

F. No.450/81/2016-Cus IV  
Government of India  
Ministry of Finance  
Department of Revenue  
(Central Board of Indirect Taxes & Customs)

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Room No.227B, North Block.  
New Delhi, dated the 19<sup>th</sup> of August , 2020

To,

All Principal Chief Commissioners/ Chief Commissioners of Customs/ Customs (Preventive),  
All Principal Chief Commissioners/ Chief Commissioners of Customs & Central tax,  
All Principal Commissioners/ Commissioners of Customs/ Customs (Preventive),  
All Principal Commissioners/ Commissioners of Customs & Central tax,

Madam/Sir,

**Subject: Extension of Deferred payment of Customs duty benefits to `Authorised Public Undertakings' - reg.**

Kind attention is invited to Notification No.78/2020-Customs (N.T.) dated 19.08.2020 permitting 'Authorised Public Undertakings' (APU) to avail the facility of deferred payment of Customs import duty under proviso to sub-section (1) of section 47 of the Customs Act, 1962. This facility shall be made available to eligible APUs w.e.f. date of publication of Notification No. 78/2020-Customs(N.T.) dated 19.08.2020.

2. The facility of deferred payment of Customs import duty shall be governed by the Deferred Payment of Import Duty Rules, 2016, as amended. It is expected that the extension of this facility to the Authorised Public Undertakings shall expedite the Customs clearance of their imported goods at the Ports/Airports/ICDs.

3. The facility of deferred payment of Customs import duty shall be available to Public Undertakings of Central and/or State Government which satisfy the following criterion:

- (i) Must be a Government company as defined in the Companies Act, 2013 or a statutory Corporation, a department or an autonomous body owned and/or controlled by the Central Government and/or State Government.
- (ii) Must possess a valid Importer-Exporter Code (IEC).
- (iii) Must be recommended for availing the said facility by an officer not below the rank of the Deputy Secretary to the Government of India or an officer of equivalent rank in the State Government.
- (iv) Must undertake to comply with the provisions of the Deferred Payment of Import Duty Rules, 2016.
- (v) Must adhere to legal compliance requirements as per Section 3.2 of revised AEO programme as per Circular No.33/2016-Customs, dated 22<sup>nd</sup> July 2016, as follows:
  - a) There should be no show cause notice issued to them during last three financial years involving fraud, forgery, outright smuggling, clandestine removal of

excisable goods or cases where Service Tax/GST has been collected from customers but not deposited to the Government.

- b) There should be no case wherein prosecution has been launched or is being contemplated against the applicant or its senior management.
- c) If the ratio of disputed duty demanded or drawback demanded or sought to be denied, in all the show cause notices issued under the Customs Act, 1962 [other than those mentioned in Para 3(v) (a) and 3(v)(b)] during the last three financial years, to the total duty paid and drawback claimed during the said period is more than ten percent, a review would be taken of the nature of cases and decision would be taken on issue or continuance of AEO status by AEO Programme Manager.

Explanation: for para 3(v)(a), 3(v)(b) and 3(v)(c) above, the cases where the show cause notices have been dropped or decided in favour of the applicant by the adjudicating or appellate authorities will not be considered.

4. The eligible Public Undertaking desiring to avail the facility of deferred payment of Customs import duty shall apply to the Principal Commissioner/Commissioner, Directorate of International Customs (DIC), CBIC in the form as per Annexure-I. After careful scrutiny of the application and satisfying himself that the applicant satisfies the eligibility conditions, the Principal Commissioner/Commissioner, DIC, CBIC shall approve the applicant as an 'Authorized Public Undertaking' eligible for availing the benefit of deferred payment of Customs import duty. The facility shall in the first instance be available for a period of 2 years, extendable for a further period not exceeding 2 years at a time. Further, at the time of granting approval, the Principal Commissioner/Commissioner, DIC, CBIC shall update the details in the Customs Automated System to enable the facility of deferred payment of duty. No further action will be required by the APU in order to avail the facility.

5. Upon approval by the Principal Commissioner/Commissioner, DIC, CBIC, the nodal person appointed/authorised by the APU shall obtain ICEGATE login following the procedure laid down in Advisory on [www.icegate.gov.in](http://www.icegate.gov.in). The same is available on the following link ([https://www.icegate.gov.in/Download/v1.2\\_Advisory\\_Registration\\_APPROVED.pdf](https://www.icegate.gov.in/Download/v1.2_Advisory_Registration_APPROVED.pdf)). The contact details of such nodal person shall be provided in the ICEGATE login to ensure that the information reaches their registered email/contact number on time for due verification and authentication. The nodal person shall be responsible for authenticating all the Customs related transactions on behalf of the Authorized Public Undertaking.

6. The eligible APU intending to make deferred payment of Customs import duty shall indicate the same using flag "D" in the Payment Method Column of the Bill of Entry filed. In order to ensure that the facility of deferred payment of Customs import duty is availed only by the eligible importer, an option has been provided in ICEGATE login for the nodal person on behalf of the APU, to acknowledge such intent and authenticate it using One Time Password (OTP) sent to his registered e-mail address/ contact number. The nodal person would be able to authenticate multiple Bills of Entry at once. Only on such authentication, the Customs clearance would be provided for the subject consignment under the Deferred Payment of Import Duty Rules, 2016.

7. The due dates for making the deferred payment of Customs import duty are specified in rule 5 of the said Rules, are reproduced for reference as follows :

- (a) *For goods corresponding to Bill of Entry returned for payment from 1st day to 15th day of any month, the duty shall be paid by the 16th day of that month;*
- (b) *For goods corresponding to Bill of Entry returned for payment from 16th day till the last day of any month other than March the duty shall be paid by the 1st day of the following month; and*
- (c) *For goods corresponding to Bill of Entry returned for payment from 16th day till the 31st day of March, the duty shall be paid by the 31st March.*

8. The eligible Authorized Public Undertaking also has an option to select the challans belonging to the deferred period and pay the Customs import duty anytime, even before the due date, at his convenience.

9. Reports regarding availment of deferred payment of Customs import duty at each Customs station of import are available to the Principal Commissioner/Commissioner of Customs in ICES in their standard reports and Commissioner dashboards. The Principal Commissioner/Commissioner of Customs may monitor the same for imports pertaining to his jurisdiction and ensure timely payment of the Customs import duty as per the said Rules. Instances of non-payment may be brought to the notice of the Principal Commissioner/Commissioner, DIC, CBIC. Further, the Principal Commissioner/Commissioner, DIC, CBIC may revoke such approval granted under para 3 of this circular, if the APU becomes ineligible for the facility of deferred payment of Customs import duty at any point in time.

10. In this regard attention is also drawn to the omission of Rule 4 of the Deferred Payment of Import Duty Rules, 2016. The implication of this omission is that henceforth the approved AEO Tier 2/3 or approved APU shall not be required to send any intimation regarding the intent to avail the facility of deferred payment of Customs import duty to the Principal Commissioner/Commissioner, DIC and/or the Principal Commissioner/Commissioner having jurisdiction over the port(s) of clearance. Accordingly, para 3 of Circular No.52/2016-Customs, dated 15.11.2016 stands deleted.

11. Any difficulties faced in the implementation of this circular may please be brought to notice of Board.

Yours faithfully,



**(Ananth Rathakrishnan)**  
**Deputy Secretary (Customs)**

Annexure

**Application for Approval As Authorised Public Undertaking**

[Refer: Circular No. 37/2020-Customs dated 19.08.2020]

To,  
The Principal Commissioner/Commissioner,  
Directorate of International Customs, email diccbec.dor@gov.in ,  
10<sup>th</sup> Floor, Tower-II, Jeevan Bharti Building, Cannaught Place, New Delhi-110001

I, .....(name of the importer) hereby submit an application to avail the benefits of deferred payment as per Deferred Payment of Import Duty Rules, 2016 and as per Circular No.37/2020-Customs dated 19.08.2020, and undertake to comply with the provisions laid down in the said rules and circular, as follows-

<b>Details of Applicant Authorised Public Undertaking</b>			
1.	Name of the company/Undertaking	:	
2.	Type (Central PSU/State PSU/Others)	:	
3.	Registered Address	:	
<b>Identification Details</b>			
4.	Company Registration No. <i>(for companies registered under the Companies Act, 2013 and / or Limited Liability Partnership Act, 2008)</i>	:	
5.	PAN <i>(Copy of PAN may be provided)</i>	:	
6.	GSTIN	:	
7.	IEC	:	
<b>Nodal Person* :</b>			
8.	Name of Nodal Person	:	
9.	Designation	:	
10.	Phone No.	:	
11.	Mobile No.	:	
12.	Fax No.:	:	
13.	Email address	:	

Signature:

Place:  
Date:

Full Name:  
Designation :

*\*The applicant should preferably nominate a senior management official as the Nodal Person.*