



**OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-II),  
MUMBAI ZONE-II, JAWAHARLAL NEHRU CUSTOM HOUSE,  
NHAVA SHEVA, TALUKA: URAN, DISTRICT: RAIGAD,  
MAHARASHTRA-400707.**

**F. No. S/12-Gen-misc -07/2018-19/ AM (X)**

Date: 05.02.2019

**PUBLIC NOTICE NO. 11/2019**

**Subject: IGST Export Refunds—resolution of errors— reg.**

Attention of all exporters, customs brokers, and all other stake holders is invited to the Board Circular No. 01/2019-Customs, dated 02.01.2019, on the subject mentioned above.

The processing of IGST refund claims on exports is fully automated. Majority of refunds claims are getting processed and sanctioned within five days of filing of GSTR-1 and GSTR-3B returns. However, in a few cases, particularly for the LCL cargo consignments originating from ICDs, Export General Manifest (EGM) related errors continue to hinder smooth and automatic sanction of IGST refund claims. It has been observed that the main reasons for such EGM errors still hampering the IGST refund processing are as under:

- (i) Online filing of both local and gateway EGM not being done on time by the concerned stakeholders,
- (ii) Mismatch in local and gateway EGM details wherever both are filed online,
- (iii) Non-filing of stuffing report by the officers at gateway ports for the LCL cargo being consolidated at the gateway ports/CFSs in the system.

**2. Non-filing/late filing of local and gateway EGM online: -**

(i) The processing of IGST refund gets hampered either because the local EGM has not been filed online or has been filed late. There are instances where the cargo originating from the hinterland ICDs reached the gateway port without the local EGM having been filed online. Earlier, vide Circular No. 42/2017-Cus., dated 7.11.2017 the Board had explained that due to manual filing of EGM in respect of shipping bills originating from ICDs, system is unable to match the gateway EGMs with the local EGMs. Therefore, it was instructed that all the custodians / carriers / shipping lines operating at ICDs / gateway ports should file EGM online. It is reiterated that the first step would be that the concerned stakeholders at the originating ICDs file the local EGMs online.

(ii) Where the export goods are directly moved by truck to the gateway port, in such cases, filing the local EGM timely should not pose any problem. At inland ICDs/CFSs connected by train, the local EGM should be filed before the goods actually move out of ICD/CFS. In ICDs / CFSs not connected by train but where the movement of export goods begins from the nearest train-based ICD/CFS, it has been observed that local EGMs are not being filed as the train number is not known to the custodian for the want of rail receipt. In such cases, it must be ensured that local EGM is filed by the custodian immediately after getting train details in which containers are moving to gateway port, but in any case, before the train leaves for the gateway port.

(iii) Non-filing of EGMs clearly indicates non-compliance by the custodian / person in charge of the conveyance carrying export goods, and such failure is liable to attract penalty under the provision of Section 41 of the Customs Act, 1962.

### **3. Mismatch in local EGM and gateway EGM:**

(i) One of the major hindrances in smooth processing of IGST refunds for the past period is the problem faced by field formations in gathering information with regard to LCL cargo from shipping lines and custodians. The procedure related to consolidation of cargo at gateway ports has already been prescribed vide Circular No. 55/2000-Cus., dated 30.06.2000 wherein it is provided, inter-alia, that the custodian of the gateway port or CFS near gateway port is required to maintain a tally sheet, container-wise, giving details of the export consignments, the previous container no., shipping bill no., AR-4 no. and the details of new container in which goods have been re-stuffed. It was also mandated that the concerned shipping line would issue the bill of lading, a copy of which would be handed over to the custodian. After necessary endorsements regarding inspection, the transference copy would be returned to the originating ICD/CFS. Thus, the custodian of the CFSs or gateway port bears the responsibility to maintain all records with regard to LCL cargo consolidated at their premises. Subsequently, vide Circular No. 08/2018- Customs, instead of the said transference copy, correlation with final bill of lading or written confirmation from the custodian of the gateway CFS was permitted for purposes of integration of the local and gateway EGM.

(ii) In some field formations a tally sheet is being maintained in the form of Container Load Plan (CLP) which is prepared by shipping lines and gives details of packages stuffed in the container. Cargo is destuffed under customs supervision based on Container De-stuffing Plan (CDP). Preparing CLP/CDP does not absolve the custodian of the responsibility of keeping account of the cargo being handled in the form of a tally sheet. Such local practice of CLP/CDP appears to have been started only for the convenience of shipping lines/custodians. The accounting of previous containers vis-a-vis new container in case of LCL cargo being re-stuffed at CFS or gateway port is an important event in establishing the linkage between the local EGM and gateway EGM. Circular 55/2000- Cus., dated 30.06.2000 mandating the procedure to be followed at gateway ports or CFSs attached to gateway ports and the originating inland ICDs/CFSs for consolidation of LCL cargo at gateway ports or CFSs attached to such gateway ports is still in vogue and the same has not been dispensed with.

(iii) Customs officers in charge of CFSs should provide the list of shipping bills having SB006 error, i.e., EGM errors to the concerned CFSs at gateway ports. The custodians should in turn provide details as mentioned in tally sheets or CDP/CLP (containing container details) relating to the said SBs to the customs officers.

(iv) For those shipping bills in respect of which no gateway EGM was filed in the first place, the shipping line can file supplementary EGM for successful integration.

(v) Responsibilities and liabilities of custodians have been provided in detail in the Handling of Cargo in Customs Areas Regulations, 2009. Regulation 6 clearly casts the responsibility of keeping account of export goods on the Customs Cargo Service Provider (CCSP). Further, the procedure for suspension or revocation and imposition of penalty is provided in Regulation 12 which liable to be resorted to in cases where CCSP fails to comply with the regulations. This would be strictly enforced after following due process in instances of persistent non-compliance.

(viii) Export of goods out of India is an essential condition for grant of IGST refund as provided in Rule 96 of CGST Rules, 2017. It therefore warrants verification whether the goods were indeed exported out of India where the IGST refund claims have been long pending with EGM error (SB006).

4. Board had vide Circular No. 67/2000-Customs had extended the procedure prescribed in Circular No. 55/2000-Customs to agents of shipping lines / MTOs / NVOCCS / freight forwarders/consolidators. This was purely a facilitation measure taking into account the business practice of the shipping lines. Board has allowed these entities a role in the logistics chain only to facilitate the trade. Since these entities have the necessary information, it should not be difficult for them to provide the particulars required to resolve the pending SB006 cases. Therefore, there is a responsibility on these entities to coordinate with the field formations in return. Department would be constrained to review the facility given vide Circular No.67/2000-Customs to agents of shipping lines / MTOs / NVOCCS / freight forwarders/ consolidators should there be any report of non-cooperation and non-compliance from their side.

Difficulty, if any may also be brought to the notice of Deputy / Assistant Commissioner EGM Co-ordination Cell through email /phones (*email address: [jnchegmcoordcell@gmail.com](mailto:jnchegmcoordcell@gmail.com), phone No. 022-27244909*).

Sd/-

**(MANAS RANJAN MOHANTY)**  
COMMISSIONER OF CUSTOMS  
NS-II, JNCH

**Copy (By email) to:**

1. The Chief Commissioner of Customs, Mumbai Zone- II.
2. All the Commissioner of Customs, Mumbai Zone- II.
3. All Addl./Joint Commissioners of Customs, Mumbai Zone- II.
4. All Deputy/Asstt. Commissioners of Customs, Mumbai Zone- II.
5. The DC/EDI for uploading on the JNCH website.
6. Representative of CSLA & MANSA for information and circulation among their members and other shipping lines operating at Nhava Sheva Port.
7. Representative of CFSAI / BCBA / FIEO / Members of PTFC for information and circulation among their members and other importers for information.