

**Circular No. 01/2008-Systems dated 24-06-2008 issued by
Directorate General of Systems & Data Management ,
Customs & Central Excise , New Delhi**

To,

All Chief Commissioners of Customs (ICES locations)
All Commissioners of Customs (ICES locations)

Sir/Madam,

Subject: - Payment of Drawback in the Exporter's Core Banking Enabled Bank Account in Any Branch/ Bank Anywhere in the Country

I am directed to invite your attention to the above mentioned subject.

2. As per the existing Customs Procedure for computerised processing of drawback Shipping Bills and drawback claims under the Indian Customs EDI System (ICES) an exporter is required to open a bank account only with the authorized bank branch at the port of export . This has been done to enable direct credit of the drawback amount to their accounts, obviating the need for issue of cheques. The exporter has to indicate the bank account number in the prescribed declaration form. Shipments for exports under claim for drawback are not accepted in case the account number of the exporter in the authorized bank branch is not indicated in the declaration form.

3. With the introduction of CBS (Core Bank Solution) by the Public Sector and other banks and its expansion to a large number of branches/cities and other technology changes in the banking sector, there have been demands from the exporters and various trade associations, especially the Delhi Exporters' Association, for crediting of drawback amount in the exporter's core banking enabled bank account, in any branch/bank anywhere in the country. The matter has been examined in consultation with the Reserve Bank of India, Indian Banks' Association and the Principal Chief Controller of Accounts, CBEC. It has now been decided to credit the drawback amount in the exporter's account in any core banking branch of the authorized bank anywhere in the country. In respect of exporters whose accounts are not in the authorized banks at the EDI location

but in some other bank, the facility of RTGS (Real Time Gross Settlement) and NEFT (National Electronic Fund Transfer) would be used to transfer the credit of drawback amount in the exporter's account provided the concerned branch of the other bank is RTGS and NEFT enabled. The following procedures shall be followed in this regard:

i) An exporter desirous of exporting goods under claim of drawback will be required to declare to the customs authorities, at each port from where he is exporting goods under claim of drawback –

a) in case he wishes to have his drawback credited in any core banking branch of the bank authorized for drawback payment at that EDI location or any other bank other than the authorized bank (in any core banking enabled branch which is RTGS and NEFT enabled), the exporter will be required to declare to the customs authorities the Indian Financial Service (IFS) Code of the bank branch where he operates his bank account, in addition to the core banking enabled account number, bank name and address as per the prescribed format (enclosed with this circular). The IFS Code No. can be obtained by the exporter from his bank branch.

b) The exporter shall get the bank account declaration form certified by the bank branch, where he operates his bank account, and the certified copy of the form shall be produced by him before the designated Customs official for registration of the bank account. A copy of the certified declaration form shall also be submitted by the exporter to the authorized bank branch at the EDI location through which the drawback amount will be transferred.

c) After registration of exporter's bank account number and IFS code with the customs authorities a check list will be given to the exporter and the exporter or his authorized representative shall verify the correctness of the account details and return the signed copy of the check list to the customs authorities.

d) Whenever there is a change in the exporter's bank account number the above procedure is required to be followed by the exporter for fresh registration of new bank account number at each port of export from where he is exporting goods.

ii) The drawback claim, after being processed and sanctioned, will continue to be authorized for payment only through the customs authorized bank branch at the port of export. The customs authorized bank branch will take necessary action to credit the drawback amount in the exporter's core

banking enabled account of the same bank. In respect of accounts in any bank branch of other banks (Core banking, RTGS/NEFT enabled), the customs authorized bank branch will transfer the drawback amount through the RTGS/NEFT facility. These transactions, including the charges thereof, will be governed by guidelines issued by the RBI in this regard from time to time. Exporters can approach their bank for issuance of statement of such credits made in their accounts.

iii) The Customs authorized bank will also send reverse scroll to the Customs authorities as per the established procedure/ instructions issued in this regard.

4. With the introduction of this procedure it will no longer be mandatory for any new exporter to open a bank account only with the designated authorized bank branch at the port of export

5. It is proposed to introduce this procedure with effect from the July 1st, 2008 at the Jawahar Lal Nehru Custom House (Nhava Sheva), ICD Tughlakabad, ICD Pataprganj and Air Cargo (Exports) NCH, New Delhi. Remaining ICES locations will implement the above procedure with effect from 15-07-2008.

(Y.G. Parande)
Director General

Bank Account Registration Form

I.E.C. No. : _____

IFS Code : _____

Bank Account No: _____

Bank Name: _____

Bank Address: _____

(for Drawback Purpose)

I declare that the above particulars are correct

Signature of Exporter/his Authorised Representative

Date:

Certified that the above details are correct

Signature of Bank Branch Manager along with the Official seal