

Improvements in Faceless Assessment - Measures for expediting Customs clearances

[Customs Circulars No. 14/2021 dated 07.07.2021](#), [Public Notice No. 69/2021](#) and [Standing Order No. 18/2021 dated 14.07.2021](#)

The Central Board of Indirect Taxes and Customs ('the Board'), with a view to reduce interface with the trade has decided to implement measures in the following areas to expedite the pace of Customs Faceless Assessment and clearance processes:

- i. Enhancement of facilitation levels
- ii. Expediting assessment process
- iii. Reorganisation of Faceless Assessment Groups ('FAGs') – Specialization
- iv. Reorganisation of FAGs - Optimisation of workload
- v. Enhancing Direct Port Delivery ('DPD')
- vi. Automated generation of examination orders
- vii. Anonymised escalation

Amendment in Handbook of Procedures 2015-20 ('HBP')

[Public Notice No. 16/2015-20 dated 22.07.2021](#)

- i. Para 4.41 of HBP is amended to allow only one revalidation for a period of 12 months to Advance Authorisations ('AA') issued on or after 15.08.2020 (instead of 2 revalidations of 6 months each, provided earlier).
- ii. Paras 4.51 and 4.57 of HBP are amended to allow submission of records in an online mode.

Foreign Trade Policy 2015-20 ('FTP') - Introduction of online Deemed Export Application Module

[Trade Notice No. 12/2021-22 dated 28.07.2021](#)

Vide this trade notice, the Directorate General of Foreign Trade ('DGFT') has introduced an online Deemed Exports Module on the DGFT website as a part of IT revamp for receiving applications under the Chapter 7 of the FTP.

Henceforth, the following applications should be submitted online on the DGFT's website by the importer/ exporter

- i. Refund of Terminal Excise Duty
- ii. Grant of Duty Drawback as per AIR
- iii. Fixation of Brand Rate for Duty Drawback

However, the applicants will have to submit the corresponding supporting physical documents, as prescribed under Aayaat Niryaat Form (ANF) - 7A, to concerned Regional Authorities ('RA'), within 7 days of online submission of such applications.

Online Procedure for transfer of AA / Export Promotion Capital Goods ('EPCG') Authorisation in case of amalgamation/de-merger/ acquisition etc.

[Trade Notice No. 14/2021-2022 dated 04.08.2021](#)

The DGFT has, in continuation to Public notice 34/2015-2020 dated 24.12.2020, stated that in case of amalgamation/ de-merger/ acquisition/ insolvency the export obligation(s)/ contingent liability(s) are required to be transferred from the earlier entity to the new entity as required under the related laws and rules on the amalgamation/ de-merger/ acquisition/ insolvency process. An online procedure has been accordingly notified to provide for online filing and transfer of AA and EPCG Authorisation from the earlier entity to the new entity(s).

Amendment in Authorized Economic Operator ('AEO') Programme: Auto-Renewal of AEO-T1 validity for continuous certification based on continuous compliance monitoring

[Customs Circular No.18/2021 dated 31.07.2021](#)

In view of the difficulties faced by the AEO-T1 entities in the existing procedure for the renewal of AEO certificate, the Board vide this Circular has allowed the facility of continuous AEO

certification/ auto renewal to minimize the compliance burden. The said facility is subject to submission of annual self-declaration through the AEO online web portal www.aeoindia.gov.in between 1st October to 31st December each year (format enclosed in the Circular) and review thereof.

Service Exports from India Scheme ('SEIS') for services rendered in the FY 2019-20

[DGFT Notification No. 29/2015-2020 dated 23.09.2021](#)

The Central Government has notified a list of eligible services & rates under SEIS for services rendered in the FY 2019-20. A cap of INR 5 crores per Import Export Code ('IEC') on total SEIS entitlement* has also been imposed for service export rendered in the FY 2019-20. Also, the deadline for submission of SEIS application for F.Y.19-20 has been notified as 31.12.2021 without any late cut provisions i.e., SEIS application will become time barred after 31.12.2021.

**No benefits shall be available under SEIS on receipt of payment in INR*

Extension in Export Obligation ('EO') period of specified AA and EPCG Authorisation

[DGFT Notification No. 28/2015-2020 dated 23.09.2021](#)

The Central Government has made amendment in HBP, to provide an option to avail extension in EO period till 31.12.2021 in case of specified AA and EPCG Authorization without any composition fees subject to 5% additional EO on balance exports to be fulfilled. This is in addition to EO extensions facility (upon payment of the composition fees) already provided in FTP/ HBP.

De-Activation of IECs not updated on the DGFT

[DGFT Trade Notice No. 18/2021-2022 dated 20.09.2021](#)

The DGFT vide Notification No. 58/2015-2020 dated 12.02.2021, 11/2015-2020 dated 01.07.2021 and 16/2015-2020 dated 09.08.2021 had mandated all IEC holders to ensure that details in their IEC is updated electronically every year during April-June period. Based on representations received from the IEC holders who had not updated their IECs, the period of updation was extended upto 31.08.2021.

All IECs which have not been updated after 01.01.2005 shall be de-activated with effect from 06.10.2021. It is further mentioned that any IEC so de-activated, would have the opportunity for automatic re-activation.

Making of the regulations Electronic Duty Credit Ledger Regulations, 2021

[Notification No. 75/2021-Customs \(N.T.\) dated 23.09.2021](#)

The Board has introduced the Electronic Duty Credit Ledger Regulations, 2021.

All the shipping bills or bills of export, presented under section 50 of the Customs Act, 1962 on or after the 01.01.2021 and having a claim of duty credit under the Scheme for Remission of Duties and Taxes on Exported Products ('RoDTEP') or the Scheme for Rebate of State and Central Taxes and Levies ('RoSCTL'), shall now be processed in the Customs Automated System ('CAS'), including on the basis of risk evaluation through appropriate selection criteria.

The claim shall be allowed by Customs as per the conditions and restrictions notified for the Scheme, after the filing of export manifest or export report. Once the claim is allowed, a scroll for duty credit will be generated by the proper officer in the CAS. Separate scrolls will be generated for each Scheme. The scroll details, including the details of shipping bills or bills of

export, duty credit allowed and date of generation of scroll, shall be visible on the CAS to the exporter who is the recipient of such duty credit.

The manner to issue duty credit for goods exported under the RoDTEP Scheme

[Notification No. 76/2021-Customs \(N.T.\) dated 23.09.2021](#)

The Central Government notifies the manner to issue duty credit for goods exported under RoDTEP, subject to conditions and restrictions as specified, in accordance with paragraph 4.01(e) of the FTP.

Extension in validity of the existing FTP and HBP

[DGFT Notification No. 33/2015-2020 dated 28.09.201](#), [Public Notice No.25/2015-2020 dated 28.09.2021](#) and [Public Notice No.26/2015-2020 dated 29.09.2021](#)

The Central Government has amended the validity of the existing FTP and HBP from 30.09.2021 to 31.03.2022.

Applicability of IGST on repair cost, insurance and freight, on goods re-imported after being exported for repairs

[Public Notice No. 75/2021 dated 26.07.2021](#), and [Circular No. 16/2021-Customs dated 19.07.2021](#)

The above Public Notice and Circular has been issued to clarify the recommendation of the GST Council in its 43rd Meeting. To implement the recommendation, the Central Government has amended Notification Nos. 45/2017-Customs and 46/2017-Customs, both dated 30.06.2017 vide notification Nos. [36/2021-Customs](#) and [37/2021- Customs](#), both dated 19.07.2021 respectively, clarifying that re-import of goods sent abroad for repairs would also attract IGST and Cess (if applicable) on the value equal to the repair value, insurance and freight.

KEY TAKE AWAY

- Measures implemented to expedite the pace of Customs Faceless Assessment and clearance processes
- Application for SEIS claim for FY 2019-20 shall be accepted till 31.12.2021
- Manner of issuing duty credit for goods exported under the RoDTEP Scheme notified
- Extended validity of FTP 2015-20 and HBP 2015-20 from 30.09.2021 to 31.03.2022
- Online Procedure notified for transfer of AA / EPCG to new entity in case of amalgamation/de-merger/ acquisition, etc.
- Introduction of various online facilities for claim, application and reduction in procedure



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