



ಭಾರತಸರ್ಕಾರ, ಹಣಕಾಸುವಿಭಾಗ, ಕಂದಾಯಇಲಾಖೆ
ಭಾರತಸರ್ಕಾರ,ವಿತ್ತಮಂತ್ರಾಲಯ,ರಾಜಸ್ವಿವಿಭಾಗ
Government of India, Ministry of Finance, Department of Revenue,
ಆಯುಕ್ತರಕಛೇರಿ, ನಗರಸೀಮಾಸಂಕ,
ಅಂಚೆಸಂ5400., ಕೇಂದ್ರೀಯರಾಜಸ್ವಭವನ, ಕ್ಷೀನ್ಸರಸ್ತೆ, ಬೆಂಗಳೂರು
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F.No: VIII/09/22/2020 City Cus Tech

Date: 23 /04/2020

PUBLIC NOTICE NO: 20/2020

(DIN No:20200472MR00002P163F)

Sub: Drawback- Special Measures for liquidation of Drawback Claims pending on account of non-receipt of test reports of samples, EGM not filled &Errors and Others-reg

Attention is invited to CBIC Instruction No. 03/2020-Customs dated 09/04/2020 on the subject "Special Refund and Drawback Disposal Drive - Implementation of the decision to expedite pending refund and drawback claims"

2. Continuing with various trade facilitation measures initiated by the CBIC given COVID-19 situation, it has now been decided that all pending Customs refund and drawback claims shall be expeditiously processed to provide immediate relief to the business entities, especially MSMEs, in these difficult times. This decision has been announced vide Press Note dated 08th April 2020 issued by the Department of Revenue, Ministry of Finance.

3. It is hereby informed that immediately a "Special Refund and Drawback Disposal Drive" with the objective of priority processing and disposal of all pending refund and drawback claims was initiated. This Special Drive shall be in place till 30.04.2020. It is expected that during this period all refund and drawback claims that are pending as on 07.04.2020 are being disposed of.

4. The pendency position of drawback claims in various queues under EDI System as on 21.04.2020 is as given below:

Current Queue	reason for pendency	Total DBK S/Bills
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Sample	Non-receipt of test reports from DYCC or Other testing Agencies	113
Exporter	Non-submission of reply by the exporters to the Query Raised	4018
EGM	Non-filing of EGM within the timeframe stipulated	2598
EGM error	Non-rectification and non-filing of application for correcting of EGM errors by the Shipping Lines/Exporters	316

5. Given the above, the following measures are being initiated to liquidate pendency of drawback claims in various categories mentioned above:

i) **Claims pending for want of test results reports from Labs in cases of S/Bills wherein samples were drawn & sent:** Many times the nature of the goods is such that they have to be sent for testing to know their composition to determine the appropriate rate of Drawback to be disbursed. Hence, in many cases, samples are drawn and sent regularly to Labs for testing and technical opinion. Once the samples are sent for testing until the report is received nothing much could be done in respect of the concerned claims and the time taken for receipt of test reports is beyond the control of the department. Hence, to ensure effective and speedy disposal of the pending claims, the claims can be processed at the lowest of the rates corresponding to the probable Drawback headings, without waiting for the test results. Once the test results are received from respective Labs and are found to be in the favour of the exporter and the department has accepted such findings in the Test Report, then, on the strength of the said test results, the exporters can lodge supplementary claims with the DBK section for appropriate re-disbursal of a drawback for which they are entitled.

ii) **Claims pending on account of non-receipt of reply to the queries raised:** Several queries are raised by the Drawback officers in respect of the drawback claims filed by the exporter and they are sent to the exporters' query menu for their response/reply. On scrutiny of the queries raised if any reasonable doubt is entertained regarding the genuineness of the exporter and exported goods and if any such investigations are pending against them then those exporters may be placed under intensive surveillance. Such a list of exporters may be sent to the SIIB for further probe into the relevant details to safeguard the interest of revenue. Further, a detailed list of S/Bills in which queries have been raised and drawback claims are pending for submission of replies from the exporters shall be obtained from EDI / NIC. The Deputy Commissioner in charge of Drawback section along with his officers in the section is directed to complete the scrutiny



of queries and the action as proposed in the Public Notice No 18/2019 dated 08.11.2019 will be initiated by making the drawback amount as zero, wherever no reply is submitted by the exporter. Subsequently, for such cases, the exporters may file supplementary claims as per extant provision of Law and Rules made thereunder. JC, ICD may co-opt any other officer if need be, and intimate the same to the undersigned.

iii) EGM not filed and EGM Errors: On account of EGM errors, the pace of processing of Drawback claims gets substantially affected. While feeding the stuffing report or while filing the EGM, the details of the container number, rotation number and loading number etc. may get wrongly entered and these are called EGM errors.

a) The errors that frequently occur belong to the N, C and L types. The application for rectifying these and such other errors has to be filed with the AC/DC (ECU/Drawback). The AC/DC will approve the rectification of errors on being satisfied with the veracity and genuineness of the errors. Keeping in view the workload of the AC/DC, it is hereby decided to delegate the power of approving the errors to the officer of Supdt. cadre posted in the ECU. However, the AC/DC will conduct a random percentage check of the errors so approved by the Supdt to effectively monitor that the rectifications are done properly and correctly.

b) The EGM has to be filed within seven days of shipment of the containers by the shipping lines. If the EGM is not filed in time then they cannot be entered into the system and thus the error of EGM NOT FILED automatically pops up in the EDI system. In case of EGM not filed for the old period, the EGM has to be now filed in the EDI.


c) It is a known fact that the Shipping Lines have the knowledge of EGM errors in case of EGM filed by them through pre and a final checklist. It is the responsibility of the Shipping line to rectify the EGM errors within 48 hours of the filing of the EGM for which they have to approach the AC/DC in-charge of EGM Co-ordination Unit/Drawback Section and get the EGM errors rectified as per the laid down procedure. Hence, it has been decided that the shipping bills pending under EGM NOT FILED and EGM ERRORS categories will be processed on merit, subject to production of BRC. The cases where BRC is not produced shall be processed at zero drawback, without affecting the right of the exporter to claim the drawback amount by filing supplementary claim subsequently without any time bar.

d) Further, it is decided that if the EGM errors are not rectified within the stipulated time the EGM will be treated as not filed and the claims will be



processed and disposed of at zero rates. Moreover, appropriate action also will be initiated against the shipping lines that habitually indulge in late and non-filing and non-reconciling of EGMs under the provisions of the Customs Act, 1962 on case to case basis. A reference may be made to The DC (PORT-CLEARANCE)/Chennai Customs to bring out a list of the defaulting shipping lines and monitor their activities to ensure compliance.

6. Any difficulty faced in implementing this Standing Order or any modifications, amendments are to be made may be brought to the notice of Joint / Deputy Commissioner of Drawback Section, ICD or the undersigned for necessary action.


(BASWARAJ NALEGAVE) 23042020
COMMISSIONER

To

All Concerned (as per mailing list)

Copy to: The Chief Commissioner, Customs, Bengaluru Zone.