CUSTOMS CIRCULARS

Circular No 27/2019-Customs

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I Roll out of Project Import Module in ICES

Project Imports Scheme provides that all the goods imported for the purpose of setting up of Industrial Project or substantial expansion of existing industrial projects be subjected to single classification under heading 98.01 of Custom Tariff Act, 1975 and single rate of duty instead of merit assessment of imported goods. For this purpose, Project imports registration as mandated by Project Imports Regulations, 1986 has been happening manually till now. Bulky registers are being maintained by the field formations for the debit entries of all the items of import. Further, the process of issuing release advises to other ports, debiting bond and finalizing the project have also been largely manual thus making the process cumbersome and impacting its efficiency.

To overcome the difficulties faced due to manual processing, Project Imports module has been developed in ICES. It is to inform that Project import module shall cover following processes:

A. Registration

Project Registration functionality has been developed on the lines of license registration. The registration has to be done in the LIC role under License Registration. The same form as available at the time of registering licenses will be used for generating project number in the System. Following points may be kept in mind while registering a project.

a) Scheme code to be used is PI, Notification will be null.

b) All items of import have to be entered with quantity and value; No items of export.

c) Default validity has been kept as 84 months. But the same is amendable.

d) The limitation factor would be B-both value and quantity.

e) Sponsoring authority's certificate details can be entered in Receipt No and date fields.

f) Iss_By will be the code of the sponsoring authority (list of values in F7).

g) Bond details are mandatory. Only the bonds registered under the new bond category of PI can be given during registration.

h) Value (CIF in foreign currency (FC) is mandatory.

Once the registration is complete in LIC role and then approved in APR role (under license management), a 10-digit number license number would be generated by the System with the first two digits as 99. This can be treated as the Project number, for further quoting the same in the Bills of Entry.

B. Bond Registration

For the purposes of Project Imports, a new category of bonds with the code PI have been created. This bond is a national provisional bond, and can be used for imports at any port under a project. The bond registration is similar to any other bond in the roles of REB and ACB. Only when a PI bond is registered can project be registered quoting the same in registration form

C. Filing of import declarations

Once a project (license) number is generated, the same can be used to file import declarations similar to how declarations with EP licenses are filed. The BEs will have to be filed with PI as the scheme code and the serial numbers of the items of import will also have to be quoted as per the project registration along with the Project number in the license table. The bond details will reflect similarly at the time of assessment and with the corresponding debit value. The project ledger will also be maintained the same way as the license ledger in the System with both item quantity and value debits. For imports at ports other than the port of registration, online TRA can be issued in the System at the port of registration. A detailed advisory on the filing of import declarations including necessary information for the benefit of trade will follow.

D. Finalization of Project

The finalization of all the BEs under a project and re-crediting of the bond can be done using the already existing options in the FAO and FDC roles.

3. To begin with, project registration and bond registration have been operationalized in ICES. It is requested that all the live projects currently and hereafter be compulsorily registered in the System as detailed in Para 1 and 2 above. This exercise may be started immediately and all project registrations should be completed before 15th September, 2019 and filing of BE under Project Import on ICES should be mandatory from 16th September, 2019.