



SEZ Online Manual
Sub Contracting

Version 2.0





Note: This document is intended for use by existing SEZ units for the purpose of submitting Sub Contracting transaction. The document describes the process of preparation & submission of Subcontracting through SEZ online system.

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1 INTRODUCTION

According to SEZ Rule 41 & 42, SEZ Unit may subcontract performance of a part of its production or production process to a unit(s) in the Domestic Tariff Area or Special Economic Zone or EOU or a unit in EHTP/STP/BTP with prior permission of the Specified Officer of the SEZ. This document explains the procedure of preparation & submission of requests through SEZ Online system for Sub- Contracting of goods (sending out and bringing back in the Zone) to:

- DTA unit
- SEZ unit of a different zone
- EOU
- Unit in EHTP / STPI / BTP.

If an SEZ Unit has to send goods abroad for subcontracting, a shipping Bill should be submitted through SEZ Online System. If an SEZ Unit has to send goods to another SEZ unit of the same SEZ for subcontracting, an Intra Zone Transfer request should be submitted through SEZ Online System.

The following are the steps required for preparation and submission of Sub Contracting transaction to Customs office:

- Preparation of Sub Contracting transaction by the Entity Maker or Customs House Agent (CHA) and its submission to the Entity Approver
- Implementing a Maker-Checker concept, the Sub Contracting 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 Sub Contracting document from the SEZ Online application and submit the same to the Customs office along with the necessary supporting documents.
- On Approval of the Subcontracting 'Goods Out' Request, the goods may be taken out of the SEZ with the permission of the Authorized Officer (Preventive officer) at the gate.
- Intimation regarding arrival of processed Goods back into SEZ, to Authorized Officer (Preventive officer), by unit Approver by specifying details of the goods brought in.
- For more information regarding Sub Contracting, kindly refer SEZ Rule 41 & 42.



2 USER ROLES

Following user are involved in the processing of subcontracting transaction:

- From Unit
 - Entity Maker/CHA
 - Entity Approver
- From Customs
 - Customs Assessor
 - Authorized officer
 - Customs Approver
 - DC Approver

For detailed information and steps regarding user creation and role assignment, kindly refer the manual for 'User Management'.

3 PREPARATION OF SUB CONTRACTING DOCUMENT

For Preparation of Sub Contracting document, a 'Maker-Checker' concept has been incorporated at the unit's end, in the SEZ Online system. The Sub Contracting document can be prepared either by the 'Entity Maker' user or CHA user.

The Entity Maker or CHA user prepares a Sub Contracting request 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 Sub Contracting transactions, Unit Admin has to assign the functionality of "Sub Contracting" to the user. On assignment of the "Sub Contracting" functionality, user will be provided with a link named "Sub Contracting". On clicking on this link, Sub Contracting form will be opened.



Fig: Blank Sub-Contracting form

A. Data fields:

The data fields of the Sub Contracting document have been categorically organized into 2 tabs, as:

- i. General details
- ii. Goods Out details

i. General details tab:

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

Following sections are present in this tab:

- a. Permission number & Permission Date –
For subcontracting a part of the production /production process, SEZ units need to obtain permission from the Office of DC Customs. The details of such permission obtained viz. Permission No. & Date can be entered in this field.
- a. Supplying SEZ Unit details –
The details of SEZ viz. Name, Address, IE Code & PAN details are captured in this section. It is auto populated and is non-editable.
- b. Receiving Unit details –



The details of the receiving Unit i.e. the name, address, state, country, pin code and type of receiving unit (DTA, SEZ, STPI, BTP, EOU and EHTP) have to be entered by the user. All these are mandatory fields.

c. Package Details for Removal –

Packaging details of the goods moving out of the SEZ are captured in this section. Unit of Measurement, Packaging Unit along with the Gross & Net weight, Marks & Numbers, Date of Removal of goods with its purpose are captured in this section. All these fields are mandatory.

On entering the data in the General details tab and clicking on SAVE button, a unique request ID for that particular transaction is generated.

The format of the request ID is “49YYXXXXXXXX”.

Here,

“49” is the code representing a Sub Contracting transaction

“YY” are the last two digits of the current year

“XXXXXXXX” is the unique number.

On saving the General details tab, the Goods Out details tab is displayed on the screen.



ii. **Item Out Details:**

The Invoice, Goods Out and Goods In related details of the transaction are captured in this tab.

This tab has the following section:

a. Invoice Details –

In this section, we have to enter the details pertaining to the invoice (e.g. Invoice number, Invoice value, Invoice date).

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.

b. Goods Out Details –

On clicking the ADD button, a new sub-section named 'Add Goods out 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 'Goods out Details'.

User can also enter multiple item records by clicking the ADD button below the 'Goods out Details' grid. However, the total sum of product values of all items must be equal to its corresponding value of its invoice.

c. Declaration of Goods In Details –

On clicking the ADD button, a new sub-section named 'Add Goods in 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 'Declaration of Goods in Details'.

User can also enter multiple item records by clicking the ADD button below the 'Declaration of Goods in Details' grid. However, the total sum of product values of all items may not be equal to its corresponding value of Goods Out details.



iii. **Item Re-entry Details:**

This tab gets enabled when Authorized officer has marked the Goods Out request with status as “Passed Out” and request is in Unit Approvers inbox and now Unit Approver has selected the radio button ‘Do You want to move Goods IN?’.

iv. **Export from Sub-contractors Premises:**

This tab gets enabled when Authorized officer has marked the Goods Out request with status as “Passed Out” and request is in Unit Approvers inbox and now Unit Approver has selected the radio button ‘Have you exported the goods from the subcontractors premises?’.

B. Confirmation Screen:

After preparation of the Sub Contracting document as the user clicks on the ‘Submit’ button, a confirmation screen is displayed to the user. In the confirmation page, the contents of the Sub Contracting document are displayed.

The user may either confirm or cancel the submission of the Sub Contracting transaction using the buttons provided in this page. Further, please note that the user may also print a trial copy of the Sub Contracting document by clicking on “Print Trial” through this page.



Request Id - 491200071176		SEZ Online	
CHALLAN FOR SUB-CONTRACTING (Under Rule Nos. 41 & 42 of SEZ RULES, 2006)			
SEZ Unit Details		Sub-Contractor Details	
DE CORE NANOSEMICONDUCTORS LTD Plot 13, 33, 34 & 35,, GIDC Electronic Park Special Economic Zone (SEZ), Kolavada Road, Sector 25, GANDHINAGAR - 382011, Gujarat, India		Name Address , City, Maharashtra,India - 400074	
Marks and Numbers		Challan No and Date:	
No. & Kind of PKGS		0000001 14/09/2012	
Numbers		Gross Weight:	
2 LFT		Net Weight:	
Details of Goods Removed Earlier			
Sr. No	CTH No. & Item Description	Quantity(Unit Of Measurement)	Product Value
1	84011000 - Description	100.000000 BAGS	1000.000000 AUC
Details of current 'Goods OUT' consignment			
1	84013000 - item	100.000000 LITERS	100.000000 INF
Certified that the above mentioned goods may be allowed to be taken out of the Zone. (Date)			
PASSED OUT			
Remark:		Date of Removal	06/09/2012

Fig: Screenshot of Confirmation Screen



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 Sub Contracting document cannot be submitted without entering information in the mandatory fields.
- iii. 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 Sub Contracting can be tracked in future by using this request ID.
- iv. The Sub Contracting no. or Thoka no. is generated by the system as soon as the Entity Approver user submits the Sub Contracting to the Customs Assessor. This no. is called as the Challan No. in SEZ Online System. It can be viewed in the 'General details' tab of the Sub Contracting request.

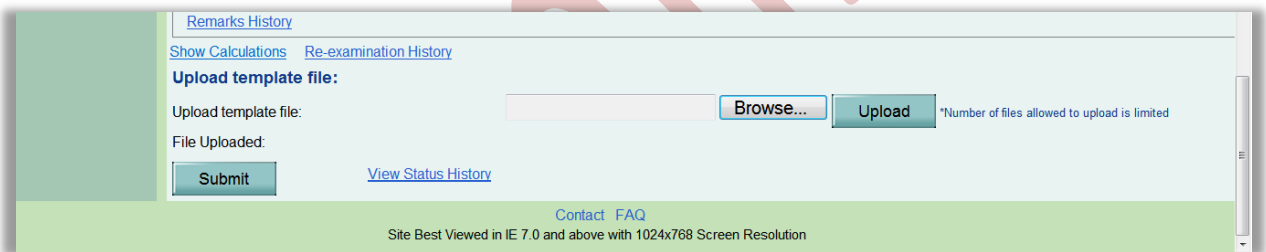


- v. The unit will not be able to make any changes in the Sub Contracting once it is submitted to customs.
- vi. At any given point in time only one user can work on a Sub Contracting. The user in whose inbox the Sub Contracting is lying can only take action on that request.
- vii. Whenever a request is submitted from Unit 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”.
- viii. For downloading reference manuals/formats, please visit the website <https://www.sezonline-ndml.com/downloads.htm>

D. Template Upload

User should have an option to upload .xls and .pdf files through the Upload template file link.

User can upload maximum up to 10 files for a particular request and the maximum size of file that can be uploaded should be up to 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., Unit and Customs. But the internal remarks entered by Unit 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, Authorized Officer, Customs Approver and Customs Ops User.

C. Item Details as per LOA

A link called “Item Details As Per LOA” should be 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 SUB-CONTRACTING

A. Preparation of Sub-contracting document from Entity Maker/CHA

1. Entity Maker prepares the Sub-contracting 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 then 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 trail copy of the Sub-contracting can be printed for verification of details entered.

B. ‘Submit’ Sub-contracting 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 Sub-contracting – the user can edit the entire contents of the Sub-contracting document prepared by the Entity Maker/CHA
- b. After viewing the contents of the Sub-contracting, if the Customs Approver finds that the Sub-contracting 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 entire contents of the Sub-contracting are displayed 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 Subcontracting request is submitted to customs, the unit cannot make any changes in the Subcontracting request.
- 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 trail copy of the Subcontracting request can be printed for verification of details entered.

C. 'Cancel' request from Entity Approver

The Entity Approver can 'cancel' the Sub-contracting prepared by the Entity Maker/CHA user. In this case, the Sub-contracting will get cancelled permanently and will not be available for edit/submission to Customs. However, the users shall be able to view such Sub-contracting through the search facility.

D. 'Sentback' request to Entity Maker/CHA

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

E. Assessment of the request from Customs Assessor

The requests which are submitted by Unit are received by the Customs Assessor.

Customs Assessor has the following options

- Approve
- Raise a query on the request (Customs Assessor -> Entity Approver)
- Guidance

i. Approved

If Customs Assessor approves the Sub-contracting document for Goods Out, then the request is sent to Preventive Officer for Passed Out. If Preventive Officer submits the request with status as Passed Out then the request is back to the unit's side. Unit can then submit the request with 'Goods Out', 'Goods Reentry', 'Request Extension' or 'Export from Subcontractors' Premises.



ii. Raise a query on the request

If Customs Assessor finds some incorrectness or inconsistency in the details of the submitted Subcontracting request, then Customs Assessor can send the request back to the Unit 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.

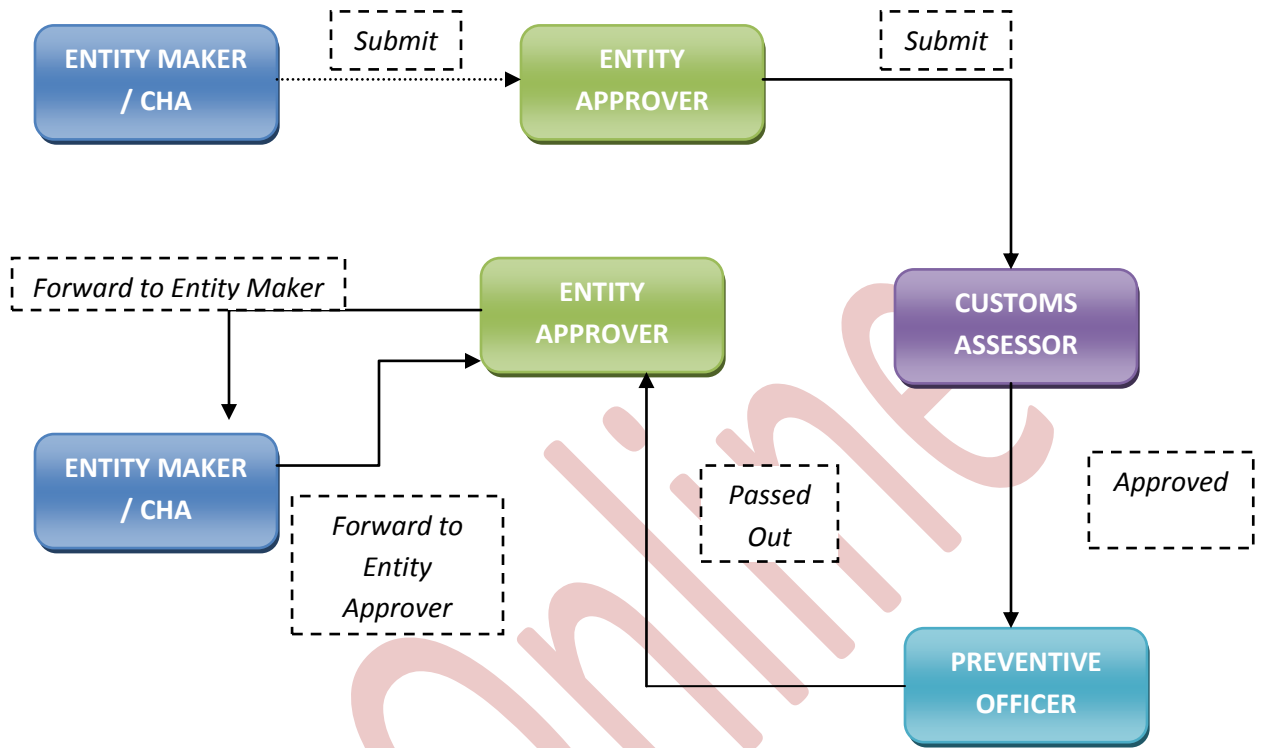
iii. Guidance

If Customs Assessor requires further knowledge/information of the Sub-contracting request, then Custom Assessor can send the request to Customs Approver. Custom Assessor only has the option of sent back with his comments to Customs Assessor, which will help the Custom Assessor in processing the Sub-contracting request.

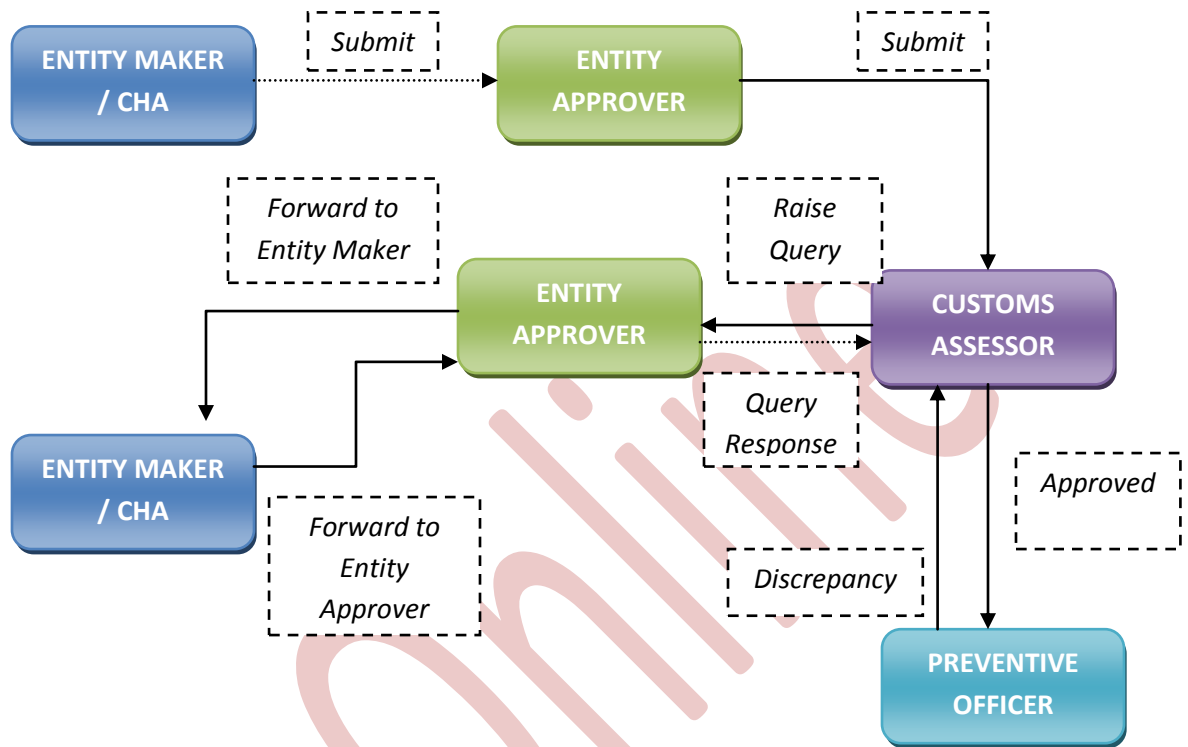
SEZ Online



Scenario 1: Approved Goods Out



Scenario 2: Raise Query



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

For more information regarding process flow for Subcontracting transaction, kindly refer the SEZ Act 41 and 42.



6 PAYMENT OF TRANSACTION

Presently in the SOS system, users are not charged for Sub-contracting transactions. If Sub-contracting is made a chargeable transaction then users will have to follow the following steps:

- On signing the Digital Signature Certificate on the Confirmation Screen, Entity Approver will be asked to make a payment of transaction charge.
- 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 SUB-CONTRACTING THROUGH SEZ ONLINE SYSTEM

After submitting the Sub-contracting document to Customs, the Unit/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 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.

- 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 or selecting the type of transaction (i.e. “Sub-contracting”). 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 are required. Only the copies that are ticked will be printed.

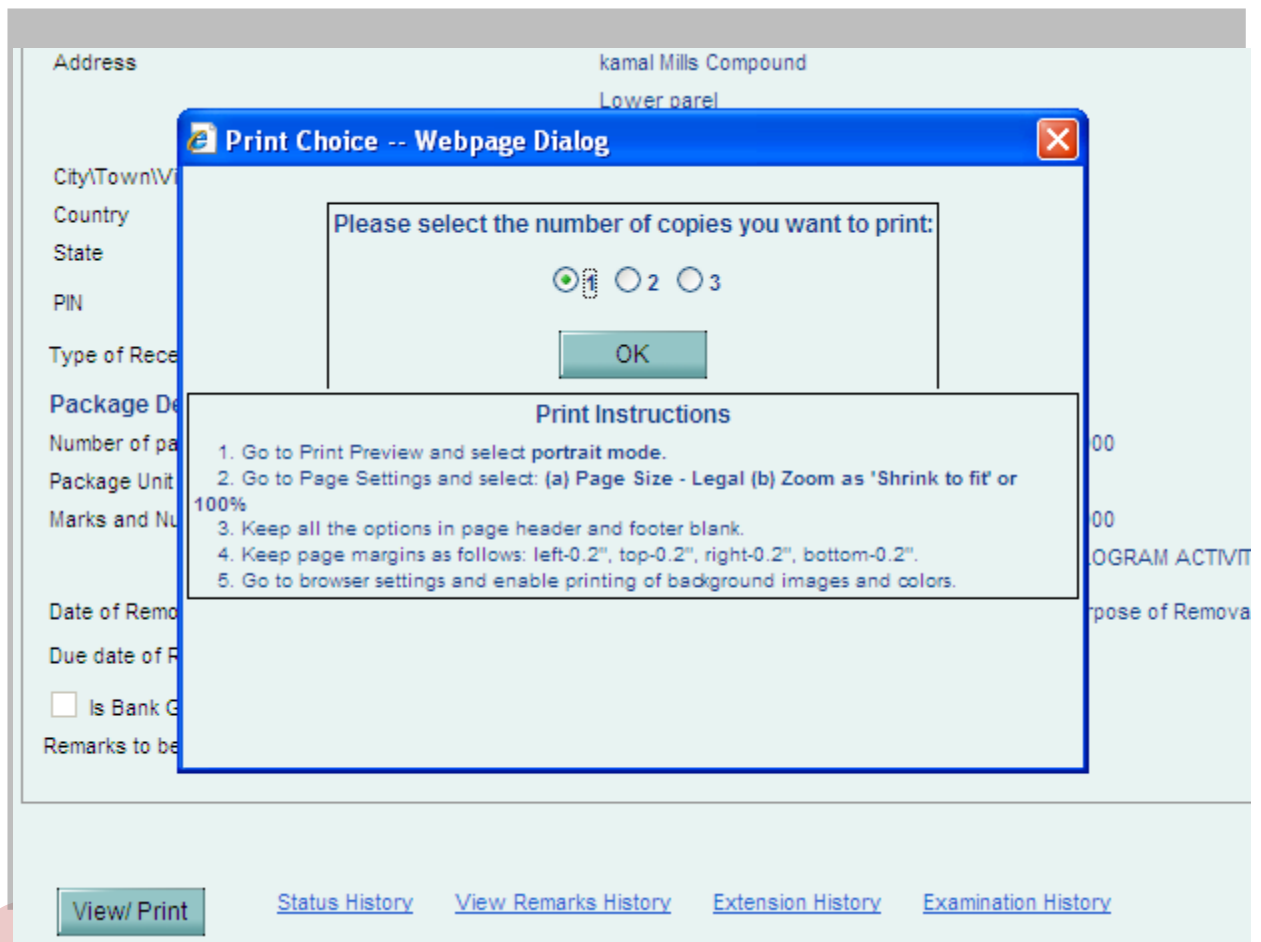


Fig: Dialog box for selecting the print copies

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 Unit side for query resolution, the PRINT button will not be shown to the user (Unit as well as Customs).

Steps to take the print-out:

- Open the request either from Inbox or Search Request screen
- Click on the PRINT button
- Select the copies as per need and click on OK. The Print Preview screen will be shown
- Go to Print Preview and Select portrait 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 Sub-contracting form to Customs
- In order to enable the user to check if the details entered in the Sub-contracting form is correct, a facility has been provided in the SEZ Online system to take a Trial copy of the Sub-contracting.
- i. Print from the Confirmation screen
As the Entity Maker or CHA user submits the Sub-contracting request to the Entity Approver or as the Entity Approver submits the Sub-contracting request to 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 Sub-contracting request. The user may take a print of the Trial copy from the Confirmation page of the Sub-contracting request (before confirming submission of the Sub-contracting request) and check if the details of the Sub-contracting request are correct. After checking the same, the user may click on the ‘Confirm’ button for submission of the Sub-contracting request.



Confirmation -- Webpage Dialog

PASSED OUT

Remark:	Date of Removal	06/09/2012
	Signature of officer of	

PASSED IN

Sr. No	Date	CTH No. & Item Description	Quantity(Unit Of Measurement)	Signature	Appr
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Confirm Cancel

Print Trial

Fig: Screenshot for Confirmation Screen