

**GOVERNMENT OF INDIA
OFFICE OF THE COMMISSIONER OF CUSTOMS
CUSTOM HOUSE: 15/1, STRAND ROAD, KOLKATA-700 001**

PUBLIC NOTICE: 27 /2009

Sub: Examination norms for goods exported under Reward Schemes-reg.

Attention of all Importers, Exporters and Custom House Agents is invited to Board's Instruction F.No. 450/151/2008-Cus-IV of 13.01.09 on the above subject, copies of which are enclosed for guidance and strict compliance.

R. Sodhi
31.3.09

(R. Sodhi)

Addl. Commissioner of Customs (Apprg.)

F. No. S106-03/07A/ (G) Pt. II

Dated:

[Authority: F.No. 450/151/2008-Cus-IV of 13.01.09 issued by Ministry of Finance,
Department of Revenue]

Circular No.1/2009-Customs

F. No. 450/151/2008-Cus.IV
 Government of India
 Ministry of Finance
 Department of Revenue
 Central Board of Excise & Customs

North Block, New Delhi.
 13th January, 2009.

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 General under CBEC.

Subject: Examination norms for goods exported under Reward Schemes— reg.

Sir / Madam,

Reference is invited to the Board's Circular No.6/2002-Customs dated 23.1.2002 as amended vide Circular No.13/2003-Customs dated 3.3.2003 and Circular No.30/2003-Customs dated 4.4.2003 laying down the examination norms for export of goods under different export promotion schemes. As may be seen under Para 2.1(B) of Circular No.6/2002-Customs, the scale of examination of export goods in respect of exports under Free Shipping Bills, for which no benefits / export incentives are claimed, has been prescribed as "no examination except where there is a specific intelligence".

2. Subsequently, it has been noticed that in respect of some Export Promotion Schemes, export incentives are available even against Free Shipping Bills such as Export and Trading House Status, Served from India Scheme (SFIS), Vishesh Krishi and Gram Udyog Yojana (VKGUY), Focus Market Scheme (FMS), Focus Product Scheme (FPS), High-Tech Products Export Promotion Scheme (HTPEPS) etc.

3. The matter was examined in consultation with Director General of Foreign Trade (DGFT) and Ministry of Commerce and it was decided that the exporters who want to claim incentives under any of the aforementioned schemes should make their intention clear to claim such benefits at the time of export itself. Accordingly, it has been provided under Para 3.23.8 of the FTP 2008-09 that the exporter shall state the intention to claim benefits under Chapter 3 of the FTP by declaring on the Free Shipping Bills as under:

'I/We, hereby, declare that I/We shall claim the benefits, as admissible, under Chapter 3 of FTP.'

4. Therefore, it has been decided that exports made on Free Shipping Bills, where the exporter is claiming benefits of only Schemes under Chapter 3 of FTP as explained above, shall be governed by the following examination norms:

S.No.	Category of Exports	Scale of Examination	
		Export consignments shipped to sensitive places viz. Dubai, Sharjah, Singapore, Hong Kong and Colombo	Others
(i)	Exports under Free Shipping Bills where benefits under Chapter 3 of the FTP have been claimed by the Exporter and where the FOB value is Rs.20 lakhs or less	25%	2%
(ii)	Exports under Free Shipping Bills where benefits under Chapter 3 of the FTP have been claimed by the Exporter and where the FOB value is more than Rs.20 lakhs.	50%	10%

5. However, if the export is made claiming benefits of Drawback / DEPB or any other export promotion scheme in addition to claiming benefits under any Schemes of Chapter 3 of FTP, then the examination norms as prescribed by the Board for the respective export promotion schemes would apply.

6. If the exports are made on free shipping bill without any declaration of any claim under Chapter 3 of FTP, the existing norms of "no examination except where there is specific intelligence" would continue to apply.

7. The relevant portions of Circular No.6/2002-Cus. dated 23.1.2002 stand amended as stated above. The revised examination norms under the Reward Schemes will be implemented w.e.f. 1.2.2009.

8. These instructions may be brought to the notice of all concerned by way of issuance of suitable Public Notices/Standing Orders.

9. Difficulties, if any, in the implementation of these instructions may be brought to the notice of the Board.

10. Hindi version will follow.

Yours faithfully,

mm parthiban

(M M Parthiban)

Copy to:

All CCs/CCE(Appeals).
CDR (CESTAT).
Internal Circulation as usual.