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India Aligns to US Grand Agenda in Obama Visit

Highlights of the Final Outcome of US President Barack Obama to India on 08 November 2010 based on Joint Statement by President Obama and Prime Minister Singh of India

- India to partner US in implementing UN Security Council resolutions and sanctions regime.
- Monitoring and help in China, Afghanistan, Iraq and Central Asia.
- Home Ministries of both countries to partner in political and financial controls.
- Special emphasis on air, sea and cyber space – US to give Boeing 10 C-17 super size aircraft capable of carrying 2000 persons at a time. Can fuel in mid air, long range capability. Will save 22,000 jobs in US.
- Joint control on nuclear traffic and smuggling.
- India destroys biological weapons stockpile, promises to implement Bio Weapons Convention.
- US removes India from list of countries on special export control for high tech items.
- The United States intends to support India's full membership in the four multilateral export control regimes (Nuclear Suppliers Group, Missile Technology Control Regime, Australia Group, and Wassenaar Arrangement) in a phased manner.
- Implementing Arrangement for enhanced monsoon forecasting that will begin to transmit detailed forecasts to farmers beginning with the 2011 monsoon rainy season.
- The participation of the U.S. nuclear energy firms in India on the basis of mutually acceptable technical and commercial terms and conditions that enable a viable tariff regime for electricity generated.
- India intends to ratify the Convention on Supplementary Compensation within the coming year and is committed to ensuring a level playing field for U.S. companies seeking to enter the Indian nuclear energy sector.
- India and the United States resolved to strengthen their partnership in creating the green economy of the future. To this end, both countries have undertaken joint research and deployment of clean energy resources, such as solar, advanced biofuels, shale gas, and smart grids. The two leaders also welcomed the promotion of clean and energy efficient technologies through the bilateral Partnership to Advance Clean Energy (PACE) and expanded cooperation with the private sector. They welcomed the conclusion of a new MOU on assessment and exploration of shale gas and an agreement to establish a Joint Clean Energy Research Center in India.
- The United States is India's largest trading partner in goods and services, and India is now among the fastest growing sources of foreign direct investment entering the United States. The two leaders agreed on steps to reduce trade barriers and protectionist measures and encourage research and innovation to create jobs and improve livelihoods in their countries.
- Enhanced investment flows, including in India's infrastructure sector, clean energy, energy efficiency, aviation and transportation, healthcare, food processing sector and education.
- Engagement by Indian and American small and medium-sized enterprises as a critical driver of our economic relationship.
- Ambitious and balanced conclusion to the WTO's Doha Development Agenda negotiations, and in having their negotiators accelerate and expand the scope of their substantive negotiations bilaterally and with other WTO members to accomplish this as soon as possible. They agreed to work together in the G-20 to make progress on the broad range of issues on its agenda, including by encouraging actions consistent with achieving strong, balanced, and sustainable growth, strengthening financial system regulation, reforming the international financial institutions, enhancing energy security, resisting protectionism in all its forms, reducing barriers to trade and investment, and implementing the development action plans.
- Develop, test, and replicate transformative technologies to extend food security as part of an Evergreen Revolution. Efforts will focus on providing farmers the means to improve agricultural productivity. Collaboration also will enhance agricultural value chain and strengthen market institutions to reduce post-harvest crop losses.
- MOU creating a new Global Disease Detection Regional Center in New Delhi, which will facilitate preparedness against threats to health such as pandemic influenza and other dangerous diseases
- The Prime Minister and the President agreed to convene an India - U.S. Higher Education Summit, chaired by senior officials from both countries in 2011, as part of a continued effort to strengthen educational opportunities. They welcomed the progress made in implementing the Singh-Obama 21st Century Knowledge Initiative that is expanding links between faculties and

institutions of the two countries and the expansion in the Nehru-Fulbright Programme for Scholars.

- President Obama welcomed India's decision to hold a Festival of India in Washington DC in 2011. Recognizing the importance of preserving cultural heritage, both governments resolved to initiate discussions on how India and the United States could partner to prevent the illicit trafficking of both countries' rich and unique cultural heritage.
- President made to advance an open gov-

ernment agenda at the United Nations General Assembly. The President and Prime Minister also pledged to explore co-operation in support of efforts to strengthen elections organization and management in other interested countries, including through sharing their expertise in this area.

- Adapt shared innovations and technologies and use their expertise in capacity building to extend food security to interested countries, including in Africa, in consultation with host governments.

Obama Woos Indonesia Muslims to Contain China

Indonesia, whose trade with the U.S. totaled \$18 billion last year, as a member of the Group of 20 and the world's third-largest democracy, is "the most important country in Asean," said Jeff Bader, senior director for Asian Affairs at the National Security Council.

Indonesia's benchmark Jakarta Composite Index has risen 46 percent this year compared with a 12.1 percent gain for the MSCI Asia Pacific Index.

'Big Player'

"Asia is where the growth will come from in the world economy over the next decade, we're crystal clear on that," he said. "Indonesia is important because it's the big player there."

Obama on 8 November ends three days in India, where he endorsed the country's bid for a permanent United Nations Security Council seat in a speech to parliament. The president, who called on India to take a stand on global human rights issues, also met with business leaders as he pushed for a strategic partnership.

Later this week Obama will attend the G-20 summit in South Korea and the Asia-Pacific Economic Cooperation forum in Japan.

Obama is set to meet with President Susilo Bambang Yudhoyono today to initiate a five-year program to enhance a partnership on issues including climate change, counterterrorism, combating Iran's nuclear program and territorial disputes in the South China Sea, Bader said.

The visit also gives Obama an opportunity to build on the outreach to the Muslim world he began last year in Cairo.

The Pew Research Center's Global Attitudes Project conducted April and May of this year found that the opinion of the U.S. in Muslim countries has slipped since last year. It's still higher than it was under former President George W. Bush.

President Suharto

Obama first arrived in Indonesia at a turning point for the nation – two years after a 1965 coup in which more than 500,000 people were killed, most accused of having ties to communists, and as President Suharto came to power.

The former dictator, who died in 2008, left a legacy of stability and economic growth. Indonesia's economy expanded 6.1 percent annually in the 1980s, making it among the 10 fastest growing, according to the World Bank.

Obama said he was able to see some of the newfound prosperity firsthand before his mother, Ann Dunham, sent him back to Hawaii to live with his grandparents when he was 10.

India-US MOU on Shale Gas

Memorandum of Understanding (MOU) on Shale Gas Resources between India and USA was signed recently during the visit of President of America, Mr. Barack Obama in New Delhi. As per the MOU, the Nodal GOI Department/Ministry for implementation of MOU is Ministry of Petroleum and Natural Gas through Directorate General of Hydrocarbons (DGH) and the Nodal US Department for implementation is the Department of State Government of United States of America. The MOU was signed by Sudhir Bhargava, Additional Secretary, Ministry of Petroleum & Natural Gas and Dr. David Goldwyn, Coordinator (International Energy Affairs) in the US Department of State.

Main elements/objectives of MOU for

cooperation in the field of Shale Gas include Shale Gas Resource assessment in India, technical studies to commence on Shale Gas exploration in India and training of Indian personnel in the area of Shale Gas.

The MOU will benefit in cooperative activities in characterization, assessment of Shale Gas resources in the Indian basins having Shale Gas potential. It will also result in cooperative activities in technical studies and training of Indian personnel in the area of resource assessment of Shale Gas. The US Geological Survey (USGS) will carry out studies on Shale Gas resources and will provide report to India.

[Source: PIB (Ministry of Petroleum & Natural Gas) Press Releases dated 8 November 2010]

Monsoon Desk to be Set Up in NOAA

"Monsoon Desk" is being set up at National Center for Environmental Prediction (NCEP) of National Oceanic and Atmospheric Administration (NOAA) to focus on and coordinate all activities for India's monsoon-related work including "Monsoon Mission". This desk will coordinate numerical model simulations and diagnostics between NCEP of NOAA and Indian Institute of Tropical Meteorology and India Meteorological Department of Ministry of Earth Sciences. During Monsoon 2011 Indian and US scientists will work jointly for its predictions utilizing a global model at resolution of 28 Km in horizontal and 64 levels in the vertical. A probabilistic outlook will be provided for a two week period using ensemble approach.

The Government of India will provide Rs 2.4 crore over a period of five years for activities associated with establishment and maintenance of "Monsoon Desk" and USA Government will provide \$100,000 per annum to cover deficit that may not be fully covered through Government of India funding.

The term of the Agreement is of five years. Dr Shailesh Nayak, Secretary, Ministry of Earth Sciences, Government of India and Dr. Jane Lubchenco, Administrator, National Oceanic and Atmospheric Administration were signatories from the USA side.

[Source: PIB (Ministry of Earth Science) Press Releases dated 8 November 2010]

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
9-Nov-10	44.5650	44.6150	44.4900	44.5125	44.5125	958640	2038751	908436.23	44.4000
8-Nov-10	44.3050	44.5800	44.2800	44.5625	44.5625	952986	2411870	1072635.13	44.2600
5-Nov-10	44.2450	44.3000	44.1750	44.2075	44.2075	822583	310663	137400.19	
4-Nov-10	44.4375	44.5100	44.3675	44.3800	44.3800	810587	2023722	899389.56	44.3200
3-Nov-10	44.5000	44.6025	44.4275	44.5150	44.5150	800557	2155316	959515.93	44.3600
2-Nov-10	44.6750	44.7025	44.5600	44.6200	44.6200	789294	2312161	1031585.66	44.4300

[Source: NSE and RBI Website]

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- 3 Years Rs. 2100 US\$200

Phytosanitary Certificate Required for Food Grain Imports

Subject: Enforcement of statutory measures (Phytosanitary requirement) for import of food grains before release of consignments by the Customs authorities.

41-CBEC 03.11.2010 (DoR) The import of food grains to India is regulated under the Destructive Insects and Pests Act, 1914 and Plant Quarantine (Regulation of Import into India) Order, 2003 issued thereunder. As per this Order, it is mandatory to



conduct the pest risk analysis of each commodity before allowing clearance into the country. The import consignments of food grains are required to comply with certain phytosanitary norms as prescribed under Plant Quarantine (Regulation of Import into India) Order, 2003.

2. Instances have come to notice of the Board where phytosanitary requirements are not being implemented properly in respect of import of food grains into India by field formations. The matter was also taken up with Ministry of Agriculture and Food Safety and Standards Authority of India (FSSAI) in order to put in place various statutory standards and also ways to enforce them strictly and more effectively.



3. In this regard, detailed statutory phytosanitary requirements for import of food grains are enclosed as **Annexure A** to this Circular. The process of phytosanitary inspection and release of consignments are also detailed in the Annexure.

4. Board desires that these requirements should be scrupulously implemented by the field formations. All consignments of food grains may be referred to Plant Quarantine authorities at respective point of entry for phytosanitary inspection before release by Customs. These consignments of food grains will be allowed clearance only after getting NOC from Plant Quarantine Authorities.

5. Suitable instructions may be issued to the field formation for strict compliance.

6. Difficulty faced, if any, may be brought to the notice of the Board.
F. No.401/207/2010-Cus.III

Annexure A

Phytosanitary Requirement for Import of Food Grains

1. The exporting country has to issue a phytosanitary certificate for each of the consignment. The National Plant Protection Organization of the exporting country has to give following additional declaration and comply with the special conditions of import and endorse the additional declaration and special condition on the Phytosanitary Certificate accompanying the consignment.

- The additional declaration pertains to freedom of the commodity from the pests, and
- Special conditions refer to the phytosanitary treatment given to the commodity for ensuring pest freedom.

2. General condition for import-of food grains:

As per Section 3 (12) No consignment of food-grain is permitted to import with contamination of quarantine weeds, listed in Schedule-VIII of PQ Order, 2003 unless the said consignment has been devitalized by the exporting country and a certificate to that effect has been endorsed in the phytosanitary certificate issued by the exporting country.

Specific commodity-wise requirements are as under:

i/ The **import of wheat** (*Triticum* spp.) grains for consumption is allowed from any country with the following conditions.

The wheat consignment should be free from -

1. Granary weevil (*Sitophilus granaries*)

2. Ergot (*Claviceps purpurea*)
3. Dwarf bunt (*Tilletia contraversa*)

Fumigation with Methyl bromide @ 32g/cu. m at 21oC and above for 24 hrs under NAP and the treatment shall be endorsed on phytosanitary certificate.

The phytosanitary conditions for import of wheat for public distribution system were relaxed vide this Department's letter No. 18-7/2006-PP.II dated 3rd July, 2006 and 11th July, 2006 upto 31-12.2008.

ii/ The **import of rice** (*Oryza sativa*) grains for consumption is allowed from any country with the following conditions.

Free from Granary weevil (*Sitophilusgrana-rius*)

Fumigation with Methyl bromide @ 32g/cu. m at 21oC and above for 24 hrs under NAP and the treatment to be endorsed on phytosanitary certificate.

iii/ The **import of peas** (*pisum* spp.) grains for consumption is allowed from any country with the following conditions.

Free from:

- (a) Stem and bulb nematode (*Ditylenchusdip-saci*)
- (b) Pea cyst nematode (*Heteroderaoettin-giana*)
- (c) Bruchids (*Bruchidius* spp. *Specularisim-pressithorax*)

Fumigation with Methyl bromide @ 32g/cu. m at @ 21oC and-above under NAP and the treatment to be endorsed on phytosanitary certificate.

Keeping into view the scarcity of peas and pulses, an interim arrangement of fumigation of pulses at port of arrival in India with Methyl Bromide has been granted to USA, Canada and France and is extended from time to time.

iv/ The **import of chickpea** (*Cicer aeriatinum*) grains for consumption is allowed from any country with the following conditions

Additional declaration - Not prescribed

Fumigation with Methyl bromide @ 32g/cu. m at @ 21oC and above under NAP and the treatment to be endorsed on phytosanitary certificate.

v/ The **import of Pigeon pea** (*Cajanus cajan*) grains for consumption is allowed from the country as per details given below with the following conditions:

Name of the country	Additional declaration	Special condition of import
(i) Australia	Free from <i>Richardia</i>	(i)Free from soil contamination
(ii) Mozambique	<i>brasiliensis</i>	(ii) Fumigation by Methyl.
(iii) Myanmar		Bromide at 32g per cubic meter for 24hrs at 21°C or equivalent.
(iv) Nepal		
(v) China	Free from <i>Heterodera Glycines</i> (Cyst nematode)	(i) Free from soil contamination. (ii) Fumigation by Methyl bromide at32g per cubic meter for 24 hrs at 21° C.
(vi) Iran	Free from <i>Apomyeloid ceratoniae</i> (carobmoth)	(i) Free from soil contamination. (ii) Fumigation by Methyl bromide at32g per cubic meter for 24 hrs at 21° C.
(vii) Kenya	Free from: (a) <i>Melanagromyza chalcosoma</i> (podfly) (b) <i>Richardia b rasiliensis</i>	(i) Free from soil contamination. (ii) Fumigation by Methyl bromide at32g per cubic meter for 24 hrs at 21° C or equivalent.
(viii) Pakistan	Nil	(i) Free from soil contamination.
(ix) Tanzania		(ii) Fumigation by Methyl Bromide at 32g per cubic meter for 24 hrs. at 21° C and above or equivalent.
(x) Malawi		
(xi) Uganda		



Process of phytosanitary inspection and release of the consignments

On receipt of application for quarantine inspection and clearance of food grain importer or his clearing agent, the application is registered. Documents viz., original import permit, original phytosanitary certificate, bill of entry, certificate of origin, bill of lading, invoice etc. are checked. After scrutiny of the application, inspector is deputed for drawing samples as per laid down procedure.

No. of Containers sampled depends on size of the consignment, as under:

01 - 10 containers - Minimum 2 containers

11 - 25 containers - One in every five containers but not less than four.

Above 25 containers - One in every eight Containers but not less than six containers.

Two samples of one Kg each are drawn from each container for inspection / testing.

Each sample is examined for freedom from the quarantine pest. If the consignment has live insect infestation the importer is advised to fumigate the consignment with Methyl Bromide under the supervision of Plant Quarantine Officer. The consignment is again inspected and if found to have no live insect infestation, it is approved for release.

Crude Petroleum from Brunei at 3% Duty under ASEAN FTA

Ntfn 116 In exercise of the powers
01.11.2010 conferred by sub-section (1) of
(DoR) section 25 of the Customs Act,
1962 (52 of 1962), the Central
Government, being satisfied that it is necessary
in the public interest so to do, hereby exempts

Crude Petroleum oils and oils

obtained from bituminous minerals falling under the tariff item 2709 00 00 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India from Brunei Darussalam, from so much of the duty of customs leviable thereon as is in excess of the amount calculated at the rate of **3% ad valorem**:

Provided that the importer proves to the satisfaction of the Deputy Commissioner of



Customs or Assistant Commissioner of Customs, as the case may be, that the goods in respect of which the benefit of this exemption is claimed are of the origin of Brunei Darussalam, in accordance with provisions of the Customs Tariff [Determination of Origin of Goods under the Preferential Trade Agreement between the Governments of Member States of the Association of Southeast Asian Nations (ASEAN) and the Republic of India] Rules, 2009, published in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 189/

2009-Customs (N.T.), dated the 31st December 2009.

[F. No. 354/64/2003-TRU (Pt.I)]

Brunei Included in ASEAN FTA

Ntfn 115 In exercise of the powers
01.11.2010 conferred by sub-section
(DoR) (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. **153/2009-Customs, dated the 31st December, 2009** which was published in

the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 944 (E), dated the 31st December, 2009, namely:-

In the said notification, in the **Appendix I**, after **serial number 6** and the entries relating thereto, the following serial number and entry shall be inserted, namely:-

S. No.	Name of the country
"7	Brunei Darussalam"

[F. No. 354/64/2003-TRU (Pt.I)]

Brunei Inserted in Origin List

94-Cus(NT) In exercise of the powers
03.11.2010 conferred by sub-section (1) of
(DoR) section 5 of the Customs Tariff
Act, 1975 (51 of 1975), the

Central Government hereby makes the following rules further to amend the Customs Tariff [Determination of **Origin of Goods** under the Preferential Trade Agreement between the Governments of Member States of the Association of Southeast Asian Nations (**ASEAN**) and the Republic of India] Rules, 2009, namely:-

1. These rules may be called the Customs Tariff [Determination of Origin of Goods under the Preferential Trade Agreement between the Governments of Member States of the

Association of Southeast Asian Nations (ASEAN) and the Republic of India] Fourth Amendment Rules, 2010.

2. In the Customs Tariff [Determination of Origin of Goods under the Preferential Trade Agreement between the Governments of Member States of the Association of Southeast Asian Nations (ASEAN) and the Republic of India] Rules, 2009, in **Annexure IV, after S.No. 6**, the following S. No. and entry shall be inserted, namely:-

"S.No.	Name of the Country
7.	Brunei Darussalam

[F. No. 467/68/2004-Cus.V/ICD]

Butadiene SION Amended

Subject: Modification of SION A-3559 under Chemical & Allied Products Group.

15-PN(RE) In exercise of the powers
03.11.2010 conferred under Paragraph
(DGFT) 2.4 of the Foreign Trade
Policy, 2009-14, the

following amendment is made in the Handbook of Procedure Vol. II (as stated in paragraph 1.1 of Vol. I):

SION A-3559 of the Product Group "Chemicals and Allied Products"

(Product Code: A)

Earlier Entry:

Sl.No	Export Item	Qty.	Import Item	Qty.
A-3559	Butadiene (from Olefin Complex)	1 MT.	Naphtha	1.864 MT.

Amended Entry:

Sl.No	Export Item	Qty.	Import Item	Qty.
A-3559	1,3- Butadiene	1 MT.	Naphtha	1.864 MT.

Effect of this amendment:

Purpose is to reflect the Chemical Name of the Export Product. This is also the name prevalent in International Market. There is no change in the quantity of input permitted.

Edible Oil Export Quota of 10,000 Tonnes Extended by One Year

Subject: Permission for export of 10,000 tons of edible oil in branded consumer packs from 01.11.2010 to 31.10.2011.

09-Ntfn(RE) In exercise of the powers
01.11.2010 conferred by Section 5 of the
(DoR) Foreign Trade (Development
& Regulation) Act, 1992

(No.22 of 1992) read with Para Para 2.1 of the Foreign Trade Policy, 2009-2014, the Central Government hereby amends Notification 18/ 2009-2014 dated 02.12.2009, with immediate effect.

2. The export of edible oils under Chapter 15 of ITC(HS) Classification of Export and Import Items, in branded consumer packs of up to 5 Kgs. was permitted subject to a limit of 10,000 tons during 01.11.2009 to 31.10.2010 from Customs EDI Ports Vide Notification 18/2009-2014 dated 02.12.2009.

3. Now, the same dispensation has been extended upto 31.10.2011 as follows:-

(i) There shall be no change in ports i.e. exports will be permitted from Custom EDI Ports;

(ii) The period of export will be from 01.11.2010 to 31.10.2011;

(iii) The total quantity ceiling permitted for exports is 10,000 tons; and

(iv) There shall be no change in packing i.e. exports permitted in branded consumer packs of up to 5 Kgs.

World Bank Pinksheet issued in November 2010 covers price movements in 43 energy and non-energy products. This Pink Sheet focuses on price movements in October 2010.

Commodity Prices at Peak in October

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



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

Energy

Coal, Australia \$/mt	89.78	94.90	96.72	71.31	77.66	95.19	99.49	93.55	127.10	71.84	96.14
Crude oil, average \$/bbl	75.83	76.12	81.72	68.21	75.50	77.06	78.18	75.51	96.99	61.76	77.39
Crude oil, Brent \$/bbl	76.69	77.79	82.92	68.37	74.97	76.65	78.69	76.41	97.64	61.86	77.82
Crude oil, Dubai \$/bbl	74.18	75.27	80.34	68.07	75.46	75.86	77.98	74.04	93.78	61.75	76.40
Crude oil, West Texas Int. \$/bbl	76.60	75.29	81.90	68.21	76.08	78.67	77.85	76.08	99.56	61.65	77.97
Natural gas Index 2000=100	157.5	150.8	144.7	123.3	149.4	170.3	147.5	155.2	267.9	153.5	156.4
Natural gas, Europe \$/mmbtu	8.45	8.28	8.29	6.91	7.81	8.84	7.51	8.26	13.41	8.71	8.21
Natural gas, US \$/mmbtu	4.31	3.90	3.43	3.17	4.36	5.15	4.32	4.28	8.86	3.95	4.47
Natural gas LNG, Japan \$/mmbtu	11.30	11.10	11.00	7.91	9.33	10.32	10.95	11.24	12.53	8.94	10.85

Beverages

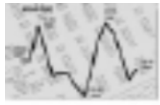
Cocoa ¢/kg	309.1	287.4	292.6	296.4	341.8	329.7	321.0	306.2	257.7	288.9	316.3
Coffee, Arabica ¢/kg	466.5	491.0	479.8	322.7	341.7	353.7	392.0	468.5	308.2	317.1	412.2
Coffee, robusta ¢/kg	182.3	179.2	188.0	160.1	156.4	150.8	161.0	183.2	232.1	164.4	167.3
Tea, auctions (3) average ¢/kg	299.3	299.6	304.3	303.6	301.9	279.0	276.4	295.1	242.0	272.4	285.6
Tea, Colombo auctions ¢/kg	327.0	334.9	337.2	356.1	338.0	335.1	316.2	322.1	278.9	313.7	325.8
Tea, Kolkata auctions ¢/kg	320.3	318.2	327.4	273.0	284.4	215.8	274.0	320.6	225.5	251.5	275.9
Tea, Mombasa auctions ¢/kg	250.8	245.8	248.3	281.7	283.2	286.1	238.9	242.7	221.8	252.0	255.1

Fats and Oils

Coconut oil \$/mt	1,170	1,275	1,411	711	734	834	955	1,159	1,224	725	1,025
Copra \$/mt	772	847	947	469	491	557	634	769	816	480	683
Groundnut oil \$/mt	1,334	1,270	1,331	1,133	1,152	1,359	1,352	1,301	2,131	1,184	1,337
Palm oil \$/mt	905	912	984	679	732	808	813	875	949	683	847
Palmkernel oil \$/mt	1,165	1,260	1,410	700	760	922	1,034	1,161	1,130	700	1,076
Soybean meal \$/mt	383	396	409	431	412	369	342	378	424	408	368
Soybean oil \$/mt	1,002	1,042	1,154	856	921	917	876	984	1,258	849	948
Soybeans \$/mt	457	470	492	454	439	417	409	452	523	437	432

Grains

Barley \$/mt	161.2	168.1	174.6	122.0	145.5	143.6	146.9	161.9	200.5	128.3	153.2
Maize \$/mt	175.6	205.9	235.8	151.3	167.8	162.7	157.7	181.7	223.1	165.5	174.2
Rice, Thailand, 5% \$/mt	452.8	476.5	486.0	539.0	542.3	535.3	452.4	457.0	650.2	555.0	482.0
Rice, Thailand, 25% \$/mt	412.0	448.0	457.0	441.4	462.8	477.0	399.1	418.5	n.a.	458.1	434.1
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	369.0	412.0	428.3	309.7	346.1	400.7	333.8	376.9	482.3	326.4	376.3



	Monthly averages			Quarterly averages					Annual averages		
	2010			2009		2010			2008	2009	2010
	Aug	Sep	Oct	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Jan-Dec	Jan-Dec	Jan-Oct
Sorghum \$/mt	143.4	184.9	201.0	139.3	163.8	156.9	142.6	153.6	207.8	151.1	156.0
Wheat, Canada \$/mt	326.0	365.0	365.6	271.2	283.4	279.0	260.9	326.1	454.6	300.5	296.4
Wheat, US, HRW \$/mt	246.2	271.7	270.2	208.8	205.4	195.4	177.4	237.9	326.0	224.1	210.2
Wheat, US SRW \$/mt	261.6	276.3	267.5	165.2	195.6	193.5	186.9	253.4	271.5	186.0	216.9
Other Food											
Bananas EU \$/mt	865	974	1,000	1,118	1,032	1,014	1,029	933	1,188	1,145	993
Bananas US \$/mt	899	880	908	826	813	781	862	922	844	847	860
Fishmeal \$/mt	1,629	1,645	1,712	1,276	1,535	1,660	1,814	1,663	1,133	1,230	1,712
Meat, beef ¢/kg	336.5	335.1	340.9	273.2	273.5	314.2	342.4	330.9	313.8	263.6	330.3
Meat, chicken ¢/kg	176.0	175.9	173.9	173.9	165.1	167.2	173.0	176.0	169.6	171.7	172.2
Meat, sheep ¢/kg	528.3	533.4	550.3	453.3	450.1	447.6	486.8	508.0	458.5	427.6	487.8
Oranges \$/mt	1,139	1,047	1,133	861	1,107	1,009	1,084	1,163	1,107	909	1,090
Shrimp, Mexico ¢/kg	n.a.	n.a.	1179.5	970	864	827	n.a.	n.a.	1,069	945	n.a.
Sugar EU ¢/kg	43.21	43.90	45.41	55.43	49.11	46.38	42.66	43.29	69.69	52.44	44.24
Sugar US ¢/kg	77.17	84.15	84.29	57.31	70.48	84.31	69.62	78.20	46.86	54.88	78.07
Sugar, world ¢/kg	40.71	49.63	54.26	46.98	50.29	51.82	34.93	42.94	28.21	40.00	44.33
Timber											
Logs, Cameroon \$/cum	425.6	432.0	458.9	414.9	449.5	431.4	408.0	426.3	526.9	421.5	425.6
Logs, Malaysia \$/cum	294.7	310.9	316.4	279.6	271.1	253.6	253.5	293.5	292.3	287.2	271.8
Plywood ¢/sheets	571.8	575.4	578.1	561.5	558.4	557.2	566.3	572.3	645.5	564.6	566.6
Sawnwood, Cameroon \$/cum	813.7	827.1	867.4	779.0	806.3	804.1	787.1	811.8	958.3	748.9	807.6
Sawnwood, Malaysia \$/cum	892.2	887.6	904.0	771.4	807.4	787.8	832.6	883.7	889.1	805.5	841.6
Woodpulp \$/mt	918.0	906.6	910.0	627.7	715.6	780.9	875.5	912.9	820.2	614.6	861.8
Other Raw Materials											
Cotton A Index ¢/kg	199.2	230.9	279.1	141.9	157.7	178.8	199.3	205.2	157.4	138.2	202.9
Cotton Memphis ¢/kg	n.a.	n.a.	n.a.	148.8	172.4	183.6	200.1	n.a.	161.3	145.3	n.a.
Rubber RSS1, US ¢/kg	356.5	375.9	422.8	221.0	284.7	345.2	381.5	360.7	284.1	214.6	368.5
Rubber RSS3, SGP ¢/kg	331.6	353.3	392.5	199.3	256.5	318.6	372.7	337.5	258.6	192.1	347.9
Fertilizers											
DAP \$/mt	496.1	525.0	575.0	309.6	316.9	464.8	458.2	494.1	967.2	323.1	482.6
Phosphate rock \$/mt	125.0	125.0	140.0	90.0	90.0	102.1	125.0	125.0	345.6	121.7	119.6
Potassium chloride \$/mt	345.0	337.5	335.0	506.8	423.0	334.0	316.1	334.2	570.1	630.4	328.8
TSP \$/mt	380.8	428.0	455.0	224.7	235.7	316.9	357.4	389.6	879.4	257.4	364.6
Urea \$/mt	273.0	315.0	329.4	241.6	248.3	281.0	237.2	279.2	492.7	249.6	272.2
Metals and Minerals											
Aluminum \$/mt	2,118	2,162	2,347	1,812	2,003	2,163	2,096	2,090	2,573	1,665	2,139
Copper \$/mt	7,284	7,709	8,292	5,859	6,648	7,232	7,027	7,243	6,956	5,150	7,280
Gold \$/toz	1,216	1,271	1,342	960	1,102	1,109	1,196	1,227	872	973	1,194
Iron ore ¢/dmtu	212.0	212.0	182.0	101.0	101.0	101.0	152.0	212.0	140.6	101.0	157.7
Lead ¢/kg	207.5	218.4	238.0	192.8	229.3	222.1	195.0	203.2	209.1	171.9	209.9
Nickel \$/mt	21,413	22,643	23,807	17,700	17,528	19,959	22,476	21,191	21,111	14,655	21,469
Silver ¢/toz	1,849	2,061	2,347	1,477	1,760	1,693	1,838	1,901	1,500	1,469	1,864
Steel products index 2000=100	230.4	235.0	234.8	210.8	207.4	211.5	241.1	232.4	289.3	227.1	229.0
Steel cr coilsheet \$/mt	850	850	850	700	700	725	838	850	966	783	809
Steel hr coilsheet \$/mt	750	750	750	600	600	625	738	750	883	683	709
Steel rebar \$/mt	530	530	550	500	522	546	621	533	760	486	565
Steel wire rod \$/mt	670	670	660	857	814	751	767	678	1,010	969	725
Tin ¢/kg	2,075	2,270	2,634	1,459	1,517	1,721	1,786	2,055	1,851	1,357	1,932
Zinc ¢/kg	204.5	215.1	237.2	176.1	221.4	228.9	202.6	201.3	187.5	165.5	213.6

\$ = 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

Enhancement in the Value and Revalidation of Advance Authorisation

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

14-PN(RE) In exercise of the powers conferred under Paragraph 02.11.2010 2.4 of the Foreign Trade Policy, 2009-14, the following (DGFT) 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

Commodity Spot Prices in India – 04-08 November 2010

These commodity prices are taken from Multi Commodity Exchange of India (Mumbai) at 6 pm every day.

						(Rs.)
Commodity	Unit	Market	4-Nov	6-Nov	8-Nov	
CER (Carbon Trading)	1 MT	Mumbai	760	765	765	
Chana	100 KGS	Delhi	2410	2410	2419	
Masur	100 KGS	Indore	3203	3203	3202	
Potato	100 KGS	Agra	666.2	666.2	666.3	
Potato TKR	100 KGS	Tarkeshwar	471.3	464.6	465.4	
Arecanut	100 KGS	Mangalore	NA	NA	NA	
Cashewkern	1 KGS	Quilon	NA	NA	NA	
Cardamom	1 KGS	Vandanmedu	869.3	869.3	900.7	
Coffee ROB	100 KGS	Kushalnagar	NA	NA	NA	
Jeera	100 KGS	Unjha	NA	NA	NA	
Pepper	100 KGS	Kochi	NA	NA	NA	
Red Chili	100 KGS	Guntur	NA	NA	NA	
Turmeric	100 KGS	Nzmbad	14775	14775	14780	
Guar Gum	100 KGS	Jodhpur	NA	NA	NA	
Maize	100 KGS	Nzmbad	949.5	949.5	950	
Wheat	100 KGS	Delhi	1272.1	1272.1	1285.8	
Mentha Oil	1 KGS	Chandausi	1309.4	1309.4	1353.9	
Cotton Seed	100 KGS	Akola	NA	NA	NA	
Castorsd RJK	100 KGS	Rajkot	3426.5	3426.5	3426.5	
Guar Seed	100 KGS	Bikaner	2140	2140	2160	
Soya Bean	100 KGS	Indore	2177	2177	2239	
Mustrdsd JPR	20 KGS	Jaipur	559.95	559.95	570.65	
Sesame Seed	100 KGS	Rajkot	5850	5850	5850	
Coconut Oil Cake	100 KGS	Kochi	NA	NA	NA	
RCBR Oil Cake	1 MT	Raipur	NA	NA	NA	
Kapaskhali	50 KGS	Akola	1156.6	1170	1161	
Coconut Oil	100 KGS	Kochi	7332	7332	7384	
Refsoy Oil	10 KGS	Indore	533.35	533.35	552.2	
CPO	10 KGS	Kandla	464.5	464.5	483.2	
Mustard Oil	10 KGS	Jaipur	553.2	553.2	563.7	
Gnutoilexp	10 KGS	Rajkot	668.8	668.8	668.8	
Castor Oil	10 KGS	Kandla	NA	NA	NA	
Crude Oil	1 BBL	Mumbai	3757	3849	3849	
Furnace Oil	1000 KGS	Mumbai	NA	NA	NA	
Sourcrd Oil	1 BBL	Mumbai	NA	NA	NA	
Brent Crude	1 BBL	Mumbai	3832	3905	3905	
Gur	40 KGS	Muzngr	NA	NA	NA	
Sugars	100 KGS	Kolhapur	2723	2723	2738	
Sugarm	100 KGS	Delhi	2955	2955	2970	
Natural Gas	1 mmBtu	Hazirabad	170.2	174.5	174.5	
Rubber	100 KGS	Kochi	19848	20459	20055	
Cotton Long	1 Candy	Kadi	NA	NA	NA	
Cotton Med	1 Maund	Sriganganagar	NA	NA	NA	
Jute	100 KGS	Kolkata	3438	3441	3441	
Gold	10 GRMS	Ahmd	19645	19645	19645	
Gold Guinea	8 GRMS	Ahmd	15779	15779	15779	
Silver	1 KGS	Ahmd	37658	37658	37658	
Sponge Iron	1 MT	Raipur	NA	NA	NA	
Steel Flat	1000 KGS	Mumbai	NA	NA	NA	
Steel Long	1 MT	Gobindgarh	26110	26110	26110	
Copper	1 KGS	Mumbai	370.15	385.8	385.8	
Nickel	1 KGS	Mumbai	1062.2	1083.5	1086.9	
Aluminium	1 KGS	Mumbai	108.2	108.05	107.55	
Lead	1 KGS	Mumbai	110.8	111	110.45	
Zinc	1 KGS	Mumbai	110	111.2	111.15	
Tin	1 KGS	Mumbai	1176.75	1170	1172.75	

(Source: MCX Spot Prices)

Customs Valuation Exchange Rates

November 2010	Imports	Exports	
Schedule I			
1 Australian Dollar	44.70	43.45	
2 Canadian Dollar	44.25	42.95	
3 Danish Kroner	8.50	8.15	
4 EURO	63.00	61.15	
5 Hong Kong Dollar	5.80	5.65	
6 Norwegian Kroner	7.85	7.55	
7 Pound Sterling	70.95	69.00	
8 Swedish Kroner	6.90	6.65	
9 Swiss Franc	46.45	45.15	
10 Singapore Dollar	34.80	33.90	
11 U.S. Dollar	44.90	44.00	
Schedule II			
1 Japanese Yen	55.85	54.15	

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 91(NT)/27.10.2010)

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.

US May Limit Easement, Ahead of G-20 Meet

U.S. Treasury Secretary Timothy F. Geithner refrained from pushing for current-account targets while China softened its stance on the Federal Reserve's quantitative easing days before a summit of the Group of 20.

The Fed's move to buy \$600 billion of Treasuries could contribute “tremendously” to global growth, Vice Finance Minister Wang Jun said after Asia-Pacific Economic Cooperation forum finance chiefs met in Kyoto, Japan, Nov. 6. At the same gathering, Geithner said current-account deficits or surpluses aren't “something that is amenable to limits or targets.”

Policy makers from Asia to South America have warned that the Fed's decision to pump liquidity into the U.S. will depress the dollar and spark flows of capital to emerging markets that threaten asset-price bubbles. China's Vice Foreign Minister Cui Tiankai said Nov. 5 the U.S. step may hurt global confidence, while rejecting state-planning style targets for trade deficits.

Summit Agenda

Geithner said the G-20 leaders, who meet in Seoul Nov. 11- 12, are poised to approve last month's agreement among finance ministers to avoid long-term current account surpluses or

deficits, “assessed against indicative guidelines to be agreed.” The G-20 includes the largest developed and emerging nations, from the U.S. and Germany to Japan, China, India and Brazil.

While the Treasury chief said last month that 4 percent of gross domestic product was “likely to emerge as the basic benchmark countries look to,” he refrained from repeating that guideline in Kyoto. He instead noted policy makers have tried to address persistent trade and investment imbalances since the 1940s, and “it's a process that's going to take some time.”

China has kept its currency's advance against the dollar to less than 3 percent since mid-June, a strategy that's contributed to other currencies rising and nations taking steps to prevent an “unfair disadvantage,” Geithner said last month.

Stop Volatility and Hot Money, Says China

Vice Finance Minister Wang highlighted language in the APEC finance chiefs' statement that nations with reserve currencies must be “vigilant against excess volatility disorderly movements.” The dollar has a majority of global foreign- exchange reserves, according to the International Monetary Fund.

U.S. liquidity creation may become so-called hot money that flows in and out of emerging markets for short-term gains, Zhu Guangyao, a separate vice finance minister, was cited as saying at a conference on Nov. 6 by Shanghai Securities News.

“We pay close attention to the U.S. quantitative easing policy,” Wang said. “Quantitative easing policy that's aimed at boosting the U.S. economy will help the revival of the global economy tremendously.”

India FDI Up 53% to \$4.4bn

Over the last decade, investment capital from India grew at an annualized rate of 53% reaching an estimated \$4.4 billion in 2009. This growing flow of capital from India reflects the increased integration of the two economies and has brought many benefits to the United States, increasing U.S. exports and supporting tens of thousands of jobs in the last six years alone.

An increasing number of Indian-owned firms contribute to U.S. jobs, exports, and growth:

- Goods exports to India reached approximately \$17 billion in 2009, in part due to increased FDI from India.
- Indian companies have aided the turnaround of struggling U.S. firms, saving jobs and improving company performance. They have also made important new investments, stimulating innovation and production in the American economy.

Just a few examples include:

- The Essar Group invested over \$1.6 billion in the declining Minnesota Steel Industries and now employs over 7,200 people in almost a dozen states.
- The Tata Group has invested more than \$3 billion in the U.S. and now employs nearly 19,000 throughout the country.
- Jubilant Organsys Total Capital invested \$246 million in the U.S. and now employs nearly 900 employees throughout the country.
- Wockhardt, a pharmaceutical company, acquired Morton Grove for \$37 million. The deal preserved the jobs of all 200 original Morton Grove employees.
- Crompton Greaves, an entity of the Indian conglomerate Avantha Group, has invested and partnered on a \$20 million project to launch a Center for Intelligent Power with the University of Albany. The deal will create 100 high-tech jobs in upstate New York.
- According to a report by Ernst & Young and the Federation of Indian Chambers of Commerce and Industry (FICCI), the largest share of investment capital from India has been allocated to industries associated with the knowledge economy. This capital is helping the U.S. increase employment in high value-added industries, such as IT and pharmaceuticals.
- FDI from India is expected to continue to grow in the future. There is strong interest from Indian investors in the power, steel, and extractive industries. The pharmaceuticals and health care industries are also expected to receive major investments.

WORLD TRADE SCANNER

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