of duty under MRP based assessment - reg.**

A larger bench of CESTAT in the case of Indica Laboratories Vs CCE, Ahmedabad 2007(213) ELT 20(T-LB), has held that quantity discount, bonuses etc. are applicable for the valuation of goods under section 4 of the Central Excise Act, 1944 and not in case of goods valued under Section 4A.

2. The party has appealed against the said order before High Court of Gujrat. However, no stay has been granted by the High Court against the said order of the larger bench of tribunal. You may accordingly take necessary action as per the order of the larger bench of tribunal to protect the revenue interests.

3. Trade & Industry may be informed.
4. Receipt of this circular may be acknowledged
5. Hindi version would follow.

Yours faithfully

Madan Mohan  
Under Secretary (CX.1)

**General Circular No. 6 /2010**  
**F. No. 2/7/2010-CL V**  
**Government of India**  
**Ministry of Corporate Affairs**

5<sup>th</sup> Floor, 'A' Wing, Shastri Bhavan,  
Dr. R.P. Road, New Delhi  
Dated the 3<sup>rd</sup> December, 2010

To  
All Regional Director,  
All Registrar of Companies.

**Subject: Easy Exit Scheme, 2011**

Sir,

It has been observed that certain companies have been registered under the Companies Act, 1956, but due to various reasons some of them are inoperative since incorporation or commenced business but became inoperative later on and are not filing their due documents timely with the Registrar of Companies. These companies may be defunct and are desirous of getting their names strike off from the Register of Companies.

2. In order to give an opportunity to the defunct companies, for getting their names strike off from the Register of Companies, the Ministry had launched a Scheme namely, "Easy Exit Scheme, 2010" under Section 560 of the Companies Act, 1956 during May-Aug, 2010. A large number of companies availed this scheme. However, on huge demands from corporate sector, the Ministry has decided to re-launch the Scheme as, "Easy Exit Scheme, 2011" under Section 560 of the Companies Act, 1956. The details of the Scheme are as under:-

- (i) The Scheme shall come into force on the 1<sup>st</sup> January, 2011 and shall remain in force up to 31<sup>st</sup> January, 2011.
- (ii) **Definitions** - In this Scheme, unless the context otherwise requires, -
- (a) "company" means a company registered under the Companies Act, 1956;
  - (b) "Collective Investment Management Company" means the company as defined in clause (h) of sub-regulation of 2 of Securities and Exchange Board of India (Collective Investment Companies) Regulations, 1999;
  - (c) "defunct company" means a company registered under the Companies Act, 1956<sup>st</sup> which is not carrying over any business activity or operation on or after the 1<sup>st</sup> April, 2008 and includes a company which has not raised its paid up capital as provided in sub sections (3) and (4) of section 3 of the Companies Act, 1956;
  - (d) "Non-Banking Financial Company" means a company as defined under clause (f) of section 45-I of the Reserve Bank of India Act, 1934;
  - (e) "**Scheme**" means the "**Easy Exit Scheme, 2011**" (EES, 2011), being specified through this Circular;
  - (f) "vanishing company" means a company, registered under the Companies Act, 1956 and listed with Stock Exchange which, has failed to file its returns with Registrar of Companies and Stock Exchange for a consecutive period of two years, and is not maintaining its registered office at the address notified with the Registrar of Companies or Stock Exchange and none of its Directors are traceable.



(iii) **Applicability:** -

- (a) Any “defunct company” which has active status on Ministry of Corporate Affairs portal may apply under EES, 2011 in accordance with the provisions of this Scheme for getting its name strike off from the Register of Companies;
- (b) Any defunct company which is a Government Company shall submit ‘No Objection Certificate’ issued by the concerned Administrative Ministry or Department or State Government along with the application under this Scheme;
- (c) The purpose of the Scheme is to allow eligible companies to avail of this opportunity to exit from the Register of Companies after fulfilling the requirements laid down herewith and the decision of the Registrar of Companies in respect of striking off the name of company shall be final.

(iv) **Scheme not applicable to certain companies:** - The Scheme does not cover the following companies namely:-

- (a) listed companies;
- (b) companies that have been de-listed,
- (c) companies registered under section 25 of the Companies Act, 1956;
- (d) vanishing companies;
- (e) companies where inspection or investigation is ordered and being carried out or yet to be taken up or where completed prosecutions arising out of such inspection or investigation are pending in the court;
- (f) companies where order under section 234 of the Companies Act, 1956 has been issued by the Registrar and reply thereto is pending or where prosecution if any, is pending in the court;
- (g) companies against which prosecution for a non-compoundable offence is pending in court;
- (h) companies accepted public deposits which are either outstanding or the company is in default in repayment of the same;
- (i) company having secured loan ;
- (j) company having management dispute;
- (k) company in respect of which filing of documents have been stayed by court or Company Law Board (CLB) or Central Government or any other competent authority;
- (l) company having dues towards income tax or sales tax or central excise or banks and financial institutions or any other Central Government or State Government Departments or authorities or any local authorities.

(v) **Procedure for making an application:-**

- (a) Any defunct company desirous of getting its name strike off the Register under Section 560 of the Companies Act, 1956 shall make an application in the Form EES, 2011, annexed;
- (b) The Form EES, 2011, should be filed electronically on the Ministry of Corporate Affairs portal namely [www.mca.gov.in](http://www.mca.gov.in) accompanied by filing fee of ` 3,000/-;
- (c) In case, the application in Form EES, 2011, is not being digitally signed by any of the director or Manager or Secretary, a physical copy of the Form duly filled in, shall be signed manually by a director authorised by the Board of Directors of the company and shall be attached with the application Form at the time of its filing electronically;
- (d) In all cases, the Form EES, 2011, shall be certified by a Chartered Accountant in whole time practice or Company Secretary in whole time practice or Cost Accountant in whole time practice;
- (e) The company shall disclose pending litigations if any, involving the company while applying under this Scheme;

(f) The Form shall be accompanied by an affidavit annexed at Annexure- A of Form EES, 2011, which should be sworn by each of the existing director(s) of the company before a First Class Judicial Magistrate or Executive Magistrate or Oath Commissioner or Notary, to the effect that the company has not carried on any business since incorporation or that the company did some business for a period up to a date (which should be specified) and then discontinued its operations and has not carried on any business after the 1<sup>st</sup> April, 2008, as the case may be;

(g) The Form EES, 2011 shall further be accompanied by an Indemnity Bond, duly notarized, as annexed at Annexure B of Form EES, 2011, to be given by every director individually or collectively, to the effect that any losses, claim and liabilities on the company, will be met in full by every director individually or collectively, even after the name of the company is struck off the register of Companies;

(h) The Company shall also file a Statement of Account annexed at Annexure C, prepared as on date not prior to more than one month preceding the date of filing of application in Form EES, 2011, duly certified by a statutory auditor or Chartered Accountant in whole time practice, as the case may be.

(i) In the case of 100% Government companies, if no Board is in existence, an officer not below the rank of Deputy Secretary of the concerned administrative Ministry may be authorized to enter his name and other details in Form EES, 2011 and in Annexure A, B and C in place of name and other details of the directors and also to sign the said documents before filing.

**(vi) Simplified procedure for Registrar of Companies for removal of name of defunct companies:-**

(a) The Registrar of Companies, on receipt of the application, shall examine the same and if found in order, shall give a notice to the company under section 560(3) of the Companies Act, 1956 by e-mail on its e-mail address intimated in the Form, giving thirty days time, stating that unless cause is shown to the contrary, its name be struck off from the Register and the company will be dissolved;

(b) The Registrar of companies shall put the name of applicant(s) and date of making the application(s) under EES, 2011, on daily basis, on the MCA portal [www.mca.gov.in](http://www.mca.gov.in), giving thirty days time for raising objection, if any, by the stakeholders to the concerned Registrar;

(c) In case of company(s) like Non-Banking Financial Company(s), Collective Investment Management Company(s) which are regulated by other Regulator(s) namely RBI, SEBI, the Registrar of Companies, at the end of every week, after the Scheme commences, shall send intimation of such companies availing EES, 2011, during that period to the concerned Regulator(s) and also an intimation in respect of all companies availing EES, 2011, during that period to the office of the Income Tax Department giving thirty days time for their objection, if any;

(d) The Registrar of Companies immediately after passing of time given in sub-paras (a) to (c) of this Para and on being satisfied that the case is otherwise in order, shall strike its name off the Register and shall send notice under sub-section (5) of section 560 of the Companies Act, 1956 for publication in the Official Gazette and the applicant company under this Scheme shall stand dissolved from the date of publication of the notice in the Official Gazette.

Yours faithfully,  
(Monika Gupta) Assistant Director

Encl: As above

## HIGH COURTS

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*Wealth-tax -- Exemption -- Copyright -- Owner of copyright -- Right to exploit granted but ownership remaining with holder of copyright - - Value of copyright exempt --* Wealth-tax Act, 1957, s. 5(1)(v)-- *CWT v. Smt. Krishna Kapoor* (Bom) . . . 269

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### **Income-tax Act, 1961 :**

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