

## Customs Alert

31 March 2022

# Customs (Electronic Cash Ledger) Regulations, 2022

The Finance Act, 2018 had presented the concept of electronic cash ledger under the Customs law by introducing '**Chapter VIIA – Payment through electronic cash ledger**' in the Customs Act, 1962. This chapter contains provisions regarding payment of duty, interest, penalty, fee, or any other sum payable under the provisions of the Customs Act, 1962 or the Customs Tariff Act, 1975 by way of electronic cash ledger ('e-cash ledger'). However, the said chapter was not notified then.

In this regard, the Central Government has issued Notification S.O. 1511(E) [F. No. 442/02/2017-Cus IV (Pt)] dated March 30, 2022, specifying that the provisions of '**Chapter VIIA – Payment through electronic cash ledger**' shall be effective June 1, 2022. As a corollary, the Central Board of Indirect Taxes and Customs ('CBIC') has notified the Customs (Electronic Cash Ledger) Regulations, 2022 ('the Regulations') which shall also be effective from June 1, 2022.

The gist of the Regulations is summarised in this Alert:

### 1. Manner of maintaining the e-cash ledger

- The e-cash ledger would be maintained in **Form ECL-1** on the common portal with respect to every deposit made towards duty, interest, penalty, fee or any other payment under the Customs law and regulations.
- The deposit made in the e-cash ledger would not accrue any interest.
- The unique identification number shall be generated on the common portal when a debit or credit is made to the e-cash ledger and the same shall be indicated in the relevant Customs declaration.

- Any deposit into the e-cash ledger shall be made by generating a deposit challan in **Form ECL-2** which shall be valid for 15 days on the common portal.
- The amount may be deposited through any of the following modes in the e-cash ledger
  - a. Internet banking through an authorised bank
  - b. NEFT or RTGS
  - c. Over the counter payment through an authorised bank.
- Over the counter payment, cannot exceed Rs. 10,000 per day. However, such limit shall not apply to deposits made by the Government Department or where the Jurisdictional Commissioner of Customs authorises a higher amount to be deposited.
- In case the deposit is being made through NEFT/ RTGS or over the counter payment, a mandate form along with the deposit challan shall be generated on the common portal which would be required to be submitted to the bank.
- On successful credit of the amount, a Challan Identification Number would be generated by the collecting bank and the same would be indicated on the deposit challan.

## 2. Manner of making payment from the e-cash ledger

- A person may use the amount available in the e-cash ledger for making payment towards duty, interest, penalty, fee, or any other sum payable through payment challan in **Form ECL-3** generated:
  - a. By the customs automated system in accordance with the provisions of the Customs law.
  - b. By the person on the basis of his own ascertainment of duty or sum payable.
- The amount shown in the payment challan would be automatically debited from the e-cash ledger in the following cases:
  - a. The consent for auto-debit is provided by the person in the customs declaration.
  - b. The amount available in the e-cash ledger is sufficient for payment of the entire amount of the payment challan.
- The successful debit of the amount shall be visible on the e-cash ledger and the credit shall be shown in the electronic duty payment ledger maintained in **Form ECL-4**.

### 3. Refund

- The balance amount remaining in the e-cash ledger, after the payment of various liabilities, may be applied for refund on the common portal in **Form ECL-5**.
- The amount applied for refund from the balance shall no longer be available for use by the person and its refund shall be decided within 30 days from the date of application on the common portal and the amount to be refunded shall thereafter be credited to the bank account of the person registered with customs automated system.

#### Aurtus comments:

The Regulations provide for depositing the amount first in the e-cash ledger and thereafter appropriating it towards various payments/liabilities under the Customs law which is similar to the payment process as provided under the GST law. The objective here is to deposit the amount in advance with the Government instead of transaction wise payment as being done at present.

#### **Mumbai**

Wework, Raheja Platinum,  
Sag Baug Road,  
Off Andheri- Kurla Road,  
Marol, Andheri East  
Mumbai – 400059

#### **Delhi NCR - Gurugram**

Wework, 5<sup>th</sup> Floor,  
DLF Two Horizon Centre,  
DLF Phase 5,  
Gurugram,  
Haryana – 122002

#### **Ahmedabad**

Paragraph - B- 601, Mondeal  
Heights,  
Near Novotel hotel,  
Sarkhej – Gandhinagar Highway  
Ahmedabad -380015

**MINISTRY OF FINANCE****(Department of Revenue)****(CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS)****NOTIFICATION**

New Delhi, the 30th March, 2022

**No. 20/2022-CUSTOMS (N.T.)**

**G.S.R. 232 (E).**—In exercise of the powers conferred by section 157 read with sub-sections (1), (2) and (3) of section 51A of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs hereby makes the following regulations, namely :-

1. **Short title and commencement** - (1) These regulations may be called the Customs (Electronic Cash Ledger) Regulations, 2022.

(2) They shall come into force with effect from the 1<sup>st</sup> June, 2022.

2. **Definitions.**- (1) In these regulations, unless the context otherwise requires,-

- (a) “Act” means the Customs Act, 1962 (52 of 1962);
- (b) “authorised bank” means a bank or a branch of a bank authorised by the Government to collect duty or any other amount payable under the Act ;
- (c) “electronic cash ledger” means the ledger in the customs automated system relating to a person who deposits the amount in the said ledger in accordance with section 51A of the Act;
- (d) “Form” means a form appended to these regulations;
- (e) “Jurisdictional Commissioner of Customs” means the Commissioner having jurisdiction over the customs station where the person intends to make payment.

(2) The words and expressions used in these regulations and not defined but defined in the Act shall have the same meanings as assigned to them in the Act.

3. **Manner of maintaining Electronic Cash Ledger.**- (1) The electronic cash ledger shall be maintained in **FORM ECL-1** on the common portal for each person in regard to every deposit made towards duty, interest, penalty, fee or any other sum payable by the person under the provisions of the Act or under the Customs Tariff Act, 1975 (51 of 1975), or the rules and regulations made thereunder or any duties of customs, including cesses and surcharges levied as duties of customs under any other law for the time being in force, for the purpose of crediting the deposit and for debiting when the amount available in the electronic cash ledger is used for making payment towards duty, interest, penalty, fee or any other amount.

(2) The deposit made in the electronic cash ledger shall not accrue any interest.

(3) A unique identification number shall be generated at the common portal when a credit or debit, as the case may be, is made to the electronic cash ledger.

(4) The unique identification number relating to such debit or credit shall be indicated in the relevant Customs declaration.

(5) Any deposit into the electronic cash ledger shall be made by a person by generating a deposit challan in **FORM-ECL-2** on the common portal:

Provided that the deposit challan as so generated in **FORM-ECL-2** shall be valid for a period of fifteen days.

(6) The deposit under sub-regulation (5) shall be made through any of the following authorised modes, namely:-

- (a) internet banking through an authorised bank;
- (b) National Electronic Fund Transfer or Real Time Gross Settlement from any bank;
- (c) over the counter payment through an authorised bank;

Provided that the limit of the over the counter payment, in case of a person, shall not exceed ten thousand rupees in a day:

Provided further that the said limit of ten thousand rupees shall not apply to deposit made by the Government Department or where the Jurisdictional Commissioner of Customs authorises a higher amount to be deposited.

**Explanation.** — For the removal of doubts it is hereby clarified that for making deposit of any amount indicated in the deposit challan, the commission, if any, payable to the bank in respect of such payment shall be borne by the person making such deposit.

(7) Where the deposit is made through an authorised mode other than the internet banking through an authorised bank, a mandate form shall be generated along with the deposit challan on the common portal and the same shall be submitted to the bank from where the deposit is being made:

Provided that the mandate form shall be valid for a period of fifteen days from the date of generation of the deposit challan.

(8) Upon use of an authorised mode to make deposit, on successful credit of the amount to the concerned government account maintained in the authorised bank, a Challan Identification Number shall be generated by the collecting bank and the same shall be indicated in the deposit challan as generated in **FORM ECL-2**.

(9) On receipt of the Challan Identification Number from the collecting bank, the said amount shall be credited to the electronic cash ledger of the person on whose behalf the deposit has been made and the common portal shall make available a receipt to this effect.

(10) Where the bank account of the person concerned or the person making the deposit on his behalf, is debited but no Challan Identification Number is generated or such number is generated but not communicated to the common portal, the said person may represent electronically through the common portal to the bank or electronic gateway through which the deposit was initiated.

4. **Manner of making payment from the electronic cash ledger .-** (1) A person may use the amount available in the electronic cash ledger for making payment towards duty, interest, penalty, fee, or any other sum payable by such person under the provisions of the Act or under the Customs Tariff Act, 1975 (51 of 1975), or the rules and regulations made thereunder, or any duties of customs, including cesses and surcharges levied as duties of customs under any other law for the time being in force, through payment challan in **FORM ECL-3** generated,-

- (i) by the customs automated system in accordance with provisions of the Act, rules or regulations made thereunder; or
- (ii) by the person on the basis of his own ascertainment of the amount of duty or sum payable by such person.

(2) The person shall select the payment challan so generated under sub-regulation (1) on the common portal for debit of the amount shown in the payment challan from electronic cash ledger of such person :

Provided that, the amount shown in the payment challan shall be automatically debited from the electronic cash ledger by the customs automated system, —

- (a) in the case where consent for auto-debit of specified amount has been provided in the customs declaration by the person; and
- (b) The amount available in the electronic cash ledger is sufficient for the payment of the entire amount of the payment challan.

(3) The successful debit under sub-regulation (2), shall be visible on electronic cash ledger and the credit shall be shown in the Electronic Duty Payment Ledger (Cash) maintained in **FORM ECL-4**.

5. **Refund.-** (1) The balance in the electronic cash ledger, after payment of duty, interest, penalty, fee or any other amount payable, may be applied for refund by the person on the common portal in **FORM ECL-5**.

(2) Upon receipt of application under sub-regulation (1), the amount applied for from the balance shall no longer be available for use by the person and its refund shall be decided within thirty days from the date of application on the common portal and the amount to be refunded shall thereafter be credited to the bank account of the person registered with customs automated system.

6. **Intimation of discrepancy in electronic cash ledger.-** A registered person shall, upon noticing any discrepancy in his electronic cash ledger, communicate the same on the common portal.

### FORM ECL-1

[See regulation 3(1)]

#### Electronic Cash Ledger

(To be maintained at the Common Portal)

Type of the Entity

Entity code / /Temporary Id

Name (Legal) –

Period - From ----- To ----- (dd/mm/yyyy)

Act – Customs Duty Payments

(Amount in Rs.)

Sr. No.	Date of deposit /Debit (dd/mm/ yyyy)	Time of deposit	Reporting date (by bank)	Reference No.	Type/Document No/Date, if applicable	Description	Type of Transaction [Debit (DR) / Credit (CR)]	Amount debited / credited (Total)	Balance (Total)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

#### Note –

- Reference No. includes BRN (Bank Reference Number), debit entry no., order no., if any, and acknowledgment No. of the document.
- Type/Document No/Date, if applicable, for any debit will be recorded, otherwise it will be left blank.
- Challan Identification Number (CIN) of the challan against which deposit has been made, and type of liability for which any debit has been made will also recorded under the head “description”.
- Application no., if any, Show Cause Notice Number, Demand ID, pre-deposit for appeal or any other liability for which payment is being made will also be recorded under the head “description”.
- Refund claimed from the ledger or any other debits from the ledger will be recorded accordingly.
- Date and time of deposit is the date and time of generation of CIN as reported by bank.
- The entity code shall be as follows :-
  - the Import Export Code (IEC) issued by Directorate General of Foreign Trade (DGFT) for importers/exporters,
  - Permanent Account Number (PAN) issued by Income Tax Department for Customs brokers, authorised carriers and custodians,

- (c) For others, Goods and Services Tax Identification Number (GSTIN) issued by Goods and Services Tax Department if available or on the basis Temporary Identification Number generated through the common portal.

**FORM ECL-2**

[See regulation 3(5)]

**Challan for deposit under section 51A of the Customs Act, 1962**

ICEGATE Unique ID	<<Auto Generated after submission of information>>	Date <<Current date>>	Challan Expiry Date --
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Entity Type/ Code	<<Filled in/Auto populated>>	Email address	<<Auto Populated>>
Name (Legal)	<<Auto Populated>>	Mobile No.	<<Auto Populated>>
Address	<<Auto Populated>>		

Details of Deposit in the Ledger (All Amount in Rs.)		
Major Head	Minor Head	Total
8449—Deposits in Electronic Cash Ledger		
	Total Challan Amount	
Total Amount in words		

**PART – II**

	Mode of Payment (relevant part will become active when the particular mode is selected)
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<input type="checkbox"/> <b>e-Payment</b> (This will include all modes of e-payment such as net banking but will not include CC/DC . Taxpayer will choose one of this)	<input type="checkbox"/> <b>Over the Counter (OTC)</b>		
	Bank (Where cash or instrument is proposed to be deposited)		
	Details of Instrument		
	<input type="checkbox"/> Cash	<input type="checkbox"/> Cheque	<input type="checkbox"/> Demand Draft
<input type="checkbox"/> <b>NEFT/RTGS</b>			
Remitting bank			
Beneficiary name		Type/Entity code	
Beneficiary Account Number (CPIN)		<CPIN>	
Name of beneficiary bank		Reserve Bank of India	
Beneficiary Bank's Indian Financial System Code (IFSC)		IFSC of RBI	
Amount			

**Note:** Charges to be separately paid by the person making payment.

Particulars of depositor	
Name	
Designation/ Status (Manager, partner etc.)	
Signature	
Date	
Paid Challan Information	
Type/Entity Code	
Taxpayer Name	
Name of Bank	

Amount	
Bank Reference No. (BRN)/UTR	
CIN	
Payment Date	
Bank Ack. No. (For Cheque / DD deposited at Bank's counter)	

1. UTR stands for Unique Transaction Number for NEFT / RTGS payment.
2. No signature is required for online payments.

**FORM ECL-3***[See regulation 4(1)]***Challan for Payment of any sum under the Customs Act, 1962**

ICEGATE Unique ID	<<Auto Generated after submission of information>>	Date <<Current date>>	Challan Expiry Date --
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Entity Type/ Code	<<Filled in/Auto populated>>	Email address	<<Auto Populated>>
Name (Legal)	<<Auto Populated>>	Mobile No.	<<Auto Populated>>
Address	<<Auto Populated>>		

Details of Payment of Duty (All Amount in Rs.)								
Major Head	DB/CR	Minor Head	Minor Head					
			Tax	Interest	Penalty	Fee	Others	Total
Customs Duty								
		Sub-Total						
Integrated Tax (----)		Integrated Tax (----)						
CESS (----)		CESS (----)						
Public Accounts								
	Total Challan Amount							
	Total Amount in words							



**Form ECL 4***[See regulation 4(3)]***Electronic Duty Payment Ledger (Cash)***(To be maintained at the Common Portal)*

Type of the Entity

Entity code // Temporary Id

Name (Legal) –

Period - From ----- To ----- (dd/mm/yyyy)

Act – Customs Duty Payments

**Part I**

(Amount in Rs.)

Sr. No.	Payment Challan No.	Type/Document No/Date, if applicable	Date & Time of payment challan generation / Payment	Reference Number of ECL	Reporting date (by ICEGATE)	Description	Type of Transaction [Debit (DR) / Credit (CR)]	Amount debited / credited (Total)	Balance (Total)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

**Part II**

Payment Challan No.	Major Head	Minor Head	Amount
	Total		

**Note –**

1. Reference No. includes BRN (Bank Reference Number), debit entry no., order no., if any, and acknowledgment No. of the document.
2. Type/Document No/Date, if applicable, for any debit will be recorded, otherwise it will be left blank.
3. Application no., if any, Show Cause Notice Number, Demand ID, pre-deposit for appeal or any other liability for which payment is being made will also be recorded under the head “description”.
4. Refund claimed from the ledger or any other debits from the ledger will be recorded accordingly.
5. Date and time of deposit is the date and time of generation of CIN as reported by bank.

**FORM-ECL-5**

[See regulation 5]

**Application for Refund of Deposit under Electronic Cash Ledger**

1.	Entity Type/ Code		
2.	Legal Name		
3.	Trade Name, if any		
4.	Address		
5.	Amount of Refund Claimed(Rs.)		
6.	Grounds of Refund Claim (select from drop down)	(a)	End of the Financial Year
		(b)	Close of the Business
		(c)	Others, Pls Specify :

**DECLARATION**

I hereby declare that the all information provided above are correct and I also declare that I have not utilized this amount by any other means. I undertake to return this amount in case it is found otherwise.

Signature

Name

Designation / Status

[F. No.442/02/2017-Cus IV(Pt)]

ANANTH RATHAKRISHNAN, Dy. Secy.