

Instruction No. 29/2022-Customs

F.No. 524/24/2022-STO(TU)
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Indirect Taxes & Customs)
Tariff Unit

North Block, New Delhi
Dated: 28.10.2022

To,

All Principal Chief Commissioners/ Chief Commissioners of Customs/Customs (Preventive),
All Principal Chief Commissioners/ Chief Commissioners of Customs and Central Tax
All Principal Commissioners/ Commissioners of Customs/ Customs (Preventive)

Madam/ Sir,

Subject: Procedure for identification of parboiled rice varieties during exports – reg.

The undersigned is directed to say that there is presently a levy of export duty on rice falling under CTH 1006.30.90 vide Notification No. 49/2022-Customs dated 08.09.2022 with effect from 09.09.2022. The current classification structure is as follows:

1006 30 - *Semi milled or wholly milled rice, whether or not polished or glazed*
1006 30 10 --- Rice, Parboiled
1006 30 20 --- Basmati rice
1006 30 90 --- Other

2. References have been received of variation in procedure followed for identification of parboiled rice variety of CTH 1006.30.10 (which attracts nil rate of duty) at the time of export so as to distinguish it from other varieties of rice under the CTH 1006.30.90 which are dutiable. It has also been reported that when provisional assessment is resorted, bank guarantee is insisted in some field formations (and not in others) leading to uncertainty/delay in export as well as a financial burden on the exporter in such cases.

3.1 The matter has been examined. The issue here is only the adoption, in normal course, of least burdensome procedure to merely rule out the export of dutiable rice variety declared as non-dutiable parboiled rice variety. The Department of Food and Public Distribution (DFPD) has informed that there is no direct method, other than by testing, found in the

literature, to identify parboiled rice variety with certainty vis a vis other. It is relevant that the DGFT prescribed export policy condition is 'Free' for the above classification structure.

3.2 Accordingly, in the above context, it is guided that the following procedure for confirming the correctness of declaration in respect of goods declared as parboiled rice under CTH 1006.30.10 may be adopted in normal course -

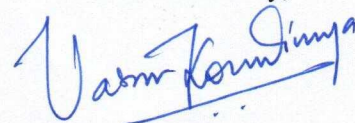
- a. Representative samples be drawn at the time of export and sent for test to CRCL, and consignments allowed for export on a provisional basis with a bond only.
- b. However, drawl of sample for test and provisional basis with bond only may not be applied to export consignment of a Tier-2 or Tier-3 Authorized Economic Operator (AEO) which may be allowed for export basis the declaration/self-assessment, except when RMS specifies that sample for test is required to be drawn.

3.3 The above procedure shall not be applicable in a case where intervention is required based on a specific intelligence; or where for reasons recorded in writing deviation from the above procedure is necessary.

4. Difficulties faced, if any, in the implementation of the above instructions, may be brought to the notice of the Board.

5. Hindi version follows.

Yours faithfully,



(N. Varun Koundinya)
STO (Tariff Unit)

Email: tariffunit-rev@nic.in
011-23093859/23095557

Copy to:

1. Director General
DGARM, New Delhi
2. Principal ADG
NCTC, DGARM, Mumbai