Circular No 30/2003- CUS
4th April, 2003

F.No.450/30/2003-Cus-IV
Government of India
Ministry of Finance and Company Affairs
Department of Revenue
Central Board of Excise and Customs

Subject: Self assessment scheme for accelerated clearance of import/export cargo.

I am directed to refer to para 185 of the speech of the Hon'ble Minister of Finance and Company Affairs while presenting the Budget for 2003-2004. The relevant paragraph is reproduced below:-

*"To bring our customs clearance procedures at par with best international practices, I propose to introduce, this year itself, **a self-assessment scheme for importers and exporters**. Briefly stated, under the self-assessment scheme, the importer himself/herself will determine the classification of goods, including claim for any exemption benefit, and the system will calculate the duty based on his/her declaration. Physical inspection of imported goods will be done by using risk-assessment and management techniques on a computer-based system and not on the orders of customs examining staff. Further, the existing system of concurrent audit of import documents will be replaced by post-clearance audit, as prevalent in developed countries".*

2. To begin with, it has been decided by the Board to introduce a self-assessment scheme called the **Accelerated Clearance of Import and Export Scheme (ACS**). The salient features of the ACS are as follows:-

I. IMPORTS

(1)	The importer himself/herself will determine the 8 digit classification, claim the relevant exemption benefit, declare the correct value as reflected in the invoice and the EDI system will calculate the duty based on such declaration. There will be no physical examination of the goods..	
(2)	The following categories of importers would be eligible to avail this scheme [with the exceptions mentioned in sub-para (4)] -	
	(a)	All Status Holders under the EXIM policy
	(b)	Central and State Government Public Sector Undertakings.
	(c)	All importers (including manufacturer-importers) who have been importing goods for the past two years from a particular customs station and have filed at least 25 Bs/E during the preceding year at that particular customs station.
(3)	The following imported goods would also be	

	eligible to be assessed under this scheme, where covered by the notifications mentioned alongside, irrespective of the category of the importer:-	
	(a)	Goods already covered under the present Systems Appraisal. So far as Gold is concerned the dock/shed appraiser will reject the green channel and would physically examine the gold consignment to verify whether the imported gold is eligible for concessional duty at the rate of Rs.100 per 10 gms.
	(b)	Crude petroleum and petroleum products (tariff heading 27090000)
	(c)	Fertilisers (notfn no 21/2002-Cus dated 1.3.2002 sl nos 106 to 113)
	(d)	Bulk imports of sulphur (notfn no 21/2002-Cus dt 1.3.2002, sl no 60)
	(e)	Rock phosphate (tariff heading 25101010, 25102010)
	(f)	Cereals (notfn no 21/2002 -Cus dt 1.3.2002 sl no 11, 18, 20, 22).
	(g)	Project Imports (notfn no 21/2002-Cus dt 1.3.2002 sl nos 399,400, 401, 401A).
(4)	The following types of goods **would not be covered** for clearance under the scheme, irrespective of the importer:-	
	(a)	Primary agricultural products and edible food products requiring no objection certificate from plant quarantine, port health authority, sanitary import permit etc.
	(b)	Goods leviable to anti dumping or safeguard duties.
	(c)	Second-hand machinery.
	(d)	Ball bearings
	(e)	Scrap, waste, dross and ash or slag of all ferrous and non-ferrous metals
	(f)	Rags and Scrap/waste of any other material such as plastic, paper etc.
	(g)	Goods requiring any test to comply with provisions of

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		Allied Acts/Rules/Regulations
	(h)	Drugs, pharmaceuticals including formulations,
	(i)	Gold, diamond, platinum and other precious stones.
	(j)	Goods requiring for assessment, production of Bonds, Bank Guarantees, Undertaking, Certificate, Licenses etc.

II. EXPORTS

(1)	So far as exports are concerned, for the following categories of exporters the declarations made in the shipping bills will be accepted without any scrutiny and there will be no physical examination of the export consignment [Board's Circular No 6/2002 dated 23.1.2002 stands modified accordingly]	
	(a)	All status holders under the EXIM Policy.
	(b)	100% EOUs, EHTPs and STPs whose goods have been stuffed/sealed in the presence of Central Excise/Customs officer.
	(c)	Central or State Public sector undertakings.
	(d)	Manufacturer-exporters who have been exporting for over two years from a particular customs station and have filed at least 25 Shipping Bills at the said customs station during the preceding year.
	(e)	Bulk (loose) exporters of any goods.
(2)	Goods requiring for assessment of Shipping Bills, production of Bonds, Bank Guarantees, Undertaking, Certificate, Licenses etc **would not be covered** for clearance under the scheme, irrespective of the category of the exporter.	

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3. This scheme will apply only to those importers/exporters in whose case no proceedings have been initiated against them or their directors/partners or proprietors, during the last three years under the provisions of the Customs/Central Excise/FEMA Act, Rules or Regulations. (Technical violations will not be considered a disqualification).

4. Before availing this scheme the importer/exporter should file an application as detailed in **Appendix 1** of this Circular, with the jurisdictional Commissioner of Customs/Central Excise who will convey his approval, or otherwise, within fifteen days of the receipt of the application.

5. The importer/exporter desirous of availing this scheme would be subject to **post clearance(import/export) audit** by the Customs/Central Excise Departments.

6. It may, however, be noted that in cases of specific intelligence /information or alert notice issued by any enforcement agencies, physical examination of goods operating under this scheme, may be resorted to with the prior approval of an officer not below the rank of Joint Commissioner of Customs/Central Excise.

7. Initially this scheme will be operated on a pilot basis at Air Customs(both export and import) at Sahar, ICD Tughlakabad, New Delhi and Chennai Sea Customs (both import & Export).

8. This scheme, so far as it relates to IMPORTS, will come into operation with immediate effect. Wide publicity may be given through trade notices, seminars and interactive sessions with trade associations and CHAs to explain the requirement and benefits of the scheme. The officers and staff posted in the assessment groups handling the work relating to clearance and audit should also be trained. The Commissioners should take special care and make proper arrangements for the success of this scheme.

9. The scheme would be reviewed on the basis of the actual working and would be extended to other customs stations where EDI System is operational, with appropriate modifications wherever necessary.

10. Difficulties if any experienced or anticipated in implementation of the scheme should be brought to the notice of the Board immediately.

11. The receipt of this circular may kindly be acknowledged.

12. Hindi version will follow.

D.S. Garbyal
Under Secretary to the Government of India

APPENDIX-1

1. Name of importer/exporter

2. IE Code of the importer/exporter

3. Name of the Custom House/ACC/ICD/CFS

4. Importing in the customs station since

5. Number of B/E, S/Bs filed in 2002...2001...

6. If manufacturer exporter/importer -

    1. Address of the factory/factories with CE registration No.
    2. E-Mail address, if any

7. Name, designation of the authorised signatory

8. Specimen signature of authorized signatory.

9. Telephone number/mobile number/E-mail address of the authorized signatory

10. Name and address of the CHAs authorized to file B/E, S/B on behalf of the importer/exporter

11. CHAs licence number.....LOI number/.....

12. Has the importer/exporter orany of his/her Director/Partner been proceeded against under the provisions of Customs/Central Excise/FEMA Acts. Rules and Regulations in the last three years... Yes/No.

If yes, details of cases may be furnished.

13. Does the importer/exporter follow recognized accounting standards, if so, details thereof.

14. Briefly indicate the internal controls followed for accounts management.

15. I am willing to submit to post clearance audit and will undertake to produce the records, when asked for by the Department.

16. I agree to maintain all records/registers for a period of five years.

17. I/We hereby certify that all the above statements are true to the best of my knowledge. I understand that if any part of this declaration is found to be false at any time, the facility of **Accelerated Clearance of Import and Export Scheme (ACS)** will be liable to be cancelled/withdrawn.

Signature of the authorized signatory

Name_____

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Circular No. 109 /2003- CUS
December 19, 2003

F.No.450/30/2003-Cus-IV
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs

Subject: Self assessment scheme for accelerated clearance of import/export cargo.

I am directed to refer to Board's Circular No.30-Cus, dated 4.4.2003 issued from F.No.450/30/2003 vide which self assessment scheme for accelerated clearance of import/export cargo was introduced on the pilot basis at Air Customs (both export and import) at Sahar, Mumbai , ICD , Tughlakabad, New Delhi and Chennai Sea Customs (both import & export).

2. It has been decided to extend the self assessment scheme for accelerated clearance of import/export cargo on pilot basis to Bangalore Air Cargo Complex also Accordingly, the para 7 of the said Circular has been substituted as under:-

"7. Initially this scheme will be operated on a pilot basis at Air Customs (both export and import) at Sahar, Mumbai, Bangalore Air Cargo Complex (both export and import) , ICD Tughlakabad, New Delhi and Chennai Sea Customs (both import & Export). "

3. The receipt of this circular may kindly be acknowledged.

4. Hindi version will follow.

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