Circular No. 41/ 2011 - Customs

F.No.450/112/2011- Cus IV
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

229-A, North Block, New Delhi,
14th September, 2011.

To

All Chief Commissioners/ Commissioners of Customs / Customs (Prev.),
All Chief Commissioners/ Commissioner of Customs & Central Excise,
All Directors General under CBEC.

Sir / Madam,

Subject: Export of Non-Basmati Rice, Wheat and Onions - Reg.

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DGFT has issued three notifications on 9.9.2011 which modify the Export policy in respect of Non-Basmati Rice, Wheat and Onion with immediate effect. Notification No.71 (RE-2010)/2009-2014 dated 9.9.2011 makes "Free" the export of **Non-Basmati Rice** subject to it being made by private parties from privately held stocks and only through Customs EDI ports. Notification No.72 (RE-2010)/2009-2014 dated 9.9.2011 makes "Free" the export of **Wheat** subject to such export taking place only through Customs EDI Port. Finally, Notification No.73 (RE-2010)/2009-2014 dated 9.9.2011 "Prohibits" the export of **Onions** of all varieties including those in "cut, sliced or broken in powder form". This prohibition is subject to the transitional arrangement under para 1.5 of the Foreign Trade Policy (FTP).

2. In respect of Onions, the export of which is now prohibited, attention is drawn to transitional arrangement as per para 1.5 of the FTP. As per this arrangement, shipment of export will be allowed "if made within the original validated with respect of available balance and time period of an irrevocable commercial letter of credit, established before the date of imposition of such restriction". Furthermore, such letter of credit and contracts have to be registered with the concerned Regional Authority within 15 days of the imposition of restriction.

3. In this regard it is desired by Board that the prohibition on export of Onion shall be enforced strictly without any deviation. Whenever any export consignment is presented it should be ensured without fail that the conditions of the transitional arrangement as per par 1.5 of the FTP are complied with.

4. Considering the sensitivity of the said items the Board also desires that the export of Non-Basmati Rice and Wheat shall be monitored on fortnightly basis. Accordingly, Director General, Directorate General of Systems will furnish **fortnightly** reports to the Board [Director, Customs, CBEC] indicating exporter-wise, port-wise, destination-wise, quantum and value of Non-Basmati Rice and Wheat exported through EDI Ports. The first such report should be submitted on 03.10.2011.

5. Regarding Onions, Director General, Directorate General of Systems will furnish **daily** reports to the Board [Director, Customs, CBEC] indicating the exporter-wise, destination-wise quantum and value of (i) Onions and (ii) Onions in cut, sliced or broken in powder form exported through EDI Ports. The jurisdictional Chief Commissioners of Customs / Central Excise will furnish similar report in respect of non-EDI ports. The first report due tomorrow i.e. 15.9.2011 shall include details of exports, if any, on 9.9.2011, 10.9.2011,11.9.2011, 12.9.2011, 13.9.2011 and 14.9.2011.

6. The fortnightly and daily reports shall be sent by Director General, Directorate General of Systems / Chief Commissioners to Director (Customs), CBEC vide e-mail at **dircus@nic.in** and **uscusiii@nic.in** .

7. All Chief Commissioners / Commissioners issue a suitable Public Notice and standing order for guidance of trade and staff.

Yours faithfully,

(G.S. Sinha)
OSD (Customs-IV)
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