



ಭಾರತಸರ್ಕಾರ, ಹಣಕಾಸುವಿಭಾಗ, ಕಂದಾಯಇಲಾಖೆ
भारतसरकार, वित्तमंत्रालय, राजस्वविभाग
Government of India, Ministry of Finance, Department of Revenue,
ಆಯುಕ್ತರಕಛೇರಿ, ನಗರಸೀಮಾಸಂಕ,
ಅಂಚೆಸಂ.5400, ಕೇಂದ್ರೀಯರಾಜಸ್ವಭವನ, ಕ್ಷೀನ್ಸರಸ್ತೆ. ಬೆಂಗಳೂರು
सीमाशुल्क आयुक्तकाकार्यालय, बेंगलुरुसिटीसीमाशुल्क आयुक्तालय, पी.बी.सं
5400, ಬೆಂಗಳೂರು
Office of the Commissioner of Customs, City Customs
Commissionerate,
P.B. No. 5400, C.R. Building, Queen's Road, Bengaluru – 560 001

PUBLIC NOTICE NO. 05 / 2022 DATED :02.03.2022
DIN: 20220372MR0000777DC9

Subject: - Implementation of automation in the Customs IGCRD (Import of Goods at Concessional Rate of Duty) Rules, 2017 w.e.f. 01.03.2022 – reg.

Kind reference is invited to Circular No. 04/2022-Customs dated 27.02.2022 issued by Central Board of Indirect Taxes & Customs. Certain amendments were made in existing Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 (hereinafter referred to as "IGCR Rules, 2017"). These changes come into effect from 1st March, 2022.

2. The amendments are aimed at simplifying the procedures with a focus on automation and making the entire process contact-less.

3. These include:

a) The process is being automated. The Rules prescribe the submission of the necessary details electronically, through the common portal. (The common portal is the one notified vide notification 33/2021 dated 29-03-2021 and accessible at the URL www.icegate.gov.in).

b) The various forms have been standardized and notified for the purpose of electronic submission of details.

c) Individual transaction-based permissions and intimations, such as - intimation of the intent to import goods at a concessional rate of duty, intimation of the receipt of goods, permission to re-export or clear goods domestically etc, are all being done away with.

d) A monthly statement would to be submitted by the importer on the common portal

(e) A Procedure for inter-unit transfer of the imported goods has been provided for.

(f) An electronic option for voluntary payment through the common portal, as specified in the rules, also being developed for implementation.

4. **Procedure to be followed by an importer**

For ease of understanding, the procedure set out in the IGCR Rules, 2017 and the clarification for smooth implementation are summarized below:

One-time prior intimation of intent to avail IGCR Benefit:

4.1 An importer who intends to import goods at a concessional rate of duty shall give a one-time prior information of such goods being imported. This information shall be provided on the common portal in form IGCR-1. (refer rule 4).

4.2 Subsequently, upon acceptance of such information on the common portal, a unique IGCR Identification Number (IIN) shall be generated. This information is also made available through the common portal to the jurisdictional customs officer as well as the officers at the respective port of import. The importer also has an option to update the form IGCR-1 in case of any change in the details.

4.3 It is clarified that in the case of units already covered under the existing provisions of IGCR Rules, 2017, the importers shall record electronically such details of intimation given in form IGCR-1 on the common portal and generate an IIN against the same.

4.4 The importer is required to furnish a one-time continuity bond, in a format provided in annexure-I to this Circular, to cover all the imports undertaken under this procedure. The bond details such as amount of the bond etc. shall be filled up by the importer on the common portal in part B of the form IGCR-1.

4.5 Subsequently, the physical copy of the bond and bank guarantee, wherever applicable, shall be submitted by the importer to the jurisdictional officer. Upon acceptance, the jurisdictional customs officer shall approve the bond request on the Customs Automated System.

4.6 The details of the bond number and bank guarantees will then be available for the importer to see on the common portal. The importer shall also have an option of topping up the amount of the bond and adding the details of the bank guarantee on the common portal and by providing bond addendum to the bond for adding bank guarantee as per the format given in Annexure-II.

4.7 It is clarified that if the bond/bank guarantee has already been furnished to the jurisdictional officer, there is no requirement to give a fresh bond/bank guarantee. The jurisdictional officer shall enter the details of such bond/bank guarantee in the customs automated system and generate the bond number.

Import of goods at concessional rate

4.8 The importer shall mention the IIN and the continuity bond number and details while filing the bill of entry at the port of import. On the basis of the same, the Deputy Commissioner or Assistant Commissioner of Customs at the port of importation shall allow the benefit of exemption notification. Once a bill of entry is cleared for home consumption, the bond submitted by the importer gets debited automatically in the customs automated system. These details shall be available to the jurisdictional customs officer through the common portal. (refer rule 5)

Receipt of goods

4.9 These rules cover the receipt of goods in three scenarios:

- (a) Goods are received in the premises of the importer
- (b) Goods are directly received at the premises of the job-worker; or
- (c) Goods are partly received at the importer's and partly sent to the job worker's premises

In all such cases, the requirement of intimating the receipt of the goods has been done away with. However, any non-receipt or short-receipt of the goods shall be intimated by the importer immediately on the common portal through form IGCR-2. This intimation shall be on the basis of the IIN and details shall be provided against each bill of entry, invoice and item. (refer rule 6)

Goods sent for job work from importer's premises:

4.10 In cases where the goods are first received at the premises of the importer and are then to be sent for job work therefrom, the importer shall send the goods under the cover of an invoice or wherever applicable, through an e-way bill specifying the description and quantity of goods. It is clarified that the requirement of an intimation when sending goods for job work, has been done away with. The importer shall maintain a record and mention such details in the monthly statement.

4.11 The maximum period for which the goods can remain with the job worker shall be six months from the date of invoice or e-way bill.

Receipt of goods from the job worker:

4.12 After the completion of job work, there can be three scenarios –

- (a) The goods are received back in the premises of the importer, or
- (b) the goods are cleared directly from the premises of the job worker, or
- (c) the goods are sent by the job worker to another job worker,

In all such cases, the goods shall be sent under an invoice or wherever applicable, e-way bill. The importer shall maintain a record of such movement of goods and mention the details in the monthly statement.

Inter-Unit transfer of goods

4.13 A separate provision has been included for unit transfer of goods, where goods are sent to a different unit of the same importer. The goods, in such cases shall be sent under an invoice or wherever applicable, e-way bill, mentioning the description and quality of goods.

Utilization of goods for intended purpose

4.14 It is clarified that the importer who has availed the benefit of an exemption notification shall use the goods imported in accordance with the conditions specified in the exemption notification within six months from the date of import. In case of goods that have not been utilized or defective goods, the importer has an option to either re export such goods or clear the same for home consumption within the said period of six months.

4.15 Further, in all cases where the import at concessional rate is governed by condition no. 108 of the notification 50/2017-Customs, the export of manufactured goods should be completed within six months from the date of import.

Re-Export or clearance for home consumption:

4.16 In case an importer opts to re-export such goods, he shall record the details of export documents such as shipping bill number, shipping bill date and the port of export. These details shall be specified against the bill of entry, invoice and item details of the goods imported.

4.17 In case the importer intends to clear the un-utilized or defective goods on payment of requisite duty and interest, the import duty payable would be equal to the difference between the duty leviable on such goods but for the exemption availed and that already paid, if any, at the time of importation, along with interest a rate as fixed by notification under section 28AA. The period for calculation of interest would start from the date of import of such goods and end with the date of actual payment.

4.18 An option is available to the importer to clear the capital goods imported, on payment of duty along with interest, at a depreciated value, after they have been put to use.

4.19 The particulars of such clearances and duty payments shall be recorded by the importer in the monthly statement. The importer shall pay such duties and interest using manual challan at the port of import. An option for voluntary payment through the common portal, as specified in the Rules, is under development for being enabled shortly.

Monthly statement and maintenance of account

4.20 Instead of the quarterly return prescribed earlier, the importer shall submit a monthly statement by the tenth day of the following month, on the common portal in the form IGCR-3 prescribed. (refer rule 6). It is clarified that the first monthly statement under the changed procedures shall be submitted by the importers in the month of April 2022.

4.21 The importer shall, with respect to the goods imported, maintain an account as prescribed in rule 6. Further, with respect to inter-unit transfer of goods, the importer shall maintain an account as prescribed in rule 6B. These accounts shall be produced by the importer to the jurisdictional Deputy /Assistant Commissioner of Customs as and when required by the said officer

4.22 The job-worker shall also maintain an account as prescribed in rule 6A which shall be produced to the jurisdictional customs officer, as and when required by the said officer

5. An importer or the job worker who contravenes the provisions of these rules shall be liable to a penalty as prescribed in the said rules (refer rule 8A). It is clarified that, this is in addition to any other action taken under the Customs Act, 1962 for recovery of duties.

6. **Transitional measures**

6.1 In order to account for the stock of goods imported under IGCR that are already existing in the premises of the importer or job worker on the date of transition to the new procedure, an option is being provided to the importer to record the details of all such goods according to the bills of entry, invoice and item, in the monthly statement by linking their past bills of entry in the common portal.

6.2 The details of the existing bonds under IGCR shall be entered into the customs automated system by the jurisdictional officers and the amount of surety/bank guarantee shall be determined in accordance with the Customs circular 48/2017 dated 08.12.2017.

6.3 While the system architecture to provide information in the forms prescribed shall be in place from 01-03-2022 , to enable a smooth transition, importers shall have an option to submit procurement certificates for import of goods at the port of import for availing the exemption benefit till 13-03-2022.

6.4 Currently there is a requirement for EOUs to follow Rule 5 of Customs (IGCR) Rules, 2017 to be eligible for claiming exemption of duties/ taxes on the import of goods. The system architecture with respect to above rule in respect of EoUs is under development. The same shall be implemented in due course. Till such date, procurement certificates can continue to be submitted by the EOUs for import of goods in lieu of generating IIN in the system.

7. For ease of reference of the importers, the district wise list of jurisdictional customs officers, their contact details and their jurisdictions have been mapped and published on the CBIC website. The same can be accessed at https://www.cbic.gov.in/htdocs-cbec/home_links/enquiry-points-home.

8. The Board Circulars Nos. 25/2017- Cus (N.T.) dated 30.06.2017, 29/2017 -Cus (N.T.) dated 17.07.2017 and 10/2021 – Cus (N.T.) dated 17.05.2021 may be considered modified to that extent.

9. The direction contained in this Public Notice will also be considered as Standing Order for concerned Officers and Staff of City Customs Commissionerate, Bengaluru.

10. Difficulties faced, if any may be brought to the notice of the Assistant Commissioner of Customs, EPC Mysuru / Chitradurga / South / East / Central, Bangalore via following email ids': -

EPC South: epcsouth-citycus@gov.in
EPC Central: epccentral-citycus@gov.in
EPC Mysore: epcmysore.2018@gmail.com
EPC Chitradurga: cpc.cta@gmail.com
EPC East: epceast-citycus@gov.in

Signed by Balamurugan K
Date: 04-03-2022 15:39:08

(BALAMURUGAN K.)
COMMISSIONER OF CUSTOMS

Copy to:

1. The Chief Commissioner of Customs, Bangalore Zone, Bengaluru
2. The Joint Commissioner of Customs, ICD Whitefield, Bengaluru.
3. The Assistant Commissioner of Customs, EPC South/Central/East Mysuru/Chitradurga.
4. Bengaluru Customs website.
5. Notice Board.

Annexure-I

BOND FORMAT FOR IMPORT OF GOODS AT CONCESSIONAL RATE OF DUTY

KNOW ALL MEN BY THESE PRESENTS THAT I/We, M/s.....having registered office located at.....and holding Import-Export Code No.....hereinafter called the "obligor(s)" (which expression shall include my/our successors/heirs, executors, administrators and legal representatives) are held and firmly bound unto the President of India hereinafter called the "President" (which expression shall include his successors and assigns) in the sum of Rs.....(Rs.....) to be paid to the President for which payment well and truly to be made, I/we bind ourselves, my/our successors, heirs, executors, administrators and legal representatives firmly by these presents.

For surety
bond only

KNOW ALL MEN BY THESE PRESENTS THAT I/We, M/s.....having registered office located at.....and holding Import-Export Code No.....hereinafter called the "obligor(s)" (which expression shall include my/our successors/heirs, executors, administrators and legal representatives) and of.....hereinafter called "the surety(ies)" are held and firmly bound unto the President of India hereinafter called the "President" (which expression shall include his successors and assigns) in the sum of Rs.....(Rs.....) to be paid to the President for which payment well and truly to be made, I/we bind ourselves, my/our successors, heirs, executors, administrators and legal representatives firmly by these presents.

Sealed with my/our seal(s) thisday of 20.....

WHEREAS the obligor desires from time to time to import or export goods in accordance with notifications under section 25 of the Customs Act, 1962 read with the Customs (Import of Goods at Concessional Rate) Rules, 2017.

For bond
with
security

AND WHEREAS the Commissioner has required the obligor to deposit security for the amount of this bond/ the sum of in cash (the securities as hereinafter mentioned of a total of rupees endorsed in favour of the For President and accepted on his behalf by the Assistant Commissioner of Customs,..... and whereas the obligor has furnished securities amounting to Rs.....by depositing with the officer aforementioned. The obligor undertakes to deposit the balance security as and when he intends to avail the benefit of duty exemption on goods imported under the said notifications.

NOW THE CONDITION of this written bond is such that —

The Obligor undertakes to fulfill obligations as applicable from time to time **in the event of import and export without payment of duty or on payment of concessional duty in terms of the notifications issued section 25 of the Customs Act, 1962 read with the Customs (Import of Goods at Concessional Rate) Rules, 2017**, the obligor shall fulfill the following obligations:

- a. observe all the terms and conditions of the said notification(s) in respect of imports and exports from time to time; and
- b. in the event of failure to fulfil full or part of the conditions as specified in the said notification(s), undertake to pay the customs duty but for the exemption and also interest at the applicable rates per annum thereon forthwith and without any demur, to the Government.

AND if the obligor has duly imported or exported goods subject to the above provisions and if the obligor has satisfied the above conditions, in respect of the said goods imported or exported from time to time, this obligation to that extent shall be void.

AND IT IS HEREBY AGREED AND DECLARED by the obligor as follows:-

A) This bond is given under the orders of the Central Government for the performance of an act which is in public interest.

B) The President through Commissioner or Customs or any other officer of Customs shall recover the said sums due from the obligor(s) in the manner laid down in sub-section (1) of Section 142 of the Customs Act, 1962 without prejudice to any other mode of recovery.

For surety
bond only

Provided always that the liability of the surety hereunder shall not be impaired or discharged by reason of any time being granted or any forbearance, act or omission of the Government (whether with or without the knowledge or the consent of the surety) in respect of or in relation to the obligation and condition to be performed or discharged by the obligor(s) nor shall it be necessary to sue the obligor(s) before suing the surety for amounts hereunder;

For bond
with
security

AND the President shall, at his option, be competent to make good all the loss and damages from the amount of the security deposit or by endorsing his rights under the above-written bond or the both;

And the President of India shall, at his option, be competent to make good all the loss and damage by endorsing his rights under the above written bond.

In these presents the words imposing singular only shall also include the plural and vice versa where the context so requires;

C) This bond shall remain in force from the date hereof and the obligation and liability of the obligor shall be a continuing one in respect of all goods imported or exported from time to time by the obligor.

IN WITNESS WHEREOF these presents have been signed this day _____ of _____ 20 _____ herein before written by the obligor(s) and the surety(ies).

Place:

Date:

(Signature of the Obligor)

(Signature of the surety(ies))

Witnesses:

1.

2.

Accepted for and on behalf of the President of India on _____ day of _____ 20 _____.

Signature and date

Name _____

Designation _____

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Annexure-II

BOND ADDENDUM WITH PROVISION FOR ADDITION OF SECURITY

KNOW ALL MEN BY THESE PRESENTS THAT the Proper Officer of Customs has been pleased to accept on behalf of the President of India the bond for the purposes of import or export goods in accordance with notifications under section 25 of the Customs Act, 1962 read with the Customs (Import of Goods at Concessional Rate) Rules, 2017, executed by us vide request dated.....and assigned the Bond Number

And

WHEREAS

I/We, the importer/exporter, [hereinafter called the obligor(s)], has/have deposited with the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, at..... (**location**), a security/bank guarantee of amount Rs..... for IEC No..... with reference No..... issued by in favour of O/O Commissioner of Customs..... for the due observance of and performance of the terms and undertakings on my part and for being applied in part or full towards the indemnity hereby given in terms of the Bond aforementioned, or otherwise according to law. Further, the obligor undertakes to deposit the balance security, if required, as and when he desires to import or export under the above provisions.

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NOW, IT IS HEREBY AGREED AND DECLARED that -

- i. The President or the Proper Officer, without prejudice to any other mode of recovery may, inter alia, adjust the security deposit / securities in part or full towards the dues arising out of non-compliance of conditions in afore stated bond.
- ii. In case the proceedings are not final, the obligor(s).....agree to renew the security/bank guarantee before 15 days of expiry of the security/bank guarantee, failing which, the bank guarantee shall be encashed by the department.

The Schedule of Securities above referred to

[Particulars of the amount deposited, along with consignments, if any]

IN WITNESS WHEREOF these presents have been signed this day _____
of _____ 20 _____ herein before written by the obligor(s) and the surety(ies).

Place: Date:

(Signature of the Obligor)

Name of Obligor.....

Designation.....

Accepted for and on behalf of the President of India on _____ day of
_____ 20 _____.

Signature and date

Name _____

Designation _____