

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF COMMERCE
DIRECTORATE GENERAL OF FOREIGN TRADE
UDYOG BHAVAN, NEW DELHI-110011**

Policy Circular No. 51 (RE-2008) / 2004-2009

Dated: 6th January, 2009

To
All Licensing Authorities

All Customs Authorities

Subject: FOB value of export for Schemes under Chapter 3 of FTP, clarification regarding commission.

Attention is invited to various schemes under Chapter 3 of FTP. In this regard, references have been received from the Trade and Industry on the issue as to whether commission or discounts have to be included or excluded from the FOB value of exports in the value taken for calculation of the entitlement.

The matter has been examined in detail, and it is clarified that under the various incentive schemes under Chapter 3 of the FTP 2004-09, the computation of entitlement is to be done on the FOB value of exports inclusive of commissions and discounts, if any.

This issues with the approval of the [DGFT](#).

Sd/-
(Satyan Sharda)
Joint Director General of Foreign Trade

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