

F.No. D-20/DIC/AEO/Modification/16/59/2017
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
Directorate of International Customs

New Delhi, the January 17, 2018

All Pr. Chief/Chief Commissioner of Customs/Prev./Central Tax,
All Pr. Commissioner/Commissioner of Customs/Prev./Central Tax,
All Pr. Directors General/Directors General under CBEC
All Pr. ADG/ADG under CBEC.

Madam/Sir,

Subject: Amendment in the AEO Programme Circular No. 33/2016 dated 22/7/2016- reg.

Please refer to CBEC's Circular No. 33/2016 dated 22/7/2016 on AEO Programme. Consequent to the mid-term review of Foreign Trade Policy (FTP) wherein certain additional benefits have been assigned to AEO Certified entities, there is an urgent requirement for modification in the existing CBEC's Circular No.33/2016-Cus. dated 22.07.2016.

2. Additionally, in order to maximize the reach of this programme, it has been decided by the competent authority to decentralise the processing of AEO applications so as to meet the objective of trade facilitation and ease of doing business.

3. Accordingly, the following modifications have been made in some of the paras of the aforesaid circular, which are as below:

i. Para 1.5.1 xi may be added as:

"In accordance with the conditions laid down in Para 4.07A of [FTP 2015-2020](#), where there is no SION/valid Ad-hoc Norms for an export product and where SION has been notified but exporter intends to use additional inputs in the manufacturing process, eligible exporter, who is an AEO, can apply for an Advance Authorisation under this scheme on self declaration and self ratification basis"

ii. Para 2.4 may be read as,

"The application should be sent directly to the respective jurisdictional Custom Chief Commissioner's office with a copy to the AEO Programme Manager, Directorate of International Customs or in case of any doubt, to the AEO Programme Manager, Directorate of International Customs, 10th Floor, Tower II, Jeevan Bharti Building, Connaught Place, New Delhi – 110001."

iii. Para 2.5 may be read as,

"The Commissioner, Directorate of International Customs, 10th Floor, Tower II, Jeevan Bharti Building, Connaught Place, New Delhi – 110001 will be the AEO Programme Manager and AEO Programme Team will comprise officers from the Directorate of International Customs or jurisdictional Custom Zones.

iv. Para 3.2.6 may be added as:

"The details of the AEO applicants for legal compliance as per para 3.2.1 will be hosted on CBEC Website (Home-> Departmental Officers-> Systems / Home -> Public Information -> Indian AEO Programme), The field formation can directly respond to concerned office (viz. Zonal AEO Cell) with the requisite legal compliance information within 14 days of uploading the details."

v. Para 3.4 may be read as,

"An applicant must be financially solvent during the three financial years preceding the date of application. The applicant should not be listed currently as insolvent, or in liquidation or bankruptcy. Further, the applicant should not have defaulted in payment of due Customs duties during the past three years.

The applicants applying for AEO T1 and T2 status, can either submit a solvency certificate by a statutory auditor, or a solvency certificate from an independent reputed chartered accountant made on the basis of audited balance sheet of the company, discussing the parameters of solvency (for last 3 Financial Year).

Further, the applicants applying for T3 and LO (and T2 applicants in review) must submit a Solvency Certificate from the Statutory Auditor of the applicant."

vi. Annexure E.4 (g) may be read as

"Whether there is solvency certificate issued by the Statutory Auditor or Independent reputed Charter Accountant? Provide the copy of the same".

vii. Annexure E.2 (b) may be read as

" E.2 (b1): Have any SCNs been issued against you during last 3 F.Y.? If yes, please indicate the details in 'Remarks' column.

E.2 (b2): Whether any SCN has been issued during last three financial years involving fraud, forgery, outright smuggling, clandestine removal of excisable goods or cases where Service Tax has been collected from customers but not deposited to the Government. If yes, please indicate the details in 'Remarks' column."

viii. Para 5.1 may be read as

"The validity of AEO certificate shall be three years for AEO-T1 and AEO-T2, and five years for AEO-T3 and AEO-LO"

ix. Annexure A (4) may be read as

"A(4) Address:

(If there are more than one site/ location, a separate list should be attached for all sites/ locations)

A 4(a): Whether applicant is a manufacturer or trader

A 4(b): If applicant is a manufacturer, what are the main items of manufacturing

A 4 (c): The economic sector of functioning of the applicant (Eg. Auto/ Pharma/ Fertilizer et al)"

x. Para 5.3.6 may be added as:

"All Jurisdictional/ Zonal AEO Cell will nominate an Officer not below the rank of AC/DC as Client Relationship Manager (CRM) for all the AEO entities in their jurisdiction and the same may be uploaded on their website for easy access for these entities. This nomination may also be given wide publicity through Facility Notices."

4. The Board Circular No. 33/2016- Customs dated 22/7/2016 stands modified to above extent
5. Wide publicity may please be given to this Circular by way of issuance of Trade/Public Notice.
6. Difficulties faced, if any, in the implementation of this Circular may be brought to the notice of this office.
7. Hindi version will follow.

Yours faithfully,

(Manish Kumar)
Joint Commissioner (DIC)