**PUBLIC NOTICE NO.59**

**DTD.21.02.2017**

In exercise of powers conferred under paragraph 2.04 of the Foreign Trade Policy, 2015-2020, the Director General of Foreign Trade hereby amends the revised provision as at sl no.1 [para 2.14(A) of the Handbook of Procedure (2015-20)] of the Public Notice No.54/2015-2020 dated 11.01.2017 as under:

|  |  |  |  |
| --- | --- | --- | --- |
| Slno. | HBP Para/PublicNotice /Appendix | Provision | Revised Provision |
| 1. | 2.14 A | When an IEC holder seeks modification/change of Branch Office/Head Office/Registered Office address in its IEC and which involves a shift in its jurisdictional RA, a request to that effect will have to be made to RA concerned under whose jurisdiction the applicant exists. On the basis of this request, the RA (custodian of the IEC file till now) will process such requests and amend IEC, if found appropriate, under intimation to the RA under whose jurisdiction the applicant wants transfer. The new RA shall allow the person in its new address to carry out necessary functions and also apply for eligible benefits as per FTP | When an IEC holder seeks modification/change of Head Office/ Registered Office address in its IEC and which involves a shift in its jurisdictional RA, a request to that effect will have to be made to the new RA, to whose jurisdiction the applicant is shifting its office. The new RA shall make appropriate amendments, based on documents submitted to it by the applicant. The new RA will also separately inform the RA, who had initially issued the IEC, of the changes made in the concerned IEC. Thereafter, the new RA shall allow the applicant to carry out necessary functions and also apply for eligible benefits as per FTP through its office. |

2. **Effect of this Public Notice:** Amendment in procedure for seeking modification in IEC is notified.

**(A. K. Bhalla)**

**PUBLIC NOTICE NO.021**

**DTD.24.02.2016**

Attention of all Importers, Exporters, Customs Brokers, Members of General Trade, and all other stakeholders is invited to the CBEC Circular No. 04/2017-Customs, dated 16th February, 2017 [F. No. 450/11/2003-Cus IV]

2. CBEC had on a pilot basis introduced 24x7 customs clearance at 4 designated Air cargo complexes and 4 sea ports in respect of facilitated Bills of Entry and factory stuffed containers and goods shipped under free shipping bills [Circular No. 22/20 12-Cus refers].

Subsequently, vide instruction from F. No. 450/25/2009-CusIV dated 31.5.13, the facility of 24x7 clearance [on pilot basis] was simultaneously extended to another 13 Air cargo complexes and to include all shipping bills free or otherwise filed at the said Air cargo complexes.

Since the clearances were run on pilot basis, therefore, on 31.12.14 [Circular 19/2014- Customs], CBEC allowed the facility of 24x7 customs clearance for goods covered by facilitated Bills of Entry and specified exports i. e. factory stuffed containers and goods shipped under free shipping bills on permanent basis at the designated 1 8 Sea Ports (including the 4 sea ports designated earlier). Currently, this facility is available at 1 9 Sea ports with Krishnapatnam having been added later. On the airside also this facility was made available on permanent basis for facilitated Bills of Entry and all shipping bills at the designated 17 Air Cargo Complex.

3. Providing logistics support like machinery/ cranes for container movement, labour etc is the primary responsibility of Custodian or the Customs broker/ importer. CBEC initially restricted the 24x7 to facilitated bills of entry only, keeping in view the time needed to be given to all the stakeholders to gear up for 24x7 clearance. More than two years have passed since CBEC has introduced 24x7 clearance. This much lead time should be enough for the all the stakeholders to put necessary arrangements in place to enable round the clock clearance of all import cargo and not just facilitated one. Customs is anyways operating 24x7 at designated ports/ airports. Therefore, it has been decided by CBEC to extend 24x7 customs clearance to all bills of entry and not just facilitated bills of entry.

4. Board has amended the Customs (Fees for Rendering Services by the Customs Officers) Regulations, 1998 to provide that at 24x7 customs ports and airports, no fee i.e. merchant overtime fee (MOT) shall be collected in lieu of the services rendered by the customs officers. Thus, as on date no MOT charges are required to be collected in respect of the services provided by the customs officers at 24x7 customs ports and airports. Reference was received by CBEC seeking clarification as to whether MOT charges are to be collected in respect of stuffing of export goods at CFSs.

(a) The issue has been examined in the Board. It is observed that a designated 24x7 sea port can have a number of CFSs attached to it. While Board has already exempted MOT charges at 24x7 ports, the reference in essence seeks clarification as to whether MOT exemption can be extended to attached CFSs as well.

(b) CFSs are an extension of the Port. In the overall ecosystem of Customs clearance, CFSs have played an important role in faster clearance of EXIM goods. As a result, bulk of regulatory activity other than appraising, has shifted to CFSs.

(c) Factory stuffed containers are already covered under 24x7 operations, therefore, MOT charges are not required to be paid in lieu of services (like verification of seals etc) rendered by customs officers at CFSs in respect of such containers.

(d) Other than at the manufacturing premises, stuffing can inter-alia also occur at CFSs for export against free shipping bills or otherwise. In the case of sea ports, free shipping bills are already covered under 24x 7 scheme while the goods exported against a claim to benefit are not. Considering that the customs work carried out in the CFSs is actually an extension of the clearance activity at the port, therefore, logically no MOT charges should be leviable in lieu of services rendered by customs officers within the CFS premises even in the case of export against a claim to benefit.

(e) Accordingly, it has been clarified by CBEC vide above said Circular that no MOT charges would be collected at CFSs attached exclusively to 24x7 ports in lieu of services rendered within the CFS. This will bring the MOT collection norms at par with the situation on the air side which cover all shipping bills free or otherwise.

**5.** Any difficulty in the implementation of this circular may be brought to the notice of this office and the Board.

Sd/-

(SUBHASH AGRAWAL)

**CIRCULAR NO. 05/ 2017-CUSTOMS**

**F.No.609/13/2017-DBK**

**DTD.28.02.2017**

I am directed to invite your attention to Circular No. 34/95-Cus dated 06.04.1995 prescribing the monetary limits and frequency of drawal of sample for purposes of grant of drawback and Circular No. 57/1997-Cus dated 31.10.1997 read with Circular No. 25/2005-Cus exempting certain exporters having in house testing facilities and where the samples have earlier been drawn by Central Excise authorities, from drawal of samples for purposes of grant of drawback.

2. In continuation to above mentioned circular, and as a measure of further facilitation, it has been decided by the Board that those exporters who have been accorded Authorized Economic Operator (AEO) certificate (Tier II & Tier III) in terms of Circular No. 33/2016-Customs dated 22.07.2016 are being exempt from the requirements of drawl of samples for the purpose of grant of drawback, except in case of any specific information or intelligence.

3. Suitable Public Notice and Standing Order should be issued for guidance of the trade and officers. Any difficulty faced should be initiated to the Board.

Yours faithfully,

(Dipin Singla)

**CIRCULAR NO. 06/ 2017-CUSTOMS**

**F.No.609/13/2017-DBK**

**DTD.28.02.2017**

Attention is invited to Board’s Circular No. 5/2009-Customs dated 2.2.2009 which prescribes Bank Realization Certificate (BRC) as one of the documents that may be submitted to Customs by the exporters as proof of realization of sale proceeds for exports. Further, for exports with LEO date from 01.04.2014 onwards, an electronic system of reconciliation of sale proceeds (RBI-BRC module) is made functional by DG (Systems) in coordination with Reserve Bank of India (RBI), which has been dealt in Instruction No. 609/59/2012-DBK dated 27.11.2015.

2. A difficulty has been highlighted by field formations and trade that for exports with LEO date 12.08.2012 onwards till 31.03.2014, DGFT’s e-BRC (which is also verifiable from DGFT website) is not being accepted and negative statement from statutory auditor or AD bank is insisted which adds to transaction cost. Non-acceptance of e-BRC of DGFT by field formations is due to fact that it contains “realized value” details but does not contain details of commission, freight, insurance etc. which are often relevant for drawback purpose.

3. In light of the above, the Board has decided that for exports with LEO dates 12.08.2012 onwards till 31.03.2014, DGFT’s e-BRC would be accepted, except in case of specific intelligence or information of misuse. This shall be subject to appropriate declaration by the exporter on back of DGFT e-BRC. Format of the said declaration is annexed herewith.

4. A suitable Public Notice and Standing Order may be issued for the guidance of the trade and staff. Difficulties faced, if any, in implementation of the Circular may be brought to the notice of the Board at an early date.

Yours faithfully,

(Dipin Singla)