

F.No.442/02/2017-Cus.IV(Pt.)  
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 30<sup>th</sup> March, 2023.

To,

All Principal Chief Commissioners/ Chief Commissioners of Customs/ Customs (Preventive) / Customs & Central Tax  
All Principal Commissioners/ Commissioners of Customs/ Customs (Preventive)  
All Principal Directors General/ Directors General, under CBIC.

Madam/Sir,

**Subject: Phased Implementation of Electronic Cash Ledger (ECL) in Customs w.e.f 01.04.2023- reg.**

The Electronic Cash Ledger (ECL) functionality is envisaged in Section 51A of the Customs Act, 1962. It provides enabling provision whereby the importer, exporter or any person liable to pay duty, fees etc., under the Customs Act, has to make a non-interest-bearing deposit with the Government for the purpose of payment. The Customs (Electronic Cash Ledger) Regulations, 2022 (ECLR) notified vide No. 20/2022-Customs (N.T) dt. 30.03.2022 govern the manner of operationalization of ECL and related aspects. The statutory provision came into force on 01.06.2022.

2. Pending development of IT infrastructure and necessary integration with authorized banks, RBI and Pr.CCA (CBIC), all the deposits classes were exempted till 31.03.2023, vide notification no. 47/2022-Customs (NT) dt. 31.05.2022, as amended, from provisions of section 51A. Considering the present state of development and integration, and on basis confirmation from RBI, Pr.CCA and DG Systems, Board has decided to enable ECL in phases from 01.04.2023.

3.1 In the first phase from 01.04.2023 till 30.04.2023, the exemption to deposit from the provisions of section 51A shall be restricted to the following vide Notification No.18/2023-Customs (NT) dated 30.03.2023, namely, -

- I. Deposits with respect to Goods imported or exported in Customs stations where Customs Automated System is not in place;
- II. Deposits with respect to Accompanied baggage;
- III. Deposits with respect to Goods imported or exported at International Courier Terminals;

- IV. Deposits, other than those used for making electronic payment of:
- a. any duty of customs, including cesses and surcharges levied as duties of customs;
  - b. integrated tax;
  - c. Goods and Service Tax Compensation Cess;
  - d. interest, penalty, fees or any other amount payable under the Act, or Customs Tariff Act, 1975.

3.2 In second phase, from 01.05.2023, the exemptions cited above would continue, except for the deposits with respect to goods imported or exported at International Courier Terminals. (*refer notification no. 19/2023-Customs (NT) dt. 30.03.2023 amending 19/2022-Customs (NT) dt. 30.03.2022*). In other words, payments relating to Courier shipments would be required to be done through ECL from 01.05.2023 onwards.

3.3 Since item 3.1 IV above refers to the term “electronic”, the payment made through TR-6 challan for various purposes through authorized bank counter at the Customs locations would be exempted from the provisions of section 51A, till such activity is also migrated to the ECL in the subsequent phases.

4. The phased introduction of ECL is aimed at leveraging technology and reforming the payment process, inter-alia related to clearance of goods as the deposit may be held in ECL by the Trade for making subsequent transaction-wise payments of various types. This has potential to easing compliance in numerous ways.<sup>1</sup>

5. After the introduction of second phase, subsequently the following functionalities shall be developed in ECL<sup>2</sup>.

#### Registration for availing ECL:

6. Deposits under ECL provision requires the person to be registered at ICEGATE portal and to create ECL Account. In addition to importers/exporters (IECs), the customs brokers, couriers who are making payments on behalf of the importers/exporters are also enabled in ECL. Similarly, the importers who are assigned Unique Identification Number (UIN) under GST are also enabled in ECL. The detailed advisory for registration and the creation of ECL Account will be available on the said portal.

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<sup>1</sup> (a) Making deposits before goods arrival allows certainty in quick discharge duty 24 x 7 for clearance (b) Reducing instances of payment rejections (c) Reducing instances of double duty payment as rejected payment will stay at the ECL for re-initiating payment of duties (d) Importer who wishes to continue payment on transaction basis is being provided an option to pay on the portal for the same. Internally the, systems design takes care of routing the payments instantaneously through the ECL before accounting for duty payment (e) NEFT and RTGS modes of payment enabled, in addition to internet banking (f) Enables one-time importers to also make payment.

<sup>2</sup> (a) Auto-debit of self-assessed amount from the ECL when liability becomes due (b) payments made on own ascertainment for various purposes such as pre-deposits for filing appeals etc. (c) other sums due for payment by shipping lines, customs brokers etc. (d) payment towards collection of fees, charges etc., including by Participating Government Agencies (PGAs), during import or export.

### Deposit to ECL :

7. The manner of maintaining ECL and modes of deposits into the ECL have been outlined under Regulation 3 of ECLR. A deposit challan may be generated at said portal for a sum chosen by the person, and deposit made in ECL using the authorised payment modes. The amount deposited shall be visible on the ECL maintained on the said portal.

### Payment of liabilities using ECL:

8.1 The manner of utilising ECL to make the payments is outlined in Regulation 4 of ECLR. The payment using the deposit available in ECL may be made by selecting the payment challan generated at ICES/ECCS or other application, with ECL as a mode of payment.

8.2 A functionality to make payment without first depositing into ECL is also provided, that allows user to select the payment challan and choose amongst internet banking/NEFT/RTGS options and complete the payment process. In such situation, at the back-end, a deposit challan for the same amount will be generated on the portal, deposited in ECL and debited from ECL as payment. In case, there is a rejection of payment challan at the application end, the payment can be re-initiated from the ECL by log into the portal.

### Modes enabled for deposit into ECL:

9.1 With internet banking as authorised mode, 12 banks<sup>3</sup> are already enabled for deposit into ECL. When other banks complete testing, they shall be onboarded for this purpose.

9.2 NEFT/RTGS mode of deposit into ECL is permissible for all banks. The users of those banks, which are not yet onboarded for internet banking, may also utilize this. However, the NEFT/RTGS facility shall be operational from 3<sup>rd</sup> April, 2023.

### Refund of balance in ECL:

10.1 The balance of deposits after utilising for payments may be utilised for subsequent payments. However, if the refund is applied for, the amount applied for will no longer be available for use and refund decided and thereafter credited to the bank account of the person registered on customs automated system. The process is described in Regulation 5 of ECLR. The Systems advisory for ECL balance refund is being made available on ICEGATE.

10.2 The balance in ECL being deposit, its refund is not governed by section 27 of Customs Act.

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<sup>3</sup> (1) State Bank of India (2) Punjab National Bank (3) Bank of Baroda (4) South Indian Bank (5) Karnataka Bank (6) Karur Vysya Bank (7) Federal Bank (8) Indian Overseas Bank (9) ICICI Bank (10) Dhanlaxmi Bank (11) Canara Bank (12) Bank of India

Sensitization:

11. The significance of introduction of ECL must be explained to importers/exporters and all types of stakeholders. As segments of e-payment shall get migrated in phases to ECL, the existing ICEGATE payment system hitherto in use would not run in parallel. The deposits into ECL, being non-interest-bearing, are suited for purposes of planned impending or immediate payment needs, thereby also minimising the need for applying for refunds. Their attention should also be drawn to ECLR, notifications and DG Systems implementation advisories. In addition, suitable public notice/trade notice/standing order should issue.

12. Any difficulty faced by stakeholders needs to be brought to the notice simultaneously at dircus@nic.in and icegatehelpdesk@icegate.gov.in.

13. Hindi version follows.

Yours faithfully,



(Ananth Rathakrishnan)  
Director (Customs)  
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