

Circular No: 20/2019

F. No. 711/12/2011-Commr.(Inv.-Cus.)

Government of India
Ministry of Finance
Department of Revenue
(Investigation- Customs)

New Delhi, dated: 19.07.2019

To,
All Principal Chief Commissioners/Chief Commissioners of Customs/Customs & Central Taxes/
Customs (Preventive),
The Principal Director General, Directorate General of Revenue Intelligence.

Madam/Sir,

**Subject: Guidelines for disposal of Muriate of Potash (MoP) seized/confiscated by Customs
- reg.**

I am directed to draw your kind attention to the issue of disposal of Muriate of Potash (MoP) and to state that Customs field formations and the DRI have seized several consignments of MoP (standard as well as non-standard) which were being attempted to be exported in contravention of the provisions of the Foreign Trade Policy. The field formations had brought to the notice of the Board, certain difficulties faced by them in disposal of seized / confiscated MoP in the absence of any guidelines in this regard.

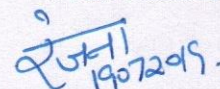
2. The Board, after consulting the Department of Fertilizers (DOF) and the Department of Agriculture Cooperation & Farmers Welfare (DAC), has decided to issue the following Guidelines for disposal of MoP:

- i) The field formations may get the stock of seized/ confiscated MoP inspected by the Fertilizer Inspector of Central Fertilizer Quality Control and Training Institute (CFQCTI), Faridabad and its 3 Regional Fertilizer Testing Laboratories at Chennai, Kalyani Distt. Nadia (West Bengal) and Navi Mumbai, to ascertain whether it is Standard Grade Fertilizer or Non-Standard Grade Fertilizer. Their contact details are as follows:
 - (a) The Director, Central Fertilizer Quality Control and Training Institute, N.H. IV, Faridabad, Haryana (Phone no. 0129-2414712, e-mail: cfqcti@nic.in)
 - (b) The Deputy Director, Regional Fertilizer Control Laboratory, P.B. Madhavaram Milk Colony, Chennai 600 051, Tamil Nadu (Phone no. 044-25552744, e-mail: fqcttn01@nic.in)

- (c) The Deputy Director, Regional Fertilizer Control Laboratory, Plot No. 28-29, Sector 24, Turbhe, Navi Mumbai- 400 703 (Phone no. 022-27838425, e-mail: rfclnavimumbai@gmail.com)
- (d) The Deputy Director, Regional Fertilizer Control Laboratory, B.C.K.V. Campus, P.O. Kalyani-741235, Distt. Nadia (West Bengal) (Phone no. 033-25829291, e-mail: rfclkalyani@gmail.com)
- ii) Alternatively, the field formations may get the stock inspected by the Competent Authorities of the State Government concerned as well. The Commissioner/ Director of Agriculture, Government of State concerned may be contacted in this regard.
- iii) Standard fertilizer grade MoP may be disposed through e-auction via MSTC or any other agency approved by the Board; such e-auction shall be restricted to Fertilizer Manufacturers, Mixture Manufacturers and Research Institutions concerned with agriculture/horticulture.
- iv) Non-Standard grade MoP shall be sold only to Fertilizer Mixture Manufacturers, in terms of clause 23 of the Fertilizer Control Order (FCO) 1985, who can use it as raw material for manufacturing the NPK Mixtures of Fertilizers. Disposal of Non-standard fertilizer to industrial units is not permissible under FCO 1985;
- v) The formations may take efforts to reach out to the Fertilizer Manufacturers, Research Institutes and Mixture Manufacturers informing about the MoP availability and requesting them to participate in the auction. In the event of not getting adequate response in e-auction, physical tender method can be resorted to.
- vi) A copy of Auction Notice and final Disposal Order should be endorsed to the DOF and the DAC on the following addresses:
- (a) The Director/ Under Secretary, Department of Fertilizer (DOF), Ministry of Chemical & Fertilizers, Shastri Bhawan, New Delhi 110001;
- (b) The Director/ Under Secretary, Department of Department of Agriculture Cooperation & Farmers Welfare (DAC), Ministry of Agriculture & Farmer's Welfare, INM Division, Krishi Bhawan, New Delhi 110001.
- vii) Field formations should also ensure that no parallel investigation from any agency is pending (including investigation with respect to subsidy), before disposal of the stock of MoP, which is ripe for disposal.

3. The Principal Chief Commissioners/ Chief Commissioners and the Principal Director General are hereby requested to circulate the aforesaid Guidelines to all the formations under their charge. Difficulties, if any, in implementation of the aforesaid Guidelines may be brought to notice of the Board.

Yours sincerely,



Assistant Commissioner (Investigation-Customs),
CBIC, New Delhi