Circular No. 55/2016-Customs

F. No. 450/25/2013-Cus IV (Pt)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
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Room 227B, North Block
New Delhi, dated the 23rd November, 2016

To

All Principal Chief Commissioners/Chief Commissioners of Customs/ Customs (Prev.)
All Principal Chief Commissioners/Chief Commissioners of Central Excise & Customs
All Principal Commissioners/Commissioners of Customs/ Customs (Prev.)
All Principal Commissioners/Commissioners of Central Excise, Customs

Madam/Sir,

Subject: Reducing/eliminating printouts in Customs Clearance - regarding

Government of India has taken-up a number of initiatives for promoting 'Ease of doing business'. One of the ways to make cargo clearance easier is to reduce the use of paper and to introduce electronic messaging and paperless processing. The Board seeks to ensure that the success achieved over the years in advancing automated clearance processes, EDI messaging and digital signatures translate into a paper-free environment, besides reducing transaction costs.

2. With the above objective to promote ease of doing business by reducing use of paper, the Board has decided as under:

a. **GAR7 forms/TR-6 Challans:**

On completion of assessment of a Bill of Entry, the ICES generate a challan message, which is transmitted to the designated bank branches through ICEGATE. At the beginning of the day, a message is generated for those Bills of Entry, where duty payment is not done till the previous day. At specific intervals, this message is also generated for Bills of Entry assessed during the day. The importer, under ePayment logs in to the ePayment Gateway, selects the list of unpaid challans, then selects the bank in which to make the ePayment. The system redirects the importer to his bank for completing the ePayment transaction. The receipt, which is based on payment confirmation by the bank, is generated by application at ICEGATE and transmitted onward to ICES application.

At present, there are 3 copies of the GAR7 forms/TR-6 challans, being generated and printed out along with the assessed copies of a Bill of Entry. 95% of the importers pay only through e-Payment, where the challan information and payment confirmation are received electronically. Further, ICEGATE, on its e-Payment Gateway, provides a list of all unpaid Challans, for viewing & printing and can support Payment transactions. In the light of foregoing, Board has decided that printout of GAR7 forms/ TR-6 challans is not required. Therefore GAR7 forms/TR-6 challans would not be printed by default.

b. **TP Copy**

At present, in ICES, there is a module for processing transshipment cargo from a sea port to ICD/CFS or to another seaport. Such transshipment can be by rail, road or sea. The transshipment permit information is sent electronically to the carrier, the transporter undertaking the transshipment, the custodian of the gateway port, and the ICES system at the destination ICD or Port. Transshipment permit can also be printed by the carrier in his office or

in the custom house. Therefore, there does not remain need for printing the TP copy. However, where the ICDs/CFSs and the gateway port are not interconnected, manual copy or printing of TP copy may continue.

c. <u>Shipping Bill (Exchange Control copy and Export Promotion copy)</u>

After the Appraiser grants LEO (Let Export Order) in the system, printout of the Shipping Bill is generated by the system in triplicate i.e. (i) Customs copy (ii) Exporter's copy and (iii) Exchange Control Copy. The fourth copy namely the Export Promotion Copy is generated after submission of EGM. Further, with regard to Shipping Bill:

a. detailed copy of the Shipping Bill is not required by the Authorised Dealer. It is enough if a summary copy is printed.
b. CBEC provides copies of digitally signed Shipping Bills to DGFT.
c. The data of Shipping Bill is integrated with EDPMS (Export Data Processing and Monitoring System) of RBI.

In the light of the above, printing of the Exchange Control copy and Export Promotion copy of the Shipping Bill does not serve any useful purpose.

d. <u>Bill of Entry (Exchange Control Copy)</u>

IDPMS (Import Data Processing and Monitoring System) has been operationalised on 10.10.16. Under this system, physical transfer (Bill of Entry) of data from Customs/SEZs will be collated with Import payments data from banks. Accordingly, transactions where the amount has been remitted abroad but import for matching amount has not been evidenced, can be easily identified and monitored. The outstanding entries are available in single database of IDPMS and can be extracted for required monitoring by RBI, banks and enforcement agencies. Accordingly, RBI decided that BEF half-yearly statement from banks to RBI for monitoring of submission of BoE for more than USD 100000/- will be discontinued from half year starting January 2017.

In view of the above systemic integration, RBI has decided to do away with the requirement for the Banks to obtain a physical copy of Bill of Entry from the importer as an evidence of import because data can be transferred in secured manner from the system of Customs department to IDPMS. It has been, therefore, decided to discontinue the printing of Exchange control copy of BoE unless there is a requirement of printing like in the case of manual BoEs.

3. Though Board has decided to do away with the routine printing of above documents, however, there could be cases where printing is necessitated for variety of reasons like manual BoEs, insistence of importer, exporter etc. Board, therefore, desires that in such cases printouts may be provided on demand.

4. The above instructions should be made operational from 1.12.16. It is requested that suitable Public Notice be issued in this regard. Any difficulty in the implementation of this circular may be brought to the notice of the Board.

Yours faithfully

Zubair Riaz

(Zubair Riaz)
Director (Customs)