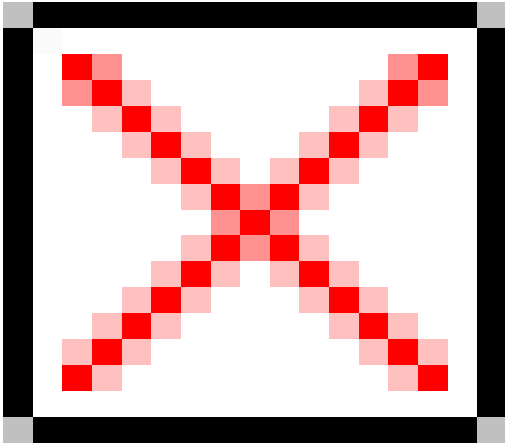


Anti Dumping Duty on Soda Ash - Notifications Rescinded, but ADD to Continue till High Court Decides the Matter - Government @ speed of Light



TIOL-DDT 2996

22 12 2016
Thursday

THE Government can do things when they really want to as this case would reveal.

By Notification No. [34/2012-Cus\(ADD\)](#)

dated 03.07.2012, the Government imposed Anti Dumping Duty on the import of Soda Ash falling under sub-heading 283620 of the First Schedule to the Customs Tariff Act, originating in, or exported from, People's Republic of China, European Union, Kenya, Iran, Pakistan, Ukraine and United States of America.

By Notification No. [8/2013-Cus \(ADD\)](#)

, dated 18.04.2013, the Government imposed Anti Dumping Duty on the import of Soda Ash originating in, or exported from, Russia and Turkey.

The Designated Authority in its final findings in Mid-Term Review vide notification dated the 23rd September, 2016, published in the Gazette of India, on 23rd September, 2016, has come to the conclusion that despite the continued dumping after imposing ADD, it has caused no injury to the domestic industry and recommended revocation of the anti-dumping duties imposed on the imports of the soda ash, originating in or exported from these countries.

The Government of India is to decide on the revocation within three months that is by 22nd December 2016 (today).

In the meantime, some domestic producers approached the Gujarat High Court where the case took several twists and turns with the very right to approach the High Court being questioned. The High Court passed several interim orders and on 13.12.2016 held that the parties do have a right to approach the High Court and passed a very important interim order - that

in case, pursuant to the impugned final findings recorded by the designated authority, the Central Government publishes a notification in the Official Gazette under rule 18 of the rules, the same shall not be acted upon till the final disposal of these petitions and posted the case for final hearing on 15.02.2017.

Now see the dilemma of the Government. The Designated Authority had on 23.09.2016 recommended revocation of the anti dumping duty and the government should have done so immediately, but not later than 22.12.2016, but there was an interim stay of the High Court. Importers are unhappy if there is anti dumping duty, domestic industry is unhappy if there is no anti dumping duty, Designated Authority says 'there is no injury to domestic industry and so revoke the duty'. High Court says, 'Stay'. And the time is running out for the Government to the recommendation of the Designated Authority.

Anyway, the high Court solved the problem. Government is told,

"revoke the duty, if you want but keep it in abeyance till the matter is finally disposed of by the high Court"

. This decision came on 13.12.2016 and the Government had all of nine days to issue the notifications. AND THEY DID IT.

Yesterday the government issued two notifications rescinding notifications [34/2012-Cus\(ADD\)](#) dated 03.07.2012 and [8/2013-Cus \(ADD\)](#), dated 18.04.2013 with the condition that the rescission shall remain in abeyance subject to the final order of the Hon'ble High Court of Gujarat.

Within eight days of the High Court Order, the Government could issue the notification which is simply stupendous. The Board richly deserves encomiums of the highest order.

Having said that, I can't resist the temptation of pointing out that they could have been slightly more careful about their spellings.

The Notifications state - **except as respects things done or omitted to be done before such rescission, and such recession shall remain in abeyance subject to the final order** .

They got the first **rescission** right but got the second **recession** wrong.

Please see [Rescission or Recession](#)

[Notification No. 55/2016-Customs \(ADD\), Dated: December 21, 2016](#)

[Notification No. 56/2016-Customs \(ADD\), Dated: December 21, 2016](#)

Indirect Transfer provisions under Income Tax Act - CBDT Clarifies

UNDER the indirect transfer provisions contained in section 9(1)(i) of the Income Tax Act,

all income accruing or arising, whether directly or indirectly,
Â Â through or from any business connection in India, or
Â Â through or from any property in India, or
Â Â through or from any asset or source of income in India or
Â Â through the transfer of a capital asset situate in India,
Â Â shall be deemed to accrue or arise in India.

An asset or a capital asset being any share or interest in a company or entity registered or incorporated outside India shall be deemed to be and shall always be deemed to have been situated in India, if the share or interest derives, directly or indirectly, its value substantially from the assets located in India.

Section 285A of the Act casts a reporting obligation on the Indian concern whose shares are substantially held directly or indirectly by a company or entity registered or incorporated outside India.

Queries have been received by the Board about the scope of the indirect transfer provisions. The Board constituted a Working Group on 15th June, 2016 to examine the issues raised by stakeholders. The Board has considered the comments of the Working Group on the said issues and has issued clarifications.

[CBDT Circular No. 41/2016., Dated: December 21, 2016](#)

Deposit of Old Notes - RBI Clarification

ON 19th November RBI clarified that:

1. *Tenders of SBNs in excess of Rs 5000 into a bank account will be received for credit only once during the remaining period till December 30, 2016. The credit in such cases shall be afforded only after questioning tenderer, on record, in the presence of at least two officials of the bank, as to why this could not be deposited earlier and receiving a satisfactory explanation. The explanation should be kept on record to facilitate an audit trail at a later stage. An appropriate flag also should be raised in CBS to that effect so that no more tenders are allowed.*

2. *Tenders of SBNs up to Rs 5000 in value received across the counter will be allowed to be credited to bank accounts in the normal course until December 30, 2016. Even when tenders smaller than Rs 5000 are made in an account and such tenders taken together on cumulative basis exceed Rs 5000 they may be subject to the procedure to be followed in case of tenders above Rs 5000, with no more tenders being allowed thereafter until December 30, 2016.*

Yesterday, the RBI clarified that the above provisions will not apply to fully KYC compliant accounts. There seems to be total confusion. What they wanted to withdraw was the explanation condition for delayed deposit, but in the process, they withdrew the condition of one-time deposit also. Intentional? Maybe another clarification is on the way.

[RBI/2016-17/191 DCM \(Plg\) No. 1911/10.27.00/2016-17.,Dated: December 21, 2016](#)

The Nation Cannot Afford 95 per cent of its Economy making Cash Transactions

ADDRESSING

a Workshop on Cashless Transaction organised by the National Disaster Response Force (NDRF) yesterday, Chief Executive Officer of NITI Aayog Amitabh Kant said:

- ++ Only 1 per cent of the more than 1.25 billion population pays Income Tax.
- ++ The country cannot afford as high as 95 per cent of its economy making cash transactions.
- ++ There are more than a billion mobile phone subscribers in India and more than one billion Aadhaar biometrics have been created so far.
- ++ With an aim to push India among the top economies of the world, the government has enrolled nearly 26 crore people under the Pradhan Mantri Jan-DhanYojana (PMJDY) and more than 20 crore RuPay cards issued.
- ++ The time is here to make a transition to cashless transactions.

Crucial GST Council Meet Today

THOUGH

demonetisation has stolen the thunder from GST, the meeting of the GST Council today is significant. The all important question of cross empowerment has to be decided for GST bandwagon to move forward.

Please see our [CobWeb](#) for more details.

Until Tomorrow with more **DDT**

Have a nice day.

Mail your comments to vijaywrite@tiol.in