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Circular No. 15/2021
31.03.2021

Sub.: A. Changes related to filing of Bill of Entry
B. Operationalization of Changes related to IGST Refund

Dear Members,

This is in continuation to AEPC Circular No. 14/2021 dated 25.03.2021 on the Highlights of Finance Bill 2021.

A. Changes related to filing of Bill of Entry

1. Now CBIC vide Circular No. 08/2021-Customs dated 29th March, 2021 (Copy enclosed) has issued clarifications on the changes in Section 46 of Customs Act, 1962 which is related to Entry of goods on importation. These changes have been carried out in the Bill of Entry (Forms) Regulations, 1976 vide Notification No.35/2021-Customs (N.T.) dated 29.03.2021.
2. The changes will facilitate pre-arrival processing and assessment of Bills of Entry (BE) by mandating their advance filing thus leading to significant decrease in the Customs clearance time.
3. **Changes in Section 46 (Entry of goods on importation)**
 - i. After examining the relevant issues, CBIC has noted that the ground reality in case of short haul vessels/flights, the importer may at times not get the Master Bill of Lading (MBL)/Master Airway Bill (MAWB) on the preceding day of the arrival of the vessel/aircraft
 - ii. To facilitate the importers, CBIC has amended the Bill of Entry (Electronic Integrated Declaration) Regulations, 2018 by issuing Notification No.34/2021-Customs(N.T.), dated 29.03.2021 thereby prescribing different time-limits for filing BE in respect of goods imported by various modes of transport.
 - iii. For clarification of the importers and trade, the changes that have been made effective are as follows :-

S. No. (1)	Customs Station (2)	Bill of Entry is Required to be Filed Latest by End of the Day of Arrival of the Vessel/Aircraft/Vehicle (3)	Bill of Entry is Required to be Filed Latest by the End of Day Preceding the Day of Arrival of the Vessel/Aircraft/Vehicle (4)	Impact
1.	Sea Port	Imports consigned from following countries viz. 1. Bangladesh 2. Maldives 3. Myanmar 4. Pakistan 5. Sri Lanka	Imports consigned from all countries other than those mentioned in column (3)	<p>- In respect of the countries mentioned at S. No. 3 Bill of Entry is to be filed latest by the end of the day of the arrival</p> <p>- For other countries other than S. No. 3 Bill of Entry is required to be filed latest by the end of day preceding the day of the arrival of the vessel</p>
2.	Airport	All imports	None	Bill of Entry is to be filed latest by the end of the day of the arrival
3.	Land Customs Station (LCS)	All imports	None	Bill of Entry is to be filed latest by the end of the day of the arrival
4.	Inland Container Depot (ICD)	None	All Imports	Bill of Entry is required to be filed latest by the end of day preceding the day of the arrival of the vessel

Note:

- To illustrate, in respect of the goods consigned from Sri Lanka by the Sri Lanka exporter, Bill of Entry is to be filed latest by the end of the day of the arrival, whereas in respect of the goods consigned from let us say, Hong Kong, but merely transshipped through Sri

Lanka, Bill of Entry is required to be filed latest by the end of day preceding the day of the arrival of the vessel.

BE that is filed after the above timelines shall attract late charges.

4. Removal of the need for MBL/MAWB in Advance BE

i. Board has decided to do away with the requirement of MBL/MAWB for the filing of advance BE. Only the reference to the House Bill of Lading (HBL)/ House Airway Bill (HAWB) would be sufficient at the time of advance filing. Thus, an importer can now file the advance BE on the strength of either a MBL/MAWB or the HBL/HAWB or both.

ii. Further, to regularize the BE filed in advance with the Arrival Manifest (IGM) when a BE has been filed only with the HBL/HAWB (and not MBL/MAWB), it is proposed to enable an option in ICEGATE for the importer to subsequently update the MBL/MAWB in the BE. This amendment to the already filed BE would be auto approved in the Customs Automated System without the need for approval of a Customs officer.

5. Common Customs Electronic Portal: CBIC vide Notification No. 33 /2021-Customs (N.T.) dated 29.03.21 has notified the common portal accessible through uniform resource locator (URL) <https://www.icegate.gov.in> as the Common Customs Electronic Portal for facilitating registration, filing of bills of entry, shipping bills, other documents and forms prescribed under the said Act or under any other law for the time being in force or the rules or regulations made thereunder, payment of duty, functions specified to be carried out through common portal

B. Operationalization of Changes related to IGST Refund as per amendment in Sec 16, clause 123 of Finance Act 2021 notified on 28th March 2021

i. **Finance Bill, 2021 in relation to amendment in section 16 has provided as follows:-**

“(3) A registered person making zero rated supply shall be eligible to claim refund of unutilised input tax credit on supply of goods or services or both, without payment of integrated tax, under bond or Letter of Undertaking, in accordance with the provisions of section 54 of the Central Goods and Services Tax Act or the rules made thereunder, subject to such conditions, safeguards and procedure as may be prescribed:

Provided that the registered person making zero rated supply of goods shall, in case of non-realisation of sale proceeds, be liable to deposit the refund so received under this sub-section along with the applicable interest under section 50 of the Central Goods and Services Tax Act within thirty days after the expiry of the time limit prescribed under the Foreign Exchange Management Act, 1999 for receipt of foreign exchange remittances, in such manner as may be prescribed

(4) The Government may, on the recommendation of the Council, and subject to such conditions, safeguards and procedures, by notification, specify— (i) a class of persons who

may make zero rated supply on payment of integrated tax and claim refund of the tax so paid; (ii) a class of goods or services which may be exported on payment of integrated tax and the supplier of such goods or services may claim the refund of tax so paid.”.

ii. Now, Finance Act, 2021 has been notified on 28th March, 2021. Chapter I Section (2)(b) of The Finance Act, 2021 provides : “(b) sections 108 to 123 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint”

iii. Since, the Finance Act provides that section 123 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and since no such notification appointing a date has been issued, the existing provision of Section 16 of IGST continues at present.

This is for your kind information.

Yours sincerely,

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Secretary General,
AEPC