

F. No. 401/81/2011- Cus III

Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise and Customs)

New Delhi, dated 2nd June, 2017

To,

All Principal Chief Commissioners/ Chief Commissioners of Customs/ Customs (Preventive)
All Principal Chief Commissioners/ Chief Commissioners of Customs & Central excise
All Principal Commissioners/ Commissioners of Customs/ Customs (Preventive)
All Principal Commissioners/ Commissioners of Customs & Central Excise
All Director Generals under CBEC

Sir/ Madam,

Subject: Manual filing and processing of bills of entry / shipping bills - regarding

I am directed to invite attention to Board's instructions of even no. dated 04.05.2011, read with Corrigendum dated 12.05.2011 and instruction dated 07.04.2011 on the subject mentioned above. It has been reiterated by the Board that manual bill of entry shall be allowed to be filed in EDI locations only in exceptional and genuine cases where permitted by the Principal Commissioner/ Commissioner of Customs strictly in accordance with the legal provisions.

2. The Principal Commissioner/ Commissioner of Customs is required to issue suitable public notice specifying the exceptional and rare situations where manual bill of entry may be filed and the list should be periodically reviewed.
3. The Public Accounts Committee have adversely commented on the continuous instances of manual filing of bills of entries at several EDI locations in their fiftieth report (2015-2016). For bringing in better accountability, efficiency and transparency as recommended by PAC, it is imperative to keep track of all manually filed bills of entry. Further, the registered manual bills of entry will be linked with a system generated challan for enabling electronic payment of Customs duty in the e-payment portal ICEGATE. This is in line with the Government of India's intensive promotion of digital payment. Accordingly, a procedure has been devised a detailed below for streamlining the processing of manual Bills of entries and necessary changes have been made in ICES 1.5 which will enable capturing of data as a move towards full digitization.

Procedure

a. When the permission for filing manual bill of entry has been accorded by the Competent Authority, the basic details of the bill of entry, currently entered manually in a register maintained by the Noting Section are henceforth to be entered by the Noting Section in ICES 1.5 and a Job No. assigned to such BE. These basic details are as follows:

- a) IEC
- b) Custom Broker Number, if applicable
- c) Total Assessable value
- d) Total duty (Self Assessed)
- e) Port of Destination
- f) Customs Site
- g) IGM No.
- h) IGM Date
- i) Master BL/AWB
- j) House BL/AWB
- k) GSTN No.
- l) Assessment Group

In certain cases, where IGM details are not applicable (such as Domestication of Containers), a separate entry option has been provided for the same.

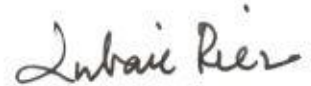
Once a Job number is assigned by the system, the IGM details (where applicable) are matched and linked with the cargo declared in BE.

- b. The declaration with the job number shall then move to the Assistant Commissioner/ Deputy Commissioner of the concerned group who may approve the job in the Role of ACL in ICES after recording the reasons for Manual BE and the Reference No. of file approval by Commissioner.
- c. A six Digit Bill of Entry number (Running serial No. across all ports) would be generated and assigned to the declaration, after the concurrence of the Assistant Commissioner or Deputy Commissioner of Customs.
- d. The manual bill of entry shall be filed by the importer or his representative quoting the assigned bill of entry number, and will be assessed on paper as per usual process. After assessment of the paper bill of entry by Appraiser and Assistant Commissioner or Deputy Commissioner concerned, the ACL has an option to enter the total duty and licence associated, if any with this declaration, in the ICES 1.5. The manual debit of licence is to be invariably done in the licence ledger prior to this process.
- e. A challan of duty amount to be paid by the importer, post adjustment in license, etc., if any, would then be generated in the system and be available for payment in the e-payment portal ICEGATE and bank. Once paid, the receipt of payment would be

automatically integrated in the system. No manual challans would henceforth be allowed for duty payment.

- f. The OOC acknowledgement shall be entered by Shed Appraiser in the option provided in the SUP role.
 - g. Once goods are cleared, the docket shall be forwarded to the Noting Section, which shall enter the remaining details including examination report of that Bill of Entry using MBE role. The Deputy Commissioner or Assistant Commissioner, Noting Section, may ensure that post clearance of goods, the complete details have been entered in the ICES 1.5 on the date the OOC is given, and not later than the next day in case of adequate reason. Commissioners/ Chief Commissioners are advised to prescribe a procedure to ensure that the post-clearance updation is monitored on a regular basis. This procedure would facilitate forwarding the Manual BE details in a timely manner to various integration partners such as GSTN, DGCI&S, RBI, DGFT etc.
 - h. No BE at any EDI location shall be filed with a BE number other than the running number generated by the system.
4. The process shall be implemented from 15.06.2017 for all EDI formations for the time being.
 5. The copy of the manual bills of entries shall be preserved and made available for inspection whenever any inspection of the formation is scheduled. The Deputy Commissioner or Assistant Commissioner of Customs shall carry out random cross verification exercise of the entries made by the Noting Section against the copy of the manual bills of entries from time to time to identify discrepancies and take corrective action.
 6. All concerned are requested to monitor and supervise the implementation of the prescribed procedure by formations under their charge. Difficulties, if any, in implementation of the prescribed procedure may be brought to notice of the Board.

Yours faithfully,



(Zubair Riaz)

Director (Customs)

F.No.401/81/2011-Cus.III
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

Room No. 253-A, North Block,
12th May, 2011, New Delhi-110001.

To,

All Chief Commissioners of Customs/ Customs (Prev.)/ C&CE,
All Directors General of CBEC,
All Commissioners of Customs / Customs (Prev.) / C&CE
All Commissioners of Customs & Central Excise (Appeals).

CORRIGENDUM

Subject: Manual filing and processing of bills of entry / shipping bills - stringent checks required to prevent misuse -reg.

Sir / Madam,

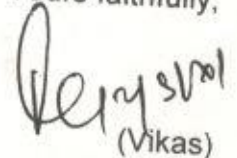
Attention is invited to instructions issued vide Board's instruction of even number dated 4.5.2011 on the subject mentioned above.

2. Paragraph 2 of the said instruction is hereby omitted and the subsequent paragraphs 3, 4 and 5 are renumbered as 2, 3 and 4. Further, the renumbered paragraph 2 shall read as under:

"2. The Board has taken a serious note of the cases of misuse detected on account of manual documentation as well as of casual manner in which this facility is being extended, which is prone to be detrimental to revenue. Accordingly, to redress the issue it has been decided that manual processing and clearance of import/export goods shall be allowed only in exceptional and genuine cases when it is not feasible to process the import/export documents through EDI. Further, in accordance with Sections 46 and 50 of the Customs Act, 1962, this authority shall be exercised only by the Commissioner of Customs. It is reiterated that the facility of manual processing of import/exports documents shall be provided as an exception to the rule of EDI processing and whenever granted it shall be withdrawn no sooner EDI processing is feasible."

3. The other contents of the said instruction shall remain unchanged.

Yours faithfully,


(Vikas)

Under Secretary (Customs-III/VI)
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F.No.401/81/2011-Cus.III
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

Room No. 253-A, North Block,
4th May, 2011, New Delhi-110001.

To,

4/5/2011
All Chief Commissioners of Customs/ Customs (Prev.)/ C&CE,
All Directors General of CBEC,
All Commissioners of Customs / Customs (Prev.) / C&CE
All Commissioners of Customs & Central Excise (Appeals).

Subject: Manual filing and processing of bills of entry / shipping bills - stringent checks required to prevent misuse -reg.

Sir / Madam,

Recent past DRI has detected several cases in which bills of entry/shipping bills were processed manually or manual clearance was allowed on EDI documents. Such cases have indicated the possibility of illegal import / export of restricted / prohibited goods and substantial loss of revenue to the Government exchequer. These cases highlight the high propensity to commit fraud and duty evasion that is associated with the manual processing of documents at any stage in the clearance process. It also needs to be noted that neither Directorate of Systems nor Directorate of Valuation are capturing the data relating to exports in respect of non-EDI locations. Most Customs locations have devised their own list of cases for which manual processing is allowed on a regular basis according to public notices and standing orders issued in this regard.

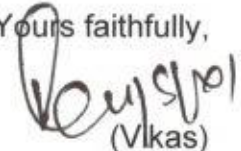
2. The matter has been examined in the Board. In order to redress the issue, it has been decided that only in the rarest of rare and genuine cases manual processing and clearance will be allowed and data for manual documents is compulsorily entered and transmitted at all locations within the stipulated time period.

3. The Board has taken a serious note of the cases of misuse detected on account of manual documentation as well as of casual manner in which this facility is being extended, which is prone to be detrimental to revenue. Accordingly, to redress the issue it has been decided that manual processing and clearance of import/export goods shall be allowed only in exceptional and genuine cases which for some reasons cannot be processed through EDI. This authority should be vested in a senior officer of the level of Joint/Additional Commissioner of Customs and it should be closely monitored by the Commissioner of Customs. Needless to state the facility of manual documentation should be an exception to the rule of EDI processing and should be withdrawn no sooner EDI processing is possible.

4. The Board has also decided that data for manual documents should be compulsorily entered and transmitted at all locations within the stipulated time period. For this purpose the Commissioner of Customs shall nominate an officer of the level of Assistant/Deputy Commissioner of Customs to oversee this task and shall closely monitor the same to ensure there is no deficiency in data quality or gap in entry and transmission of data.

5. The Board desires that the aforementioned instructions may be strictly complied with. Difficulties, if any, noticed in this regard may be immediately brought to the notice of the Board through the Chief Commissioner concerned. Needless to say any failure in complying with these instructions will have a revenue angle, and hence inevitable consequences.

Internal Circulation: As usual.

Yours faithfully,

(Vikas)

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Copy to:

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- ADG Systems, Delhi, Mumbai, Chennai and Kolkata.


(Vikas)
Under Secretary (Customs-III/VI)
