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F. No. S/12-Gen-02/2007 AM (X) Date: 06.12.2007

Facility Circular No :53/2007 (Referred / amended vide P.N.No. 49/2008)

Sub: Self Sealing of export goods under Free Shipping Bills Reg.

Attention of all exporters, CHAs, Members of Trade & Industry is hereby invited to Boards circular No. 860/18/2007-CX dtd. 22.11.2007 reproduced below:

I am directed to refer to Boards circular no. 736/52/2003-CX dated 11.08.2003 on the above subject. Vide this circular, the facility of self-sealing was extended to all categories of manufacturer-exporters. In this regard, references have been received from field formations that in spite of this facility being available to the exporters, a large number of exporters prefer stuffing and sealing of export containers in the presence of Central Excise officers. However, with increase in number of such exports and requests for stuffing and sealing in the presence of Central Excise officers, the workload of the Central Excise Range staff is increasing substantially. As a consequence, it is felt that their normal Central Excise Range work is being adversely affected. This necessitated re-examination of the procedure relating to stuffing and sealing of export containers in the presence of Central Excise officers.

- 2. The matter has been examined. It is seen that even those manufacturer-exporters who have the option of self-sealing make request for Central Excise sealing since the percentage of examination at the port of export of such containers is substantially reduced as per the prescribed guidelines. However, it may be noted that as per para 2.1 B of Boards Circular No. 6/2002-Cus dated 23.01.2002, where exports are against free shipping bills, no opening/examination of containers is to be done at the port of export, except where there is intelligence/information about any concealment, mis-declaration, etc. The examination norms in respect of free shipping bills does not distinguish between a containers, which have come under self sealing by the manufacturer/exporter or which have been stuffed/ sealed by jurisdictional Central Excise officers.
- 3. In view of the above, it has been decided that henceforth in case of exports under free Shipping Bill, i.e., Shipping Bills wherein no export benefits are being sought, the manufacturer-exporter shall mandatorily resort to self-sealing of containers. The central excise officers shall not attend to the request of stuffing and sealing of export containers in their presence, in case the exports are under free shipping bills. Further, with a view to ensure safety and security of the export consignment, all such containers should be sealed with tamper proof one time bottle seals as stipulated vide Boards Circular No. 01/2006-Cus. dated 02.01.2006.
- 4. Boards circular No. 736/52/2003-CX dated 11.08.2003 stands modified to the above extent.
- 2. In view of Boards circular No. 860/18/2007-CX dtd. 22.11.2007 henceforth free shipping bills wherein no export benefits are claimed, the manufacture-exporter shall mandatorily resort to the procedure of self sealing of export containers. The manufacturer exporters exporting under free shipping bill under self seal procedure shall follow the procedure for self sealing prescribed in Public Notice No. 11/2004 of JNCH dtd. 5/2/04 and facility circular No. 05/2007. The manufacturer exporter going for self sealing / self certification under free shipping bills will intimate Assistant Commissioner of Customs (Factory Stuffing) for updating directory in the EDI system.
- 3. Difficulties, if any, in following the above procedures may be brought to the notice of Additional Commissioner of Customs (Export) in charge of Factory Stuffing Cell.

(K. L. GOYAL)

COMMISSIONER OF CUSTOMS (EXP)