

**OFFICE OF THE COMMISSIONER OF CUSTOMS (II)
AIRPORT SPECIAL CARGO COMMISSIONERATE,
SAHAR, ANDHERI (EAST), MUMBAI – 400 099**

F. No.: AIR CUS/50/CC/382/2011

Dated: 23.12.2016.

PUBLIC NOTICE NO. 25 /2016

Sub:- Implementation of Express Cargo Clearance System (ECCS) at Courier Terminal, Sahar, Mumbai.

Attention of the trade, Courier Companies and Custom Brokers is invited to the provisions of the Customs Act, 1962 (hereinafter referred to as “the Act”), the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 (hereinafter referred to as “the Regulations”) issued in exercise of the powers conferred by section 157 of the Act by the Central Board of Excise and Customs (CBEC) vide Notification no. 36/2010–Customs (NT) dated 05.05.2010, CBEC Circular No.58/2016-Customs-IV dated 02.12.2016 and the procedures stipulated in the earlier Notifications, Public Notices, Circular, etc.

2.0 The Regulations apply to automated assessment and clearance of imported or export goods, other than those excluded vide the said Regulations, carried by an Authorized Courier by air on behalf of a consignee or consignor. Accordingly, in terms of Handling of Cargo in Customs Area Regulations 2009 (hereinafter referred to HCCAR, 2009), the Express Industry Council of India (EICI) was directed to provide the software application for Automation of Customs clearance process of Air Express Cargo at Courier Terminal on a turn-key basis, including all hardware, network, security, data center services, operations & maintenance including helpdesk etc. as may be required for the smooth functioning of the system. They were also informed that the intellectual property arising out of the automation software including source code, documents and artifacts shall be owned by and belong to the CBEC. Now in discharge of their obligations under the HCCAR, 2009 EICI has presented the application software known as Express Cargo Clearance System (ECCS) which will be put into operation in a phased manner. In the first phase of deployment clearance of import covered under Courier Bill of Entry XI and XII will be undertaken tentatively w.e.f. 5th January, 2017 at the Courier Terminal, Mumbai.

2.1 Consequent upon the issue of the Regulations and automation of courier clearance, there would be procedural modifications and changes as detailed below. The provisions of this Public Notice, in so far as they are with respect to automation of courier clearance, shall prevail over the existing instructions. Further, the words used in this Public Notice shall have the same meaning as assigned to them in the Act and the Regulations.

2.2 Clearance of documents and non-documents along with associated processes of calculation of Customs duty, providing a mechanism for conveying the amount of duty including arrears, fine, penalty and other charges, risk management and trans-shipment etc. shall be handled in the automated system. Once shipment data (including scanned documents) is entered

into the system, it shall be worked upon by all stakeholders i.e. Courier Companies, Custom Brokers, Customs and Custodian, who shall be given rights, based on access control.

2.3 As the ECCS is a web-based application, the ECM / CSB / CBE forms can be uploaded from the offices of Courier Companies/Custom Brokers/Importers through the Internet by authorized users. However, the users can also do so from computer terminals provided by the Custodian in the Service Center/Help Desk, located on the first floor of the Courier Terminal. For availing this facility, Courier Companies/Customs Brokers/Importers who intend to file Courier Bills of Entry will have to come to the Service Center/Help Desk with physical copies of the relevant documents. These shall be entered into the ECCS by personnel present at the Service Center/Help Desk.

2.4 Bills of Entry, response to queries, detention memos, etc. which are submitted into the system by the Courier Companies/Custom Brokers/Importers/Custodian shall be digitally signed. When documents are submitted through Service Center, digital signatures of the Service Center personnel shall be affixed but in such cases it shall be mandatory for the Courier Companies/Custom Brokers/Importers availing this service to sign and affix their seals on the physical copies of electronic forms generated by the Service Center. This shall be necessary to maintain legal sanctity of documents so submitted.

2.5 For efficient control of shipments, the proposed system shall use barcode scanners enabled to present and change shipment status of consignments.

3.0 Activities in the ECCS are assigned to Users through the Access Control Module. The Port Admin is the authority for creating and assigning 'Roles' to different users to enable them to function in specified subsets of activities in accordance with user types. The Port Admin will create one 'Group Admin' for various user Groups viz. Customs/Courier Companies/Customs Brokers/Importers and Custodian. In turn every 'Group Admin' will be authorized to create 'Users' within their own circle. The functioning of a user in the ECCS is limited to the menus appearing for the user in each module which in turn depend upon the activities assigned to the user.

4.0 Application for registration of Authorized Courier: The registration process of authorized Courier will be governed by the provisions specified in the Regulations. The process of granting registration shall not be part of the ECCS. Once the PAN based registration has been given, particulars of the registration shall be updated in a centralized directory in the ECCS. This process of updating the directory in ECCS shall be handled by the jurisdictional Addl./Joint Commissioner of Customs. There shall be one centralized registration number for one authorized Courier even if it operates at multiple customs stations.

5.0 Clearance of Imported goods: The clearance of imported goods under ECCS shall be governed by the procedure prescribed under the Regulations. The Regulations provide, inter-alia, that:

- i. The Authorized Courier or his agent shall file, in an electronic form, a manifest for imported goods prior to its arrival, with the proper officer the Express Cargo Manifest – Import (ECM-I) in Form A to the Regulations;
- ii. (a) The Courier packages containing the imported goods shall not be dealt with in any manner, except as may be directed by the Commissioner of Customs;
 (b) No person shall, except with the permission of proper officer, open any package of imported goods.
- iii. The Authorized Courier or his agent who has passed the examination referred to in regulation 8 or regulation 19 of the Customs House Agents Licensing Regulations, 2004 (the CHA LR 2004 have since been superseded by Customs Broker Licensing Regulations, 2013 where the corresponding provision is provided under Regulations. 6) shall make an entry of goods imported by him, in an electronic declaration, by presenting to the proper officer the Courier Bill of Entry–XI(CBE-XI) in Form B to the Regulations for Documents or the Courier Bill of Entry–XII (CBE-XII) in Form C to the Regulations for free gifts and samples or the Courier Bill of Entry–XIII (CBE-XIII) in Form D to the Regulations for low value dutiable consignments or the Courier Bill of Entry–XIV (CBE-XIV) in Form E to the Regulations for other dutiable consignments.
- iv. The Authorized Courier shall present imported goods brought by him or by his agent, in such manner as to the satisfaction of the proper officer or as per instructions issued by the Board or Public Notice issued by Commissioner of Customs, from time to time, for inspection, screening, examination and assessment thereof.
- v. Any imported goods which are not taken clearance after the expiry of a period of thirty days of its arrival shall, after permission from the proper officer, be sold or disposed of by the person having custody thereof, after issuing a notice to the Authorized Courier and the declared importer, if any.

5.1 ECM (Express Cargo Manifest) in Form A to the Regulations: ECM filing is segregated as per documents and non-documents. For clearance of shipments, user needs to file the ECM (ECM Docs and ECM Non-Docs) through the ECCS online application either by entering details of each shipments separately or through ECCS bulk upload mode. During ECM filing, the Courier Company feeds the scheduled date and time of arrival. However, after arrival of the flight the IGM (Import General Manifest) number is given by the designated Customs Officials (offline process), to each of the courier companies. Once the Courier Company gets the IGM number, the same is to be updated in the ECCS system with actual date and time of arrival of flight by the courier company by using the feed IGM number process. This is important as it is on the basis of this date and time the system re-computes duty liability wherever applicable (taking the time of importation as the time of arrival of the flight). Upon Submission of the ECM, ECM number which comprises of a Customs serial number along with the running financial year and port name, is generated. An example of ECM number is, ECM_MUM_2016-2017_01.

5.2 Arrival Scan: This process, carried out by barcode scanners in case of shipments covered under CBE XII, XIII and XIV, is used by the Custodian to update the status of the shipment in ECM as 'arrived'. Arrival Scan is done only after IGM Number and actual arrival time have been updated for the ECM. Shipments may arrive in multipart which means House Airway Bill (HAWB) shall comprise of one or more packet. In such cases the HAWB number is the unique identifier while individual packages in the shipment may be identified by the Cross Reference Number (CRN) or HAWB number as the case may be. While in case of document shipments the arrival scan is carried out at the bag level, in case of non-document shipment all packages, including part packets being multipart for a particular shipment, shall be 'Arrival Scanned'. Apart from updating the status of the shipment as 'arrived', Arrival Scan shall also be used for recording actual weight of the shipment (docs or non-docs) by the Custodian. Process of recording weight shall occur once the arrival scan has been completed. In case of discrepancy between manifested and the actual weight the manifest shall be amended after due permission from Customs.

5.3 After filing ECM, the user can either file a Courier Bill of Entry (CBE) for clearance of the shipment or request to put it on hold pending further documents/clarification. Shipments put on hold shall be stored in the warehouse till the hold is released. On receipt of complete information/ documents, the Courier Company shall release the hold and file a CBE for clearance. For this purpose shipment details like HAWB (House Air Way Bill) number, description, consignee information, arrival information etc. shall be entered into a computerized warehouse register maintained by the Custodian.

5.4 Courier Bill of Entry (CBE) shall be filed in the forms prescribed under the Regulations for the clearance of imported goods as under:

5.4.1 CBE-XI shall be filed by Courier Companies for clearance of document shipments. CBE-XI can be filed both for the bagged shipments and for the loose shipments pertaining to the same ECM. An example of CBE-XI number is **CBE-XI_MUM_2016-2017_01_01**.

5.4.2 CBE-XII shall be filed by Courier Companies for clearance of non-document shipments comprising of only free samples and gifts. This would be filed in cases where the value of sample is less than Rs.10,000/- and that of gifts is less than Rs. 20,000/-. This CBE can be filed prior to arrival of shipment (Pre-filing) or after arrival of shipment (post filling). An example of CBE-XII number is **CBE-XII_MUM_2015-2016_01_01**.

5.4.3 CBE-XIII shall be used for low value Non-Document dutiable shipments. Courier Companies shall file this Bill of Entry only if the assessable value of the goods does not exceed rupees one lakh (Rs.1,00,000/). An example of CBE-XIII number is **CBE-XIII_MUM_2015-2016_01_01**.

5.4.4 CBE-XIV shall be filed by the Courier Company/Custom Broker /Importer only when the assessable value of the imported goods is exceeding rupees one lakh (Rs.1, 00,000). As an exception CBE-XIV will also be filed in case of import under 100% EOU scheme and cases of

import for repair and return consignments. An example of CBE-XIV number is **CBE-XIV_MUM_2015-2016_01_01**.

5.5 Import Clearance Process: The clearance of imported goods is subject to self-assessment in terms of Section 17 of the Customs Act, 1962. The trade is, therefore, required to exercise due care in making accurate and correct declarations and assessment of duty. As the proposed Courier Clearance under the ECCS shall be governed by the Risk Management System (RMS), CBEs would be subjected to assessment and/or examination based on risk parameters as may be determined by the Customs.

5.5.1 The CBEs facilitated by the RMS shall move directly for payment of duty in case of dutiable goods and for X-Ray scanning and Out of Charge in case of non-dutiable goods and documents. The non-facilitated CBEs shall be subjected to both assessment and examination, only assessment only examination of the goods as may be determined by the RMS. However, in all cases where Compulsory Compliance Requirements (CCRs) are required to be complied with, the Courier Company/Customs Broker/Importer is required to provide the requisite information/documents in the ECCS before the CBEs can be taken up for further processing.

5.5.2 Clearance of goods under CBE-XI:CBE-XI shall directly move for X-Ray Scanning. In case X-Ray is cleared, out of charge will be given on the ECCS application by the X-Ray officer. However, when X-Ray is marked as suspicious by X-Ray officer same will be forwarded to Inspector Examination who updates his remarks in the ECCS application. On submission of examination report by the Inspector Examination the case goes to the Shed Superintendent/Appraiser for further processing.

5.5.3 CBEs selected for assessment shall be marked to the Assessing Officer who can assign the shipment for first check assessment, second check assessment, detention, issue a Query Memo etc. The shipment may be subjected to provisional assessment or final assessment with or without altering the details as filed in the Bill of Entry.

a) **First Check:** In First Check assessment, the CBE shall be marked by the Assessing Officer for examination after arrival process. Once examined by the Examination officer, the CBE shall be sent to Assessing Officer who shall then assesses the CBE. The consignment would then be X-Rayed before Out of Charge Order by the Shed Superintendent/Appraiser.

b) **Second Check:** If Assessing Officer selects second check mode of assessment, the assessment of the shipment is completed and the CBE moves for payment of duty by the courier company. Later, the arrival process shall be followed before the consignment is X-rayed by the designated officer. The goods will then be examined by the designated officer if so prescribed by the RMS or found to be suspicious in the X-Ray Scan and if in order OOC shall be given by the Shed Superintendent/Appraiser.

c) **Bond & Provisional Assessment:** The ECCS application has the facility for provisional assessment of imported goods after execution of appropriate Bond. When the CBE is to be Provisionally Assessed, the Assessing Officer shall enter following details in the system:

- i) Details of bond executed viz. Bond Type, Amount, Bond Number and Date.
- ii) Assessment type of BE
- iii) Assessment remarks

At the time of Final Assessment of CBE, the system shall automatically fetch the registered bond details on entering the bond amount and type.

d) **Raise Query:** The Assessing Officer may raise query, for which he/she shall enter remarks and can seek for documents/ information from the courier company. The CBE in such cases will be transferred to the courier company for replying to the query.

e) **Detention:** If required, the Assessing Officer may detain the imported goods and seek documents/ information from the courier company. In such cases, a Detention Memo will be issued. The CBE shall be transferred to the Courier Company for replying to the Query Memo and the Custodian for updating details in the warehouse register.

f) **Approval of Appraisal by DC/AC:** All CBEs of Assessable Value more than Rs. 1,00,000/- get allocated to DC/AC for approving appraisal. DC/AC can either return such CBEs to the Assessing Officer or Approve Appraisal. In cases where CBEs are returned to Assessing Officers, the Assessing Officer shall take appropriate action. If the DC/AC approves the appraisal, then the CBE shall move to the Courier Company/ Customs Broker/ Importer for payment of Duty.

g) **Duty Payment by Courier/Custodian/CB/Importer:** The payment module of ECCS has been integrated with the banking payment process which shall be used to make online payment of Duty, Fine, Penalty and others charges (e.g. Trans-shipment Fee etc.). For this purpose, all the registered Courier Companies/Customs Brokers/Importers must have an account with any branch of State Bank of India.

h) **X-ray Scan:** Post payment of duty and arrival of the ECM, the CBE shall be available to the Out of Charge officer. However before Out of Charge, the imported goods shall be subjected to X-Ray scanning. If the goods are found suspicious during X-Ray scanning, the CBE will be sent to the Inspector for examination and entering the outcome thereof (Examination Report) in the ECCS. The CBE would thereafter be sent to the Shed Superintendent/Appraiser for giving Out of Charge or any other action that may be required.

i) **Examination Inspector:** Consignments marked as suspicious during X-Ray scan or selected for examination by RMS will be sent to the Inspector for examination who shall examine such shipments and enter his report and recommended action against each shipment and send it to Shed Superintendent/Appraiser for further action.

j) **Raise Query:** A query memo shall be raised by the Shed Superintendent/Appraiser, in case of suspicious shipments stating the grounds for raising the query. The Superintendent/Appraiser may also ask the courier to produce necessary documents. Once the courier company tenders a response, the CBE would be available to the Shed Superintendent/Appraiser for further action.

k) **Refer to Assessing Officer:** If the case so requires, the Shed Superintendent/Appraiser shall recommend the same for adjudication and shall mark the same to the Assessing Officer. The Assessing Officer shall also have the option of raising a query and the procedure pertaining to queries shall follow. Subsequent to raising queries and obtaining responses, the Assessing Officer may proceed with the adjudication process.

l) **Detention Memo:** In cases where the Inspector has identified suspicious shipments and has prepared an examination report, the Shed Superintendent/ Appraiser can issue a detention memo, raise a query to call for additional information or clear the shipments by issuing an Out of Charge order.

m) **Re-Examination:** In case of any suspicion/dispute, the Shed Superintendent/Appraiser may request for Re-examination and send the CBE back to Inspector Examination for examining the shipment again. The inspector shall send shipments meant to be cleared to the Shed Superintendent/Appraiser for issuance of Out of Charge.

n) At any stage, if detained goods are released provisionally, the Shed Superintendent/Appraiser can authorize such release after entering details of the Bond (e.g. number, amount and date of execution) and Bank Guarantee (number, amount and validity).

6.0 Payment of Customs Duty and other Customs Dues: The ECCS provides for online payment of Customs Duty, Interest, Fines, Penalties, etc. For this purpose the user shall create a Challan in the ECCS by selecting CBE and the available port wise authorized bank. Once the Challan is created, the application shall direct the user to the bank payment gateway for payment of duty. The bank shall process the transaction and shall debit the user account with the requisite amount mentioned in Challan. Bank application after processing the transaction shall direct user to the ECCS application and shall also send the transaction confirmation message to the ECCS application. The system then generates a cyber receipt of the paid challan at bank site. The transaction details of the user shall also be available in Transaction History option in ECCS application from where user can view the history of paid/unpaid challans.

6.1 Manual Verification of duty payment: In cases where the user's account gets debited and the transaction at bank's end is processed but the confirmation token is not sent to ECCS or not received by ECCS then the process of verification can be initiated by the user. The user shall enter the bank transaction number against the specific challan in the interface provided on ECCS application and shall submit the details for verification. ECCS then sends the verification message to the bank verification URL and gets verification confirmation from the bank. On the basis of such confirmation, the challan shall be considered as paid.

7.0 Stop Process: The DC/AC shall be able to stop the clearances of shipment at any stage (before OOC). In cases where shipments details are not available in the system, due to not filing of CBE, the HAWB number is marked for future reference. Once a CBE has been filed for the shipment, the same would be available for stop process. Thereafter the DC/AC would have the option to detain or clear the shipment. The detained shipments can also be taken up for adjudication if required.

8.0 CBE Cancellation: The ECCS provides for cancellation of CBEs if so required. Such cancellation will however be processed after due verification and permissions.

9.0 CBE Amendment before Out of Charge: CBE Amendment process shall be used to modify/amend the existing details of CBE. Once the CBE has been filed, it shall go through several processes before it is approved and cleared by customs. As and when the need arises, Courier user can raise the request to change or modify the CBE details. Such requests shall be processed by the Assessing Officer and be approved by the DC/AC. The Bill of Entry after approval shall be sent for assessment/re-assessment.

10.0 ECM Amendment: The ECM amendment process shall be used to amend/modify the details of Express Cargo Manifest (ECM) before the arrival scan is conducted for the flight. Courier companies can request for ECM amendment whereby they shall be able to add new HAWB details in case of 'excess landing' and delete existing HAWB details in case of 'short shipment' with the approval of DC/AC. ECM Amendment process however, has some constraints with regard to the modification of details. The set of details permitted to be modified shall depend upon the stage where the ECM is present at the time of amendment. The conditions can be summarized as follows:

- i) Before IGM Feed: All details in the ECM can be modified.
- ii) After IGM Feed but before arrival scan: Once IGM number is updated in the ECM, on board courier details and the Flight details will be non-editable and cannot be modified.
- iii) After Arrival Scan: Once ECM is arrived by custodian, the HAWB number and CRN details become non-editable.

Any amendment in the ECM shall be done after due permission/adjudication by Customs as may be required.

11.0 Bond Management: The ECCS has provisions for Registering, Managing and Maintaining various types of Bonds in ECCS system. These Bonds can either be Continuity Bonds or Consignment Specific Bonds.

11.1 Bond Master: The Port Administrator shall allocate the work of Bond Master to the designated officer. These Bond Masters will be assigned specific work of Bond Maker or Bond Checker. The Bond Maker shall enter the Bond details in the Bond Master defining Bond Types (e.g. Bond for Provisional Assessment) and Bond Category (i.e. specific or continuity). Bond Checker shall approve the Bond entries created by the Bond Maker.

11.2 Bond registration: On the request of the Courier Company/CB/Importer, the designated officer shall register and maintain Bonds/BGs through the Bond Registration function available in the ECCS. These registered Bonds/BGs shall be used by respective Courier Company/CB/Importer in cases of Provisional Assessment, Transshipment, Provisional Out of Charge etc. The designated officer shall compute the amount of Bond/BG and the same shall be approved by the DC/AC. Approved amount of Bond/BG shall be indicated on the CBE after the assessment.

11.3 Bond Expiry alerts: ECCS has provision to alert the Courier Company/CB/Importer about the expiry of their Bond/BG so that they shall be able to timely replenish/renew their Bond/BG as per Customs requirements. Departmental officers shall also have option to view the details of Bond/BG which enables them to communicate to the respective Courier Company/CB/Importer.

11.4 Bond release: On a request from Courier company/CB/Importer, Bonds/BGs due for release shall be released by the Assessing Officer after verifying the status of the Bond/BG with due permission of DC/AC.

12.0 Import Trans-shipment: Import Transshipment Process shall be initiate once ECM (Express Cargo Manifest) is filed with a request for transshipment of a consignment in the ECCS. Courier Company/CB/Importer shall file Cargo Transfer Manifest (CTM) for HAWBs indicated as trans-shipment cases in the ECM. Transshipment related bonds will be checked and debited in the ECCS as required. In case of insufficient bond amount, the ECCS shall generate an alert to the Courier Company/CB/ Importer for replenishing the same before filing the CTM.

12.1 Trans-shipment fee payment: Once the express companies make the payment towards trans-shipment charges through e-payment, the payment details shall be viewable to the Assessing Officer in the ECCS for approval.

13.0 Manual Clearance: After automation, manual clearance will be permitted only in exceptional circumstances including prolonged downtime of the application. Such clearances shall however be permitted with the prior approval of Commissioner of Customs, APSC.

14.0 Miscellaneous: Public Notices issued by this Custom House relating to the procedure for presenting and processing of the CBEs stand modified to the above extent and shall continue to apply to the extent that they are not in contradiction with this Public Notice. Any difficulty in the implementation of this Public Notice should be reported to the Additional Commissioner of Customs /Jt. Commissioner of Custom, Courier Terminal, Airport Special Cargo Commissionerate, Mumbai.


23/12/16
COMMISSIONER OF CUSTOMS
AIRPORT SPECIAL CARGO

Enclosed: Form-A to Form- H to the Regulations Containing Forms I.e. ECM-I, CBE-XI, CBE-XII, CBE-XIII, CBE-XIV respectively and Form-I Containing Form for Application Form for registration / renewal of Authorized Courier.