

File No.- S/16-DEEC-GEN-1520/09/VIID-

STANDING ORDER NO.09/2011

- 1. Attention of all the officers concerned is invited to <u>Standing Order No 53/2009</u> dated 09.11.2009, <u>Circular No.5/2010- Cus dated 16.03.2010</u> and Instruction F. No. 609/119/2010-DBK dated 18.01.2011. The following modifications /clarifications with regard to the said Standing Order are made to further streamline the procedure of verification and monitoring of DEEC/Advance Authorisation scrips.
- 2 DEEC Verification Section and DEEC Monitoring Cell of Jawaharlal Nehru Custom House, Nhava Sheva, are merged w.e.f. 14.02.2011. After this merger, the verification of Shipping Bills and cancellation of Bonds / BGs will be done at the existing office of DEEC Monitoring Cell situated at JNCH, Nhava Sheva. The merged Cell shall be known as DEEC Monitoring Cell.
- 3. As per para 4.26 of the Handbook of Procedures Vol. I (2009-2014), in the case where export obligation under Advance Authorisation is fulfilled, Regional Authority of DGFT redeem the case. After redemption, Regional Authority of DGFT issues EODC/Redemption letter/ No Bond Certificate (in case of No BG/LUT facility) [herein after all 3 referred as EODC] indicating shipping bill number(s), date(s), FOB value in Indian Rupees as per shipping bill(s) and description of export product in respect of shipment which were taken into account for the purpose of fulfillment of EO. Cancellation/redemption of BG/LUT is undertaken by Customs after receipt of EODC with export details.
- 4. There are two types of EODC issued by DGFT. One type bears the requirement that Customs Authority shall verify the details of export from their records. Another type does not bear any such requirement. Wherever the EODC issued by DGFT bear the requirement that the Customs department should carry out verification, then such verification shall be done as per the existing procedure as modified in this order. In

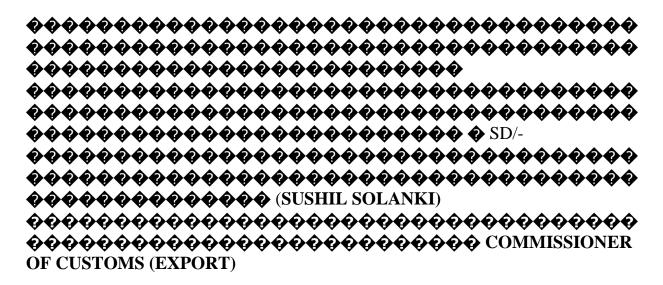
other cases, the EODC shall be accepted unless there is an intelligence suggesting misuses or for cases given in para 5. However it may be ensured that EODC is received alongwith export details from DGFT.

- 5. DEEC Monitoring Cell may, however, verify EODC on random basis in �5% cases where it is �not bearing the requirement that the Customs department should carry out verification. Selection of 5% cases for random verification may be carried out on the criterion like sensitive items, high value exports by relatively unknown exporters, exporters whose addresses appear incomplete/suspicious, exporters appearing in the Denied Entity List of DGFT, exports made through other ports, etc.
- 6. All the original EODCs received from DGFT/submitted by exporter during a month at DEEC Monitoring Cell will be registered sequentially by TA/STA in the register. The register should have a column as to whether DGFT has prescribed requirement of verification by Customs or not. Cases where no such requirements have been prescribed would be considered for selection of 5% random cases for verification. On the first working Monday of next month, Superintendent/AO and Dy/ Assistant Commissioner of Monitoring Cell will select on the basis of above criteria 5% cases for verification. Additional/Joint Commissioner of Monitoring Cell will approve/modify the list. A list of all the cases selected for verification and the cases where EODC has been accepted by the department in the previous month shall be issued by a Public Notice every month by 10th of each month. An intimation would be sent to submit required documents where the case requires verification.
- 7. In the cases where the original EODCs do not bear the requirement of DGFT for verification of exports by Customs Authority or which have not been selected by Customs for verification, BG/LUT will be cancelled/redeemed by Monitoring Cell within maximum ten days of receipt of EODC and list of these cases shall be issued vide a Public Notice every month by 10th of each month.

-2-

- 8. The EODCs with export details issued by DGFT which bear the requirement that the Customs Department should carry out verification of export details as per their records or the cases selected by Customs for random verification, the licence holder shall furnish the documents as per Annexure �A�. In such cases the existing procedure of verification and logging of shipping bill would continue.
- 9. In cases where the EODC/Redemption letter is issued before the expiry of the validity of the Licence/Advance Authorisation, on the basis of proportionate import and export, then the said licence/ Advance Authorisation shall be blocked for further import in the EDI system by Supdt/AO Monitoring Cell before cancellation of Bond.

- 10. Other procedural requirements as outlined in <u>Standing Order No 53/2009</u> dated 09.11.2009 shall continue to be followed with the aforesaid modifications.
- 11. One Supdt/AO working in DEEC Monitoring / Verification Cell would be nominated as Nodal Officer to liaise with DGFT to check Export Obligation status of Advance Authorisation in cases where EOP has expired. He should visit DGFT Office at least on quarterly basis to find out cases where EODCs have not been issued after expiry of export obligation period.
- 12. Any Difficulty faced in implementing the above may be brought to the notice of the undersigned immediately.



- **♦**To all the concerned officers
- **©**Copy for information to:
- (i) The Chief Commissioner of Customs, Mumbai-II, JNCH.
- ♦ii)♦ The Commissioner of Customs (Import), JNCH.
- �iii) The Addl Commissioner of Customs (EDI) for uploading the same on JNCH����
- ����� Website.

ANNEXURE- • A

EODC/Redemption letter/ No Bond certificate with export details issued by DGFT which bear the requirement that the Customs Department should carry out verification of the details of export from their records or the cases selected by Customs for random verification, the licence holder shall furnish the following documents:

- •1. In case of physical export under EDI Shipping Bills from Nhava Sheva:
- (i) Statement of import and export against the licence as submitted to DGFT in ANF 4F.
- (ii) Original Licence along with all amendment sheets including invalidation letter/ARO, if any,
- ** issued by the licensing authority. In cases where Original Licence is retained by DGFT,
- ���� document showing endorsement of DGFT about retention of Original Licence.
- (iii) Original EODC/Redemption letter/No Bond certificate with details of exports issued by
- **�����** DGFT.
- (iv) Bank Realization Certificate from bank.
- (v)♦ ARE-1/ARE-2, wherever necessary.

- 2. In case of physical export under Manual Shipping Bills from Nhava Sheva or EDI/Manual Shipping Bills from other ports, besides the documents as above at 1, the following documents will also be required:
- (i) B/L or Mate receipt copy
- (ii)**♦** ARE-1/ARE-2
- (iii) Copy of the EP copy of Shipping Bills and BRCs.
- (iv) Bank Realization Certificate from bank.
- 3. In case of Deemed Export besides the documents as above at 1, the following documents will also be required:



A copy of the invoice or a statement of invoices duly signed by the unit receiving the

* material and their jurisdictional excise authorities certifying the item of supply, its quantity,

���� value and date of such supply.

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in &case & of & supply & of & items & which & are & non & excisable & or & supply & of & excisable & items & to & a & unit & producing & non excisable product(s), a project authority certificate (PAC) certifying quantity, value and date of supply would be acceptable in lieu & of excise certification.

3 duly signed by the jurisdictional excise authorities certifying the item of supply, its quantity, value

and date of such supply can be furnished in lieu of the excise attested invoice (s) or statement of invoices as given �above. �

A * A **

v1, copy of the shipping bill with the name of domestic supplier asIntermediate s upplier endorsed on it along

with the file No. / Authorisation No. of the ultimate exporter and the intermediate s upplier shall be required to be furnished.

Payment certificate from the project authority. In the case of Advance

Authorisation for Intermediate Supplies deemed exports, supplies to to the EOUs for EHTPs/STPs/ BTPs,

documentary evidence from the bank substantiating the realization of proceeds from the Authorisation holder or

EOUs/EHTPs/ STPs/ BTPs, as the case may be,through the normal banking chann el. Confirmed irrevocable inland letter of credit or inland bill of exchange uncond itionally Availed/

Co- Accepted/ Guaranteed by a bank and the same is confirmed by the exporter shank and certified by the bank. For status holders, irrevocable inland letter of credit would suffice.



In the above cases (1, 2 & 3) Customs may also demand any other document as deemed proper.