

**Standard Operating Procedures (SOP) towards export policy of Beach Sand Minerals in terms of Notification No. 26/2015-2020 dated 21.8.2018 published by Directorate General of Foreign Trade (DGFT), Ministry of Commerce, Govt. of India and published in the Gazette of India Extraordinary Part-II, Section-3, Sub-Section (ii)**

Directorate General of Foreign Trade, Department of Commerce, Ministry of Commerce and Industry, Govt. of India issued Notification no: 26/2015-2020, New Delhi dated: 21.8.2018 – on export policy on BSM in Chapter 26 of Schedule 2 of ITC(HS) classification of export and import items 2018.

Export of Beach Sand Minerals - Ilmenite, Rutile, Leucosene (Titanium bearing minerals under HSN 2614 0010, 2614 0020, 2614 0031, 2614 0039, 2614 0090), Zircon (HSN 2615), Monazite (under HSN 2612 1000, 2612 2000), Sillimanite (under HSN 2508 5031, 2508 5032, 25085039) and Garnet (HSN 2513 2030) vide the above notification have been brought under State Trading Enterprise and shall be **canalized** through M/s Indian Rare Earths Limited. BSM permitted anywhere in the export policy will now be regulated in terms of policy under Sl. No: 98A of Chapter 26 of Schedule 2 Export policy.

Towards implementing canalization of BSM as per the above notification Standard Operating Procedures (SOP) have been formulated as follows:

**STANDARD OPERATING PROCEDURES :**

- 1) All the exports Beach Sand Minerals to be canalized through M/s Indian Rare Earths Limited (IREL) w.e.f. 21.8.2018.
- 2) BSM producer / seller desirous of exporting the Beach sand minerals shall provide Know Your Customer (KYC) documents to IREL. The list of documents proposed for KYC purpose is given below:
  - Application for registration
  - A profile of the Company / firm, copy of Partnership Deed/Articles & Memorandum of Association, list of Partners/Directors and copy of their PAN Card, Passport, MCA identity. Copies of passport.
  - Copy of GST number
  - Board Resolution / Letter from the partners authorizing all or any one of the directors/partners to sign the documents
  - Specimen Signature of the partners/directors/proprietor duly attested by the Bank
  - Copy of PAN of Company
  - Copy of Annual reports along with audited balance sheet and Profit & Loss Account for immediately preceding 3(three) financial years

...2...

- Copy of income-tax returns for the last year.
- Import Export Code (IEC) Number, if any
- A letter from the Banker indicating the performance and creditworthiness of the Company/firm and also indicating the tenure of relationship.
- Undertaking stating that the director(s)/owner or proprietor or partner (as the case may be), is not convicted by a Court of Law for offences involving moral turpitude in relation to its business dealings with the Government or any other public sector enterprises, during the last five years.
- Undertaking stating that the business dealings has not been banned or suspended by Government of India, any Government authority connected with the line of minerals business or any of the PSU under Government.
- Any other document as deemed fit by DAE

(The above list of documents is exhaustive but not limited as IREL may call for additional documents depending upon the situation obtaining at the particular juncture).

- 3) BSM producer / seller desirous of exporting the Beach sand minerals shall furnish the following documents 30 days prior to export activity to M/s IREL necessary verification:
  - a) Name of the mineral
  - b) Letter of intent containing information pertaining to the mineral viz. quantity, quality (specification), name of the foreign buyer, price, tentative laycan (bulk shipment)/date of shipment (containerised shipment), port of loading, port of discharge, etc.
- 4) BSM producer / seller desirous of exporting the Beach sand minerals shall furnish the following documents 7 days prior to export activity to M/s IREL for necessary verification and doing the needful:
  - a) Monazite Test Certificate issued by AMD for such consignment
  - b) All the relevant documents / permits / certificates as required for export of the said consignment

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...3...

- c) Report of Petrological & Chemical Analysis of the mineral or any other analysis as deemed fit, duly certified by an Inspection agency registered under Export Inspection Council, Ministry of Commerce, Govt. of India (EIC) for quality inspection of minerals/DAE laboratory/NABL accredited laboratory.
- d) Certificate of Origin issued by authority designate
- e) Letter of indemnity – indemnifying IREL against any claims for non- receipt of export proceeds from the foreign buyer.
- f) Royalty payment receipt issued by State Government in case of BSM producer
- g) Purchase order / invoice copy in support of quantity of mineral purchased in case of any seller
- h) Copy of Contract entered into with foreign buyer
- i) Copies of valid Environment Clearance(s) and Consent to Operate (CTO) documents issued by authority designate in case of BSM producers in order to ascertain the permissible production limits.
- j) Copy of the licence issued by AERB under the AE(RP) Rules 2004 in case of BSM producers.
- k) IBM Registration details of the BSM Producer/seller as per Rule 45 of MCDR-2017.
- l) Copy of latest Monthly Returns submitted under Rule 45 of MCDR – 2017.
- m) Undertaking stating statutory compliances with respect to atomic minerals as applicable have been complied by the company.
- n) End User Certificate from the buyer.
- o) Any other document as deemed fit by DAE.

(The above list of documents is exhaustive but not limited as IREL may call for additional documents depending upon the situation obtaining at the particular juncture).

#### 5) Sampling and analysis

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### **Bulk Shipments**

- a) BSM producers / sellers shall make available the material to be exported at port prior to loading for sampling and analysis by IREL / Agency nominated by IREL. IREL/Agency nominated by IREL will draw seven representative samples, two each for the foreign buyer, IREL and BSM producer / seller and one for independent agency, in presence of representative of BSM producer / seller.
  
- b) IREL at its discretion shall analyse the representative sample verify the petrological & chemical analysis reports furnished by the BSM producer / seller and also check the radioactivity levels.

### **Containerized Shipments**

- a) BSM producers / sellers shall make available the material to be exported prior to stuffing and sealing of each container at CFS for sampling and analysis by IREL / Agency nominated by IREL. IREL/Agency nominated by IREL will draw seven representative samples, two each for the foreign buyer, IREL and BSM producer / seller and one for independent agency, in presence of representative of BSM producer / seller. Thereafter, the container(s) shall be sealed by the Customs Department in the presence of IREL and BSM producer / seller.
  
  - b) IREL at its discretion shall analyse the representative sample towards verifying the petrological & chemical analysis reports furnished by the BSM producer / seller and also check the radioactivity levels.
- 6) A service charge of 3% on Free on Board (FOB) invoice value for bulk shipment and containerised shipment to be levied to BSM producer / seller for rendering the above services.