



OFFICE OF THE COMMISSIONER OF CUSTOMS
सीमाशुल्क आयुक्त का कार्यालय
Custom House, New Harbour Estate, Tuticorin - 628 004
सीमा शुल्क गृह, नया हार्बर एस्टेट, टूटीकोरिन-- 628 004
Tel: (0461) 2352177, 2352655, 2352633 / Fax: 2352019,
E-mail: siibttn@gmail.com,siibcustut-2024@gov.in

Dated: 27-03-2025

STANDING ORDER No. 01/2025

Subject: Local Risk management System (LRM) -reg

Local Risk Management System administration:

The Additional/Joint Commissioner in charge of SIIB is designated as the System Administrator of LRM. The Deputy/Assistant Commissioner and the nominated officers working in SIIB will be given LRM role by the Systems Administrator. In addition to handling the Targeting and Intervention activities assigned to them, all LRM users should be vigilant about all such Bill of Entry and Shipping Bill(hereinafter referred to as bill/s)which are getting facilitated and are being sent for clearance without any assessment and examination. Discrepancy if any found in respect of such bills should be immediately brought to the notice of the LRM for further action.

2.Targeting in RMS:

(i) The LRM users have the facility to insert Targets into the system. Using the **targeting** feature of the RMS, it is possible to interdict consignments that match the particulars of specific intelligence or alerts (called **targets**). The targets will match each bill with respect to the logic inserted in the system by the user in the interface provided to him. In case there is a match, the concerned Officer (called **Targetor**) will be alerted through the RMS dashboard and action on the bill will be based on the Targetor instructions. The targeting tool in RMS allows the Targetor to verify and improve upon his intelligence or information. The number of consignments the target is

likely to select or shortlist can be estimated through an RMS feature called **Impact Analysis**.

(ii) Targets should be inserted carefully and in such a way that, as far as possible, clearance of compliant consignments are not held-up. Therefore, it has been decided to provide targeting facility of RMS to a limited number of officers and a note of satisfaction of the **proposer** and **approver** of the target should be recorded on the system. The LRM Systems Administrator shall designate officers as the target proposer and approvers of the target. To the extent possible the Targetor should be the AC/DC or the Apprising Officer /Superintendent and the approver should be the ADC/JC SIIB. The LRM users can view on their dashboards all the bills hit by the targets inserted by them.

(iii) The targets based on Alerts issued by DRI should not be entered again by the Local Risk Manager, to avoid duplication. SIIB section will analyze the intelligence gathered by officers and examine alerts received from various formations before deciding to insert any local target. A file shall be opened wherein justification for inserting a target will be given by the target proposer. The target approver with his remarks shall put up file to the Commissioner for approval, after which the target can be approved in system. All the officers must note that targets can hit AEO clients also. Hence due caution shall be exercised before insertion of the targets.

3.Intervention in RMS:

(i) Where there is no specific intelligence or information but there are known/suspected trends in evasion or violation, LRM users with the approval of the Commissioner can use the tool of **Intervention** to check some or all consignments of a particular category of imports/exports in order to check on the levels of compliance. The user is required to insert the percentage of bills matching the intervention criteria for selection. The intervention feature can also be used to monitor the quality of their declarations. Officers with the approval of the Commissioners of Customs can provide guidance to importers and CHAs for improving the descriptions of goods, whenever they are not satisfied by the quality of declarations in the Bills by using this tool. Like the targeting function, insertion of interventions will also have to be used cautiously and sparingly.

(ii) The RMS provides for a two-stage process for creation of an intervention where the proposer and approver insert their remarks regarding the reason for inserting the intervention. The Systems administrator should

designate one officer as the intervention proposer and another for approving the intervention. As far as possible the interventions should be approved by the ADC/JC SIIB with the approval of the Commissioner. The impact analysis tool must be used before insertion of intervention. Like targets, interventions can be national or local. The dashboard should be used to view the hits for the intervention inserted by the user. All the officers must note that interventions can impact AEO clients also. Hence due caution shall be exercised before insertion of the interventions. If required the interventions can be inserted in a manner so as to exclude ACP importers from their ambit.

4. Systems administrator of the LRM shall be responsible for the maintenance, security and effective working, of the LRM server. The System Administrator of LRM shall keep close liaison with the National Risk Management system (NRM) administrator. He will supervise the working of the system and ensure that the RMS software vendor personnel posted at the site perform their assigned roles. The local **ICES Systems Manager** and the NIC officials should be approached for any work related to local data transfer and smooth operation of RMS. The ICES system manager and the NIC staff shall co-operate with the LRM system administrator in the discharge of his duties.

5. Random selection of Bills :

(i) The RMS subjects all categories of bills to a random percentage of examination. The percentage of random will be monitored by Risk Management Division. Commissioners of Customs can however fix the random percentages for **Interventions** inserted locally.

(ii) RMS is designed so as to give the output on any bill within a stipulated time limit, from the time of getting the bill from ICES. However, in the event of any problem with the LRM system due to which bills of entry may take more than the specified time, the Bills will be automatically processed by the ICES in the normal fashion without any RMS instructions. In all such bills officers must assess and examine as per normal ICES practice. *The LRM systems administrator must immediately alert the NRM about systems related problems encountered by them, if any, for rectification.*

(iii) All the officers should note that apart from the designated SIIB officers at LRM, the officers working in the Directorate General of Revenue

Intelligence (DGRI) and the Risk Management Division (RMD) are empowered to insert targets and interventions. The RMS also gives the facility to the officers of the RMD to insert Risk rules and update the systems intelligence in the NRM which will update on every LRM online. The Bills in the ICES may be hit by any one or more of the targets, interventions, risk rules inserted by one or more officers in the NRM and LRM. The officers and staff in assessment and examination sections will get on their screen the selected bills along with the Targetor and Interveners instructions, Appraising and Examination Instructions specific to the rules hitting the Bills and the Compulsory Compliance Requirements for the goods imported and the notification benefit claimed. The action in ICES shall be done accordingly.

(iv) It must be noted that the prime objective of the RMS is to enhance facilitation for compliant importers and compliant consignments. Therefore, all officers, while being vigilant against abuse, must at all times act with a sense of responsibility and avoid doing anything that would cause undue delay or harassment to legitimate trade.

6. Feedback: The process of Risk management is incomplete without feedback. Officers working on the LRM are advised that if any aspect of the RMS which in their understanding is either not suitable or seemingly out of context in respect of any bill under their scrutiny, it should be immediately reported to the Local Risk manager as the case may be. Such feedback shall be routed to the NRM through the office of Local Risk Manager.

This is issued with the approval of the Commissioner of Customs, Custom House, Tuticorin.

Signed by
Sree Hari Sankar P

SREE HARI SANKAR P
JOINT COMMISSIONER

Date: 27-03-2025 12:17:49