

- 214 -

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F. No. N. 22012/06/2015-NC-I
Government of India
Ministry of Finance
Department of Revenue

Room No. 267-D, North Block
New Delhi, the 25th April, 2017

To,
The Narcotics Commissioner
Central Bureau of Narcotics,
19, The Mall, Morar,
Gwalior (M.P.)- 474006

Subject:-Guidelines for registration of sales contract for import of balance quantity of poppy seeds from China—reg.

Sir,

I am directed to refer to your letter No. XVI/13/22/N/PS/2016 dated 17.04.2017 and to forward herewith a copy of the guidelines approved by competent authority for registration of sales contract for import of balance quantity of poppy seeds from China for taking further necessary action.

Yours faithfully,



(T.K. Satpathy)

Under Secretary to the Government of India

Tel: 23095415

Encl: as above

GUIDELINES FOR REGISTRATION OF SALES CONTRACTS FOR IMPORT OF BALANCE QUANTITY OF POPPY SEEDS FROM CHINA (25.04.2017)

I DETERMINATION OF COUNTRY CAP

The country cap should be fixed by the Narcotics Commissioner on the basis of figures supplied by the respective Competent Authority of China as soon as the same are available.

II. APPLICATION FOR REGISTRATION OF SALES CONTRACT

- (i) Narcotics Commissioner shall issue public notice intimating the country cap to invite applications for registration of sales contracts for import of poppy seeds, The public notice shall include the application form seeking such information along with supporting documents as the Narcotics Commissioner may deem fit for allowing registration of sales contracts for import of poppy seeds in a fair and transparent manner.
- (ii) The Narcotics Commissioner shall indicate the time period of minimum fifteen days (15) days during which the applications for registration of sales contracts for import of poppy seeds shall be received in his office,
- (iii) Office of the Narcotics Commissioner shall scrutinize the applications received and shall accept applications found to be in order.
- (iv) Each importer with a specific Importer-Exporter Code (IEC) shall submit only one (1) application and shall clearly indicate in his application the total quantity of poppy seeds sales contract they wish to register. In cases where more than one application are submitted by any importer with a specific Importer-Exporter Code (IEC) all such applications shall be rejected.
- (v) The applicant will have to produce sales contract issued by the specified Chinese Exporter in original. In case, the transaction is routed through an agent, then sales contract in original entered by such agent with specified Chinese Exporter in China for export of poppy seed to India will have to be submitted alongwith the application.

III. ALLOCATION TO APPLICANTS

- i. Narcotics Commissioner shall apportion the country cap between the applicant in the following manner
 - (a) If the total quantity applied by all applicants is below the country cap then Narcotics Commissioner shall register all sales contract to the extent of quantity applied for by each applicant.
 - (b) If registration of sales contract cannot be done under clause (a) above, then Narcotics Commissioner shall register sales contract of all eligible applicants to the extent of 180 MT or applied quantity whichever is lower, provided total quantity allocated to all eligible applicants is below country cap.

Aditi
25/4/17

- (c) If registration of sales contract cannot be done under clause (b) above, then Narcotics Commissioner shall register sales contract of all eligible applicants to the extent of 90 MT or applied quantity whichever is lower, provided total quantity allocated to all eligible applicants is below country cap.
- ii. However, if the quantity available for allocation to the applicants is insufficient to allocate to all the applicants in the manner provided in (C) above, selection of applicants shall be done through 'draw of lots'. A 'priority list' shall be made which shall be in accordance with the 'draw of lots'
- iii. Narcotics Commissioner shall inform the date for 'draw of lots' in the public notice issued for inviting the applications for registration of sales contracts for import poppy seeds so that interested applicants may be present during 'draw of lots'.
- iv. Draw of lots shall be carried out in a transparent manner in the presence of the applicants at the stipulated time and date.
- v. Those applicants who do not receive any allocation due to the country cap getting exhausted shall be put on 'waitlist'
- vi. Quantity available for allocation to applicants shall be allocated as per the priority list prepared through 'draw of lots' till the available quantity is exhausted.
- vii. Applicants who were put on 'waitlist' due to exhaust of the country cap shall be allowed, in the order of the priority list drawn at the time of the allocation of country cap, to register sales contract for the quantity applied for, or ninety (90) MT whichever is less, subject to the quantity available by way of surrender as under (V)

IV. VALIDITY OF SALES CONTRACT REGISTERED

The sales contracts registered by the Narcotics Commissioner shall be valid for a period of four (4) months from the date of communication of such registration to the applicants.

V. SURRENDER OF REGISTERED QUANTITY

An applicant, after registration of sales contract may surrender part or full of registered quantity by communicating in writing and received by the Narcotics Commissioner within a period of 30 days from such registration.

VI. PENALTY FOR NON-PERFORMANCE

If an importer fails to import a minimum of 50% of the quantity registered for import, less the quantity surrendered, shall be debarred from registration of sales contract for a period of two years.

VII. **Miscellaneous:**

Adarsh
25/11/12

- (i) Country of Origin Certificate shall not be insisted upon at the time of registration of import contracts but the importer will have to present the same before the custom authorities at the time of actual imports.
- (ii.) In order to enable the Narcotics Commissioner to monitor the actual imports against the country caps, the DG (Systems) would make available the data of import of poppy seeds from all EDI ports of the country in an aggregated as well as disaggregated (importer wise) manner, on a daily basis electronically of the Narcotics Commissioner.

Adarsh
25/4/17
