



Bangalore Chamber of Industry and Commerce

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INTERNATIONAL TRADE

Circular No.145

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All Members

Dear Sirs,

Please find enclosed herewith the following Public Notice and India's Foreign Trade Data issued by Directorate General of Foreign Trade, New Delhi – for your reference and record.

1. INDIA'S FOREIGN TRADE DATA: SEPTEMBER 2010
2. Public Notice No. 14 /2009-2014 (RE- 2010), (F. No. 01/94/180/Value addition/AA /AM11/PC-4), dated 2nd November, 2010 - Amendment in paragraph 4.21 and 4.23 on enhancement in CIF / FOB values and revalidation of advance authorisations.

Thanking you,

Yours faithfully

T.S. Sampath Kumar
Secretary General

INDIA'S FOREIGN TRADE DATA: SEPTEMBER 2010

India's exports during September, 2010 were valued at US \$ 18023 million (Rs. 83018 crore) which was 23.2 per cent higher in Dollar terms (17.2 per cent higher in Rupee terms) than the level of US \$ 14624 million (Rs.70838 crore) during September, 2009. Cumulative value of exports for the period April-September 2010 was US \$ 103647 million (Rs. 477402 crore) as against US \$ 80950 million (Rs. 393262 crore) registering a growth of 28.0 per cent in Dollar terms and 21.4 per cent in Rupee terms over the same period last year.

India's imports during September, 2010 were valued at US \$ 27141 million (Rs.125018 crore) representing a growth of 26.1 per cent in Dollar terms (19.9 per cent in Rupee terms) over the level of imports valued at US \$ 21527 million (Rs. 104275 crore) in September, 2009. Cumulative value of imports for the period April-September, 2010 was US \$ 166478 million (Rs. 766857 crore) as against US \$ 128131 million (Rs. 622295 crore) registering a growth of 29.9 per cent in Dollar terms and 23.2 per cent in Rupee terms over the same period last year.

Oil imports during September, 2010 were valued at US \$ 7490 million which was 14.4 per cent higher than oil imports valued at US \$ 6546 million in the corresponding period last year. Oil imports during April-September, 2010 were valued at US\$ 48715 million which was 30.0 per cent higher than the oil imports of US \$ 37475 million in the corresponding period last year.

Non-oil imports during September, 2010 were estimated at US \$ 19652 million which was 31.2 per cent higher than non-oil imports of US \$ 14981 million in September, 2009. Non-oil imports during April - September, 2010 were valued at US\$ 117763 million which was 29.9 per cent higher than the level of such imports valued at US\$ 90656 million in April - September, 2009.

The trade deficit for April - September, 2010 was estimated at US \$ 62831 million which was higher than the deficit of US \$ 47181 million during April -September, 2009.

<u>EXPORTS & IMPORTS : (US \$ Million)</u>		
(PROVISIONAL)		
	SEPTEMBER	APRIL-SEPTEMBER
EXPORTS(including re-exports)		
2009-10	14624	80950
2010-11	18023	103647
%Growth2010-11/ 2009-2010	23.2	28.0
IMPORTS		
2009-10	21527	128131
2010-11	27141	166478
%Growth2010-11/ 2009-2010	26.1	29.9

TRADE BALANCE		
2009-2010	-6903	-47181
2010-11	-9118	-62831
<u>EXPORTS & IMPORTS : (Rs. Crore)</u>		
(PROVISIONAL)	SEPTEMBER	APRIL-SEPTEMBER
EXPORTS(including re-exports)		
2009-10	70838	393262
2010-11	83018	477402
%Growth2010-11/ 2009-2010	17.2	21.4
IMPORTS		
2009-10	104275	622295
2010-11	125018	766857
%Growth2010-11/ 2009-2010	19.9	23.2
TRADE BALANCE		
2009-2010	-33437	-229033
2010-11	-42000	-289455

Public Notice No. 14 /2009-2014 (RE- 2010), (F. No. 01/94/180/Value addition/AA /AM11/PC-4), dated 2nd November, 2010

Amendment in paragraph 4.21 and 4.23 on enhancement in CIF / FOB values and revalidation of advance authorisations.

In exercise of the powers conferred under Paragraph 2.4 of the Foreign Trade Policy, 2009-14, the following amendments are being made in the Handbook of Procedures, Vol. 1, 2009-2014(RE 2010).

1. Amendment of second sub-paragraph of paragraph 4.21 of HBP, Vol. 1:

Existing sub-paragraph:

However, in case of advance authorisations issued prior to 27.8.09 under the FTP, 2004-09, the following conditions shall apply for any enhancement in the value of the authorisation:

- i. Wherever, exports are subsequent to 27.8.09, enhancement in CIF/FOB values shall be subject to a minimum value addition (VA) of 15% for that component of exports.
- ii. Wherever, the exports are prior to 27.8.09, enhancement of CIF/FOB value shall be subject to a minimum Value addition of 15% or the V.A. declared in the original Advance Authorization application, whichever is lower.

Amended sub-paragraph:

“However, in case of advance authorisation(s) issued prior to 27.8.2009 under the FTP, 2004-09, the following conditions shall apply for any enhancement in the value of the authorisation:

- i. Wherever exports are on or subsequent to 27.8.09, enhancement in CIF / FOB values shall be subject to a minimum value addition (VA) of 15% or the value addition prescribed in Appendix 11B, whichever is lower, for that component of exports.
- ii. Wherever exports are prior to 27.8.09, enhancement in CIF / FOB values shall be subject to a minimum value addition (VA) of 15% or the value addition prescribed in Appendix 11B, or the VA declared in the original advance authorisation application, whichever is lower.”

Effect of this amendment:

- a. Ambiguity in treating exports made on 27.8.2009 has been removed.
 - b. Value addition as prescribed in Appendix 11B has also been included both in part (i) and (ii) of this sub-para.
2. Amendment of second sub-paragraph of paragraph 4.23 of HBP v1 stands replaced by the following:

Existing sub-paragraph:

In case of revalidation of advance authorization issued prior to 27.8.2009, it should be ensured that value addition is maintained at 15% (and as per details mentioned in para 4.1.6 of FTP) or as stipulated in the advance authorization, whichever is higher.

Amended sub-paragraph:

“In case of revalidation of advance authorization issued prior to 27.8.2009, it should be ensured that value addition (VA) is maintained at 15% (and as per details mentioned in para 4.1.6 of FTP) or as stipulated in the advance authorization, whichever is higher. However, for advance authorisations for products with VA as per Appendix 11B, the Value addition shall be as per the VA stated in Appendix 11B or as stated in Advance Authorisation, whichever is higher.”

Effect of this amendment: It incorporates the Value Addition of a specific product as stated in Appendix 11B. There is no other change.

Sd/-
(Anup K. Pujari)
Director General of Foreign Trade

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