SEZ Online Manual

Zone to Zone Transfer

Version 2.0

Note: This document is intended for use by existing SEZ Entities for the purpose of transferring goods from one SEZ to another SEZ. The document describes the process of preparation & submission of Zone to Zone Transfer through SEZ Online system.

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1 INTRODUCTION

AnEntity may import goods from other SEZ Entities registered in another SEZ. The buyer Entity shall file for Zone to Zone Transfer transaction along with the required documents with the Customs officials of the SEZ.

The following are the steps required for preparation and submission of Zone to Zone Transfer transactions to Customs office:

- Preparation of Zone to Zone Transfer by the Entity Maker or Customs House Agent (CHA) and its submission to the Entity Approver
- Implementing a Maker-Checker concept, the Zone to Zone Transfer document prepared by Entity Maker/CHA will be verified by Entity Approver, after which it is submitted to Customs office by using a digital signature certificate.
- After submission to Customs, obtain the print copies of the Zone to Zone Transfer document from the SEZ Online application and submit the same to the Customs office along with the necessary supporting documents (e.g. invoice, advance licenses etc)
- Depending upon the nature of the Zone to Zone Transfer transaction, the assessing officer will assess the request either with duty or without duty
  - o If the Zone to Zone Transfer document is assessed by Assessing Officer (Buyer SEZ), then it is sent to the Entityside (of Seller SEZ). The document is then submitted to the Preventive Officer of Seller SEZ for verification of consignment details.
- For more information regarding Zone to Zone Transfer, kindly refer Rule 47 of Special Economic Zones Rules 2006 made under Special Economic Zones Act 2005.

2 USER ROLES

Following user are involved in the processing of Zone to Zone Transfer transaction:

- From Entity
  - o Entity [SEZ Unit / Developer / Co -Developer] Maker/CHA
  - o Entity Approver (Authorised Signatory for the Entity)
- From Customs
  - o Appraiser [Customs Assessor]
  - o PreventiveOfficer
  - o Specified Officer
  - o Development Commissioner

For detailed information and steps regarding user creation and role assignment, kindly refer the manual for 'User Management'.
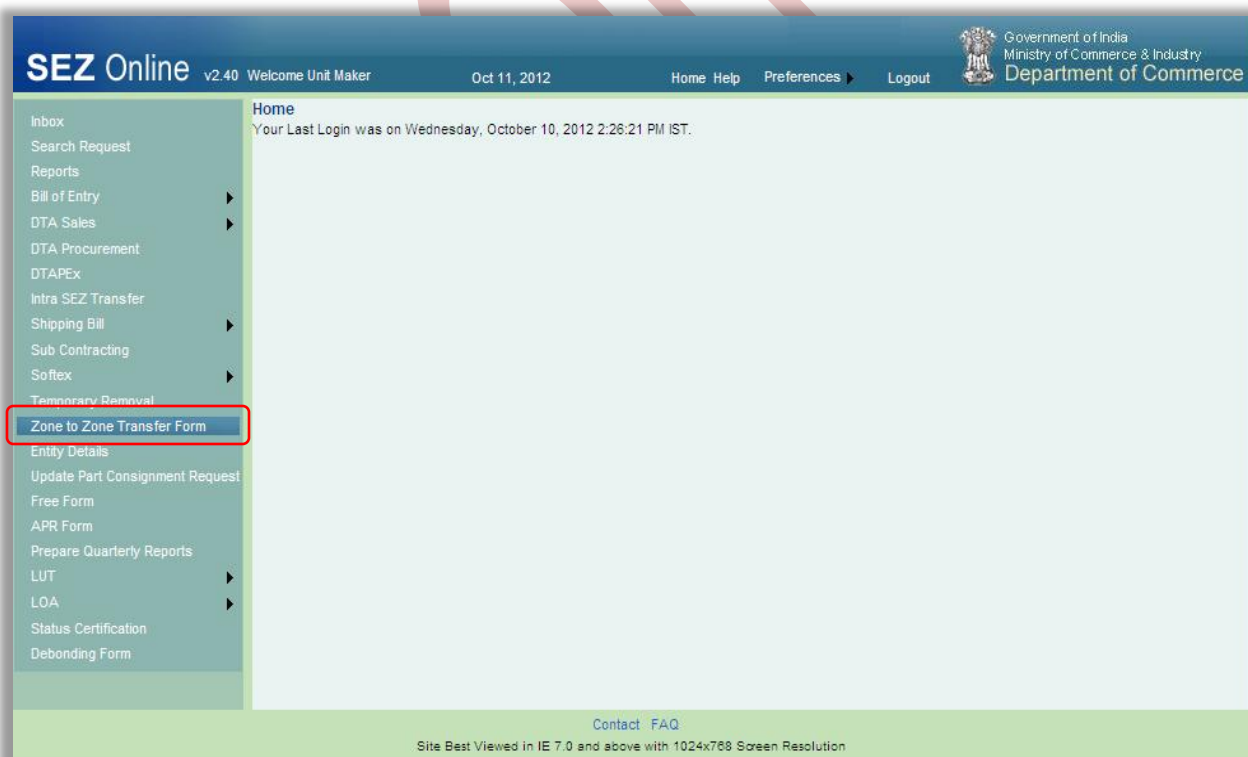
3 PREPARATION OF ZONE TO ZONE TRANSFER DOCUMENT

For Preparation of Zone to Zone Transfer document, a 'Maker-Checker' concept has been incorporated at the Entity's end, in the SEZ Online system. The Zone to Zone Transfer document can be prepared either by the 'Entity Maker' user or 'CHA user'. Zone to Zone Transfer is carried out between Two Entity of Different SEZ's. The 2 Entities should be registered in the SEZ through SEZ Online to file Zone to Zone Transfer document. The Entity which files ZTZ Transfer is called the **Buyer Entity** and the other Entity is called **Seller Entity**.

The Entity Maker or CHA user prepares a Zone to Zone Transfer request (Buyer Entity) and submits it to the Entity Approver user, who verifies/checks the correctness of the request before submitting it to Customs office.

To allow the Entity Maker/CHA user to file for Zone to Zone Transfer transactions, Entity Admin has to assign the functionality of "Zone to Zone Transfer" to the user. Entity Maker/CHA user will be provided with a link named "Zone to Zone Transfer". On assignment of the "Zone to Zone Transfer" functionality, user will be able to view Zone to Zone Transfer form once he clicks on Zone to Zone Transfer link.

Fig: Menu options for Zone to Zone Transfer

Fig: Zone to Zone Transfer form

A. Data fields:
The data fields of the Zone to Zone Transfer document have been categorically organized into 5 tabs, as:
   i.   BOEDetails
   ii.   Shipment Details
   iii. Invoice Details
   iv.   Item Details
   v.   Item Duty details

i. BOEDetails tab:

The basic information regarding the nature of the transaction is entered in this tab.

Following Sections are present in this tab:
a. BOEDETAILS –
    The basic details regarding the Zone to Zone Transfer transaction are captured in this section

b. Importer details –
The details of the SEZ Entity (i.e. the importer of the goods and services) are auto populated in this section. These details are not editable.

On entering the data in the BOEDetails section and clicking on SAVE button, a unique request ID [12 Digit Numeric] for that particular transaction is generated.
The format of the request ID is "35YYXXXXXXXX".
Here,
    "35" is the code representing a Zone to Zone Transfer transaction
    "YY" are the last two digits of the current year
    "XXXXXXXX" is the uniquenumber which is system generated.

Also, on saving the BOE Details section, the remaining tabs are shown on the screen along with an additional section "Other details" at the bottom of the BOE Details tab.

Fig: Other Details' section of BOE Details Tab

ii. **Shipment Details:**

The Shipment related details of the transaction are captured in this tab.

This tab has the following section:
a. Consignment Details –
   On saving the Consignment details section, a new section is displayed labeled as "Mode of Transportation Details" section.

Fig: Screenshot of 'Shipment Details' tab

b. Mode of Transportation Details –
   In "Mode of Transportation Details" section, we enter the information related to the physical attributes of the consignment.

Fig: Screenshot of 'Mode of Transportation Details' section

iii. Invoice Details:

The details related to the Invoice are captured in this tab.

Following sections are present in this tab:
a. Type of Applicable Charges
b. Invoice Details

a. Type of Applicable Charges –
   SEZ Online system provides flexibility to its users to specify the various applicable charges (e.g. Freight, Insurance, miscellaneous charges, agency commission etc.) either 'BOE wise' or 'Invoice wise'.
   Thus, if 'BOE wise' is selected, then the applicable charges have to be entered only once before entering any invoice details. These applicable charges will later be distributed amongst all the invoices in the ratio of their Invoice value.

If, 'Invoice wise' is selected, then the applicable charges have to be entered for each individual invoice.

Fig: Screenshot of 'Invoice Details' tab

b. Invoice List –
In this section, we have to enter the details pertaining to the invoice (e.g. Invoice value, Invoice currency, Invoice date, Supplier details etc.).
User is also allowed to enter details of multiple invoices. User can do so by clicking the ADD button of the Invoice details grid, after which the 'Add Invoice Details' section will re-open, allowing user to enter the details of the new invoice.

Fig: Screenshot of 'Invoice Details' section

Fig: Screenshot of 'Applicable Rate Details' section

Fig: Screenshot of 'Invoice List' grid

iv. **Item Details tab:**

User enters the details of the items of the consignment in this tab.

Following section is present in this tab:

a. List of Invoices –
On clicking the ADD button, a new sub-section named 'Add Item Details' is opened. User can enter the details of the item in this sub-section. On saving the Item details, the item record will be shown in a grid named 'Invoice List'.
User can also enter multiple item records by clicking the ADD button below the 'Invoice list' grid. However, the total sum of product values of all items must be equal to its corresponding value of its invoice.

Fig: Screenshot of 'Add Item Details' section

Fig: Screenshot of 'Item Details'

v. **Item Duty Details tab:**

User enters the duty details of the consignment in this tab. These duty details are entered item-wise.

This tab consists of two sections:
a. Goods Details
b. Duty Details

a. Goods Details –
In this section, details such as whether Abatement is applicable, Unit code, Customs Tariff Heading (CTH), Central Excise Tariff Heading (CETH) etc. are entered item-wise.

Fig: Screenshot of 'Goods Details' section

Tips: For entering the CTH/CETH, use the search picker. The Search Picker will display only the CTH/CETH applicable in the system

b. Duty Details -
The duty components are divided into 5 broad categories as Customs Duty, Additional Customs Duty, Central Excise Duty, Additional Central Excise Duty and Other Duties.

For each duty component, user can enter the notification number and serial number, rate and/or amount.

Fig: Screenshot of 'Duty Details' section

Fig: Screenshot of 'Duty Details' section

Show Calculations link:

Fig: Screenshot of 'Show Calculations' link

While preparing the Zone to Zone Transfer, the user enters all the details of the Invoice(s) e.g. invoice value, invoice type (CIF/FOB/CI/CF) etc. The user also specifies the details of every item(s) of the invoice e.g. the product value of the item, the CTH & CETH classification code of the item etc. Further, the user also furnishes the duty details applicable on the item in the 'Item Duty Details' tab.

After entering all the details, the user can click on the 'Show Calculations' link to view the assessable value and duty calculation done by the SEZ online system. On this page, the user can view all the calculation details item wise. If there is more than one item in a Zone to Zone Transfer, a list of all the items of the Zone to Zone Transfer is displayed at the top most section of the page. The user can select any item to view the assessable value of the item and various duty amounts associated.

After reviewing the details, the user may close the 'Show Calculations' page and return to the request page. The user can again make any changes in the contents of the Zone to Zone

Transfer. This facility/link is specifically provided to the users to enable the users to review the calculation aspects of their Zone to Zone Transfer documents before submitting it to the Customs officials. Once request is submitted to customs, on show calculations page both user entered and system generated values from Duty Masters are displayed. From this both customs users and entity users will be able to identify which duties are present in the Master and which duties are not present in Master but still are used by users for duty calculation purpose.

For information regarding duty abatement, kindly refer to **Rule 49 of SEZ Rules 2006**.

Fig: Screenshot of 'Show Calculations' page

Tip: After preparing the Zone to Zone Transfer document, visit the Show Calculations page to check the system calculated Assessable Value and Duty Amount of each of the items.

B. Confirmation Screen:

After preparation of the Zone to Zone Transfer document& after reviewing the calculations associated through the Show calculations link, as the user clicks on the 'Submit' button, a confirmation screen is displayed to the user. In the confirmation page, the contents of the Zone to Zone Transfer document are displayed in the notified format.

The user may either confirm or cancel the submission of the Zone to Zone Transfer using the buttons provided in this page. Further, please note that the user may also print a trial copy of the Zone to Zone Transfer document by clicking on "Print Trial" through this page.

Fig: Screenshot of Confirmation Screen

Fig: Confirmation Screen Declaration Section

💡 *Tip: Before submitting to Customs, check the Print Trial to see whether all the details are correctly entered in the request*

C. General Instructions:

i.   After entering details of each tab, the save button has to be clicked to save the information entered.

ii. The fields marked with a red asterisk mark "*****" are mandatory. The Zone to Zone Transfer document cannot be submitted without entering information in the mandatory fields.

iii. On the basis of the information entered by the user, the system calculates the assessable value and duty applicable. The assessable value and duty calculated by the system can be viewed by clicking on the show calculations link.

iv. A unique request id will be generated by the system as the Entity Maker user or CHA user clicks on the 'Save' button for the first time. The Zone to Zone Transfer can be tracked in future by using this request ID.

v. The Import Dept Sr. No.or Thokano. is generated by the system as soon as the Entity Approver user submits the Zone to Zone Transfer to the Customs Assessor. This no. is called as the Import Dept Sr. No. in SEZ Online System. It can be viewed in the 'Zone to Zone Transfer details' tab of the Zone to Zone Transfer.

vi. The Entity will not be able to make any changes in the Zone to Zone Transfer once it is submitted to customs.

vii. At any given point in time only one user can work on a Zone to Zone Transfer. The user in whose inbox the Zone to Zone Transfer is lying can only take action on that request.

viii. The user has to enter the notification number and serial number which are present in the system. Only then the system will be able to fetch the duty values correctly.

ix. While submitting the request, user has to ensure that the Invoice Value of an invoice is equal to the sum of product values of its corresponding items. However, system provides a facility called '0.5% flexibility' where the maximum difference allowed between Invoice Value and its sum of product values is 0.5%.

x. Whenever a request is submitted from Entity to Customs and vice versa, user will have to sign the Confirmation Screen using DSC. All Customs users, while submitting a request to an Entity or within Customs, will have to sign using a DSC. For further information regarding DSC, kindly refer the manual for "Digital Signature Certificate".

F. Item Upload

If a Zone to Zone Transfer transaction has large number of items, then it would be a very tedious and time consuming activity to enter the details of each of the items manually. Therefore, SEZ Online application provides a provision to the user where the user can enter all the details regarding the items in an excel file, and then can create a text file from excel. This text file can be uploaded across a particular invoice to which these items shall belong. The file format for item upload can be found on the SEZ Online website, in the "Downloads" category, under the name 'ZTZ-Item-Details-Upload-Template-Version_1.1.xls'.

G. Template Upload

User will havean option to upload .xls and .pdf files through the Upload template file link. This is generally used to upload copy of Invoice, packing lists and certificates if any used.

User can upload a file maximum up to 10 times for a particular request and the maximum size of file that can be uploaded should be upto 2 MB.

4 ADDITIONAL FEATURES

A. Internal and External Remarks
While submitting a request, user will have an option to enter internal & external remarks. These remarks can be viewed through the Remarks History link.

The External Remarks can be viewed by all the users i.e., Entity and Customs. But the internal remarks entered by Entity users will not be visible to Customs users and vice-versa.

B. Quick Processing Screen
When request is submitted to Customs users, then they can process that request from Quick Processing Screen.

When a request is opened through quick processing screen, then user is not required to accept that request as it would be automatically accepted.

Quick Processing screen is only available to Customs Users i.e.: Customs Assessor, Preventive Officer, Specified Officer and Customs Operational User.

C. Item Details as per LOA
A link called "Item Details As Per LOA" is visible to Customs Assessor and Authorized Officer displaying the item details of the respective Entity as per mentioned its LOA. Also LOA Conditions, if any, should be visible to Customs Users through this link.

5 WORKFLOW OF ZONE TO ZONE TRANSFER

A. Preparation of Zone to Zone Transfer document from Entity Maker/CHA
1. Entity Maker prepares the Zone to Zone Transfer document and clicks on SUBMIT button
2. If the Entity Approver user Id is not created, then the request will be sent to Entity Admin's user ID. Then the user ID of Entity Approver has to be created and them Entity Admin would be able to re-allocate the request to Entity Approver

3. On clicking on SUBMIT, a Confirmation Screen will be shown to the user. On this Confirmation Screen, entire contents of the request will be shown to the user for verification. Confirmation Screen has 3 buttons, namely, SUBMIT, CANCEL and PRINT TRIAL
   a. CONFIRM ->The request gets submitted & it will go to the Entity Approver. The message "Request submitted successfully" is displayed to the user.
   b. CANCEL ->Confirmation is cancelled and request remains with the Entity Maker or CHA. The Entity Maker can make the necessary changes and submit it later.
   c. PRINT TRIAL ->A trial copy of the Zone to Zone Transfer can be printed for verification of details entered.

B. 'Submit' Zone to Zone Transfer by Entity Approver to Customs side
   1. As Entity Maker/CHA submits the request, it is sent to the inbox of Entity Approver. Entity Approver can open and view the entire details of the request by clicking on the request ID from Inbox.
   2. On submitting the request from Entity Maker/CHA, if this functionality is not assigned to any Entity Approver, then the request will be sent to Entity Admin's Inbox. Entity Admin will then have to assign this module functionality to the user ID of Entity Approver and then re-assign the request from the Inbox to this user ID.

   Entity Approver can perform the following actions:
   a. Edit the contents of Zone to Zone Transfer – the user can edit the entire contents of the Zone to Zone Transfer document prepared by the Entity Maker/CHA
   b. After viewing the contents of the Zone to Zone Transfer, if the Entity Approver finds that the Zone to Zone Transfer is in order, the Entity Approver user may submit it to the Customs Assessor at DC's Office. In this case, a confirmation screen appears in which the contents of the Zone to Zone Transfer are displayed in the notified format to the user. The Confirmation screen contains 'Confirm', 'Cancel' and 'Print trial' buttons. Following is the outcome on clicking on these buttons
      i. CONFIRM ->The system prompts the user for using his Digital Signature certificate. As the user selects his DSC and clicks on "OK", system prompts Entity Approver for payment of transaction charge and once payment is made request gets submitted to the Customs Assessor at DC's Office. The message "Request submitted successfully" is displayed to the user. Once the Zone to Zone Transfer is submitted to customs, the Entitycannot make any changes in the Zone to Zone Transfer
      ii. CANCEL ->Confirmation is cancelled and request remains with the Entity Approver. The Entity Approver can make the necessary changes and submit it later.
      iii. PRINT TRIAL ->A trial copy of the Zone to Zone Transfer can be printed for verification of details entered.

C. 'Cancel' request fromEntity Approver
   The Entity Approvercan 'Cancel' the Zone to Zone Transfer prepared by the Entity Maker/CHA user. In this case, the Zone to Zone Transfer will get cancelled permanently and will not be

available for edit/submission to Customs. However, the users shall be able to view such Zone to Zone Transfer through the search facility

D. 'Sentback' request to Entity Maker/CHA

The Entity Approver can send back the Zone to Zone Transfer to the Entity Maker/CHA user who has prepared it. In this case, the Zone to Zone Transfer shall reach the Inbox of the Entity Maker/CHA user who in turn can edit and resubmit the Zone to Zone Transfer to the Entity Approver again.

E. Assessment of the request from Customs Assessor

The requests which are submitted by Entity are received by the Customs Assessor. All Custom Assessors who are active and are mapped to the concerned SEZ and with the functionality of Zone to Zone Transfer functionality will be able to access and process the request.

Customs Assessor has the following options
- Approved
- Raise a query on the request (Customs Assessor ->Entity Approver)
- Raise a misuse-incident on the request (Customs Assessor ->Specified Officer)
- Guidance
- ConsultReply
i. Assess the request

If Customs Assessor assesses the Zone to Zone Transfer document with duty, then the request is sent to Entity side (Seller SEZ). The request is then sent to Preventive Officer (Buyer SEZ) for Goods Allowed.

ii. Raise a query on the request

If Customs Assessor finds some incorrectness or inconsistency in the details of the submitted Zone to Zone Transfer request, then Customs Assessor can send the request back to the Entity side for rectifying the errors. For this, Customs Assessor can submit the request with the status "Raise Query", after which the request will be sent to the Entity Approver for query resolution.

iii. Raise a misuse-incident on the request

If Customs Assessor requires clearance regarding some aspect or details of the request, then Customs Assessor can submit the request with the status "Misuse Incident" and send it to Specified Officer

F. Submission of the request from Entity Approver (Seller SEZ):

The Entity Approver (Seller SEZ) has following 2 options:
- Raise Query to Buyer Entity
- Submitted (Entity Approver -> Authorized Officer)
i. Raise Query to Buyer Entity

The Seller Entity Approver can raise a query to Buyer Entity Approver. Who can sent the request back to seller Entity Approver

ii. Submitted

The Entity approver of seller SEZ can submit the request to Authorized Officer.

G. Goods Allowed by Authorized Officer(Seller SEZ):

The Authorized Officer (Seller SEZ) has following options:

- Consult(To Customs Assessor)
- Discrepancy(To Authorized Officer)
- Goods Allowed(Request goes to Buyer PO)
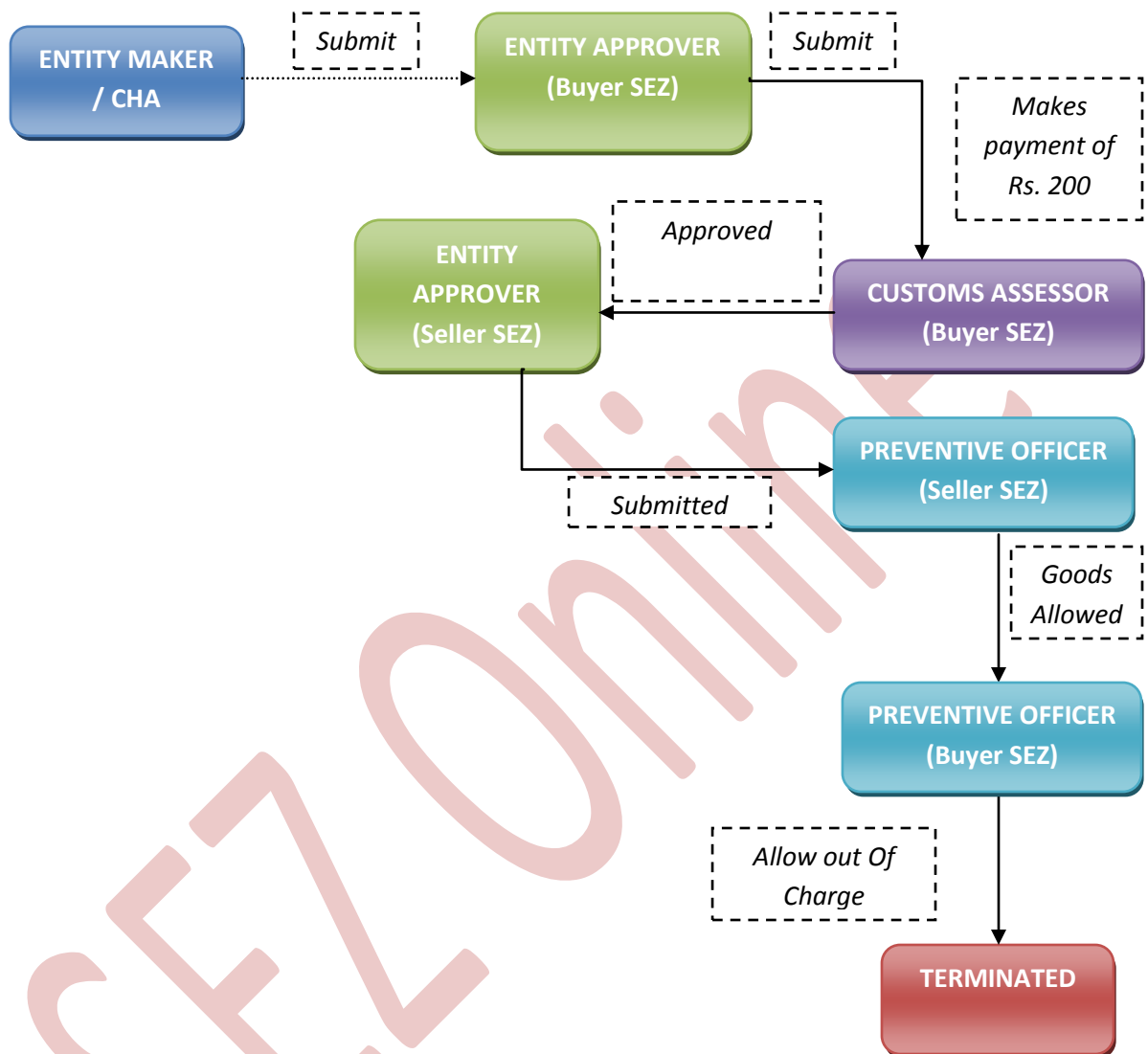- Raise Query(To Seller Entity Approver)

H. Out Of Charge by Authorized Officer(Buyer SEZ):

The Buyer SEZ has following options:

- Allow Out Of Charge(Request Workflow Terminates here)
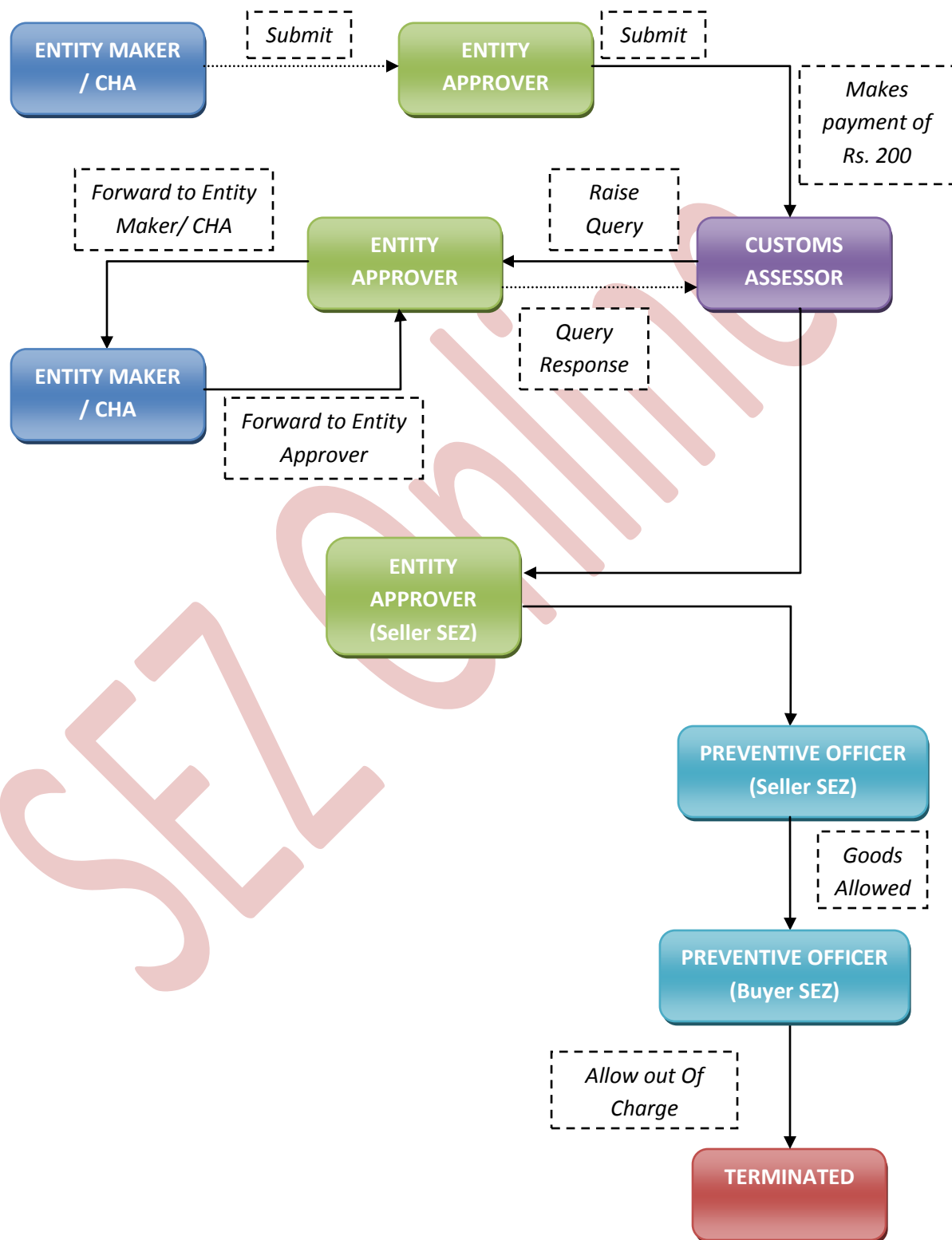- Discrepancy (Raise a discrepancy to Authorized Officer of Seller SEZ)

Scenario 1: Forward workflow

Scenario 2: Backward workflow

For complete set of statuses and workflow scenarios, kindly refer the embedded excel sheet.

6 PAYMENT OF TRANSACTION

On signing the Digital Signature Certificate on the Confirmation Screen, Entity Approver will be asked to make a payment of transaction charge. The transaction charge for Zone to Zone Transfer document is Rs. 200.

User has to avail Account deposit scheme for the purpose of payment of transaction charges. Payment has to be made to this account by Entity Approver user. Entity Approver user can top-up any amount to this account. The payment to this account can be made either through Cheque or Demand draft or through online payment gateway.

When Entity Approver selects a mode of payment and clicks on "Pay" and then on "Confirm" option, request gets submitted to the Customs Assessor. The message "Request submitted successfully" is displayed to the user.

For more information regarding payment process/steps, kindly refer the manual for "SEZ Online - Payments".

7 PRINTING OF ZONE TO ZONE TRANSFER THROUGH SEZ ONLINE SYSTEM

After submitting the Zone to Zone Transfer document to Customs, the Entity/Customs user can take the print-out of the request even after the workflow of the request has ended.

SEZ Online application provides the facility to user to take print-out of Original, Duplicate, Triplicate, Quadruplicate (Exchange Control) and Quintuplicate copies. On clicking the PRINT button in the User Interface, user is provided with a dialog which contains checkboxes for the above mentioned print copies. Depending upon the checkboxes selected, the print for those copies will be shown.

User is also provided a facility to take printout in consolidated format. In this format, all the items with some matching data values (e.g.: CTH, CETH, Notification No.) will be logically grouped together in the main copy of the print-out. The details of these individual items will be attached at the end of each copy in the 'Annexure' document. To take the print-out in annexure format, the user has to select the checkbox "Print consolidated BOE with Annexure" on the print dialog along with the ticked checkboxes of the copies required for printing.

Fig: Screenshot of Annexure copy for Zone to Zone Transfer

A. User can take the print-out of a request either from the Inbox or from the Search Request screen.
    To take the print-out from the Inbox, the request has to be present in the Inbox of the user. User has to open the request from his Inbox and then click on the PRINT button shown at the bottom of the screen.

To take the print-out from Search Request screen, the user has to search the request by entering either its request ID of selecting the type of transaction (i.e. "Zone to Zone Transfer "). Then after the request is found, user has to open the request by clicking on the PRINT button shown at the bottom of the screen.

On clicking the PRINT button, User is asked to select which copies which are required. Only the copies that that ticked will be printed.
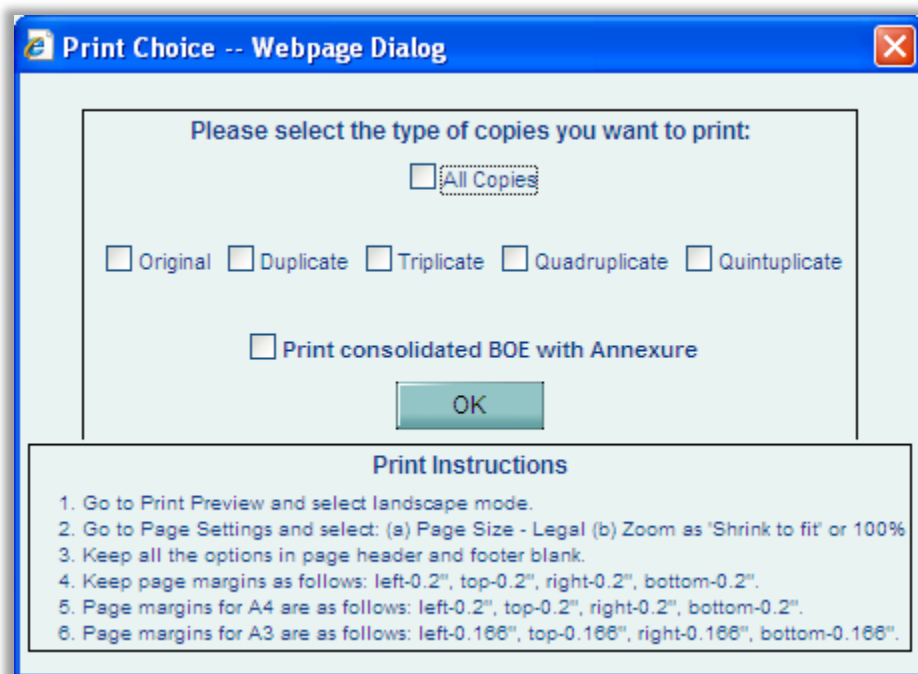
Fig: Dialog box for selecting the print copies

User is allowed to take the print-out of the request, once the request is submitted to the Customs. However, in the case where the request is pending at Entity side for query resolution, the PRINT button will not be shown to the user (Entity as well as Customs).

Steps to take the print-out:
  i.   Open the request either from Inbox or Search Request screen
  ii. Click on the PRINT button
  iii. Select the copies as per need and click on OK. The Print Preview screen will be shown
  iv. Go to Print Preview and Select landscape mode
  v.   Go to page settings and select: (a) Page Size as Legal and (b) Zoom as "Shrink to fit"
  vi. Keep page header and footer blank
  vii. Keep page margins as 0.2 inches
  viii. Click on PRINT button
  ix. Only the copies selected will be shown in the print preview screen
  x.   Print the copies

B. Printing Trial copy before submitting the Zone to Zone Transfer form to Customs
    In order to enable the user to check if the details entered in the Zone to Zone Transfer) is correct, a facility has been provided in the SEZ Online system to take a Trial copy of the Zone to Zone Transfer. It can be printed in following way:

    i.   Print from the Confirmation screen

As the Entity Maker or CHA user submits the Zone to Zone Transfer to the Entity Approver or as the Entity Approver submits the Zone to Zone Transferto DC Customs, a confirmation screen is displayed to the user. On the confirmation screen, there is a button called 'Print Trial' to enable printing the trial copy of the Zone to Zone Transfer. The user may take a print of the Trial copy from the Confirmation page of the Zone to Zone Transferbefore confirming submission of the Zone to Zone Transfer and check if the details/ calculations of the Zone to Zone Transfer are correct. After checking the same, the user may click on the 'Confirm' button for submission of the Zone to Zone Transfer.

Fig: Screenshot for Confirmation Screen

8 CANCELLATION OF ZONE TO ZONE TRANSFER

For information on cancellation of Zone to Zone Transfer requests, kindly refer the manual for 'Free Form – Cancellation'