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PUBLIC NOTICE NO. 1/2014

Subject: Launch of the Indian Customs EDI System (ICES 1.5) Exports, at Vaishno Container Terminal, Inland Container Depot (ICD) – Tarapur, Mahagaon, Thane (Maharashtra) - reg.

1. Reference is invited to Public Notice no.01/2013-(N.T)-Cus. dated 08.08.2013, issued by this office, and it is further brought to the notice of all exporters, importers, CHAs, Custodian, Banks, Trade and all concerned that the computerized processing of all types of **Shipping Bills** under the Indian Customs EDI (Electronic Data Interchange) System, hereinafter referred to as ICES 1.5, will commence **with effect from 07.08.2014**, at the **Vaishno Container Terminal ICD at Tarapur, Mahagaon, Thane (Maharashtra)**.

As part of the implementation of CBEC's IT Consolidation Project, the EDI operations at **ICD - Tarapur, Mahagaon, Thane (Maharashtra)** would be on ICES 1.5 application, which is the centralized version of the ICES-1.0 application, earlier implemented on standalone servers at major Customs locations. The ICES 1.5 software, developed by NIC, has been implemented at CBEC's National Data Centre at New Delhi. The System Integrator for the project is M/s TCS. The application would cater to the needs of Customs officials at **ICD - Tarapur, Mahagaon, Thane (Maharashtra)**, and also the Service Centre operators, who would be working on CBEC's new Local Area Network infrastructure implemented by M/s HP Sales India Private Ltd. Connectivity to the Central servers at the National Data Centre has been provided through CBEC's MPLS network, as part of the Wide Area Networking project implemented by a consortium led by **M/s Tata Communication Ltd.**

2. Under ICES 1.5, the computerized processing of Shipping Bills would be handled in respect of the following categories:

1. Duty Free Shipping Bills
2. Dutiable Shipping Bills (Cess)
3. Drawback Shipping Bills
4. DEEC Shipping Bills
5. EPCG Shipping Bills
6. DFIA Shipping Bills

7. 100 %EOU Shipping Bills
8. Jobbing Shipping Bills
9. Other Exim Scheme Shipping Bills
10. NFEI Shipping Bills

PROCEDURE

3. The procedure to be followed in respect of filing of Shipping Bills under the Indian Customs EDI System 1.5 at **ICD-Tarapur, Mahagaon, Thane (Maharashtra)** shall be as follows: -

Under the EDI System the Shipping Bills shall be filed electronically and processed online in an automated environment. Certain declarations and certificates etc. that are required to be provided in hard copy should be attached with export documents when the goods are presented for export. The following pre-requisites are to be complied with before filing shipping bills:

3.1 **IE-Code of the exporters-** Import Export (IE) Codes are being issued to the exporters by DGFT, details of which are transmitted online to ICES on a daily basis. ICES automatically register the IE Codes after confirming their validity, to enable the exporters to file the Shipping Bills electronically. Before filing the Shipping Bills the exporters are advised to check from DGFT as to whether their IE Code has already been transmitted to ICES. If their IE Code has not been transmitted to ICES by DGFT, they should first get the same transmitted from DGFT, failing which the exporter shall not be able to file Shipping Bills for export. (DGFT's website may be accessed at <http://www.dgft.delhi.nic.in>)

3.2 **Registration of Custom House Agents (CHA) in ICES:** Every CHA is required to register his details in ICES for enabling him to submit documents in the system. In case the Custom House from where the CHA has been licensed was not an existing EDI location in ICES 1.0, such CHAs should immediately get themselves registered at any of the Customs locations as per list enclosed at **Appendix-1. The format for registration may be seen at Appendix-1A.**

3.3 **Registration of Shipping lines/Agents, Consol Agents:** EGM/Consol Manifest shall be filed electronically by the Shipping Lines/Agents and Consol Agents at the Gateway Ports. Before filing EGM the Shipping Lines/Agents and Consol Agents should register themselves in the ICES at any of the Custom Stations where ICES 1.0 is operational. They would be required to furnish information as per **Appendix-2.** No re-registration is required in case the agency is already registered at any existing Customs location where ICES 1.5 is operational.

3.4 **Registration of Bank Account with Authorized Dealer of Foreign Exchange:** Except for NFEI shipping bills, the account number of the exporter opened with Authorised Dealer of foreign exchange is required to be available in the ICES 1.5. The Directory of Authorised Dealers Codes is maintained in the ICES 1.5 on the basis of details made available by the RBI. The exporters may note that it would not be possible for the local customs officials to add the details of the AD code unless the information is available from RBI. In case the details are not available the matter may be brought to the notice of the ICEGATE team. Members of the trade may please note that ICEGATE provides 24X7 Helpdesk facility for trade to report problems relating to electronic filing. The ICEGATE helpdesk can be contacted on e-mail address icegatehelpdesk@icegate.gov.in and the replies to the queries shall be sent through e-mails. The Helpdesk can also be contacted on the following **telephone numbers: 011-23370133 and 011-23379020.**

3.5 Registration of bank account for credit of Drawback amount:- For exports under claim of drawback the exporter is required to open bank account with any Core Banking System branch of any bank in the country. Before filing of shipping bill under ICES 1.5, the exporter should approach the designated customs officer to register the details of such bank account in the ICES 1.5, vide **Annexure-E**.

3.6 Exchange Rates of un-notified currencies: The ICES 1.5 maintains exchange rates in respect of currencies the rates of which are notified by the Ministry of Finance. However, in respect of currencies which are not covered in the notifications of the Ministry of Finance, the concerned bank's certificate indicating the exchange rate applicable for the date on which the Shipping Bill is filed should be produced to the customs officer and details of the same should be entered in the ICES 1.5 while filing the shipping bill. The Shipping Bill should be submitted in the system on the same date for which the rate of exchange is certified.

3.7 Exim Scheme Codes: DGFT has notified Exim Scheme Codes in respect of various schemes, the list of which is appended with this Public Notice. (**Appendix-3**). An appropriate Code should be indicated against each item in the shipping bill. For example, if exports are under claim of Drawback Code 19 should be used.

3.8 Units of Measurement Codes: Against any quantity of goods, the appropriate Code indicated against the respective measurement in the list appended with this Public Notice (**Appendix-4**) must be used in the Shipping Bill / EGM as the case may be.

3.9 Currency Codes: For indicating value of goods, freight, insurance, commission etc. only the relevant codes for the respective currencies in the list of currency codes appended with this Public Notice have to be used. (**Appendix-5**). Use of any incorrect code will result in incorrect conversion of the currency into Indian Rupees.

3.10 Country Codes: Wherever in the Shipping Bill / EGM, reference is required to be made to the name of the country, the appropriate Code of the country as indicated in the list of country codes appended to this Public Notice (**Appendix-6**) have to be used.

3.11 Port Codes: An appropriate port code must be indicated wherever reference to port name is required to be made in a Shipping Bill /EGM.

Note: Due to constraint of size, it is not possible to attach the list of port codes with this Public Notice. Correct code may be obtained from the respective Carriers or checked from www.unece.org/etrades. A list of all relevant codes would also be available at the Service Center.

3.12 Registration of DGFT Licences: If the export is in discharge of export obligation against any of the DGFT Exim Licenses or Advance application, such licence/advance application should be first registered in the ICES and Licence Number or the Registration Number or advance application should be indicated against each item of goods in the shipping bill. However, EDI messages between Customs and DGFT for licence are in the process of being enabled. No separate registration shall be required for those Licences which are received from DGFT online.

3.13 Self Sealed Container cargo: Exporters who are allowed self-sealing of containers should get themselves registered in the ICES 1.5 before the goods are registered for exports.

4. DATA ENTRY FOR SHIPPING BILLS

4.1 Shipping Bills can be filed through the Service Center located in or through Remote EDI System if the Exporter or the CHA have registered themselves at ICEGATE. In case the shipping bill is filed through Service Centre, the Exporters/CHAs would be required to submit at the Service Centre with the following documents:

- i) A declaration of all particulars in the Shipping Bill in the format placed at – **Annexure-A**
- ii) Copy of Invoice
- iii) SDF declaration – **Annexure-B**
- iv) DEEC/DFRC declarations etc. as applicable – **Annexure-D**

4.2 The formats should be duly complete in all respects and should be signed by the exporter or his authorized representative/CHA. Forms, which are incomplete or unsigned, will not be accepted for data entry. Exporters/CHA should ensure that the data provided by them and entered by Service Center is correct in all respect so that process of clearance of export is smooth.

4.3 Data entry of Shipping Bills would be done at the Service Center on payment of charges. Various charges for printing and data entry excluding Service Tax are as under:-

Data Entry Charges for Shipping Bills having up to five items	Rs. 60/-
Data Entry Charges for additional block of five items	Rs. 10/-
Amendment Fees (for a block of five items)	Rs. 10/-
Data Entry for EGM	Rs 60/-
Query Printing after three queries	Rs 05/-
Entry of License	Rs 60/-
Shipping Bill Final Print (For RES Users only)	Rs 20/-
Query Printing (For RES Users only)	Rs 5/-

The above charges include data entry of the documents, check list printing, three free queries and print out of the assessed document. Additional queries shall be charged at Rs 5 per query. Check list will be provided free of charge till they are certified to be free of mistakes by the customer. However, in cases where the customer wants to incorporate corrections in the original declaration provided by him, checklist will be provided at an additional cost of Rs 10/-.

4.4 The Service Centre operators shall carefully enter the data on the basis of declarations (**Duly filled forms of Annexure-A**) made by the CHAs/Exporters. After completion of data entry, a checklist of the data entered by the operator will be printed by the Data Entry Operator and handed over to the Exporters/CHAs for confirming the correctness of the electronic declaration. The Exporter/ CHA will make corrections, if any, in the checklist and return the same to the operator duly signed. The operator shall make the corresponding corrections in the

data and shall submit the Shipping Bill. The operator shall not make any amendment after generation of the checklist and before submission in the system unless the corrections made by the CHAs/Exporters are clearly indicated on the checklist against the respective fields and are signed by CHA/Exporter.

4.5 **The system automatically generates the Shipping Bill number.** The operator shall endorse this Shipping Bill number on the checklist in clear and bold figures. It should be noted that no copy of the Shipping Bill number would be available at this stage. This check list endorsed with Shipping Bill No. shall be used for bringing export goods to the ICD.

4.6 **It may be noted that since the document numbers are to be assigned by the Central Server at a national level, the document numbers for Shipping Bills, EGMs, Challans, etc. would not be in a continuous series for each location.**

4.7 The Declarations would be accepted at the Service Centre from **10.30 hrs. to 16.30 hrs.** Declarations received up to **16.30 hrs.** will be entered in the computer system on the same day.

4.8 Those Exporters or CHAs who intend to use Remote EDI System (RES) to file documents from their offices should download necessary software from the website www.ices.nic.in which is available free of cost and register themselves with the ICEGATE. The detailed procedure for registration and guidelines for e-filing are available at www.icegate.gov.in.

4.9 **The validity of the Shipping Bill in EDI System is fifteen days only. Therefore, if the export goods are not registered within 15 days from the date of shipping bill, the shipping bill shall lapse and has to be filed again in the system.**

5. PROCEDURE FOR GR-1

5.1 As per the procedure in EDI, there would be no GR-1. Exporters/CHAs would be required to file two copies of a declaration in the form SDF (**Annexure-B**). It would be filed at the stage of "goods arrival". One copy of the declaration would be attached to the original copy of the Shipping Bill generated by the system and retained by the Customs. The second copy would be attached to the duplicate Shipping Bill (the Exchange Control copy) and shall be presented by the exporter to the authorized dealer through whom export realization would be negotiated for collection of foreign currency. In the case of Shipping Bills processed manually, the existing arrangement of filing GR-1 forms would continue.

5.2 The exporters are required to obtain a certificate from the bank through which they would be realising the export proceeds. If the exporter wishes to operate through different banks for the purpose, a certificate would have to be obtained from each of the banks. The certificate(s) would be submitted to Customs and registered in the system as mentioned above. These would have to be submitted once a year for confirmation or whenever there is a change of bank.

5.3 In the declaration form (**Annexure-A**) to be filed by the exporters for the electronic processing of export documents, the exporters would need to mention the name of the bank and the branch code as mentioned in the certificate from the bank. The Customs will verify the details in the declaration with the information captured in the system through the certificates registered earlier.

6. ARRIVAL OF GOODS AT EXPORT EXAMINATION SHEDS IN ICD.

6.1 In respect of goods intended to be exported against an electronic Shipping Bill, the Custodian of ICD will permit entry of the goods on the strength of the checklist.

6.2 If at any stage subsequent to the entry of goods in ICD, it is noticed that the declaration has not been registered in the system, the exporters and CHAs will be responsible for the delay in shipment of goods and any damage, deterioration or pilferage, without prejudice to any other action that may be taken.

7. PROCESSING OF SHIPPING BILLS

7.1 The Shipping Bill would be processed by the system on the basis of the declaration made by the exporter. The following kinds of Shipping Bill shall require clearance by the concerned Assistant Commissioner/ Deputy Commissioner :-

- i. Duty free Shipping Bill for FOB value above Rs. 10 lakh ;
- ii. Free Trade Sample Shipping Bill for FOB value above Rs. 25,000; and
- iii. Drawback Shipping Bill where the drawback exceeds Rs. One lakh.

7.2 The following categories of Shipping Bills shall be processed by the Appraiser/Superintendent (Export Assessment) first and then by the Assistant/Deputy Commissioner (Export) :-

- i. DEEC
- ii. DFRC
- iii. EOU
- iv. EPCG
- v. Any other Exim Scheme, if so required

7.3 Apart from verifying the value and other particulars for assessment, the Appraising Officer/Superintendent, and Assistant/Deputy Commissioner may call for the samples for confirming the declared value or for checking classification under the Drawback Schedule / DEEC / DFRC / EOU etc.,. He may also give special instruction for examination of goods.

7.4 If the Shipping Bill falls in the categories indicted in Paras 7.1 and 7.2 above, the exporter should check with the query counter at the Service Centre whether the Shipping Bill has been cleared by Assistant Commissioner/ Deputy Commissioner, before the goods are brought for examination. In case Assistant/Deputy Commissioner raises any query, it should be replied through the Service Centre or through ICEGATE (for those Exporters/CHAs who are registered with ICEGATE). After all the queries have been satisfactorily replied to, Assistant/Deputy Commissioner will pass the Shipping Bill.

8. CUSTOMS EXAMINATION OF EXPORT CARGO

8.1 On receipt of the goods in the Export Shed in the ICD, the exporter will contact the Examining Officer/Inspector and **present the checklist with the endorsement of Custodian of arrival of containers** on the declaration, along with all original documents such as Invoice, Packing List, ARE-1 (AR-4) etc. He will also present additional particulars in the form at **Annexure-C**.

8.2 The Officer will verify the quantity of the goods actually received against that entered in the system. He will enter **Annexure-C** particulars in the system. The system would identify the Examining Officer (if more than one are available) who would be carrying out physical examination of goods. The system would also indicate the packages (the quantity and the serial numbers) to be subjected to examination. The Officer would write this information (Name of examination officer and package Serial Numbers to be examined) on the checklist and hand it over to the exporter. He would handover the original documents to the Examining Officer. **No examination orders shall be given unless the goods have been physically received in the Export Shed.** It may, however, be clarified that Customs Officers have the discretion of examining any or all the packages/goods.

8.3 The Examining Officer may inspect and/or examine the shipment, as per instructions contained in the checklist and enter the examination report in the system. There will be no written examination report. He will then mark the Electronic Shipping Bill and forward the checklist along with the original documents to the Appraiser/Superintendent in charge. If the Appraiser/ Superintendent is satisfied that the particulars entered in the system conform to the description given in the original documents and the physical examination, he will proceed to give "Let Export" order for the shipment and inform the exporter. The Appraiser/Superintendent would retain the checklist, the declaration and all original documents with him.

8.4 In case of any variation between the declaration in Shipping Bill and the documents or physical examination report, the Appraiser/Superintendent will mark the electronic Shipping Bill to Assistant/Deputy Commissioner Exports. He will also forward the documents to Assistant/Deputy Commissioner and advise the exporters to meet the Assistant/Deputy Commissioner for further action regarding the discrepancy. In case the Exporter agrees with the views of the Department, the Shipping Bill would be processed finally. Where the exporter is not in agreement with the views of the Department, the matter would be handled outside the EDI system.

9. PROCEDURE IN CASE OF CONTAINERS STUFFED OUTSIDE ICD AREA

9.1 Containers stuffed in factories would enter the ICD on the basis of the checklist. Customs will verify the seal on each container and make an endorsement on the **checklist and Annexure-C**. Thereafter, the exporter would present the Invoice, **Annexure-C and the checklist** along with all the original documents such as Packing list, ARE-1 etc., to the designated Customs officer who will enter all the particulars along with the seal number in the system and submit the Shipping Bill to the Appraiser/Superintendent for consideration of "Let Export Order"

9.2 The samples drawn, if any, in the factory should be brought to the Export Shed in ICD along with the container and handed over to designated officer, who would enter the details in the system and forward the samples to the Appraiser/Superintendent in charge for inspection or for further testing etc.

9.3 The system may require re-examination of the factory stuffed container on a random basis. If the container is selected for re-examination by the system, the same shall be examined and report entered in the system. The Shed Appraiser/ Superintendent may also decide to re-examine the container. In such case he will obtain the approval of Assistant/Deputy Commissioner (Export), before such re-examination. The Assistant/Deputy Commissioner (Export) shall permit such re-examination for reasons to be recorded in writing.

9.4 Once the Appraiser/Superintendent is satisfied that the goods are permissible for export in all respects, he will proceed to allow "Let Export" in the system for the shipments and inform the exporter.

9.5 This procedure will apply to containers stuffed in factories and self-sealed by the manufacturer-exporter. In respect of containers sealed in the factory after examination by the Customs/Central Excise officers, there will normally be no further examination at the ICD.

10. GENERATION OF SHIPPING BILLS

10.1 As soon as the Shed Appraiser/Superintendent gives "Let Export" order, the system would print 6 copies of the Shipping Bills in case of Free and Scheme Shipping Bills. All copies of the Shipping Bill would be duly signed by the Appraiser/Shed Superintendent. The examination report would be signed by the Appraiser/Shed Superintendent, Examination Officer as well as exporter/representative of the CHA (Name and ID card number of the representative of the CHA should be clearly mentioned below his signature).

10.2 Any other certificates required for permitting export will be retained by Customs along with the Shipping Bills.

11. PAYMENT OF MERCHANT OVERTIME (MOT)

11.1 The present manual system for payment of Merchant Overtime (MOT) charges will continue.

11.2 MOT charges will be required to be paid by exporter when the goods are examined by Customs for allowing "Let Export" beyond the normal office hours. No charges would be required to be paid on normal working days when the examination itself is being done for "Let Export" up to 05.00 P.M. However, if the goods are examined at the request of exporter outside the Customs area, a fee as prescribed in Customs (Fees for Rendering Services by Customs Officers) Regulations, 1998, shall be charged by the jurisdictional Customs Authorities under whose jurisdiction examination has been carried out irrespective of the fact whether the examination/sealing of container is within working hours or outside working hours.

12. DRAWAL OF SAMPLES

12.1 Where the Appraiser/Superintendent of Customs orders for samples to be drawn and tested, the Examining Officers will proceed to draw two samples from the consignment and enter the particulars thereof along with name of the testing agency in the system. Record of samples shall be maintained in the System therefore, no separate registers will need to be maintained for recording dates of samples drawn. Three copies of the test memo will be prepared manually and signed by the Examining Officer, the Appraiser and the exporter. The disposal of the three copies would be as follows: -

- i. Original to be sent along with the sample to the testing agency.
- ii. Duplicate copy to be retained by Customs with the second sample.
- iii. Triplicate to be handed over to the exporter.

12.2 Assistant/Deputy Commissioner may, if he deems necessary, order for sample to be drawn for purposes other than testing such as visual inspection and verification of description, market value enquiry etc.

13. QUERIES

13.1 In case of any doubt, the exporter, during examination, can clarify doubts. However, in case where the need arises for a detailed answer from the exporter, a query can be raised in the system by the Appraiser/Superintendent, which needs to be approved by the concerned Assistant/Deputy Commissioner (Exports). The Shipping Bill will remain pending and cannot be printed till the exporter replies to the query to the satisfaction of the Assistant/Deputy Commissioner. The reply to query if any can be submitted through ICEGATE or through Service Centre.

14. AMENDMENTS

14.1 Corrections/amendments in the checklist can be made at the Service Centre provided the system has not generated the Shipping Bill number. Where corrections are required to be made after the generation of the Shipping Bill Number or, after the goods have been brought in the docks/CFS, amendments will be carried out in the following manner.

1. If the goods have not yet been allowed "Let Export", Assistant Commissioner/Deputy Commissioner may allow the amendment.
2. Where the "Let Export" order has been given, the Additional/Joint Commissioner (Exports) would allow the amendments.

14.2 In both the cases, after the permission for amendments has been granted, the Assistant/Deputy Commissioner (Exports) will approve the amendments on the system. Where the print out of the Shipping Bill has already been generated, the exporter will surrender all copies of the Shipping Bill to the Appraiser for cancellation before amendment is approved in the system.

15. SHORT SHIPMENTS, SHUT OUT, CANCELLATION AND BACK TO TOWN PERMISSIONS

15.1 Assistant/Deputy Commissioner (Export) will give permission for issue of short shipment certificate, shut out or cancellation of Shipping Bill, on the basis of an application made by the exporter. The Shipping Bill particulars would need to be cancelled/modified in the system before granting such permission. The Assistant/Deputy Commissioner would check the status of the goods, before granting permission.

16. AMENDMENT OF FREIGHT AMOUNT

16.1 If the freight/insurance amount undergoes a change before "Let Export" is given, corresponding changes would also need to be made in the Shipping Bill with the approval of Assistant/Deputy Commissioner (Exports). **But if the change has taken place after the "Let Export" order, approval of Additional/Joint Commissioner would be required. Non-intimation of such changes would amount to mis-declaration and may attract penal action under the Customs Act, 1962.**

17. RECONSTRUCTION OF LOST DOCUMENTS

17.1 Duplicate print out of EDI Shipping Bill cannot be allowed to be generated if it is lost, since extra copies of Shipping Bills are liable to be misused. However, a certificate can be issued by the Customs stating that "Let Export" order has been passed in the system to enable the goods to be accepted by the Shipping Line, for export. Drawback will be sanctioned on the basis of the "Let Export" order already recorded on the system.

18. RE-PRINT OF SHIPPING BILLS

18.1 Similarly, re-prints can be allowed where there is a system failure, as a result of which the print out (after the "Let Export" order) has not been generated or there is a misprint. Permission of Assistant/Deputy Commissioner (Exports) would be necessary for the purpose. The misprint copy shall be cancelled before such permission is granted.

19. EXPORT OF GOODS UNDER CESS

19.1 For export items, which are subject to export Cess, the Cess shall be applied by the System on the basis of the corresponding 8 digit Heading Schedule maintained in the system. A printed challan generated by the system would be handed over to the exporter. The Cess amount indicated should be deposited with the designated bank.

20. EXPORT OF GOODS UNDER CLAIM FOR DRAWBACK

- 20.1 The scheme of computerized processing of Drawback claims under the Indian Customs EDI System-Exports will be applicable for all exports through the ICD.
- 20.2 The exporters who intend to export the goods through the ICD under claim for Drawback are advised to open their account with the bank as stated in Para 3.5 above. This is required to be done to enable direct credit of the Drawback amount to the exporter's account, as no cheques would be issued for payment of drawback. The exporters are required to indicate their account number opened with the Bank. **It would not be possible to accept any shipment for export under claim for Drawback in case the account number of the exporter is not indicated in the declaration form.**
- 20.3 The exporters are also required to give their account number along with the details of the Authorised Dealer Bank through which the export proceeds are to be realized.
- 20.4 As indicated earlier Export declarations involving a drawback amount of more than Rupees One lakh will be processed on the system by the Assistant/Deputy Commissioner before the goods can be brought for examination and for allowing "Let Export".
- 20.5 The drawback claims are sanctioned subject to the provisions of the Customs Act, 1962, the Customs and Central Excise Duties Drawback Rules, 1995 and conditions prescribed under different sub-headings of the All Industry rates as notified by the Ministry of Finance from time to time.
- 20.6 After actual export of the goods, the drawback claims will be processed in the EDI system by the officers of Drawback Branch on first come first serve basis. **There is no need for filing separate drawback claim.** The claims will be processed based on the Train Summary. The status of the Shipping Bill and sanction of drawback claim can be ascertained from the "Enquiry Counter" set up at the Service Centre or remote system through ICEGATE. If any query has been raised or deficiency noticed, the same will be shown on the terminal and a printout of the query/deficiency may be obtained by the authorised person or the exporter from the Service Centre or in his own office, if the exporter has connection with ICEGATE. The exporters are advised to reply to such queries expeditiously through the Service Centre. The claim comes in queue of the EDI system only after the reply to queries/deficiencies is entered in the ICES 1.5.
- 20.7 Shipping Bills in respect of goods under claim for drawback against brand rates would also be processed in the same manner, except that drawback would be sanctioned only after the original brand rate letter is produced before the designated Customs Officer in the office of concerned Assistant/Deputy Commissioner and is entered in the system. The exporter should specify the SS No. of drawback as 98.01 for provisional drawback in the Annexure-A.
- 20.8 All the claims sanctioned in a particular day will be enumerated in a scroll and transferred to the designated bank. The designated bank would credit the drawback amount in the respective account of the exporter. Where the account of the exporter is in any other CBS branch of any bank, the designated bank would transfer the amount to the respective CBS branch who would credit the amount to exporter's account. **The exporters may make arrangement with their banks for periodical statement of credits on account of drawback.**
- a) An exporter desirous to have his drawback credited in any core banking branch of the bank authorized for drawback payment at that EDI location or any other bank other than the authorized bank (in any core banking enabled branch which is also RTGS and NEFT enabled), the exporter will be required to declare to the Customs authorities the Indian Financial Service Code (IFSC) of the bank branch where he operates his bank account, in

addition to the core banking enabled account number, bank name and address in the prescribed format (As per the **Annexure-F** to this Public Notice). The IFS Code Number can be obtained by the exporter from his bank branch.

- b) At the time of registration of the bank account with the Customs authorities the exporter will be required to produce a certificate from the bank branch, where he operates his bank account, certifying the correctness of the IFS code and bank account number of the exporter and a copy of the same shall also be submitted to the authorized bank branch at the EDI location.
- c) Whenever there is a change in the exporter's bank account number the same procedure is required to be followed by the exporter for fresh registration of new bank account number.

20.9 Supplementary Drawback Claims: If the drawback amount **initially** paid is less than the actual entitlement, the exporter can file application for supplementary claim for additional amount. For such claims after approval and sanction of supplementary claim on file by the Assistant/Deputy Commissioner (Drawback), the Appraiser/Superintendent (Drawback) shall process claim online and submit it for approval by Assistant/Deputy Commissioner (Drawback). After sanction of drawback against supplementary claim Drawback Scroll shall be generated by system and amount transferred to the bank in the same manner as normal in scroll.

20.10 As the approval of designated Bank Branch for disbursement of Duty Drawback is awaited from the Principal Chief Controller of Accounts, New Delhi, the EDI Drawback Shipping Bills shall be accepted for processing as and when the approval of the designated Bank Branch is received from the Principal Chief Controller of Accounts, New Delhi.

21. EXPORT OF GOODS UNDER 100% EOU SCHEME

21.1 The Exporters can get the export goods examined by Central Excise/ Customs Officer at the factory even prior to filling of Shipping Bill. Self sealing facility is also available. He shall obtain the Examination report in the form annexed as **Annexure C1** to this Public Notice duly signed and stamped by the Examining Officer and Supervising Officer at the factory. The export invoice shall also be signed and stamped by both the officers at the factory. Thereafter, the goods shall be brought to the concerned Customs ICD for the purpose of clearance and subsequent "Let Export". The Exporters/CHA shall present the goods for registration along with Examination Report in **Annexure C1**, ARE-1, Export Invoice duly signed by the Examining Officer and Supervising Officer at the factory, check list, declaration in form **Annexure-A, Annexure C1** and other documents such as document of transportation, ARE-1, etc. to the Examiner in the concerned shed. After registration of goods, the Shipping Bill will be marked to an Examiner for verification of documents and seal. If seal is found intact, the Shipping Bill will be recommended for LEO, which will be given by the Shed Appraiser. **However, if seal is not found intact, the goods will be marked for examination and LEO will be given if the goods are found in order.**

22. EXPORT OF GOODS UNDER THE EPCG/DES SCHEME

22.1 The procedure for online transmission of Licenses/Authorizations issued under Duty Exemption Scheme (DES) (except those issued under Scheme Code 17) and Export Promotion Capital Goods Scheme (EPCG) from DGFT to Customs through an Electronic Message

Exchange System is operational at this ICD in respect of DES / EPCG Licences issued on or after **1st March 2009**. As per the procedure prescribed by DGFT, Exporters apply for Advance licenses under Duty Exemption Scheme (DES) and licenses under Export Promotion Capital Goods Scheme (EPCG) to DGFT. As per the Handbook of Procedures Vol. I, exports under DES can be started immediately on generation of file no. which is generated by DGFT on submission of application for licenses under DES. Accordingly, DGFT would transmit the messages relating to File Numbers so generated by them to Customs so as to enable Customs to permit exports under DES. As, the exports under EPCG can be started only after issuance of license; the DGFT would transmit the License messages immediately on issuance of licenses under DES and EPCG scheme. The licenses under above mentioned schemes issued by DGFT would be received online by Customs. Such licenses would be subjected to the prescribed online validation checks at ICEGATE and thereafter, the same would be available for use by the exporters at the port of registration for imports. Details of such licenses would also be available on the home page of website, www.icegate.gov.in. As mentioned above, exports under DES can be started immediately after receipt of file number message from DGFT by quoting the relevant File Number allocated by DGFT on the export documents. After issuance of licenses, exporters would be required to quote the relevant license number on the export documents.

22.2 There is no need of registration of file number / license number and obtaining a Customs Registration number at this port. As the licenses issued under **DES/EPCG** will now be received online from DGFT and would be available at this ICD, Importers would be required to produce the hard copies of the licenses issued by DGFT along with bonds/LUTs and execute BG in accordance with the provisions of the Customs Circular(s) in force and as per the statutory requirements of the relevant Customs Notifications, to the designated officer, at this ICD, as this port is the port of registration in the licenses, for raising debits in bonds / LUTs and monitoring such bonds / LUTs. Importers are required to quote the license number on the respective import documents in case they intend to use the licenses. No manual debits would be made in hard copies of licenses at the time of assessment of Bills of Entry for imported cargo.

22.3 For monitoring of export obligation under licenses issued by DGFT under above mentioned schemes, Customs would transmit online all such Bills of Entry and Shipping Bills to DGFT wherever imports/exports have been effected under licenses received online from DGFT under DES/EPCG schemes. DGFT would transmit online an Export Obligation Discharge Certificate (EODC) in prescribed format containing details of Shipping Bills to Customs which would also be made available at this ICD. Based on this EODC, the designated officer at this ICD would release the bonds/LUTs and the BG, if any, after causing necessary verifications.

22.4 For any amendment in licenses issued under above schemes by DGFT, importer would obtain a log print of usage of license in prescribed format. DGFT would process amendment(s) of license based on log print of usage of license issued by Customs and transmit online the necessary amendment(s) of license to Customs. **No imports under such license would be allowed after issuance of log print till the amendment message is received from DGFT.**

22.5 The above procedure would be applicable in respect of file numbers/Licenses/Authorizations issued under Duty Exemption Scheme (DES) and Export Promotion Capital Goods Scheme (EPCG) on or after 1st March, 2009 by DGFT. The existing procedure in case of manual registration of file numbers/Licenses/Authorizations issued under these schemes on or upto 28th February, 2009, would continue to be followed.

22.6 In case of EPCG/DES (EXCEPT THOSE ISSUED UNDER Scheme Code 17) issued on or after 01.03.2009, there is no need of any registration at this port. However, in case of EPCG/DES issued prior to 01.03.2009 and DES issued under Scheme Code 17, the exporters intending to file Shipping Bills under the aforesaid schemes including those under the claim for Drawback should first get their EPCG/DES (issued upto 28.02.2009 by the DGFT) registered with this ICD, which would be done by the designated officer. The original EPCG/DES would need to be produced before designated officer for data entry. A print out of the relevant particulars (Checklist) entered will be given to the Exporter/CHA. The EPCG/DES would need to be presented to the Appraiser/Superintendent, who would verify the particulars entered in the computer with the original EPCG/DES and register & verify the same in the EDI system. The Registration No. of the EPCG/DES would be furnished to the Exporter/CHA, which would need to be mentioned on the declaration forms (**Annexure-D**) at this ICD for export of goods. It would not be necessary thereafter for the Exporter/CHA to produce the original EPCG/DES for processing of the export declarations.

22.7 All the export declarations for **EPCG/DES** would be processed on the system by the Appraiser/Superintendent, Export Department and the Assistant/ Deputy Commissioner (Exports). After the declarations have been processed and accepted, the goods can be presented at the Export Shed along with **EPCG/DES** for examination and "Let Export" as in other export goods. All exporters availing of the **EPCG/DES** facilities are requested to immediately get their **EPCG/DES** registered in the EDI System so that the export declarations are processed expeditiously.

22.8 Further, exporters availing of **EPCG/DES** benefits in terms of various notifications should file the relevant declarations in Annexure D along with Annexure A.

22.9 It is further clarified as follows: -

- a. While giving details relating to **EPCG/DES** operations in the form in Annexure-D, the exporters/CHAs should indicate the Sr. No. of the goods being exported in the Column titled "ITEM SR.NO. in **EPCG/DES** PART E" of Annexure D.
- b. If inputs mentioned in EPCG/DES only have been used in the manufacture of the goods under export, in Column titled "ITEM SERIAL NUMBER in Advance Authorization of Annexure D, the exporters/CHAs are required to give Serial Number of inputs in Part-C of the DES Book and Exporters need not fill up column titled "DESCRIPTION OF RAW MATERIALS".
- c. If some inputs which are not in Part-C of the **EPCG/DES** also have been used in the manufacture of the goods under export and the exporter wants to declare such inputs, he shall give the description of such inputs in column titled "DESCRIPTION OF RAW MATERIALS".
- d. In the column "IND/IMP", the exporters are required to write "N", if the inputs used are indigenous and "M", if the inputs used are imported.
- e. In column titled "Cess Schedule Sr. No." the relevant Serial No. of the Schedule relating to Cess should be mentioned.

22.10 EXPORT OF GOODS UNDER DFIA SCHEME

The details pertaining to export products i.e. input materials utilized as per SION should be clearly mentioned at Annexure A at the time of filing.

23. **Stuffing Report:** After the LEO, the Container shall be stuffed with the goods and a stuffing report shall be entered in the System by the designated officer. The officer designated to supervise stuffing of containers is expected to enter the stuffing report on same day.
24. **Filing of EGM:** The shipping bills shall be finally closed on receipt of Train Summary from the Custodian of ICD. The Custodian should transmit the Train Summary of the containers moved out of ICD to gateway port. The final EGM shall be filed by Shipping Lines at the gateway port.
25. **Monitoring of foreign exchange realization:**
 - (a) The exporters filing Shipping Bills under drawback shall furnish a declaration to the Assistant Commissioner/Deputy Commissioner (Drawback) providing the details of all Authorized Dealers, their codes and addresses through whom they intend to realize the export proceeds. Such a declaration shall be filed at each port of export through which the exporter exports his goods. In case, there is a new addition of **Authorized Dealers, the same is to be intimated to the concerned Custom House at the port of Export.**
 - (b) The system would generate on all Shipping Bills, the due date for submission of BRCs.
 - (c) The exporter shall submit a certificate from the Authorized Dealer(s) in respect of whom declaration has been filed containing details of the shipments realization of which remain outstanding beyond the prescribed time limit, including the extended time, if any, allowed by AD/RBI. Such a certificate can also be provided by a Chartered Accountant in his capacity as a statutory auditor of the exporter's account. A proforma for furnishing such negative statement is enclosed as **Annexure to the Board Circular 5/2009 dated 02.02.2009 (available at www.cbec.gov.in).** The exporters also have the option of giving a BRC from the concerned Authorized Dealer(s).
 - (d) Such certificates shall be furnished by the exporters on a 6 monthly basis in respect of exports which have become due for realization in the previous 6 months. For example, for the six-monthly period of January- June, 2013 (during which exports were effected), the statement/BRC needs to be submitted after 1st July, 2013.
 - (e) Such certificates shall be filed by the exporter Authorized Dealer wise at each port. The relevant date for filing certificates shall be calculated from the date of let export order (LEO) which is the date when the export goods are permitted to be exported. An endorsement on the exporters' copy of Shipping Bill would be made specifying the due date for realization of export proceeds.
 - (f) The system shall indicate list of the shipping bills under drawback where the BRC/negative statement has not been furnished by the exporter within the prescribed date. The Assistant Commissioner/Deputy Commissioner (Export) may peruse such lists either for the entire Customs port or for an individual exporter by entering the IE code of the exporter and accordingly initiate action to recover drawback.
 - (g) The BRC entry module gives three options for entering the details of foreign exchange realization.

- (i) If the exporter furnishes the BRCs as a proof of foreign exchange realization, the officer will choose option (1) and enter the specific Shipping Bill numbers and dates. Such Shipping Bills will be deleted by the system from the list of shipping bills pending for realization of export proceeds.
- (ii) If the exporter produces a "negative statement" for a specified six monthly period from the AD/Chartered Accountant that no foreign exchange is pending realization for the exporter in the given period, the officer will choose option (2). The system will automatically display the Shipping Bills pertaining to the given period on screen and once the officer approves, all such Shipping Bills shall be deleted from the pendency list.
- (iii) If the negative statement furnished by the exporter gives the list of Shipping Bills, for a particular six month period, for which foreign exchange has not been realized (and by implication, foreign exchange has been realized for all other Shipping Bills) then, the officer will choose option (3). This will allow the officer to enter the Shipping Bills for which the BRCs are pending. Thereafter, all Shipping Bills except such pending Shipping Bills will be deleted from the list.
- (iv) The BRC entry module also enables the Department to remove the list of Shipping Bills from the pendency list if drawback is recovered subsequently. In such cases, the officer may choose option (1) and enter the order no./ challan no. and date and also the no. and date of all shipping Bills for which the drawback has been realized. Thereafter, all such Shipping Bills will be deleted from the pendency list.

26. The system will indicate to the Assistant Commissioner/Deputy Commissioner (Drawback) all cases of Drawback Shipping Bills if the BRC/negative statement in the prescribed Annexure enclosed to the Board's Circular is not submitted by the exporter within the prescribed period. Further, the exporters are required to furnish the BRCs/negative statement in the prescribed Annexure as per Board circular 5/2009 dated 02.02.2009

27. Service tax refund

One of pre-requisites for claiming S.T refund electronically through ICES 1.5 is that the exporters should have a bank account and also central excise registration number or service tax code number (including service tax registration number) and the same should be registered with ICES 1.5. Details of the process of registration in ICES 1.5 are being shared for providing clarity to officers and stake holders.

27.1 Registration of Bank Account

The S.T Refund Scheme will be similar to drawback scheme. STR amount processed under the ICES will be disbursed through the branch of the authorized bank at each customs location. The STR amount in respect of individual exporters will be credited directly to the bank account of the exporter, in the authorized bank branch at a Custom location or to any core banking enabled banking account of the exporter, in any branch/bank anywhere in the country (through the NEFT/RTGS). For this purpose, the exporters are required to register with Customs, the Indian Financial Service Code (IFSC) of the bank branch in which exporter wishes to receive the STR amount, the core banking enabled account number, bank name and address, using 'Annexure A' enclosed with Board's circular. The procedure for registration of bank account for receiving drawback amount. The Customs officer having 'CLK' role will enter these details in ICES 1.5 and generate a checklist. Exporter/his authorized representative will check the checklist and confirm its correctness. Once the details are found correct, the same shall be

saved in the system. (For this purpose additional officers may be mapped to CLK role if required.) **Refer Annexure-G (Export).**

Exporters who have their bank account numbers registered for drawback purpose need not register their bank accounts again. The existing account itself shall be used for crediting S.T Refund also. It may be added that there is no option of having separate accounts for drawback and S.T Refund.

27.2 **Registration of Central Excise registration number or Service Tax code number (including Service Tax registration number)**

Besides bank accounts, each exporter claiming S.T refund need to provide Central Excise registration number or PAN based Service Tax code number (including PAN based Service Tax registration number) and register the same in ICES 1.5. Necessary details should be provided in part 'B' of said 'Annexure A', along with self certified copy of Central Excise registration certificate or Service Tax code number certificate. This will be entered in ICES 1.5 by the designated Customs Officer having 'CLK' role. ICES 1.5 will verify these details with the details available from ACES. A checklist shall be printed and the exporter/his authorized representative should check its correctness and return to customs officer after signing etc. Then the details will be saved in Systems. This is one time registration and mandatory for all exporters claiming S.T Refund. **ICES 1.5 will not accept shipping Bills with claim of STR if these details are not registered.**

Option is available with the CLK Role to modify/amend the bank account details and Central Excise registration number/Service Tax code number. **It may be noted that registration of bank account and Central Excise registration number/Service Tax code number has to be done at each customs location separately.**

While capturing Central Excise registration certificate or Service Tax code number in ICES 1.5, the system will validate the details with details available from Automation of Central Excise and Service Tax (ACES) and only on successful validation, data will be saved in ICES 1.5. It may be added that either Central Excise registration certificate or PAN based Service Tax code no. (including Service Tax registration number) has to be provided to claim ST Refund through ICES 1.5, in case an Exporter does not have either of the two numbers mentioned above, he should be advised to either get the same as per procedure prescribed in Notification No. 17/2009 ST dated 7.7.2009 or claim service tax refund from jurisdictional Central Excise/Service Tax officer.

27.3 **Details of post-registration processing of ST REFUND IN ICES 1.5**

Salient features of processing of service tax refund through ICES 1.5 are as follows:

ST refund through ICES 1.5 shall be claimed by exporter by declaring "Y" in relevant field at the time of filling of Shipping Bill and declaring STR serial no. (Heading/Subheading number as per STR Schedule to be notified shortly).

- a. Shipping Bills with only STR amount will move directly in scroll in queue after EGM list is filed. However, drawback shipping bill having STR also will continue to move to DBK-Superintendent screen and DBK-AC SCREEN (in case DBK is more than Rs. 1 lakh).
- b. In the final scroll, a single amount indicating DBK and STR amount shall be shown against Shipping bills. However, print copy of Scroll shall contain a consolidated breakup indicating Drawback amount and ST refund amount.
- c. Exporters can check status of STR through ICEGATE as well as Touch screen application.
- d. MIS has been suitably modified to indicate drawback and STR amount separately for Reporting and accounting purpose.

28. GRIEVANCE HANDLING

28.1 The Assistant Commissioner/Deputy Commissioner of Customs, ICD/CFS, may be approached by exporters or their CHAs for settlement of any problems faced at any stage of the export clearance. Regarding Helpdesk facilities, the following may be noted:

- a) ICEGATE users may interact with the Helpdesk at 011-23379020 and 011-23370133 or through icegatehelpdesk@icegate.gov.in. Helpdesk is managed by M/s Wipro.
- b) Users requiring any other clarifications regarding the new application may interact with the toll-free Helpdesk number 18002662232 or at icegatehelpdesk@icegate.gov.in. Helpdesk is managed by TCS.
- c) Regarding hardware issues, the users may contact 18004254994 or mail to nightdesk.bangalore@hp.com. This is managed by HP.
- d) Users may also directly contact System Manager /Alternate System Manager for ICD as detailed below in case of any difficulty:
 - 1) Shri Ajay, Additional Commissioner, Thane-II Commissioner, Tel: 022-24365314.
 - 2) Shri Dinbandhu Diwakar, Assistant Commissioner, ICD -Tarapur, Mahagaon, Thane (Maharashtra) Tel: 02525-279425/ 02525-260438.



(ALOK CHOPRA)
Commissioner
Central Excise,
Thane-II Commissionerate

Encl: As above.

Copy to:- As per Mailing List.