

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

New Delhi, August 10th ,2018

All Pr. Chief Commissioner/ Chief Commissioner of Customs/Central Tax,
All Principal Directors General/ Directors General,
All Pr. Commissioner/ Commissioner of Customs/Central Tax,
All Pr. ADG/ ADG

Madam/Sir,

Subject: Simplification and rationalization of processing of AEO-T1 application - reg.

Reference is drawn to the Circular 33/2016- Customs dated 22.7.2016 as amended. The Indian AEO Programme is governed by this circular. Multiple suggestions have been received from various field formations, wherein it has been emphasised that the compliance requirements for AEO T1 are not commensurate with the benefits allowed to AEO T1 entities. The suggestions also highlighted the fact that this has made it difficult to attract entities into the AEO fold. Consequently, a review of the aforementioned circular was done and it was felt that the processing of AEO T1 application requires simplification and rationalization.

Accordingly, it has been decided that the present Annexure for AEO T1 application i.e. Annexure A, C, D, E1,E2,E3 & E4 shall be hereby replaced with the Annexure 1 and Annexure 2 (enclosed herewith). The processing by way of new annexures, annexure 1 & 2, will come in effect immediately. All the new applications for AEO T1 are to be mandatorily filed in form of the new annexures – annexure 1 & 2.

Alongside, to implement the simplified processing and to ensure its desired effectiveness, it is decided by the competent authority that the process of accreditation of AEO-T1 shall be decentralized to the Zonal level. In this decentralized scheme of work, the AEO- T1 application will be filed with the Zonal AEO Cell (as already been done by virtue of Circular 3/2018- Cus). The said application will be processed by the Zonal AEO cell and the final acceptance or rejection will be decided by Zonal AEO Programme Manager

[designated Pr. Commissioner/Commissioner rank officer in Customs Zone nominated by Pr. Chief Commissioner/ Chief Commissioner, Customs]. The Zonal AEO cells will only intimate the decision of Zonal AEO Programme Manager to Directorate of International Customs for generation of certificate [with relevant information of the applicant – Name, IEC Number & PAN] and statistics management.

However, for the application that have already been received by the Customs Zones prior to the of issuance of this circular, the Zonal AEO Programme Manager will have discretion to allow the processing of the application either by way of earlier annexures (Annexure A, C, D, E1, E2, E3 & E4) or by way of new annexures (annexure 1 &2) on case to case basis.

Further, the digitization of processing of AEO T1 application is already underway. The online processing of AEO T1 application will commence as soon as the necessary digital infrastructure is in place.

In the meantime, the processing of new AEO T1 application in form of the new annexures (annexure 1 &2) will come in effect immediately. This will ensure proper preparedness and adequate time to Customs Zones to take up necessary outreach to the trade, informing them about the relevant changes as well as imminent automation of AEO T1 application processing, before the process of transition to digitization is initiated.

The Board Circular No. 33/2016- Customs dated 22/7/2016 as amended stands modified to above extent

Wide publicity may please be given to this Circular by way of issuance of Trade/Public Notice.

Difficulties faced, if any, in the implementation of this Circular may be brought to the notice of this office.

Yours Faithfully,



[Manish Kumar]

Joint Commissioner, DIC

APPLICATION FORM FOR GRANT OF AEO T1 STATUS

Annexure – 1 (General Compliance)

| | COMPLIANCE PARAMETER | Yes/ No | REMARK |
|-------|--|---------|--------|
| 1. | Name of Company / Economic Operator: | | |
| 2 | Has your AEO application been rejected or your AEO status has been suspended in past. If so, on what grounds (please enclose the rejection/suspension letter) | | |
| 3 (a) | IEC No. | | |
| 3 (b) | GSTN No. (Copies of both to be provided) | | |
| 4. | Address: | | |
| 4(i) | Number and Street: | | |
| 4(ii) | City/District, State & Zip Code: (This shall include list of sites, under control, where import / export goods are handled, e.g. packed / unpacked / loaded / unloaded / consolidated etc. in the course of supply to/from international supply chain) Please provide Site Plan for all the above sites. | | |
| 4 (a) | Whether applicant is a manufactures or trader | | |
| 4(b) | If applicant is a manufacturer, what are the main items of manufacturing | | |
| 4© | Industry Classification (Eg. Automotive/ Pharmaceutical/ Textile/ Chemicals & Plastics/ IT/ Metals/ Minerals/ Agriculture & Processed Food/ Electronics etc) | | |
| 5(a). | Contact person: | | |
| 5(b). | Designation: | | |
| 5(c). | Contact Number: | | |
| 5(d). | Alternate Contact Number: | | |

| | | | |
|-------|--|--|--|
| 5(e) | Email address: | | |
| 6. | Company registration No.: (in case of companies registered under the Companies Act, 1956 and / or Limited Liability Partnership Act, 2008) | | |
| 7. | PAN Number (copy to be provided) | | |
| 8(a). | Major Items of import and countries (in descending order of volume) | | |
| 8(b). | Major Items of export and countries (in descending order of volume) | | |
| 9. | Number of documents i.e. Bills of Entry or Shipping bills handled, with the Customs Authorities during the last financial year. | | |
| 10. | Duration for which the entity has business activities preceding the date of application? | | |
| 11. | Provide Process Map that should illustrate the flow of goods and provide sample copy of relevant record keeping documentation (related to – sales & purchase order, inventory management of warehouse and manufactured goods, shipping/transport document) to ascertain the complete trail and flow of goods. It should describe all the activities/ operations and role of the applicant and that of other business partners who are involved in the import-export supply chain in any manner. | | |

Annexure – 2 (Legal, Managing Commercial Records and Financial Solvency Compliance)

| | COMPLIANCE PARAMETER | Yes/ No | REMARK |
|---------|--|---------|--------|
| 1. | Whether there are any cases of infringement of Customs & Allied Laws by any of the following persons over the three financial years preceding the submission of the application: (i) the applicant; (ii) the person responsible in the applicant company for customs matters. If yes, please indicate the details of the cases. | | |
| 2. | Have you been issued an SCN by Customs or GST (erstwhile Central Excise and Service Tax) authorities in last 3 years? If yes, kindly bring out: 1. Brief of the breach including the provision invoked in the SCN. 2. Whether SCN has been adjudicated? If Yes, bring out the decision of the order. 3. Whether there is any case against you wherein prosecution has been launched? | | |
| 3. | Provide the break-up of contingent liability of last three Financial Year. If contingent liability pertains to Customs or GST(erstwhile Central Excise and Service Tax) provide the brief of such liability. | | |
| 4(i) | Provide procedures for administering the license, authorization connected to exports/imports? | | |
| 4 (ii) | Provide procedures for administering the commercial records connected to exports/imports? | | |
| 4 (iii) | Do you deal in goods subject to anti-dumping duties, safeguard duties or countervailing duties? If, yes, please briefly provide details of the goods. | | |
| 5. | Provide procedures for verifying the accuracy of Customs declarations including procedure in place on the establishment of Customs Value and tariff classification. In case any Business Partners/ representative is involved in the above-mentioned process/formalities please provide details of the representative along with the document that brings out the responsibility of the representative. | | |
| 6. | Provide in brief the procedure to ensure the protection of your computerized record system from unauthorized access? | | |

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|-----|--|--|--|
| 7. | <p>Provide procedures for back-up, recovery, archiving and retrieval of your business records.</p> <p>Please state for how long is this data archived.</p> | | |
| 8. | <p>Provide the net worth along with the audited Audit Report of your company for last 3 Financial Year.</p> | | |
| 9. | <p>Provide the Net Current Assets for your company for last 3 years. If it is negative, bring out the reason for the same</p> | | |
| 10. | <p>Provide details of any insolvency, bankruptcy or liquidation proceedings taken against your company in last 3 FY. Please give a declaration in this regard duly signed by CFO or head of Finance department</p> | | |

Note: The applicant should enclose appropriate documentary evidences in support of above claims.

Declaration (to be provided on official letter head of the company):

I hereby declare that all the information given in this application and in all documents submitted herewith is true and accurate.

By tendering this application form for joining the Indian Authorized Economic Operator Programme, I acknowledge my understanding and acceptance of the following terms and conditions:

- To provide in the application the completed application form, self-assessment questionnaire, and supporting documents.
- To inform Indian Customs immediately of any change in the particulars declared on this application form and in all submitted documents any time before the starting of or during the documentary check;
- To offer adequate and reasonable assistance to Indian Customs on documentary check(s); and
- To allow Indian Customs to publish on its homepage the name of my company once accredited.

I understand and agree that all information I submit in relation to this application will be verified by the Indian Customs as required.

Signature *
(Full Name)
Position in Company
Date

* Except for sole proprietorship or partnership, the person who signs this application shall have a written authorization from a board/director of the company to make this application and act on behalf of the company.