



OFFICE OF THE COMMISSIONER OF CUSTOMS (CHENNAI IV)

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

Date: 24.07.2019

Minutes Of Quarterly Review Meeting Held With The Group 'A' Officers On 17.07.2019 At 11:30 A.M. At Conference Room, Krishna Block, Customs House, Chennai.

The quarterly review meeting of all group 'A' officers of Chennai IV Commissionerate was held by the Commissioner Smt. Sudha Koka on 17.07.2019 to review the performance of quarter ending 30.06.2019 and to set target for quarter ending 30.09.2019.

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

Shri/Smt.

- i. K.V.R.K Bhupala Rao, Addl. Commissioner
- ii. V.Pazhaniyandi, Joint Commissioner
- iii. M.Ramesh, Dy.Commissioner
- iv. C.Mohan Gopu, Dy.Commissioner
- v. S.Kumar, Asst.Commissioner
- vi. Rajni Menon, Asst.Commissioner
- vii. R.Mahendran, Asst.Commissioner
- viii. R. Vasudevan, Asst.Commissioner
- ix. K.Keshava, Asst.Commissioner
- x. H.L.Srinath, Asst.Commissioner
- xi. G. Chinnappa Reddy, Asst.Commissioner

The following items of work are reviewed:

3. DRAWBACK:

The Commissioner reviewed the performance of Drawback section for the Quarter ending 30.06.2019. It is noted that an amount of Rs. 543.23 Crores is granted as Drawback which is an increase of 9.55% when compared to corresponding period of previous financial year.

3.1 AIR-Drawback: It is observed that there are 6767 DBK SBs pending for less than one month and 1303 DBK SBs pending for more than one month out of which 259 bills are pending for more than one year. As per Citizen Charter commitment, the time for clearing of Drawback is seven days from the date of filing the EGM. DC(Drawback) is instructed to reflect the pendency of Drawback SBs less than 7day, 8-15 days, 16-30 days for effective monitoring of Drawback pendency. It is directed that the Citizen Charter time line shall be adhered to by all Drawback sanctioning Officers. JC(Drawback) shall monitor the Drawback sanctioned and ensure that no Drawback bill is pending for more than seven days. It is directed that the endeavour shall be to clear the Drawback SBs within 3 days of filing the EGM.

Action – JC(Drawback) and DC(Drawback)

3.1.1 It is also noted by the Commissioner that daily pendency of Drawback bills is more than 10,000 which is not acceptable standard of work. It is instructed that the Drawback superintendents shall bring the Drawback pendency to the current day pendency.

3.1.2 It is also observed that large numbers of queries without seeking specific information are being raised by Drawback superintendents. DC (Drawback) may allow only those queries which are raised to elicit specific and essential information which shall have bearing on sanction of Drawback.

Action –DC (Drawback) and Superintendents (Drawback)

3.2 e-BRC Reconciliation: It is observed from DPM CUS 1D report of June 2019 that out of 12283 SCNs issued upto 31.03.2014, only 22 SCNs are adjudicated in the QE June 2019 from the cases pending upto 31.03.2014. The performance in disposal of these cases is dismal in the light of pendency of 12283 cases. DC (Drawback) is instructed to dispose at least 300 to 500 cases per month. A separate e-BRC cell is set up only for the purpose of expediting adjudication and monitoring e-BRC reconciliation.

Action –JC (Drawback) and DC (Drawback)

3.2.1 With regard of e-BRC after 01.01.2014 from EDPMS portal of RBI, only 365 no. of SCNs have been issued which is only a minuscule part of unreconciled bills. DC (Drawback) to expedite the reconciliation.

Action -DC (Drawback)

3.3 Brand Rate of Drawback: The Commissioner observed that there are 1197 bills pending for sanction of Brand Rate of Drawback out of which 97 are pending for less than one month and 1100 are pending for more than one month. DC(Drawback) shall ensure that no Brand Rate claim is pending for more than one month and JC(Drawback) shall monitor this item of work to ensure that Brand Rate of Drawback pendency should not be more than 1 month.

Action- JC (Drawback) and DC (Drawback)

3.4 Drawback under Section 74: The Commissioner expressed dismay with regard to clearance of Section 74 Drawback claims. Assistant Commissioners Shri. H.L.Srinath and Shri. K.Keshava are responsible for Section 74 cases. It is observed that in the entire quarter of QE June 2019 only 12 cases of Section 74 were disposed. Out of 215 cases, 120 cases are pending for more than one year. The performance of clearance of Section-74 Drawback is dismal. The Assistant Commissioners have undertaken the responsibility to clear the pendency of claims pending for more than one month by 31.08.2019.

Action – Shri H.L .Srinath (AC) and Shri K.Kesava (AC)

4. BRFC:

The Commissioner enquired about the pendency of claims for which AC (BRFC) replied that total 25 claims have been disposed in the month of June 2019. Total 1721 claims are pending in which lot of claims are pending for verification report. The AC(BRFC) informed that above 100 claims will be finalized during the month of July-19.

Action- AC(BRFC)

5. EODC:

5.1 EPCG: EODC Section is responsible for monitoring EPCG licenses issued up to 2011 and DEEC licenses issued up to 2016. It is observed from DPM CUS 11 report of MPR for the month of June 2019 that there are 6572 cases pending where the licenses have expired and no Show Cause Notices is given. 352 SCNs are issued upto June in FY 2019. 6235 cases are shown as pending with DGFT which appears to be erroneous. Many O-in-Os and SCNs are received in the months of May and June 2019 from DGFT and the follow up action seems to have not initiated on orders issued by DGFT. AC(EODC) confirmed that there are about 200 cases where DGFT had issued orders for non-fulfilment of EO. The AC(EODC) is instructed to complete the adjudication of these cases by 31.08.2019. The pending list of EODC shall be sent to RLA w.r.t. achievement of EO by 31.7.2019 as per the letter received from the Board in F. No. 605/03/2019-DBK dt. 15/7/2019.

Action -ADC(EODC) and AC (EODC)

5.2 DEEC: It is observed from DPM CUS 12 of MPR of June 2019 that 4859 cases are shown as not adjudicated and all these cases are shown to be pending with RLA, which appears to be erroneous reporting as RLA had issued orders in some of DEEC cases in the months of April, May and June 2019. AC (DEEC) is instructed to reconcile this data and also take action where RLA had initiated action in the cases where EO is not fulfilled. Show Cause Notices shall be issued for all the pending cases and a report from RLA shall be called for about correct status as directed by the Member Customs in F.No.605/03/2019-DBK dt.15.7.2019.

Action -ADC(DEEC) and AC (DEEC)

6. ADJUDICATION:

It is observed that 7 cases at Commissioner level, 19 cases at ADC /JC level and 125 cases at DC/AC level are pending for adjudication. It is instructed that all adjudication authorities shall complete all cases pending beyond 6 months as on 15.07.2019 by 31.08.2019. The pendency in DC level adjudication mainly relates to SCNs issued for non filling of EGMs. DC (EGM) is instructed to complete the adjudication process of all the cases beyond 3 months by 31.08.2019. It is also observed that Call Book is maintained only for cases under Commissioner's adjudication power. It is instructed that all adjudication authorities shall inform the Call Book cases pending in respective sections to the Adjudication section to maintain a consolidated Call Book for the Commissionerate.

Action- All Adjudicating Authorities

7. UCC:

It is observed that INR 12.19 Lakhs is realised from disposal of UCC Cargo and there are 3423 consignments shown as pending for disposal. It is reported that no auction was conducted in June 2019 and no auction was stated for month of July 2019 due to strict adherence to the Board circular, auction can be conducted only through MSTC. ADC (UCC), AC (UCC) shall ensure that all custodians shall conduct auction every month as per the guidelines.

Action – ADC (UCC) and AC (UCC)

8. EPD:

The Commissioner enquired about the De-Bonding and pendency of cases in De-bonding. The Commissioner also asked about any assessment is being done before De-bonding. Further the Commissioner instructed AC(EPD) that any De-bonding should be allowed only after verification of fulfilment of Export obligation and consideration of Depreciation. AC(EPD) shall furnish a report on procedure adopted for De-bonding by 31.08.2019.

Action – AC (EPD)

9. IGST Refund:

The AC (IGST Refund) reported that Rs.41cr. of refund has been issued for the month of June-19. The Commissioner directed the AC (IGST Refund) that main concern is to reduce the pendency and identify exporters who may claim ineligible IGST Refund and to be vigilant against new merchant exporter IECs.

Action –AC (IGST Refund)

10. Revenue Augmentation:

It is observed from DDM CUS 5 report of June 2019 that Rs. 12.3 crores are realised through ARM (Additional Revenue Mobilization). The information shown for value loading at Serial No.6 of DMM CUS 5 report is zero which appears erroneous. There appears to be revenue collection through value loading in the previous financial year. DC (Docks-Admin) is directed to reconcile this information. Recovery from confirmed demands is zero for the QE June 2019. The performance of arrear recovery cell is unsatisfactory and needs to be beefed up. Additional Commissioner in charge of ARC shall monitor the arrear recovery closely and identify the cases for intensive action on recovery arrears of such cases.

Action –ADC(ARC) , DC(DOCKS ADMIN) and AC(ARC)

11. LEGAL:

It is observed from DLA-CUS-6 of MPR of June 2019 that an amount of Rs. 310 lakhs is shown as pending form High Court cases. These two cases appear to be from EPD section. The section had reflected the amount of Rs. 310 crores, whereas the MPR reflected it as 310 lakhs. AC (Appraising Main) shall explain the discrepancy. AC (EPD) shall report the steps for early disposal of these two cases.

Action –AC(APPG. MAIN), AC(EPD) and AC(LEGAL)

12. Tribunal:

There are five cases of appeal before CESTAT involving an amount of Rs. 717 lakhs. ADC shall report the action taken for early disposals of these cases. There are 23 party appeals with an amount of Rs. 860 lakhs pending with CESTAT. ADC shall report the action taken for early disposal of appeals involving an amount of more than Rs. 25 lakhs.

Action: ADC, AC (Legal and Tribunal)

13. Arrear of Revenue:

The Commissioner reviewed the performance of ARC section. A total number of 226 cases are pending in ARC and the amount involved in those cases is Rs.1558.49 lakhs. There is one case involving an amount of Rs. 5.85 crores disposed in favour of the Department by the CESTAT in June 2019. ADC shall report the action taken for recovery of this amount which is adjusted in favour of the department by CESTAT. TAR CUS 3 of June 2019 reported nil cases where appeal period is not over, which appears erroneous. AC (Appraising Main) may explain the discrepancies by 25.07.2019. There are 50 appeals with an amount of Rs. 2.38 crores where appeal period is over and no appeal is filed. All these appeals are shown as beyond 10 years. ADC shall review the likelihood of recovery from these and submit a case wise report to the Commissioner by 31.07.2019. 101 cases with Rs. 4.26 crores are shown as unit closed and defaulter not traceable. The action taken in this regard shall be reported by 05.08.2019. 74 cases with Rs 2.79 crores were shown under category of Section 142 c(ii) . The arrear recovery under this Section shall be monitored closely and results achieved shall be reported to the Commissioner every month. There is one case of Rs. 6 crores shown as pending arrear recovery in the others category. ADC shall report the details of this case and achieve the arrear recovery.

Action: ADC(ARC), AC (ARC), AC(APPG. MAIN)

14. Miscellaneous:

The Commissioner has instructed AC(Appraising main) to provide additional officers in the rank of Inspector to UCC, DBK-Section 74 and IAD-CRA section.

Action – AC(Appraising main)

- 15.** 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 the Commissioner of Customs, Chennai-IV.


(V.PAZHANIVANDI)

**JOINT 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.

The Assistant Commissioner of Customs, EDI....for uploading in Chennai Customs Website/Intranet of the Zone