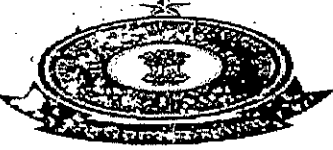



दूरभाष/TELEPHONE : 25254259 फ़ैक्स/FAX : 044-25221861 www.chennaicustoms.gov.in ईमेल/Email:commr4-cuschn@nic.in		 (आई.एस.15700:2005 (सेवोत्तम) प्रमाणित) (IS 15700:2005 (Sevottam) Certified)
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भारत सरकार
 GOVERNMENT OF INDIA
 वित्त मंत्रालय, राजस्व विभाग,
 MINISTRY OF FINANCE, DEPARTMENT OF REVENUE
 आयुक्त सीमा शुल्क का कार्यालय, चेन्नै- IV
 OFFICE OF COMMISSIONER OF CUSTOMS, CHENNAI- IV
 60, राजाजी सालै, सीमा शुल्क भवन, चेन्नै-600 001.
 60, RAJAJI SALAI, CUSTOM HOUSE, CHENNAI-600 001.

F.No.S.Misc. 14/2019-Appg.Main (Ch-IV)

Date: 02.05.2019

MINUTES OF REVIEW MEETING HELD ON 11.04.2019 AT 11:00 A.M. AT LIBRARY HALL, KRISHNA BLOCK, CUSTOM HOUSE, CHENNAI.

Commissioner Chennai IV Commissionerate convened a meeting to review the work done by all sections of Chennai IV Commissionerate in FY 2018-19 and to set targets for FY 2019-20. At the outset, Smt.Sudha Koka, Commissioner of Customs, Chennai-IV who chaired the meeting, welcomed the officers of Chennai-IV Commissionerate.

2. The following officers of Chennai-IV Commissionerate attended the meeting:

S/Shri/Smt.

1. Sidlingappa Teli, Addl.Commissioner
2. D.Ranjith Kumar, Jt.Commissioner
3. M.Ramesh, Dy.Commissioner
4. C.Mohan Gopu, Dy.Commissioner
5. S.Kumar, Asst.Commissioner
6. Rajni Menon, Asst.Commissioner
7. R.Mahendran, Asst.Commissioner
8. R. Vasudevan, Asst.Commissioner
9. K.Keshava, Asst.Commissioner
10. H.L.Srinath, Asst.Commissioner
11. BSR Pandian, Asst.Commissioner
12. G. Chinnappa Reddy, Asst.Commissioner
13. C.R.Rajah, Superintendent, Appg. Main

The DCs/ACs attended the meeting along with their section officers.

The discussions held with the sections are as follows:

3. Docks (Admin):

(i) Commissioner informed that the revenue target fixed for the zone was ₹54,300 crores and this zone had achieved the revenue target of ₹53,400 crores, which is 98.34 percentage of revenue target. Some of the reasons for shortfall were huge utilization of MEIS scrips, sluggish import during Chinese new year in February and the national election announcement that caused imports slowdown.

(ii) The Commissioner directed the DC (Docks-Admin) to compile a report regarding top 20 exporters and top 20 commodities of the zone and monitor the trend of imports closely. DC (Docks-Admin) informed that ₹ 1.68 crore of additional revenue was realized by detection of discrepancies during last financial year.

Further, Commissioner directed that whenever any discrepancy is noticed, a preliminary report is to be prepared, mahazar should be drawn if required, statement to be recorded from the importer/Exporter/Customs Broker and the same is to be forwarded to SIIB or DIU for further investigation. DC (Docks-Admin) informed that this year, instructions have been issued to the officers of RMSFC and targets of revenue from discrepancies through RMSFC are to be fixed, in-order to recover more revenue from differential duty. Commissioner instructed all RMSFC officers to get IDs to access DGOV site.

Action Pending -DC (Docks Admin)

(iii) The Commissioner reviewed the mechanism for selection of containers for examination in respect of scrap consignments. DC -Docks Admin submitted that a software is developed from EDI, wherein the Bill of Entry and Container numbers are to be entered and if the importer is a trader, the system will select the container numbers of 50 % of the total number of containers and if the importer is a manufacturer, the system will select the container numbers of 25 % of the total number of containers randomly. Then this container numbers

can be viewed only by the officers of Docks admin and they will enter the selected container numbers in the hard copy of Bill of Entry and the said containers will be examined by the shed officers. Commissioner directed that the print out of system selected container numbers have to be taken for authentication and to develop a software through EDI which can be accessed by all DCs and ACs of CFS so that they can randomly check the examination reports.

Action pending -DC (Docks Admin)

(iv) Further, the Commissioner reviewed the issuance and maintaining of one time seals (OTS). The DC -Docks submitted that the Docks admin was maintaining a seal register which contains the details of name of the officer and number of seals provided and the seal numbers issued. Another register is maintained in CFS by Preventive officer, which contains the Exporter name, Shipping Bill number, Container number and the seals are properly accounted.

(v) DC (Docks-Admin) informed that this Commissionerate has collected cost recovery charges of Rs 2.6 crore from Container Freight stations. CWC - Thiruvotiyur and Sudharshan -CFS have been waived from paying cost recovery charges.

(vi) DC (Docks) informed that after merger of RMS with DPD, 80% of the Bills of Entry have been cleared from RMSFC in Custom House. Around twenty thousand Bills of Entry have been cleared per month through RMSFC.

(vii) The Commissioner informed that on verification of some random examination reports, the description, quantity and special observation details were not available and directed all the officers to do proper examination and enter proper examination reports. Commissioner further enquired about allocation of DoV access to RMSFC officers and directed ADC, Nodal officer of DoV site to assign a role to the RMSFC officers for verifying the NIDB data.

Action pending -ADC (Appg Main) , DC (Docks-Admin)

(viii) For the next financial year, DC (Dock Admin) suggested that:-

(a) they were in the process of creating an Import Analysis Wing in-order to verify whether examination is done as prescribed in examination

orders, CCR, RMD instructions in order to improve quality of examination to assign Special Watch status to some bills of entry based on risk analysis, frequent discrepancies etc. for which examination has to be done in presence of AC (CFS) by recording video of the examination to be uploaded in the Docks Portal.

Action Pending -DC (Docks Admin)

(b) Docks Admin is also planning to conduct periodical meeting among Docks officers.

Action Pending -DC (Docks Admin)

Commissioner further suggested that Docks Admin should analyse the bills of entry based on value, commodity, traders/importers/ discrepancies noticed and based on the above factors categorize ADD prone commodities, BIS mandatory compliance commodities, high risk import Bills/Shipping Bills.

4. RMSFC:

Commissioner has congratulated all the offices of RMS that they have quickly adapted to the new procedure of TURANT CUSTOMS. Further, Commissioner enquired about the issues faced by officers in RMSFC, for which the officers informed that :-

- i) the assessing groups in Chennai II Commissionerate have organised chapter wise appraising, and requested that the same procedure can be followed in RMSFC also.
- ii) as per the condition of Customs notification 85/2004, the original COO has to be verified at the time of OOC. In practice the CHA/importers upload only the copy of COO. Most of the consignments are cleared by availing the benefit under FTA, the officers have no other way than raising a query to produce the original COO to fulfil the condition of the notification.
- iii) Commissioner has asked whether officers were verifying the specimen signature in COO, for which the officers told that in respect of Korean origin COO could be through website and other than Korean origin,

the COO certificate was to be verified with the specimen signature in hardcopy.

- iv) COO certificate is issued from Thailand meant for availing the benefit of FTA whereas the importers are wrongly availing the benefit of Asian Agreement for which Thailand is also a member.
- v) The RMSFC is functioning in a small room, the officers requested to provide sufficient space for accommodate all officers.

Commissioner has asked Shri. V. Ramesh, Supdt, RMSFC, to prepare a report with proper feedback, so that the above aspects may be studied by DC (Docks Admin) for necessary action.

Action pending -DC (RMSFC)

5. RRU:

Commissioner has asked the performance of ARC section. AC (ARC) has told that this section is started functioning from May 2018 consequent to restructuring. ARC has recovered revenue of ₹ 9.69 lakhs in respect of 18 cases during last financial year. There are 40 cases identified as recoverable cases for which Rs 85.86 lakhs is recoverable arrears Further, 101 cases are identified as defaulters and the amount involved in those case is 426.82 lakhs and 33 cases are pending for writ off, which amounts to ₹ 24.80 lakhs. Commissioner has directed to issue notice under section 142 and take action against the defaulters and also directed to verify the office premises, write a letter to DGFT to ascertain the other directors of the company and their Bank Account details and this information will help to recover the arrears Commissioner further instructed to put IEC alerts in EDI system, get information of Bank Accounts/director information from IEC, ascertain other bank account numbers from the old bank accounts linked in IEC and trace out defaulters.

Action Pending - AC (RRU)

6. EODC-DEEC/EPCG:

Commissioner asked about the performance of EODC for the last financial year. AC (EODC) replied that 1615 DEEC Bonds were closed, 366 excess imports were identified and an amount of ₹ 4561.33 lakhs was recovered from excess imports. In case of EPCG, 602 Licences were closed and amount realized was Rs 56.74 Crores (BG enforcement + duty+ Interest). The pendency was brought down from 7279 cases last year to 6677 cases this financial year. Commissioner congratulated the EODC officers for crossing ₹ 100 Crores recovery by enforcing Bank Guarantees and on payment of Duty. Further, AC (EODC) told that there is a mismatch of actual pendency of cases with pendency shown in the EDI system. The pendency shown in the EDI system is much higher than the pendency available in the register as the pendency may not be closed in system.

Commissioner has directed to reconcile the pendency and asked to identify the actual cases and also directed to get the information from Bank for enforcement of Bank Guarantee.

For the next year 2019-20, AC (EODC) suggested that they would have a dedicated team for systematic data and have a quarterly review of pendency and disposal.

Action Pending -AC (EODC)

7. DRAWBACK:

Commissioner asked about the performance of Drawback section. DC (Drawback) told that the total number of Shipping Bills pending in query has been reduced from 922 to 415. After introduction of outreach programmes with helpdesk, the number of IECs for whom Drawback disbursement was stuck because of bank account mismatch with PFMS was reduced from 1008 to 377 and nearly 73 % of IECs with Bank account mismatch problems have been cleared to expedite the disbursement of Drawback. The Drawback section has collected arrears of recovery of ₹ 148.78 lakhs for the last financial year.

Commissioner instructed that officers need to be watchful in case of commodities with higher percentage of drawback as there have been instances where merchant exporters mis-declaring commodities such as automobile parts, silk fabric etc. Commissioner directed the Drawback officers to be vigilant while processing the exports of such products by the merchant exporters Further, Commissioner has directed to write a letter to DG system to modify the scroll module by incorporate the Shipping Bill number with drawback sanctioned. Commissioner also directed Drawback officers that no claim should be pending for more than 1 month.

Action pending -DC (DrawBack)

8. BRFC:

Commissioner enquired about the pendency of claims for which AC (BRFC) replied that verification reports were received in respect of 24 claims, for which Show Cause Notices have been issued in respect of 6 claims and the remaining 18 claims are under process.

9. SECTION 74 DRAWBACK:

Commissioner reviewed about the pendency of Section 74 drawback cases. AC (Section 74 Drawback) replied that 217 cases were pending as of now. To liquidate the pendency, 100 cases have been allotted to Shri.K.Keshava, AC and the remaining 117 cases were allotted to Shri.H.L.Srinath , AC.

Commissioner stated that the required staff has been provided to liquidate the pendency of section 74 cases and directed to clear the pendency by 31st May 2019.

Action Pending -AC (Drawback-Sec-74)

10. IAD-CRA:

Commissioner enquired about the pendency of cases for which AC (IAD-CRA) replied that 16 cases were pending as of now. For the current pendency, the present status of action taken was sought from Drawback section in respect of

8 cases and the action taken reports has to be furnished by EPCG section in respect of 7 cases. 3 cases are at SOF level.

Commissioner directed the DC (Drawback) and AC (EPCG) to give reply within a weeks time and instructed that replies in case of 3 SOF cases should be sent urgently within one week.

Action pending -AC (IAD-CRA)

11. EDC:

Commissioner asked about the number of Shipping Bills selected for assessment, and about the dwell time for assessment. AC (EDC) told that, every day about 40 to 50 shipping bills are selected for assessment and all the Shipping Bills are assessed on the same day. Further, AC (EDC) dwelt upon the fact that DMS documents have not been received from CFS and all the documents have to be uploaded in E-Sanchit.

Commissioner instructed EDC officers to keep a watch on over-valued shipping bills being selected for assessment and told after introduction of TURANT CUSTOMS physical verification of documents was not required and documents need to be uploaded in e-sanchit.

12. SWATCHHTA ACTION PLAN:

Commissioner asked about all the activities carried out during the last financial year. AC (SAP) has told that a cycle rally was organised at Annanagar and around 100 officers participated to clean the platform of beach station, 50 trees were planted at Kattupalli Port, modular work stations were installed at BRFC and Drawback section and also compactors were provided in these sections. Water dispensers and purified drinking water is being provided to all sections. AC (SAP) further informed that 4 rooms of Ch IV Commissionertae are being renovated.

13. UCC:

Commissioner reviewed the performance of UCC section. AC (UCC) stated that in the last financial year, 23 auctions were conducted wherein 229 lots were disposed and ₹3,02,52,205/- was realized as revenue. Commissioner asked about the difficulties if any for including the lots for auction to which AC(UCC) replied that the after auction, delays were mainly due to pendency with PGAs.

Commissioner instructed that whenever bill is not filed for any cargo lying at CFS for more than 1 month, notices are to be issued and valuers are to be hired immediately. Commissioner has directed to monitor the uncleared cargo lying at CFS and same should be auctioned within the stipulated period. In respect of cargo meant for destruction, wherever cargo was not disposed after issuance of instructions, Commissioner instructed to take action against the custodians. Commissioner further instructed UCC officers to have quarterly meetings with custodians.

Action Pending -AC (UCC)

14. EPD:

Commissioner noted that EPD section was formed in year 2018. During last financial year the revenue of ₹ 2543/- lakhs was realised. There are 77 DTA units, out of which only 34 units are actively doing imports/exports. Similarly 141 EOU units, out of which 64 units are actively imports/exports. AC (EPD) informed that out of 416 STPI units, only 140 units are active.

Commissioner directed to ensure that quarterly reports are filed by all DTA units and to arrange a meeting with Development Commissioner once in year. Commissioner further called for a report for arrears and for correction of MPR figures if any in case of Central Excise and Customs cases.

Action Pending - AC (EPD)

15. EGM cell:

Commissioner appreciated the monitoring done by EGM cell in case of 'C' errors, stuffing report pendency and timely filing of EGMs. DC (EGM Cell) informed that 119 SCNs were issued in case of non-filing of EGM and personal hearing was granted in respect of 42 cases and OIOs were passed.

16. IGST Refund:

Commissioner instructed IGST Refunds officers to identify exporters who may claim ineligible IGST Refund and be vigilant against new merchant exporter IECs. Further, Commissioner instructed that if any misuse is found before sanction of IGST refund, it has to be stopped and brought to the notice of DGGL.

Action Pending -AC (IGST Refund)

17. Review/Legal:

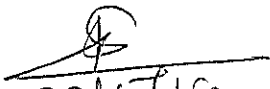
Commissioner observed that while reviewing the adjudication orders monetary limits of the cases are to be mentioned and officers need to propose whether OIOs were to be accepted on merit or on monetary limit grounds. In case of High Court/ CESTAT orders, whenever any order is accepted on merit and not on monetary limits, the same should be forwarded for Pr. Chief Commissioner's concurrence.

In case of Writ Petitions, Commissioner directed the officers to examine the cases where counter affidavit was not filed by the counsel for want of para-wise comments from the department. Commissioner also instructed the designated court officers from legal section to meet counsel in case no reply comes from counsel for urgently filing counters as Writ petitions could be listed at any time.

Action Pending - AC (Legal)

18. With the above discussions, the meeting was concluded by the Commissioner thanking all the officers who were present in the meeting.

This issues with the approval of Commissioner of Customs, Chennai-IV.


02/5/19
(SIDLINGAPPA TELU)

**ADDL.COMMISSIONER OF CUSTOMS
CHENNAI-IV**

Copy submitted to:

1. The Pr.Chief Commissioner of Customs, Chennai Zone for kind information.
2. The Commissioner of Customs (Chennai I/II/III/VII and VIII)

Copy to:

1. All JC/DC/ACs in Chennai IV Commissionerate.
2. The Assistant Commissioner of Customs, EDI....for uploading in Chennai Customs Website/Intranet of the Zone

