Circular No.29 / 2010-Customs

F.No.450/90/2010-Cus-IV
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

159A,North Block,
New Delhi-110001
20th August , 2010

To

All Chief Commissioners of Customs / Customs (Prev.).
All Chief Commissioners of Customs & Central Excise.
All Commissioners of Customs / Customs (Prev.).
All Commissioners of Customs & Central Excise.
All Director Generals under CBEC.

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Subject: **Extension of ACP Programme to Export Houses / Trading Houses - Regarding.**

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Sir / Madam,

Kind attention is invited to Board's Circular No.42/2005-Cus dated 24.11.2005 introducing Accredited Clients Programme (ACP) to grant assured facilitation to importers who have demonstrated willingness to comply with Customs laws.

2. Representations have been received in the Board from Trade and Industry Associations requesting to extend the benefit of ACP scheme to the category of status holders like Export Houses, Star Export Houses, Star Trading Houses etc.Requests have also been made to relax the criteria prescribed vide Board's Circular No.42/2005-Customs dated 24.11.2005 regarding eligibility for grant of ACP status in cases booked in respect of Customs,Central Excise and Service Tax issues so that purely technical cases should not become a disqualification.

3. The matter has been examined in the Board.In order to extend the facility of ACP to other categories of importers, it has been decided to amend Para 7(i) of the Circular No.42/2005-Cus dated 24.11.2005 to include the status holders under the Foreign Trade Policy (FTP) as an eligible category for grant of ACP.Accordingly, the Para 7(i) of the Circular No.42/2005-Cus dated 24.11.2005 will read as follows:

" 7(i) They should have imported goods valued at Rs. Ten Crores [assessable value] in the previous financial year; or paid more than Rs. One Crore of Customs duty in the previous financial year; or, in the case of importers who are also Central Excise ssesses, paid

Central Excise Duties over Rs. One Crore from the Personal Ledger Account in the previous financial year, or they should be recognized as 'status holders' under the Foreign Trade Policy."

4. It is further clarified that the status holders under the FTP shall have to fulfil the other criteria laid down in Paras 7(ii) to 7(vii) of the Circular No.42/2005-Cus dated 24.11.2005 as modified by Para 6 below ,along with other conditions of the said Circular in order to become eligible for grant of ACP status.

5. In this regard, it is also clarified that in the application form attached at Annexure - 1 to Circular No.42/2005-Cus dated 24.11.2005, the following shall be inserted after Sl.No.23:

"23A	"Details of category of status holder granted under the FTP "

a6. The Board has also considered the suggestions of the trade and industry to redefine the criteria of cases/ of infringements relating to Customs, Central Excise and Service Tax for grant of ACP status. Accordingly, it has been decided to amend the Para 7(iii) of the Circular No.42/2005-Cus dated 24.11.2005 to specify the following category of cases booked in the previous three years that would disqualify a person from the grant of ACP . Thus, the amended para 7(iii) will now read as follows:

" 7(iii) They should have no cases of Customs, Central Excise or Service Tax, as detailed below, booked against them in the previous three financial years.

(a) Cases of duty evasion involving mis-declaration / mis-statement/collusion / willful suppression / fraudulent intent whether or not extended period for issue of SCN has been invoked.

(b) Cases of mis-declaration and/or clandestine/unauthorized removal of excisable / import / export goods warranting confiscation of said goods.

(c) Cases of mis-declaration / mis-statement / collusion / willful suppression / fraudulent intent aimed at availing CENVAT credit, rebate, refund, drawback, benefits under export promotion/reward schemes.

(d) Cases wherein Customs/Excise duties and Service Tax has been collected but not deposited with the exchequer.

(e) Cases of non-registration with the Department with intent to evade payment of duty/tax".

7. The said Circular No 42/2005 - Cus dated 24.11.2005 will be further amended by insertion of a new Para 8, which reads as under:

"8. The Chief Commissioners of Customs / Central Excise are empowered to report to Risk Management Division (RMD), Mumbai, cases meeting the identified criteria as per Para 7 (iii) above for exclusion from the ACP even though Show Cause Notice has not been issued."

8 Further, the existing paras 8 to 15 of Circular No.42/2005-Cus dated 24.11.2005 will be renumbered as paras 9 to 16, respectively.

9. Board's Circular No.42/2005-Cus dated 24.11.2005 stands modified to above extent.

10 A suitable Public Notice and Standing Order may be issued for the guidance of the trade and staff.

11 Difficulties faced, if any, in implementation of this Circular may be brought to the notice of the Board.

Yours faithfully,

(R. P. Singh)
Director (Customs)

Internal circulation - As usual.

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