F.No.450/126/98-Cus.IV

Circular No. 35/99-Cus
dated 22/6/1999

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs, New Delhi

Subject : Simplification in procedure for movement of export goods from factories, 100% ECUs/EPZs etc. on the Basis of self certification and reduced percentage of Physical Examination - Regarding -

2. Reduction in percentage of Physical Examination of Export Cargo.

I am directed to refer to Board"s Circular No. 90/98-Cus.IV dated the 8th December, 1998 on the above mentioned subject and to say that doubts have been raised regarding percentage of examination as prescribed in Para 7 of the Circular and applicability of Scheme to FOUs as provided in Para 9 of the said Circular. The issue have been examined by Board and it has been decided to make the following amendments in the said Circular :-

2. Para No. 7 of the said Circular may now be read as under :- "7. In modification of Board"s F.No. 446/42/91-Cus.Iv dated the 6th August, 1991, the following percentage of examination may be adopted at the Port of Export.

(a) In case of consignments shipped under Free Shipping Bills, only 10% of the consignments in a day shall be selected at random.

(b) In the case of consignments shipped by SSTh/STH/TH/EH Government Department/Public Sector Undertaking under any export incentive/promotion scheme, only 10% of their consignments in a day may be examined provided the estimated export incentives involved in each Shipping Bill is less than Rs. 1,00,000/- (one lakh).

(c) In case of consignments belonging to exporters other than (b) above, where the incentives under any export incentive/promotion scheme is less than Rs. 1,00,000/- (one lakh), only 50% of their consignments in a day shall be taken up for physical examination.

(d) In cases, where the estimated incentive is Rs. 1,00,000/- (one lakh) or above, all such consignments should be taken up for examination". 3. In respect of paragraph 9 of the Circular doubts have been raised about applicability of Circular to 100% EOUs. The issue has been examined and it is clarified that the self-certification facility will be applicable to all EOUs/EPZ/EHTP/STP units if they have been accorded EH/TH/STH/SSTH status under the EXIM Policy.

4. The above changes may be brought to the notice of the trade as well as the Departmental officers by way of issue of suitable Public Notice and Standing order. Difficulty, if any, in implementation of the above procedure may kindly be brought to the notice of the Board.

Sd/-
(Rajendra Singh)
Under Secretary to the Government of India