

**Minutes of the 12<sup>th</sup> All India Customs Consultative Group  
(CCG) meeting held on 05.03.2020 at New Delhi.**

12<sup>th</sup> All India CCG meeting was held on 05.03.2020 at 1500 hrs. at Pravashi Bharatiya Kendra, MEA, Chanakyapuri, New Delhi under the Chairmanship of Sh. R.K. Barthwal, Special Secretary & Member (Customs), CBIC. A list of participants to the meeting is enclosed at **'Annexure-I'**.

2. At the outset, Sh. R.K. Barthwal, Member (Customs) welcomed all the participants to the meeting. He mentioned that the objective behind creation of the Customs Consultative Group was to provide a platform for discussion between trade and industry and Government to address policy and procedural issues relating to import/ export operations. He further informed that a total of 90 agenda points will be considered for discussion in the meeting today. Points pertaining to Customs and GST tariff rate have been taken out as these issues are examined during the Union Budget exercise in consultation with stakeholders and CCG is not the right forum to address them. Out of a total of 90 points, 55 relate to Policy issues, 13 are System related issues, 7 relate to Valuation.

3. Member (Customs) highlighted various initiatives being taken by the department to facilitate trade. These initiatives for ease of doing business particularly, relating to "Trading Across Borders" include extending e-Sanchit to 50 PGAs enabling them to upload electronically their License/Permit/Certificate, digitizing the procedure of AEO-T1 from submitting application to generation of AEO Certificate, digitizing project Import through a dedicated modules in ICES, implementation of automated clearance of bill of entry at all EDI & RMS enabled Customs stations.

4. Thereafter Sh. Sanjay Bansal, ADG (EP) introduced agenda points one by one which were responded to by the officers of concerned division in CBIC. The details of agenda points along with the decision taken in the meeting are reflected in the broadsheet enclosed as **'Annexure-II'** to these minutes.

5. While concluding, Member (Cus) thanked all the members for the fruitful discussions held during the meeting. He requested associations for dissemination of decisions taken during the meeting as well as initiatives taken by CBIC in the area of ease of doing business to their members so that they could suitably benefit from these steps.

The meeting ended with a vote of thanks to the Chair.

\*\*\*\*\*

## **Annexure I**

### **List of participants who attended the 12<sup>th</sup> All India CCG meeting on 05.03.2020 at New Delhi**

#### **A. Officers**

1. Sh. R.K Barthwal, Special Secretary & Member (Customs), CBIC
2. Shri Pramod Kumar, Pr. Commissioner, DIC
3. Shri Sanjay Bansal, ADG, Export Promotion
4. Shri M.G. Thamizh Valavan, Commissioner, RI&I and Single Window
5. Shri Zubair Riaz, Commissioner Investigation/ Director Customs
6. Shri Satyajit Mohanty, ADG, Systems
7. Shri Gopal Krishna Jha, Director, Drawback
8. Sh. Saroj Kumar Behera, Additional Director, DGEP
9. Ms. Temsunaro Jami, Additional Director, CBIC
10. Ms. Vineeta Sinha, OSD (Cus-IV)
11. Shri Shakti Singh, OSD, Drawback Division
12. Rajbir Sharma, DGFT
13. Shri Bibhuti Bhusan Surin, AD, Export Promotion

#### **B. Associations**

1. Shri Sandeep Kochchar, Director, MAIT
2. Shri N.K. Gupta, Chairman, PHDCCI
3. Shri D.S. Bharara, V.P., NACFS
4. Ms. Nisha Goel, Sr. JSL Manager, JSL
5. Shri A.V. Vijayakumar, FFFAI
6. Shri K. S. Shetty, President, BCBA
7. Shri Dushyant Mulani, Vice President, BCBA
8. Shri Kartik Pancholi, FFFAI
9. Shri Atul Gautam, Senior Advisor, IBA
10. Shri S.Ramakrishna, FFFAI
11. Shri T.S. Ahluwalia, MC Member, FIEO
12. Shri H.C. Pant, Advisor, FIEO
13. Shri Vijay Kumar, CEO, EICI
14. Shri Rajesh chopra, Sr. VP, CITI
15. Shri Ganesh Nayak K, Director, STPI
16. Shri Sailesh Bhatia, President, AMTOI
17. Ms. Shweta Kathuria, VSISPF
18. Shri Ajmer Singh, BISLA, CII
19. Shri Yashpal Taneja, IECI, BAR(India)
20. Dr. S. Sunanda, Secretary General, CITI
21. Shri Rahul Shukla, Executive Director, ASSOCHAM
22. Ms. Rasika Chandhok, Vice President, Energy Policy & Regulations

23. Shri Ravi Jain, Manager, KPMG
24. Shri Vimal Pruthi, Director, Deloitte
25. Shri Nikhil Saini, Director, EICI
26. Sh. S.S. Manak, DHL (EICI)
27. Shri Pratik Mohapatra, Deputy Director, STPI
28. Ms. Anusha Chourasia, FIEO
29. Ms. Tejasvi Gupta, Manager, NASSCOM
30. Shri Santosh K Jha, ED/Customs, CONCOR
31. Shri Om Prakash, Manager, CONCOR

\*\*\*\*\*

**Annexure II**

**Minutes of 12<sup>th</sup> All India Customs Consultative Group Meeting held on 05<sup>th</sup> March, 2020**

New No.	Issue	Sponsored by	Recommendation/ Suggestion	Comments																				
<b><u>Procedure related issues</u></b>																								
1.	<p><b>Handling of RMS Facilitated Shipping Bill for LEO directly with Shed Supdt.</b> – While on the import side there are three steps namely goods registration, OOC by shed Supdt. &amp; print of Bill of Entry whereas on export side, there are nearly eight steps namely goods registration, carton number feeding, Name of Examiner, checking of documents, countersigning of checklist by concerned officer, feeding of examiner report, LEO generate &amp; Shipping Bill printout. This needs to be rationalized.</p> <p>As being followed on import side for RMS facilitated Bill of Entry, the export shipping bill after registration when facilitated under RMS, should be provided LEO directly by Shed AO / Supdt.</p>	BCBA	JS (Cus)	<p>STEPS in Clearance of RMS Facilitated EXIM Cargo</p> <table border="1" data-bbox="1604 548 2467 1101"> <thead> <tr> <th colspan="2" data-bbox="1604 548 2007 613">IMPORT</th> <th colspan="2" data-bbox="2007 548 2467 613">EXPORT</th> </tr> </thead> <tbody> <tr> <td data-bbox="1604 613 1733 711">Step-1</td> <td data-bbox="1733 613 2007 711">Goods Registration</td> <td data-bbox="2007 613 2153 711">Step-1</td> <td data-bbox="2153 613 2467 711">Goods Registration</td> </tr> <tr> <td data-bbox="1604 711 1733 857">Step-2</td> <td data-bbox="1733 711 2007 857">Out of Charge given by Shed Supdt.</td> <td data-bbox="2007 711 2153 857">Step-2</td> <td data-bbox="2153 711 2467 857">Inspection by Inspector &amp; Feeding of Report</td> </tr> <tr> <td data-bbox="1604 857 1733 1003">Step-3</td> <td data-bbox="1733 857 2007 1003">Printout of Gate Pass</td> <td data-bbox="2007 857 2153 1003">Step-3</td> <td data-bbox="2153 857 2467 1003">Let Export Order Granted by Shed Supdt.</td> </tr> <tr> <td data-bbox="1604 1003 1733 1101"></td> <td data-bbox="1733 1003 2007 1101"></td> <td data-bbox="2007 1003 2153 1101">Step-4</td> <td data-bbox="2153 1003 2467 1101">Shipping Bill Printout.</td> </tr> </tbody> </table> <p>There are 4 steps in clearance of RMS facilitated export goods and not 8 steps as claimed by BCBA. The steps on export side are more as sufficient checks are required for export consignment availing EP benefits. However the matter will be examined by JS (Cus) for any graded relaxation after due analysis.</p> <p><b>{Action – JS (Customs)}</b></p>	IMPORT		EXPORT		Step-1	Goods Registration	Step-1	Goods Registration	Step-2	Out of Charge given by Shed Supdt.	Step-2	Inspection by Inspector & Feeding of Report	Step-3	Printout of Gate Pass	Step-3	Let Export Order Granted by Shed Supdt.			Step-4	Shipping Bill Printout.
IMPORT		EXPORT																						
Step-1	Goods Registration	Step-1	Goods Registration																					
Step-2	Out of Charge given by Shed Supdt.	Step-2	Inspection by Inspector & Feeding of Report																					
Step-3	Printout of Gate Pass	Step-3	Let Export Order Granted by Shed Supdt.																					
		Step-4	Shipping Bill Printout.																					

2.	<p><b>Disposal of Obsolete/ Surplus Goods procured for petroleum operations at concessional or Nil rate of Customs Duty as Scrap</b></p> <p>Under GST regime, GOI vide Notification No. 50/2017-Cus dated 30.06.2017 (Sl. No. 404) has provided for levy of customs duty at concessional rate of 5% (BCD-NIL, IGST-5%) on import of specified goods subject to submission of Essentiality Certificate (EC) issued by Directorate General of Hydrocarbons (DGH). Similarly, Notification No. 3/2017-IGST (Rate) provides for concessional 5% GST (IGST or CGST&amp;SGST/UTGST) subject to fulfillment of similar conditions.</p> <p>Some of the equipment/material have become scrap due to continuous use or change in technology. Scraps are also generated due to repairing/upgradation of offshore platforms, pipelines etc.</p> <p>Recently, the GOI vide Customs Notification No. 25/2019-Cus dated 06.07.2019 has inserted a proviso under condition no. 48 (e) of Sl. No. 404 of Customs Notification No. 50/2017-Cus., whereby an option has been provided to pay duty @ 7.50% on transaction value of such imported goods to be disposed off in non-serviceable form, after mutilation, subject to submission of a certificate from DGH to the effect that the said goods are non-serviceable and have been mutilated before disposal. In case of domestically procured goods, there is similar condition for such disposal on payment of GST @18% on transaction value.</p> <p>As per the above notifications, there is requirement of certificate from DGH certifying that goods are in non-serviceable form before disposal of such goods. It is experienced that DGH is finding difficulties in issuing</p>	CII	JS (Tru-I)	<p>The amendments under GST were made on the recommendations of the GST Council. The concessional GST/BCD rate is granted on the basis of essentiality certificate issued by Directorate General of Hydrocarbon (DGH). It is felt that when exemption can be granted based on a certificate from DGH; the fact that the goods are unserviceable and mutilated can also be verified by DGH. CII may accordingly take up the matter with DGH.</p> <p><b>{Matter Closed}</b></p>
----	--	-----	------------	---

	<p>such certificate. Hence, E&amp;P companies are not able to dispose off the scrap which have occupied valuable space and adversely effecting efficient working conditions.</p> <p>In view of above, the following are submitted for consideration:</p> <p>(i) The requirement of certificate from DGH as provided under Sl. No. 404 of Notification No. 50/2017-Cus and Notification No. 03/2017-IGST (Rate) that the goods are in non-serviceable conditions, prior to disposal, may be waived.</p> <p>Alternatively, operationally feasible mechanism using Certificate by Chartered Engineer, MSTC or Certified Valuer may be considered for which the notification needs to be suitably amended.</p> <p>(ii) Since the requirement to mutilate goods before disposal as provided in above notifications will significantly increase the cost for companies as the goods are spread across different parts of the country, such condition may also be dispensed with.</p>			
3.	<p><b>Disburse Duty Drawback in 72 hours to AEO T2 Clients</b></p> <p>There is no provision in system at Drawback Sections, to prioritize the disbursal of DBK to AEO T2 clients, as promised in AEO Circular No. 33/2016 dated 22-July 2016. All Duty Drawback Sections at different port locations be advised to implement the AEO guidelines strictly. It will also help Custom officials to identify T-2 exporter and can sanction duty draw back within 72 hours as per AEO T-2 guidelines.</p>	<p><b>CII</b> <b>PHDCCI</b></p>	<p><b>JS(DBK)</b></p>	<p>The matter will be looked into by DG (Systems) after due consultation with Pr. Commissioner (DIC) and JS (Customs) preferably within six months.</p> <p><b>{Action -DG (Systems)}</b></p>

4.	<p><b>Speedy clearance of goods</b>  Import/export goods get stuck at ports and ICD whenever Customs officials raise queries for various reasons. This causes lot of delay and demurrages to the importers. There should be system of automated escalation of information to higher formations for strict monitoring of the abnormal delay. When there are provisions of provisional release and release against payment of differential duty and nominal penalty, the option should be insisted upon by the department on the importer/export rather to be avoided deliberately. Since customs have started doing audit at the premises of the importers, goods be cleared immediately and if the customs authorities are not agreeable to the self-assessment, they should take up the issue and recommend post audit or issue Show Cause Notice later on if there is any issue/violation of Law.</p>	CII	JS(Cus)	<p>In suitable cases, including where Customs officer do not agree to self assessment, provisional assessment is resorted. However, it can not be linked to Post Clearance Audit, which is an independent provision where cases are selected post-clearance in a risk based manner. ICEDASH IT initiative has been taken by Customs in this regard to help public and trade to see the daily Customs clearance times of imported cargo. However, CBIC will examine month long BoE data to identify longer time taken in import assessment. DG (Systems) informed that Senior Officers have been given this facility of viewing pending Bs/E in ICEDASH and pendency is also reflected in a colour coded manner.</p> <p><b>{Action – JS (Customs)}</b></p>
5.	<p><b>Time limit be fixed for closure of provisional assessment made u/s 18 of Customs law</b>  On certain occasions including related party imports, shipments are allowed to be cleared on provisional basis subject to final assessment at a later point of time. However, these provisional assessments are not finalized for several years due to various reasons and remain open as there is no time limit prescribed under the Customs Act to complete the final assessment. This creates a lot of uncertainty for the assesses and compel them to keep the records for several years. A reasonable time limit be fixed and followed to conclude the final assessments of Bill of Entries assessed provisionally.</p>	CII	JS(Cus)	<p>Time frame is already in place for finalization of provisional assessment which is explained in details in Customs (Finalization of Provisional Assessment) Regulations, 2018 issued vide Notification No. 73/2018-Customs (N.T.) dated 14.08.2018.</p> <p>Para-5 of the said Notification describes Time-limit for finalization of provisional assessment which is as reproduced below:-</p> <p>(1) The proper officer shall finalize the provisional assessment <u>within two months</u> of receipt of;</p> <p>(a) an intimation from the importer or the exporter or his authorized representative or Customs Broker under sub-regulation (7) of regulation 4; or</p> <p>(b) a chemical or other test report, where the provisional assessment was ordered for that reason; or</p> <p>(c) an enquiry or investigation or verification report,</p>

				<p>where the provisional assessment was ordered for that reason.</p> <p>(2) The Commissioner of Customs concerned may allow, for reasons to be recorded in writing, a <u>further time period of three months</u> in case the proper officer is not able to finalize the provisional assessment within the <u>period of two months</u> as specified in sub-regulation (1) above.</p> <p><b>{Matter closed}</b></p>
6.	<p><b>Streamline provisions to issue supplementary notice by proper officer</b></p> <p>Section 28(7) of the Customs Act, 1962 empowers the proper officer to issue a supplementary notice which would be deemed as SCN issued under the main provisions of Section 28. However, scope of supplementary notice is not defined. The objective of supplementary notice should not be to cure the defects of initial SCN as may be identified after perusal of the submissions made by the notice to initial SCN. The scope of supplementary notice also be restricted to only such issues which are not covered in the initial SCN. A definite time line (say 1 month or 2 months) be prescribed within which supplementary notice to be issued by the proper officer to prevent misuse of the provision by the authorities on ground.</p>	CII	JS(Cus )	<p>Vide the Customs Supplementary Notice Regulations, 2019 issued vide Notification No. 42/2019-Customs (N.T.) dated 18.06.2019 the manner and circumstances under which a supplementary notice may be issued has been prescribed which is as under:-</p> <p>(a) in case there is a difference in the quantum of duty demanded in such notice including the cases which may necessitate change in adjudicating authority;</p> <p>(b) for invoking penal action under the provisions of the Act against a person/persons in addition to those charged in such notice;</p> <p>(c) for invoking additional section/sections of the Act in such notice;</p> <p>(d) In case there is any additional evidence that may have a significant bearing on the outcome of the case.</p> <p>Further regarding the time limit it has been stated that where a notice has been issued under section 28 or section 124 of the Act, the supplementary notice shall be issued within the time limit as prescribed in the relevant sections of the Act. Therefore the issue raised here has already been addressed by Supplementary Notice Regulations, 2019. However, the same should be monitored closely through administrative mechanism.</p> <p><b>{Matter closed}</b></p>



7.	<p>CBIC has introduced many Trade Facilitation Measures such as RMS, AEO, DPD and e-Sanchit to achieve its objective of <b>“Ease of Doing Business”</b>, However in the case of stainless steel and products, there are wide variation in quality and prices. Therefore</p> <p>(a) Stainless steel and its products should be removed from E-Sanchit filling as certificate of origin needs to be verified to check routing from non producing countries.</p> <p>(b) Mill Test Certificate of HR and CR material to be made as mandatory document for establishing the correctness of chemical composition and Country of Origin at the time import clearance to determine correct valuation and collection of correct customs duty.</p> <p>(c) These should also be removed from RMS &amp; DPD &amp; AEO facility.</p> <p>(d) Physical testing should be made mandatory with compulsory sample drawing.</p> <p>(e) Minimum import price should be issued by CBIC similar to precious metals as gold &amp; silver.</p>	<b>FICCI</b>	<b>JS(Cus)</b>	<p>As the proposed steps are against ease of doing business, hence recommendation be obtained from the line Ministry. FICCI may take up the matter with them.</p> <p><b>{Matter closed}</b></p>
8.	<p><b>Correct identification of Stock lot</b></p> <p>Currently 75-80% material is being imported as stock lot, which is not correct, CBIC should clearly classify what is stock lot as it is classified by DGOV in its Circular that Stock lot means <b>“Having mix of grade and sizes in one container”</b>. Current practice is only different sizes are classified as Stock lot and evasions are taking place.</p> <p><b>Justification</b></p> <p>Importers are bringing the material by declaring as stock lot, however actually material is of prime quality. Despite DGOV having already issued Circular in this regard, however same is not accepted by all Commissionerate and they want this to be issued by CBIC.</p>	<b>FICCI</b>	<b>JS(Cus)</b>	<p>Matter is under examination in CBIC.</p> <p><b>{Action – JS (Customs)}</b></p>

9.	<p>Non compliance of Trade Notice no. 37/2019-2020. Stainless steel products are still classified under “Others” Category <b>Industry is working along with the Ministry of Steel to expand the 8 digit HS code. Considering the criticality of the same, it is suggested that the revised code be notified urgently.</b> Despite of that fact that DGFT has written to all Customs, Mis declarations happen both in terms of HS code numbers as well as the description. This leads to leakage of revenue as well as other mal practices.</p>	<b>FICCI</b>	<b>JS(Cus)</b>	<p>The proposal is under examination in CBIC in consultation with Ministry of Steel.</p> <p><b>{Action – JS (Customs)}</b></p>
10.	<p><b>Details to be mentioned in Advance Authorization</b></p> <p>Importers using Advance license to import superior raw material and exporting finished raw material which is produced by inferior raw material and in all the cases Importers usually sell superior material in the domestic market with higher rate and procure inferior quality material and export the same. Hence strict conditions should be laid down in BE and SB against AL. Mentioning of various key parameters such as Form, Width, Grade, Thickness be made mandatory to be declared in Bill of Entry filed and shipping bill against advance license.</p>	<b>FICCI</b>	<b>JS(DbK)</b>	<p>Para 4.12 of FTP 2015-20 provides for accounting of inputs used in the manufacture of export product. It is mentioned that an Authorisation will be redeemed only if the name of the specific input together with quantity used in manufacturing the export product gets endorsed in the shipping bill and these inputs, so endorsed with quantity specified, match the description in the relevant bill of entry. In other words, the name/description of the input used (or to be used) in the Authorisation must match exactly with the name/description endorsed in the shipping bill.</p> <p>Further, para 4.12(iii) of FTP 2015-20 provides that at the time of discharge of export obligation (issue of EODC) or at the time of redemption, Regional Authority shall allow only those inputs which have been specifically indicated in the shipping bill together with quantity. Customs notifications are issued to implement the AA scheme flow from the provisions of FTP. Thus, FTP as well as the Customs notifications require that complete specifications of inputs used in the manufacture of export product should be declared in the Shipping Bill which should exactly match with the inputs imported and declared in the Bill of Entry.</p> <p>In view of the afore-stated specific provisions in the FTP and Customs notifications covering this issue, separate clarification in the matter may not be required.</p> <p>Specific instance of such items and their misuse may be provided to DGFT for fixing of specific SION in respect of such inputs.</p> <p><b>{Matter closed}</b></p>

11.	Old pending Duty Drawback claim process to be streamlined. Currently claim need to be made like a supplementary basis instead of total one.	<b>FICCI</b>	<b>JS(DbK)</b>	Duty Drawback is a fully automated scheme. For claim of Duty Drawback, no separate paperwork is required and SB itself is treated as a duty drawback claim. Board has already issued instructions to field formations for timely disbursal and dealing with pending drawback cases once exporter have produced the documents, replied to queries etc. <b>{Matter closed}</b>
12.	Customs Tariff shows item tariff rate and whether the same is falling under “Restricted” or “Free” category. Nowadays import items are covered under mandatory compliance like BIS, WPC etc. & need to take NOC from respective Ministries. At present, importers have to refer separate notifications, gazettes or allied acts to know these compliances. It is therefore proposed that Tariff book should mention this compliances so that lay man can understand and initiate action for NOC.	<b>FICCI</b>	<b>Commr. (Single Window)/AS</b>	The Duty Calculator available on CBIC website gives the applicable rate of duty and the restrictions CTH wise. The Compulsory Compliance Requirements for commodities can also be checked therein. Further, as part of Single Window Project, aimed at improving ease of doing business, CBIC has developed Compliance Information Portal (CIP). This portal has the following features. It provides information from step wise procedure for importing or exporting a commodity including various regulatory compliances, any type of clearance or License/Permit/Certificate/Other Authorization (LPCO) from any Partner Government Agency (PGA), documents required for applying for the LPCO / NOC, contact details of PGA, web-link, etc. The information flow has been designed in a user friendly manner so that the user can easily understand the requirements at each step. The information is provided for each tariff entry/ commodity. <b>{Matter closed}</b> FICCI further suggested that notification sometimes were uploaded late leading to demand of duty/ refund issues. FICCI was informed that there is a standard protocol in place for such notifications to be issued, however FICCI may provide specific cases for taking necessary action. FICCI further mentioned that tariff value as well as exchange rate (notification) should be issued with a prospective date of next day so as to avoid recalling Bs/E as then notifications are issued late in the day, it was decided that Commissioner (Customs) may look into the matter. <b>{Action- Commissioner (Customs) &amp; FICCI}</b>

13.	Being Status Holder, companies are not submitting BG at the time of Advance Authorization registration. However, whenever import shipments received at port other than port of registration (e.g. AA registered at Mumbai Sea port and import shipment received at Adani or Air Cargo Mumbai), System is generating report to verify BG submission against each & every Bill of entry. In such case, CHA has to recall Bill of entry and get waiver from Customs. This process is time consuming. It is proposed that Status holder should not get such system generated report as BG is waived as per FTP.	<b>FICCI</b>	JS(DBK)  <b>Refer to DG (Sys.)</b>	Circular No. 58/2004 dated 21.10.2004 provides for Bank Guarantee exemption for specified category of importers. This Circular has been last modified vide Board's Circular No. 31/2019-Cus. Dated 13.09.2019.  As for the issue raised regarding Systems requiring the verification of BG for each Bill of Entry, it was decided that DG (Systems) may look into the matter for providing view of Bank Guarantee Pan India which will obviate the need for recalling each Bill of Entry. However, importers may avail the facility of national bond, to which BCBA responded that the same is not functional DG (Systems) was asked to look into the issue.  <b>{Action – DG (systems)}</b>
14.	All Industry Duty Drawback benefit is allowed for all export cases. However, this benefit is excluded for the items declared under restricted category (Chapter 93). Chapter 93 items are excluded for export benefit. Indian private industry may not be competitive in the international market in view of no Post-Import benefit. It may be a hurdle for Make in India scheme. It is proposed that Chapter 93 may be included for Export benefits w.r.t. All Industry Duty Draw back benefit which shall encourage more and more export and pave way for Make in India.	<b>FICCI</b>	<b>JS (DBK)</b>	No representations have earlier been received to extend All Industry Rate of Duty Drawback for items declared under Chapter 93. If such representation along with industry level data is provided, the same will be put up to the Drawback Committee for examination.  <b>{Action – FICCI}.</b>
15.	Customs is not issuing further SBs unless the client produces AD bank letter confirming status of earlier SBs. Customs should verify data from EDPMS than requesting customers to arrange such letters	<b>IBA</b>	<b>JS(Cus)</b>	The issue shall be revisited after necessary details are provided by IBA.  <b>{Action – IBA}</b>
16.	In case of courier imports, for values less than Rs100,000 courier companies file consolidated BOE for all consignments of a particular date manually. Only copy of BOE highlighting the respective consignment is	<b>IBA</b>	<b>JS(Cus)</b> <b>To</b> <b>Commr. (Cus.)</b>	CBIC is in the process of automating all courier clearances. The suggestion is noted.  <b>{Matter closed}</b>

	provided to the bank. For value Rs 100,000 and above courier companies file individual BOE. If the consignment is coming through EDI port Customs to enable filing of courier BOE through IDPMS.			
17.	<p><b>Exemption for executing the bank guarantee against the materials imported under project import</b></p> <p>It is suggested that exemption from executing Bank Guarantee may be provided against the materials imported under project import - Heading 9801 at least for supplies made to PSU Companies which will reduce the transaction cost &amp; unproductive blockage of funds</p>	<b>FIEO</b>	<b>JS(Cus)</b>	<p>Only Authorized Economic Operators (AEOs) has been granted Waiver of Bank Guarantee which is as follows:  AEO T-1 Certificate holder upto 25%,  AEO T-II Certificate holder upto 50% and  AEO T-III Certificate holder upto 100% waiver  Therefore the suppliers to PSU Companies should enroll for AEO to avail the benefit of Waiver of Bank Guarantee.  <b>{Matter closed}</b></p>
18.	<p><b>Self-Sealing Facility to Merchant Exporter</b></p> <p>Merchant exporter is required to get permission from each of jurisdictional authorities from where the goods are being procured for exports which causes great inconvenience and huge transaction cost. To avail e-Sealing facility by Merchant Exporter, there is need to have a Single Stuffing Permission for them. Merchant Exporters deal in Multiple Products and have to procure the goods from multiple vendors across India. As such it is practically very difficult to arrange and apply for stuffing permission for each Vendor. Further, the manufacturer who has been granted permission for stuffing/sealing of the same goods for his own exports, should also be allowed to seal the goods of merchant exporter without his obtaining separate permission.</p>	<b>FIEO &amp; FFFAI</b>	<b>JS (Cus)</b>	<p>Merchant exporters procure the goods from multiple vendors across India and they do not have a fixed place for stuffing of container therefore it is not feasible to allow single stuffing permission for them considering the risk factor associated. Further regarding granting permission to manufacturer exporter to seal the goods of merchant exporter on his behalf is also not possible as in case of merchant exporter it would not be feasible to monitor the goods and its documentation after stuffing as the same would pertain to merchant exporter and not to the manufacturer exporter. However, FFFAI informed that e-sealing facility is available for merchant exporters in Gujarat and Bangalore only whereas in other formations such facilities are not extended to merchant exporters. It was accordingly decided that CBIC will look in to this issue.  <b>{Action – JS (Customs)}</b></p>

19.	<p><b>Pending IGST &amp; Drawback Refunds due to Risky profile</b></p> <p>MSME exporters classified as “risky exporters” are facing acute liquidity crunch as their IGST and Drawback refunds are withheld for a long period. These MSME exporters are also suffering huge transaction cost as their export consignments are subjected to 100% examination. Such exporters are neither aware of the reasons in identifying them as “risky” nor they have been provided any immediate measures to be taken by them to come out from it. Furnishing Verification Report from GST Formation takes a long time and even in cases where the Verification Report has been submitted the refunds remain pending inordinately. It is essential that exporters should get their legitimate refunds in time bound period in the interest of exports.</p>	FIEO	Commr.GST (Pol)	<p>A Circular No. 131/01/2020-GST dated 23.01.2020 has been issued outlining the Standard Operating procedure to be followed by the exporters in case of them being identified as risky exporter. However associations mentioned that the same is being applied prospectively and NOCs for earlier cases are still pending. Member (Customs) informed that all possible steps are being taken for expediting NOCs in all such genuine cases.</p> <p><b>{Matter closed}</b></p>
20.	<p><b>Single Window direct release of consignment by Customs when release by Partner Government Agencies (PGA)</b></p> <p>When an import requires PGA permission, then it is released by the concerned PGA in Single Window, the Customs Officer in the shed should release the consignment and give out of charge. It is observed that the above process of Direct Out of Charge by the shed Customs Officer is being done only for ADC related clearances. Whereas when an NOC is given by PGAs such as FSSAI, P&amp;Q, etc., for release of such Bill of Entry, it needs to be approved by shed Deputy Commissioner. Thereafter it is sent to the Custom Officer for giving Out of Charge. It is requested that necessary changes in the Single Window needs to be carried out to ensure that like ADC, the Bill of Entry</p>	FFFAI	Commr. (AS) & Single Window	<p>SWIFT allows out of charge by the shed officer, if the NOC has been entered by the PGA. This procedure is for all the 5 PGAs working on SWIFT i.e. Drug Controller, FSSAI, PQIS, AQCS, WCCB. No such instance has been brought to the notice of Single Window Project. Specific cases should be informed to rectify the issues. Further, any specific incident may be taken up with the local Customs Authorities.</p> <p><b>{Matter closed}</b></p>

	pertaining to other PGAs i.e. FSSAI, P &Q etc., should be provided Out of Charge directly by the Superintendent / Appraising Officer without routing to Deputy Commissioner.			
21.	<p><b>Turant Customs</b></p> <p>Point 3 of CBIC circular no. 09/2019-Customs dated 28.02.2019 provides that –</p> <p>“A further trade facilitation initiative being introduced in the Customs clearance process is that of Customs Compliance Verification (CCV) which would operate after an importer registers the imported goods even while duty has not been paid or its payment is in process. Once the goods are registered, the proper officer would do all necessary verifications as per Sections 17/18 and Section 47(1) of the Customs Act,1962. On satisfaction that the goods are ready for clearance, but for the payment of duties, the proper officer would confirm the completion of the CCV for the particular Bill of Entry in the System. Thereafter, on payment of duty by the importer, the Customs Automated System would electronically give clearance to the Bill of Entry, as provided for in the 1<sup>st</sup> proviso to Section 47(1) of the Customs Act, 1962.”</p> <p>At present the process as mentioned in the circular is not available in the Customs EDI system. It is suggested that after payment of duty by the importer, the Customs EDI System should give electronically clearance of Bill of Entry, as provided for in the 1<sup>st</sup> proviso to Section 47(1) of the Customs Act, 1962.</p>	<b>FFFAI</b>	<b>DG(Sys)</b>	<p>A circular in this regard has been issued by CBIC, viz. Circular No. 05/2020 dated 27.01.2020. Necessary changes have been made into the System and the facility has been rolled out pan India w.e.f 05.03.2020.</p> <p><b>{Matter closed}</b></p>
22.	<p><b>Faceless Assessment in Customs</b></p> <p>Faceless concept has been jeopardized by constant queries raised and by referring to RSS/ SIIB. Field formation should be sensitized and query to be monitored by Senior Officer so that trade does not face any difficulty.</p>	<b>FFFAI</b>	<b>JS (Cus)</b>	<p>In this regard field formations will be sensitized to monitor the same closely through administrative mechanism.</p> <p><b>{Action – JS (Customs)}</b></p>

23.	<p><b>Need for single window interface for facilitating trade (SWIFT) for courier shipments</b></p> <p>The 'India Customs Single Window' allows importers and exporters, the facility to lodge their clearance documents online at a single point only. Required permissions, if any, from other regulatory agencies are obtained online without the trader having to approach these agencies. However, the facility of single window is not available for import shipments made through courier mode.</p> <p>It is recommended to implement single window clearance for all government agencies for electronic clearances in courier mode and to fast track the implementation of EDI at courier terminals to facilitate quicker and easier dispatch of export consignments.</p>	<b>USISPF</b>	<b>Commr. (Cus.)</b>	<p>CBIC is in the process of automating all courier clearances. The suggestion is noted for further examination.</p> <p><b>{Matter closed}</b></p>
24.	<p><b>Testing of Imported Toys</b></p> <p>Government of India has decided to build a robust conformity assessment framework for toys to ensure consumer safety. In this regard, the DGFT has issued a notification for import clearance of toys which state the procedure of testing of toys from NABL accredited lab. There are several labs which have been accredited by NABL for toys testing as per IS 9873 and IS 15644. Delhi and Chennai customs has issued notification giving reference to the DGFT notification dated 02/Dec/2019 without any specific reference to a lab. However, Mumbai and Kolkata customs in their notification have mentioned a list of only six labs which are NABL accredited.</p> <p>It is recommended that a revised notification should be issued which states that the toys sample would be sent to NABL accredited labs for testing without giving any reference to or nominate specific labs. All NABL accredited labs, having state of art testing facilities for toys, should be given an opportunity to support the Government of India in development and implementation of robust compliance framework for toy testing in the country.</p>	<b>USISPF</b>	<b>JS (Cus)</b>	<p>CBIC vide Circular No. 43/2017 dated 16.11.2017 &amp; further vide Circular No.11/2018 dated 17.05.2018 has suggested an item wise list along with corresponding testing Laboratories from where such items/samples could be tested. Further Circular No. 15/2019 dated 07.06.2019 has also been issued informing that many CRCL labs have acquired the facility for testing items annexed in annexure-I &amp; II. Regarding different practices in the field formations namely in Mumbai &amp; Kolkata viz a viz Delhi &amp; Chennai, matter will be looked into.</p> <p><b>{Action: JS (customs)}</b></p>



25.	<p><b>Ease of provisions under Manufacturer and Other Operations in Warehouse Regulations (MOOWR) notified vide Notification No. 69/2019 – Customs (N.T) Dt: 01-10-2019</b></p> <p>a) One-time approval window should be provided under the MOOWR Scheme for all 100% EOUs/EHTPs/STPIs units to convert and operate under this scheme.</p> <p>b) Persons operating under the MOOWR should be allowed to pay customs duty on transaction value in case of clearances of waste/scrap for home consumption. Further, depreciation benefit should be allowed on removal of capital goods into domestic tariff area for home consumption.</p> <p>c) Currently the warehousing period allowed for the goods procured under the MOOWR scheme is one year as per Section 58 of Customs Act 1962. The validity of the warehousing period should be aligned to the operational license/permission issued to the units under MOOWR scheme and not restricted to one year. This will enable units under the MOOWR scheme to procure materials in bulk (Minimum Order Quantity) as needed for purpose of manufacture and export at cost effective rates.</p>	USISPF & FICCI	Commissioner(Cus)	<p>(a) Notification No. 69/2019-Customs (N.T) dated 01<sup>st</sup> October, 2019, the Manufacture under Warehouse can be carried out by a licensee of the warehouse u/s 58 of the Customs Act.</p> <p>If EOUs, STPIs, EHTPs etc. wants to operate under the MOOWR, they may make an application to the jurisdiction Commissioner of Customs. It may be added here that if the liabilities of the EOUs, STPIs, EHTPs etc., has any liabilities under the respective laws, before the unit converts to MOOWR, the same would have to be fulfilled notwithstanding the conversion.</p> <p>Section 61 of the Customs Act provides for the period for which the goods may remain warehoused and the sub-section 1(a) and (b) provides that</p> <p><i>“(1) Any warehoused goods may remain in the warehouse in which they are deposited or in any warehouse to which they may be removed, —</i></p> <p><i>(a) in the case of capital goods intended for use in any hundred per cent export oriented undertaking or electronic hardware technology park unit or software technology park unit or any warehouse wherein manufacture or other operations have been permitted under section 65, till their clearance from the warehouse;</i></p> <p><i>(b) in the case of goods other than capital goods intended for use in any hundred per cent. Export oriented undertaking or electronic hardware technology park unit or software technology park unit or any warehouse wherein manufacture or other operations have been permitted under section 65, till their consumption or clearance from the warehouse; and</i></p> <p><i>....”</i></p> <p>Therefore, the warehoused goods can remain in the warehouse wherein manufacture or other operations have been permitted, interest free, till they are cleared from the warehouse.</p>
-----	---	----------------	-------------------	--

				<p>Associations mentioned that there should be provision for allowing depreciation for capital goods as is available in EOUs scheme to make the scheme move attractive. It was decided that the matter will be looked into by Commissioner (Customs).</p> <p><b>{Action: Commissioner (Customs)}</b></p>
26.	<p><b>Simplify procedures for import clearance of refurbished &amp; second-hand goods, free of cost goods, repair &amp; return, re-import of goods etc.</b></p> <p>Currently all the refurbished &amp; second hand goods, free of cost import, repair &amp; return, re-import goods clearance is taking minimum of 5-7 calendar days from customs port due to different procedures followed at different ports. It is recommended to simplify the procedures by directly moving the consignments under second check assessment process based on self-declaration by AEO certified clients.</p>	<b>USISPF</b>	<b>JS (Cus)</b>	<p>Refurbished &amp; Second hand goods requires detailed examination for assessment purpose therefore the suggestion for second check assessment cannot be accepted.</p> <p><b>{Matter closed}</b></p>
27.	<p><b>Allow manual out of charge (OOC) in case of ICEGATE failure</b></p> <p>Post payment of import duty, when the bill of entry are placed for system OOC, failures have been noticed in the ICEGATE system for generation of OOC. This is leading to demurrage, delayed delivery to customer and additional cost to the importers. It is recommended to allow manual OOC where importers face system issues.</p>	<b>USISPF &amp; FICCI</b>	<b>JS (Cus)</b>	<p>Vide the Instruction dated 04.05.2011 read with corrigendum dated 12.05.2011 CBIC has authorized Jurisdiction Commissioner/Principal Commissioner to allow Manual processing and clearance of import/export goods in exceptional and genuine cases when it is not feasible to process the import/export documents through EDI.</p> <p><b>{Matter closed}</b></p>
28.	<p><b>Difficulties faced while undertaking labeling activity in public bonded warehouse</b></p> <p>The circular No. 3/ 2019, Customs dated 31<sup>st</sup> January 2019 provides permission for labeling activity in public bonded warehouse, however few technical issues/ difficulties in the process of undertaking labeling activity in the public bonded warehouse have been faced by the importers of drug or pharma products.</p>	<b>USISPF</b>	<b>Commr. (Cus.)</b>	<p>This is because at present, all regulatory clearances are to be obtained before the goods are deposited in a warehouse vide instruction dated 26.02.2016 issued vide F.No. 45/147/2015-Cus IV. The issue is noted for closer examination.</p> <p><b>{Action: Commissioner (Customs)}</b></p>

	<ul style="list-style-type: none"> <li>○ The importer or his representative is required to present to the Customs authorities a bill of entry for warehousing along with the relevant import documents for movement of goods into the bonded warehouse for the purpose of carrying out labeling and affixing of RSP.</li> <li>○ The present EDI system is designed in a manner wherein single window clearance trigger for approval from Assistant Drug Controller (ADC) at the time of movement of goods from the CFS/port to the bonded warehouse. The approval is automatically routed to concerned ADC for issuance of No objection certificate (NOC)/ clearances without any human intervention i.e. online.</li> <li>○ However, ADC provides the NOC post inspecting the goods to ensure that all the required labels and other declarations are affixed on the product as mandated under Drugs and Cosmetics Act, 1940 and Rules there under before their clearance for home consumption.</li> <li>● As an alternative measure, the importers are using the facilities of FTWZ to carry out the labeling activities where the EDI system is integrated. However, the said procedure is causing additional costs for the importers.</li> </ul> <p>It is recommended that the necessary technical configuration should be made in EDI system to allow the importer to move the goods from port to bonded warehouse without approval of ADC. The mandatory approval should be triggered to the ADC at the time of clearance of goods for home consumption only.</p>			
29.	<p><b>Difficulties in application renewal by AEO status holders</b></p> <p>AEO T2/T3 approval process, in some cases, takes multiple months as opposed to the prescribed timelines. In the absence of clarity to the officers, often applications are held for years. Many a times, it leads to withdrawal of existing approval due to pendency of</p>	<b>USISPF</b>	<b>DIC</b>	Circular No. 33/2016-Customs dated 22.07.2016, has well defined timeline for processing AEO T-2/T-3 applications at para 4.4.5 & 4.4.6. Accordingly, the field formations are already sensitized in the matter. However, if there is any specific case which has been pending beyond the prescribed timeline, the same may be brought to the notice of Directorate of International Customs (DIC) and it will be looked into. Further, with respect to the proposal for

	renewal application. AEO renewal process should be automatic or on the basis of minimum documentation (viz. declaration) in the cases where no action is pending from applicant and timelines for decision are over.			automatic renewal or renewal based declaration, it was informed that the same cannot be accepted, as renewal of AEO certification requires revalidation of “General and Security Compliance” of the entity. To grant a renewal AEO Certification without ensuring continued compliance will have ramifications in mutual recognition of our AEO entities by foreign jurisdictions for providing reciprocal benefits.  <b>{Action – (USISPF)}</b>
30.	<p><b>Clarity on GR waiver (EDF) required for export of samples</b></p> <p>As per the updated RBI Master Circular no. 16/2015-2016 [Para C.1], Status holders are entitled to export freely exportable items on free of cost basis for export promotion subject to an annual limit of Rs. 1 crore or 2% of average annual export realization during preceding 3 licensing years, whichever is lower. However, exports of goods not involving any foreign exchange transaction directly or indirectly requires the waiver of EDF procedure from the Reserve Bank. As per para 3.24(j) of the Foreign Trade Policy [2015-2020] Status Holders are entitled to export goods on free of cost basis subject to upper limit of 2% of average annual export realization during preceding 3 licensing years. Also, an Export Oriented Undertaking (EOU) can export free samples, without limit [Para 6.29 of Handbook of Procedures 2015-2020]. There are conflicting provisions in RBI Master circular/ Customs circular &amp; FEMA regulations, which has created a lot of confusion in different industries regarding the requirement of GR waiver in the case of export of samples free of cost. It is suggested that clear guidelines/ circular should be issued clarifying the requirement of obtaining EDF waiver (GR waiver) in such cases.</p>	PHDCCI	RBI/DGFT	<p>The provisions contained in the Notification No.28/2015-2020 dated August 27, 2018 issued by Ministry of Commerce &amp; industry, amending para 3.24(j) of the <a href="#">FTP 2015-20</a> will be applicable. However, the necessary amendments in the Master Direction on Export of Goods and Services will be effected shortly by RBI.</p> <p><b>{Matter closed}</b></p>

<p>31.</p>	<p><b>Stuffing of Export Consignment at Port located outside State</b></p> <p>Under the GST law, exports of goods are zero-rated. However, difficulties arise when the goods to be exported are stuffed into containers at Customs Freight Stations and not at the premises of the exporter. In such scenarios, it is not possible for the exporter to draw up accurate tax Invoices at the time of the goods leaving his premises since the exact, container-wise details of goods is not known. In light of the above, it is suggested that under the GST law the following procedure be permitted in respect of export consignments that are dispatched from exporters' premises to Customs Freight Station and containerized there at:</p> <p>a) Exporter to issue a Delivery Challan at the time of dispatch of goods from his premises to the Container Freight Station (CFS), including CFS located outside the State from where the goods meant for export are dispatched.</p> <p>b) Such Delivery Challan to contain full details of the goods including date and number of the delivery Challan, name, address and GSTIN of the consigner, name, address and GSTIN or UIN of the consignee, HSN code and description of goods, taxable value, quantity, etc.</p> <p>c) On stuffing of goods into containers, the CFS to have the responsibility of sending full particulars of containerization to the exporter, in prescribed format, duly countersigned by Customs authorities.</p> <p>d) Exporter to draw up appropriate GST Invoice along with other export documentation including Bill of Lading, Packing List, etc. on basis of the information received from the CFS and send the same</p>	<p><b>PHDCCI</b></p>	<p><b>Commr.(GST Policy)</b></p>	<p>Rule 55(5) of the CGST Rules 2017 provides for procedure to be followed in case of movement of goods in batches or lots. However association contended that the said procedure is not helpful. They gave an example of rice export. It was decided that they may provide details of the issue with the problem faced if procedure of rule 55(5) is followed. This will then be examined in CBIC.</p> <p><b>{Action PHDCCI &amp; Pr. Commissioner [GST (Pol.)]}</b></p>
------------	--	----------------------	----------------------------------	---

	<p>to the CFS for the actual export of goods.</p> <p>In view of the fact that at times it may not be possible to containerize the entire consignment of goods received at the CFS, the exporter should be permitted to issue a fresh GST invoice along with other requisite export documentation as and when the remnant goods are containerized.</p>			
32.	<p><b>Documents requirement in Bond Cancellation</b></p> <p>All redemption letters are visible to Customs online. No other documents should be asked by Customs for cancellation bond. Accordingly, Customs should issue letter confirming bond stands cancelled, within stipulated time. Details of cancelled bonds should also reflect to trade and industry on ICEGATE. Since Govt. has taken initiative for paperless work and ease of doing business to reduce transaction cost of exporter. It will also save time and efforts of exporter for cancellation of customs bonds</p>	<b>PHDCCI</b>	<b>JS(Cus)</b>	<p>The issue will be examined for further action.</p> <p><b>{Action – JS (Customs)}</b></p>
33.	<p>While re-exporting items for testing, calibration and repair either on returnable or permanent basis, custom ports follow different processes on requirement of GR (Guaranteed Remittance) waiver. Certain ports demand GR Waiver for exports above \$25K shipment value and certain other ports demand GR Waiver for exports above INR 25K shipment value and a few more ports demand GR waiver for all shipments shipped on FOC basis. There is no uniformity on the GR Waiver requirement. Shipments being sent on returnable basis should be allowed to export without GR waiver.</p>	<b>STPI</b>	<b>JS (Cus)</b>	<p>The Rule for GR (Guaranteed Remittance) waiver are governed by Reserve Bank of India under Foreign Exchange Management Regulations, 2000. According to Regulation 4 of Notification No. FEMA 23/2000-RB dated 03.05.2000 export of goods or software having value not more than twenty five thousand rupees (INR) may be made without requirement of GR Waiver. However specific cases of misinterpretation of the above by customs officials may be brought to notice of CBIC for further action.</p> <p><b>{Action – STPI}</b></p>
34.	<p>It has been observed that same item gets assessed under different HS codes at different ports and at different times. This happens despite importer filing</p>	<b>STPI</b>	<b>JS (Cus)</b>	<p>The request is very general in nature. Any specific issue may be brought to the notice of board for further examination. Also as per Section 151A no such orders,</p>

	<p>under same HS code at all ports and at all times resulting in duty payment under different rates for the same item. During Customs Audit, importers are asked to pay differential duty with interest and penalty by classifying all items under highest duty classification. AEO tier 2 and 3 importers should be trusted to declare right HS classification and customs should accept that. During audit, importer should be able to substantiate his claim. Otherwise differential duty can be demanded during audit.</p>			<p>instructions or directions shall be issued by Board so as to require any such officer of customs to make a particular assessment or to dispose of a particular case in a particular manner.</p> <p><b>{Action – STPI}</b></p>
<p><b><u>Valuation related issues</u></b></p>				
35.	<p><b>All pending refunds filed for SAD be cleared automatically on finalization of SVB orders</b></p> <p>Clearance of all pending refunds filed for SAD be granted automatically after final orders passed by the Special Valuation Branch. Instructions be issued to Field formations to clear the pending refunds immediately or to issue the speaking order rejecting the refunds after giving proper opportunity to the importers.</p>	CII	Commr.(Cus & EP)	<p>The 5/2016-Customs, dated 9<sup>th</sup> February, 2016 lays down the procedure for finalization of SVB proceedings and assessment on the basis of IR, after following the principles of natural justice.</p> <p>Any specific case of pending refunds post finalization of SVB orders may be taken up with the jurisdictional Chief Commissioner of Customs/Customs &amp; CGST. The same may also be brought to the notice of the Board to examine the need for issue of instructions. CII mentioned that as post GST no credit is allowed, hence refund of such SAD may be allowed.</p> <p><b>{Action – CII}</b></p>
36.	<p><b>Maintain time limit for Levy of Extra Duty Deposit (EDD) under Special Valuation Branch (SVB)</b></p> <p>By virtue of circular 5/2016-Customs, dated 9 February 2016, the levy of EDD has been discontinued. However, if an importer fails to provide the requisite documents and information within a period of three</p>	CII	Commr.(Cus & EP)	<p>The circular 5/2016-Customs clearly outlines the manner of levy of EDD which has to be followed by the respective SVBs.</p> <p>Specific cases of non-compliance to the Circular may brought to the notice of the Board to examine the need for</p>

	<p>months, SVB have been given the right to levy deposit @5 per cent for a period not exceeding the following three months. The said deposits continue to be levied even beyond the period of three months, even when the requisite documents and information has been provided. The SVB applications are not been disposed off in a timely manner. Suitable amendments be made in the procedures to ensure the SVB procedures are completed within the prescribed time limit.</p>			<p>issue of instructions.</p> <p><b>{Action - CII}</b></p>
37.	<p><b>Provide common methodology for customs valuation</b></p> <p>Generally, the Customs authorities insist on the higher valuation of goods imported from related parties, whereas in terms of transfer pricing regulations, the valuation is preferred on the lower side.</p> <p>There is inconsistency between the customs laws and the transfer pricing regulations and different methodologies are adopted by transfer pricing authorities and customs authorities for valuation of import of goods. A common methodology be prescribed to calculate the arm's length price which should be acceptable to both transfer pricing as well as customs authorities.</p>	<p><b>CII / PHDCCI</b></p>	<p><b>Commr (Cus)</b></p>	<p>The valuation of goods under Customs Act, 1962 is in accordance with the WTO's agreement on Customs Valuation. On the issue of bringing convergence between Customs Valuation and Transfer pricing, it has been internationally recognized by OECD and WCO that any alignment or merger between the two is not a realistic proposition, considering the existing legal frameworks upon which they are based.</p> <p><b>{Matter closed}</b></p>
38.	<p><b>Clarification on Transaction Value for GST</b></p> <p>The then Chairperson Ms. Vanjana N Sarna vide D.O.F.No. 450/119/2017-Cus.IV dated 05.07.2017 addressed to the then Commerce Secretary in reference to FIEO letter dated 04.07.2017, had clarified that IGST can be paid on the FOB value which may be derived from CIF, C&amp;F, DDP, etc. Accordingly, FIEO had advised its member exporters. Subsequently, Circular No. 37/11/2018-GST dated 15.03.2018 was issued</p>	<p><b>FIEO</b></p>	<p><b>Commr.GST (Pol)</b></p>	<p>Section 15 of the CGST Act 2017 provides for value of taxable supply. The GST has to be discharged on the taxable value as determined. The GST Act does not differentiate between the domestic supplies and exports.</p> <p><b>{Matter closed}</b></p>



	clarifying that total invoice value will be the transaction value for the purpose of GST. This has created problem for the exports made during the intervening period from 01.07.2017 to 15.03.2018. Hence, suitable instruction may be issued.			
39.	<p><b>SVB</b></p> <p>The revised SVB procedure was introduced with effective CBIC circular no.04/2016 and circular no.05/2016. However following issues are faced.</p> <p>a) Time bound disposal per circular laid down.</p> <p>b) Bond needs to be furnished to the Department till the time SVB is finalized, such bond should be available on EDI system on All India basis. This will ensure that furnishing of bond at each location separately should be eliminated.</p> <p>It is suggested that SVB Bond once uploaded should be available for viewing and debiting by assessing Officer at any Customs stations. Further, once the SVB is finalized or renewed along with the entire documents should be uploaded with DRN which would facilitate the other location to view instead of giving the entire bunch manually.</p>	<b>FFFAI</b>	<b>Commr. (Cus &amp; EP)</b>	<p>The suggestion is noted for further examination.</p> <p><b>{Action – Commissioner (Customs)}</b></p>
40.	<p><b>Inordinate delays in customs clearances on account of deployment of a new Artificial Intelligence tool by the customs departments</b></p> <p>In the recent past, businesses have been facing inordinate delays in customs clearances. Shipments are being held up across ports for want of clarifications on the valuation adopted and to verify as to whether the value declared in the invoice is in compliance with the valuation provisions under the Customs Act, 1962. It is understood that these queries raised are as a result of the use of artificial intelligence ('AI') tools by the Customs Department in India. The reasons for</p>	<b>USISPF</b>	<b>Commr. (Cus &amp; EP)</b>	<p>USISPF informed that the issue was not relevant now.</p> <p><b>{Matter closed}</b></p>

	<p>variances in import prices could be as a result of a number of factors. Where assessments by Special Valuation Branch (SVB) has already been completed, enquiries where valuation is questioned should ideally be routed through them. This should be the case even when companies where SVB proceedings are pending finalization as in these cases, goods are cleared under provisional assessment. On approaching the ground level authorities seeking a resolution, they have expressed their inability to issue orders for clearances as these queries are system generated and because they do not have the authority to over-ride a flagged-off query manually.</p> <p>There is an urgent need for an Instruction/ Order to be issued to field officers stating that queries flagged-off by the AI tool should merely be recorded and forwarded to the Jurisdictional assessment officer or the SVB as the case may be, specifically for companies where SVB proceedings have been completed or are ongoing under provisional assessment. Such an instruction/ order is also important so that the approach followed is uniform across ports.</p>			
41.	<p>Companies with SVB (Special Valuation Branch) order should cover both commercial and Free of Charge (FOC) shipments from related parties. Currently, FOC shipments are not covered by SVB order resulting in customs loading the value randomly.</p>	<b>STPI</b>	<b>Commr. (Cus)</b>	<p>Procedure for referring a case to SVB is prescribed under Circular No. 5/2016-Customs dated 09.02.2016 for the purposes of uniformity and predictability. Provisions contained in Para 3.5 may be referred.</p> <p>The authority to decide whether a case merits reference to SVB lies with the jurisdictional Commissioner of Customs. Import of samples/ prototypes etc. have been kept out of purview because of their occasional imports only. However, STPI may give a detailed representation for examination by CBIC.</p> <p><b>{Action – STPI}</b></p>

<b>Act related issues</b>				
42.	<p><b>Suitable amendment be made to the Customs Act, 1962, in particular Section 27 and 128, to enable refund of duty paid under self-assessment without challenge to the assessment by way of an appeal</b></p> <p>Hon'ble Supreme Court in <b>ITC Vs. CCE, Kolkata reported at 2019 (368) ELT 216</b> has held that a) a self-assessed bill of entry is an appealable order under Section 128 of the Customs Act, 1962 by 'any person'; and b) refund under Section 27 of the Customs Act, 1962 cannot be claimed by the importer until self-assessment is modified under Section 128 of the Customs Act, 1962 or under other relevant provisions of the Act.</p> <p>Consequently, refund claims of the importers are being rejected on account of non-challenge to self-assessment. Further, the refunds already sanctioned are also sought to be recovered. This has also resulted in the increase in litigation and workload on the Commissioner (Appeals). This has created a huge financial and compliance issue for the trade since they are mandatorily required to file an appeal against each bill of entry before the Commissioner (Appeals), for claiming any refund.</p> <p>Suitable amendment be carried out in Section 27 of the Customs Act, 1962 with retrospective effect.</p>	CII	JS (Cus)	<p>The matter is already settled by Judgment dated 18.09.2019 of Supreme Court in Civil Appeal No. 293-294 of 2009 in the case of M/s ITC Ltd Vs. Commissioner of Central Excise, Kolkata-IV. CII may provide specific formulation for carrying out amendment in section 27 of the Customs Act.</p> <p><b>{Action - CII}</b></p>
43.	<p><b>Introduce one-time dispute resolution scheme for reducing Litigations under Customs</b></p> <p>Large numbers of Customs litigations are pending at various forums for a very long time without attaining its logical conclusion. This requires huge time and efforts</p>	CII	JS(Cus)	<p>The <i>Sabka Vishwas</i> (Legacy Dispute Resolution) <i>Scheme</i>, 2019 was introduced for resolution of dispute in legacy matters of Central Excise &amp; Service Tax. There is no such legacy issue in respect of Customs. There has been an uninterrupted process of adjudication by the department.</p>

	to be spent by both the assessee as well as Government on such matters. The benefit of amnesty scheme like “Sabkha Vishwas (Legacy Dispute Resolution) Scheme 2019” be extended to Customs litigation as well which would go a long way in freeing up time for Industry to focus on growth whereas Govt. can play a value partnering role to promote “Ease of doing business”. The amnesty scheme be introduced to Customs litigation as well.			Therefore need for similar amnesty scheme does not arise. However, CII may give a concrete proposal in this regard.  <b>{Action – CII}</b>
44.	Nickel alloy plates imported may not contain cobalt element. It is therefore proposed that Customs tariff sub heading note of chapter 75, “OR” should be inserted between condition 1 & 2 specified.	<b>FICCI</b>	<b>JS (Cus)</b>	Customs tariff sub heading note cannot be changed as it is binding on our country. India is a signatory to HSN which is binding.  <b>{Matter closed}</b>
45.	Customs tariff shows unit of measures in KGS for various components covered under Chapter 84 like Valves, Parts of Steam Turbines, Pumps, Boilers, heat exchanger, Reactor etc. If different sizes of valves are imported then one has to file bill of entry and mention net weight in kgs against each line item of valves. However, foreign vendor release invoice with unit of measure in numbers. Due to which Bill of entry filing process is delayed. It is recommended that this should be reviewed and change unit of measures to either ‘Number’ or ‘Set’.	<b>FICCI</b>	<b>Commr. (Cus)</b>	CBIC has undertaken an exercise for standardization of UQC to rationalize and streamline the unusual UQCs and also to capture the statistical UQC as per the Customs Tariff Act and the Commercial UQC which is the UQC used in commercial parlance.  <b>{Matter closed}</b>
46.	DGFT vide Trade Notice No. 46 dated 17.1.2019 expresses concern over rise in imports under ‘others’ category of Customs ITCHS code classification. Government now proposes to bring such imports under restricted category to impose special import license and/or place them under higher tariff rate. As there are	<b>FICCI</b>	<b>JS (Cus)</b>	Creation of additional tariff lines is under consideration. Further Trade & Industry is requested to provide list of such cases.  <b>{Action – FICCI}</b>

	instances by businesses classifying some imports under 'others' category, as a precaution, such import items be technically evaluated and correct ITCHS adopted. However, this may cause problem to genuine importers. Example : "Thermal Camera" which fall under 90275090 (Other category) as per Departmental clarifications/ case law since specific Tariff heading under Customs Tariff book is not available and cannot classify Thermal Camera under Heading of Normal Camera. It is proposed that CBIC to add Specific Tariff before expressing concern over rise in imports under 'Other' category.			
47.	One of our member companies is importing special raw materials for High Temperature application which are not developed in India (Quantity is not substantial). The foreign vendors are not having BIS certification and hence are required to obtain NOC from Ministry of Steel for each consignment. Since it is a time taking process and sometimes material arrives at the Port prior to issue of NOC. It is proposed that atleast Bond Bill of entry is permitted by Customs.	<b>FICCI</b>	<b>Commissioner (Customs)</b>	The matter needs further examination as prior to into bond movement, all statutory conditions/ obligations need to be complied with. <b>{Action: Commissioner (Customs)}</b>
48.	<b>Inclusion of NCCD in Brand Rate of Duty Drawback</b> Inclusion of cesses, surcharge, duties, etc. in Brand Rate of duty drawback, has been clarified vide Instruction No. 4/2019- Customs dated 11th October, 2019. However, inclusion of National Calamity Contingent Duty (NCCD) in Brand Rate of Duty Drawback has been left out. NCCD is also levied and collected as a duty of Customs, as per provisions made under Finance Act, 2003. Therefore, this levy should also be taken into consideration for the calculation of Brand Rate of duty drawback Suitable instructions may be issued to permit brand rate of duty drawback of NCCD also.	<b>FIEO</b>	<b>JS (Dbk)</b>	Matter is under examination. <b>{Action – JS (Dbk)}</b>

49.	<p><b>Availability of Duty Drawback on exports of ‘unlocked’ Mobile Handset by merchant exporters</b></p> <p>The Merchant Exporters procure Mobile Handsets in sealed boxes for exports to overseas customers. However, these need to be unlocked by insertion of SIM Card issued by Indian Mobile Network Service providers. These are then exported. Besides being essential, this activity also adds value and realise better exports prices. However, Customs Authorities are treating these as “used” and denying Drawback benefit to Merchant Exporters due to the word “taken into use” in the Drawback Rules.</p> <p>The issue needs consideration in view of high export potential, likely to touch Rs.10,000 crore of exports by next year.</p>	FIEO	JS (Dbk)	<p>Rule 3 (1) of the Customs and Central Excise Duties Drawback Rules, 2017 provides that duty drawback will not be allowed for goods that have been taken into use after manufacturing. Whether any export goods have been “taken into use” has to be determined as per facts and circumstance of each case. Representations in this regard have been received from associations like FIEO, ICEA and Mobiles and Electronics Indian Merchant Exporters Association. The said representations are under examination. FIEO may send a representation in this regard to Drawback Committee.</p> <p><b>{Action –FIEO}</b></p>
50.	<p><b>Important provisions of Customs Act are not being followed at field level. E.g</b></p> <p>60) <b>Section 28 (I) &amp; (II) – Voluntary payment of Differential Customs Duty and Interest.</b></p> <p>At various locations across the country trade and industry is facing difficulties in making voluntary payment of Customs Duty. When an importer approaches the department for payment of differential Customs Duty along with the interest the Officers at field level are still insisting of levying on fine and penalty by carrying out adjudication procedure for mis-declaration. The provisions of Section 28 (II) are very clear that no notice shall be served in respect of payment of differential Customs Duty with interest by the importer.</p>	FFFAI	JS (Cus)	<p><b>(a) Section 28 (I) &amp; (II) – Voluntary payment of Differential Customs Duty and Interest.</b></p> <p>There is no provision of levy of penalty for cases covered under Section 28(1). However any specific cases of non compliance by Custom officials may be brought to the notice of CBIC for further action.</p> <p><b>{Action – FFFAI}</b></p>

	<p><b>b) Section 17 (5) – Customs Act 1962 – Problem in obtaining speaking order.</b></p> <p>Section 17 (5) states that the Officer shall pass a speaking order on reassessment, within fifteen days from the date of reassessment. However, it is observed that Customs Officer at field level do not adhere to the said provision thus leading difficulties for trade in exercising their legal right to proceed further. In fact at some locations Officers are also levying fine and penalty when speaking order is demanded.</p> <p><b>Suggestion:</b> Suitable instructions be issued by CBIC in this regard.</p>			<p><b>b) Section 17 (5) – Customs Act 1962 – Problem in obtaining speaking order.</b></p> <p>In this regard, Instruction No. 07/2018 dated 05.04.2018 has already been issued by CBIC</p> <p><b>{Matter closed}</b></p>
51.	<p><b>Enable the option of payment through cash ledger</b></p> <p>The Finance Bill 2018 introduced Chapter VIIA with governing provisions in Section 51A to provide provision for advance deposit. The said provision was aimed to enable payment of duties, taxes, fee, interest, and penalty through electronic cash ledger. It was also proposed to issue regulations in this regard. The same is yet to be operationalized.</p> <p>It is recommended enable the payment option through electronic cash ledger at the earliest</p>	<b>USISPF</b>	<b>JS (Cus)</b>	<p>The matter is under active examination in CBIC.</p> <p><b>{Action – JS (Customs)}</b></p>
52.	<p><b>Replacement of Advance Authorization Scheme by Existing Duty Free Import Procedures under –IGCR Rules</b></p> <p>The Indian exporters are currently required to use Advance Authorisation Licences (AAL) to import the required inputs for exports at nil customs duty, which is a very cumbersome and complicated process. Notification No. 24 &amp; 25 of 2005 provides for zero duty import of inputs for manufacturing of Information Technology Agreement (ITA) products (like telecom cables, calculators, PCBs etc) wherein the importers just</p>	<b>PHDCCI</b>	<b>JS (DBK)</b>	<p>No specific problem/issue has been raised in respect of Advance Authorization Scheme. Suggestion for improving the duty free import procedures under IGCR Rules shall be examined by CBIC.</p> <p><b>{Action – JS (Customs)}</b></p>

	need to follow the “Customs (Import of goods at concessional rate of duty for manufacturing of excisable goods) Rules”. A similar kind of method with safe guards to ensure that the inputs / raw materials are going into production only for exports of products may help the country’s manufacturers immensely in being internationally competitive.			
53.	<p><b>Levy of 10% Social Welfare Surcharge on aggregate customs duties - Credit to be allowed (Clause 110 of the Finance Act, 2018)</b></p> <p>This is additional cost to the manufacturing industry as no credit is allowed on this surcharge. The Government should allow input tax credit under GST laws so as to promote “Make in India” and costs competitiveness for Domestic Manufacturers. Further, the import by Manufacturers can be monitored with IGCR Route.</p>	PHDCCI	Commr. (GST Policy)	<p>There is no social welfare surcharge on the taxes collected under GST. Therefore, question for allowing the credit of social welfare surcharge does not arise.</p> <p><b>{Matter closed}</b></p>
54.	<p><b>IGST on ocean freight – Double Taxation</b></p> <p>Importers to pay customs duties (Including IGST) on CIF value of imported goods. Further, IGST again demanded on freight portion separately. This results into double taxation.</p>	PHDCCI	Commr. (GST Policy)	<p>Double taxation happens when a single transaction is taxed twice in the same statute. However, in this case, there are two different transactions involved which are taxed under two different taxing statutes. Therefore, there is no double taxation. Hon’ble HC of Gujarat has passed a judgment against such said double taxation. However, Department is examining the proposal for filing SLP in Hon’ble SC against the said High Court judgment.</p> <p><b>{Action – Commissioner (GST Policy)}</b></p>
55.	<p><b>Duty Drawback rate to be increased for taxes not subsumed in GST</b></p> <p>There has been a tremendous reduction in the duty drawback rates for entire textile value chain post GST, as a result exports are becoming uncompetitive. For fabric export, duty drawback rates were 5.1% till 30th September 2017, which have been substantially reduced to 1.6%. Part of this shortfall is on account of embedded central taxes which are not being reimbursed</p>	PHDCCI	JS(DBK)	<p>Duty Drawback scheme neutralizes only the incidence of Basic Customs Duty on imported inputs and Central Excise Duty on fuel used in captive power generation for manufacturing of export goods. Other taxes (Center or State) cannot be included in the Duty Drawback. Remission of State taxes and unreimbursed Central taxes is separately under consideration of the Government under the proposed scheme of Remission of Duties and Taxes on Exported Product (RoDTEP).</p>



	though the GST scheme – either because embedded taxes or because those products are outside the ambit of GST e.g. fuel, petrol, electricity etc. Currently, there is no mechanism of reimbursing these taxes. The drawback rate allows reimbursement of customs duty portion only. As these taxes have been paid by the manufacturer exporter, as such these taxes may be included while finalizing duty drawback rates.			<b>{Matter closed}</b>
56.	<p><b>Jurisdictional Authority (RA) for filing of claims for exports benefits under Foreign Trade Policy</b></p> <p>Para 3.06 of the Handbook of Procedures, 2015-20 (as amended vide Public Notice No. 58/2015-20 dated 10<sup>th</sup> February 2017) states that an “Applicant shall have option to choose Jurisdictional RA on the basis of Corporate Office/ Registered Office/Head Office / Branch Office address endorsed on IEC for submitting application/applications under MEIS and SEIS.” Organisations that have multiple businesses and / or operate out of multiple locations across the country are, thus, unable to opt for different jurisdictional RAs on the basis of the Branch Office Code endorsed on the IEC. This causes substantial administrative inconvenience and costs and complexity in dealing with exports/imports from multiple ports and ICDs located across the country as well as delays in granting of export benefits and incentives. Electronic transmission of Shipping Bills and electronic linkage of foreign exchange realization through e-BRC ensures that there is no duplication of export benefits. Thus, there is no scope for any prejudice to the DGFT if a Branch / Division of a Company is permitted to make applications before different RAs having territorial jurisdiction over the Branch / Division location.</p> <p>Accordingly, it is suggested to ease the administrative complexities and avoid costs that accrue to a multi-locational exporter on account of having to deal with one single RA in respect of exports from various</p>	<b>PHDCCI</b>	<b>DGFT</b>	<p>This suggestion is noted and will be deliberated during the review of the FTP/HBP.</p> <p><b>{Action – DGFT}</b></p>

	locations across the country, appropriate clarifications are issued to the effect that exporters whose operations are geographically spread across the country can continue to opt for different jurisdictional RAs, depending on administrative and logistical convenience, on the basis the Branch Addresses and Branch Codes endorsed on the IEC. The Handbook of Procedures may also be amended appropriately to this effect.			
57.	<p><b>Import Of Second Hand Capital Goods Under Zero Duty EPCG Scheme</b></p> <p>Para 5.1 of the FTP announced in 2013 (Annual Review), a new clause (e) has been added which reads, “Second hand capital goods shall not be permitted to be imported under EPCG Scheme”. This restriction has increased costs significantly for projects set-up capital intensive industries like paper/paperboards.</p> <p>It is suggested that the imported second hand capital goods should be permitted under Zero duty EPCG scheme. If this cannot be done for all industry for any reason, specific permission should be given to capital intensive industries like Paper/Paperboards.</p>	PHDCCI	JS (Dbk) & DGFT	<p>DGFT mentioned that proposal is not agreeable as this will become a disincentive for domestic industry and also India will become a dumping ground for obsolete technology.</p> <p><b>{Matter closed}</b></p>
58.	<p><b>RoDTEP for Agri Exports</b></p> <p>Hon’ble Finance Minister has announced a new scheme Remission of Duties or Taxes on Export Product (RoDTEP) which will replace the existing MEIS scheme to boost Indian exports. Currently Garment industry enjoy additional support in the form of Rebate of State and Central Taxes and Levies (RoSCTL) which was notified on 7.3.2019 to provide refund of duties/taxes at higher rates. It is suggested that the RoDTEP rates be similar to the Textile sector wherein the rates are 2% higher than the current MEIS rates as MEIS was introduced to offset infrastructural inefficiencies and the associated costs and does not address the issue of non-rebatable State and Central taxes and levies.</p>	PHDCCI	JS(DbK)	<p>RoDTEP scheme has been proposed by Department of Commerce. Further action in the matter is to be taken by Department of Commerce /DGFT.</p> <p><b>{Matter closed}</b></p>

59.	<p><b>Extend Export Incentive Benefits for Exports to Nepal/Bhutan with INR Realisation</b></p> <p>As per Clause 3.04 of Foreign Trade Policy Entitlement under MEIS would be on realised FOB value of exports in free foreign exchange. The current Duty Drawback &amp; FTP does not provide for benefits against exports to Nepal with INR realisation. It is suggested that export to Nepal with INR realisation be treated at par with exports to other countries since efforts put in by an exporter to secure orders from Nepal and fulfilling the said orders are equally complex as procuring orders from other countries. Also, pursuant to revised Treaty of Trade between Govt. of India and Govt. of Nepal exports to Nepal have been put at par with exports to other countries (except Bhutan) as per Circular no 958/1/2012-CX dated January 13, 2012. Further, for the purpose of computing realization of EO under various schemes including EPCG, exports to Nepal should be taken into account.</p>	PHDCCI	JS(DbK)	<p>(i) Section 76(2) of Customs Act 1962 read with notification no. 208-Cus. dated 01.10.1977 imposes restriction on grant of duty drawback in respect of export made to Nepal where realisation is in INR. Keeping in view the porous nature of India-Nepal and India-Bhutan borders where there is greater possibility of goods being smuggled back, grant of drawback where export proceeds are realised in INR is not favored.</p> <p>(ii) As regards MEIS, export proceeds are similarly to be realized in freely convertible currency in terms of the provisions of para 3.04 of <a href="#">FTP 2015-20</a>.</p> <p>(iii) Further, under schemes like AA and EPCG, exports to Nepal can be counted towards computing the fulfillment of EO provided that the proceeds are realized in terms of the provisions of para 2.52 of FTP 2015-20. i.e. in freely convertible currency, with certain exceptions as provided therein.</p> <p>Therefore, relaxation of requirement of realisation in free foreign exchange in such cases of export to Nepal and Bhutan is not merited.</p> <p><b>{Matter closed}</b></p>
60.	<p><b>Point of Contention – Regulation 6 of Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018.</b></p> <p><b>Regulation 6</b> –The authorised person shall retain, for a period of 5 years from the date of presentation of the bill of entry, the assessed copy of the bill of entry, digital or otherwise, and all supporting documents <b><u>in original</u></b>, which were used or relied upon by him in submitting the electronic integrated declaration, and shall produce them before Customs in connection with any action or</p>	AMTOI	JS (Cus) to Commissioner (Single Window)	<p>The matter is under examination in CBIC.</p> <p><b>{Action – Commissioner (Single Window)}</b></p>

<p>proceedings under the Act or under any other law for the time being in force.</p> <p><b>Issue</b> – The usage of the word ‘<u>Original</u>’ (which is undefined in the said regulation) and can be interpreted in multiple ways, as per individual perception and cause confusion in the trade, exposing the trade with undue liability.</p> <p>As per Oxford Dictionary, the word ‘Original’, when used as an adjective, is defined as “Present or existing from the beginning; first or earliest”. Although unlikely, should this be the intent of the word in the above notification, the limitations will be as follows:-</p> <ol style="list-style-type: none"><li>1. The whole of Air Cargo trade operates on copy documents as the ‘Original’ documents can’t reach before the shipment arrival.</li><li>2. The world has moved from paper printing to digital transfer of documents via Email or electronic media, there are not many hard copies of the documents being exchanged in the present day and age.</li><li>3. The Importers &amp; Exporters are not submitting any ‘Original’ documents to the CB any more, and the trade is relaying on the emails for receiving soft copy of the documents to make the EDI submission and loading of the same vide E-Sanchit after digitally signing the same.</li><li>4. The said regulation itself is called the ‘Electronic Integrated Declaration and Paperless Processing’ and expecting the CB to store the Hard Copies of the ‘Original’ documents will only be shifting the paper from Customs storage facility to that of CB, which will be in contradiction to the regulation itself and also against the Digital India campaign of the government.</li><li>5. Further, by this definition, the CB will have to</li></ol>			
--	--	--	--

	<p>wait for the importer/Exporter to submit the hard copy originals of the exim documents physically (in case of import, after the same have been physically received by importer from overseas), before uploading the same under E-Sanchit and filing. This will cause enormous delay in filing and therefore cause cascading delay in customs clearance with increased dwell time at ports.</p> <p>It is impractical and illogical, in today day and age to expect the trade to use the 'Original' documents. <b><u>The word 'Original' should be deleted from the said notification altogether.</u></b></p> <p>Regulation 10 (k) and (p) of CBLR 2018 provides for maintenance of up to date records, which is binding upon the CB. CB further acts on behalf of the Importer/Exporter by being authorized under Regulation 10 (a) of CBLR 2018, therefore the onus of maintaining the 'Original', if any, should be that of the Importer/Exporter. The CB if the documents were received over electronic media should suffice for record maintenance. Section 11 of the Information Technology Act 2000 also clearly defines that the attribution of electronic records are of the originator, which in this case would be the Importer/exporter.</p>			
61.	<p>CBIC vide circular No. 49/2018 dated 03.12.2018 lays down the procedure for disposal of unclaimed/uncleared cargo u/s 48 of Customs Act 1962. Para 3(xi) of the said circular states. "Customs shall inform the custodian about the need for destruction of cargo not fit for consumption/usage and the concerned custodian shall arrange to destroy the same at their expenses after obtaining the requisite environmental and other clearances as per law".</p>	<b>CONCOR</b>	<p>Commr. (Anti Smuggling)</p> <p>To</p> <p><b>JS (Cus.)</b></p>	<p>Matter is under examination in CBIC.</p> <p><b>{Action – Commissioner (Customs)}</b></p>

	<p>The role of custodian in case of imported goods is limited to facilitating the handling and clearance of cargo. Custodian has insignificant role to play vis-à-vis the content and legitimacy of goods. In cases where the cargo is directed for destruction after examinations by Customs, custodian should be liable to complete necessary procedural formalities. However, the cost of destruction should be directed to the importers/shipping line due to the very basic reason that the content of cargo stuffed in the container is not controlled by custodian.</p>			
62.	<p>Exemption from payment of Cost Recovery changes: Kind attention is invited to CBIC circular no. 434/17/2004-Cus.IV dated 12.09.2005 wherein the performance benchmarks have been laid down for claiming exemption from payment of cost recovery changes by ICDs/CFSSs.</p> <p>In this regards, CONCOR's MMLP CFS Visakhapatnam has achieved the benchmark stipulated in the aforesaid notification and application requesting for exemption from payment of cost recovery changes was sent to the Office of Principal Commissioner of Customs, Visakhapatnam vide note dated 24.12.2018 and a subsequent letter dated 09.01.2020 from Director/International Marketing &amp; Operations, CONCOR to Member Customs. <i>Exemption from payment of cost recovery charges at MMLP CFS Visakhapatnam may kindly be expedited.</i></p>	<b>CONCOR</b>	<b>Commr. (AS)</b>	<p>Matter is under examination.</p> <p><b>{Action – Commissioner (Anti-Smuggling)}</b></p>

<b><u>Equipment related issues</u></b>				
63.	Testing equipment should be made available through Custodians and CFS for Testing of the material at all major ports.XRF Gun / PMI Tester equipment should be made available to test the chemistry of material declared by Importer to minimise malpractices.	<b>FICCI</b>	<b>Commr (AS)</b>	XRF Gun/PMI Testers can be useful in respect of metals only and hand held equipment can test metal surface only. Embedded/Implanted material cannot be identified by this equipment. Spark Optical Emission Spectrometer (OES) is very useful for identification of grades of ferrous and non-ferrous metals. Such OES analyzers for material identification are available at Revenue Laboratories at Nhava Sheva and New Delhi. Procurement for other Revenue Laboratories will be taken at an appropriate time.  <b>{Matter closed}</b>
<b><u>Systems related issues</u></b>				
64.	<b>Exports under MEIS scheme – Technical difficulties faced by trade</b>  Exporters are compulsorily required to put a remark in Reward item box with a tick mark `Y' while feeding data in the Custom EDI System for enabling automatic transmission to DGFT site. In case of inadvertent missing out the mark, manual certificate is provided by customs. Amendment in the EDI System is not possible since cancellation of LEO in the Custom EDI is not possible. Due to this transmission of MEIS data to DGFT is not being done. In order to rectify such bonafide errors in Customs EDI system, cancellation of LEO for export Shipping Bills should be permitted in the Customs EDI system. This will help the exporter to claim MEIS benefit from DGFT.	<b>BCBA</b>	<b>JS (Dbk)</b>	The requirement of marking “Y” or “N” in the shipping bill for claiming MEIS is not merely procedural but a substantive one from risk management perspective as revenue outgo is involved. Customs need to examine cases involving mitigating circumstances where manual amendment under section 149 is required before considering transmission of shipping bill data to DGFT. Further details of such cases may be provided to the Board.  <b>{Matter closed}</b>

65.	<p><b>Auto-update shipping bill data in Customs server to banks/DGFT server</b></p> <p>While issuing bank realization certificate (BRC), banks are updating the details of shipping bill manually. If the bank officials make any data entry error while updating the details, the exporters are facing problems in claiming export benefits like MEIS as the Shipping Bill details does not appear in the DGFT portal. Further in some cases errors are made by Custom department in uploading shipping bills in DGFT portal. The processes should be automated so that clerical mistakes are avoided for seamless process. Shipping Bill data be picked by Bank from customs database instead of feeding the data manually. Data transfer of Shipping Bills from Customs server to DGFT server to be made automatic.</p>	<b>CII</b>	<b>DG(Sys)</b>	<p>Through already existing RBI Export Data Processing and Monitoring System (EDPMS) Module, details of Shipping bill are transmitted to RBI for e-BRC validation. As far as the process of transferring the data from Customs to DGFT is concerned, current message exchange system is in process of being shifted to an API protocol. This will ensure streamlined and seamless exchange of data between the two systems. The tentative timeline for go-live is March, 2020. Exact go-live date will be decided mutually in consultation with DGFT.</p> <p><b>{Matter closed}</b></p>
66.	<p>Bills pertaining to NON-EDI ports are not updated timely/regularly or they are updated very late in the Portal. Bills pertaining to Non-EDI ports should be updated immediately as in case of EDI ports.</p>	<b>IBA</b>	<b>DG(Sys)</b>	<p>The shipping bill details pertaining to Non-EDI ports (mostly LCSs) are being uploaded after feeding into the ICES System through a utility iCAN (ICES Compact Application for Non-EDI sites) provided to the field officers at Customs ports. In this regard, an Advisory has been issued to the field officers. However, Customs Policy Wing may also direct the concerned field formations for timely updation of the data.</p> <p><b>{Action – JS (Customs)}</b></p>
67.	<p>In case of Short Shipment/Shut Shipment or any amendment, Acknowledgement is duly given to the parties but not updated in the portal. Such amendment/short shipment/shut shipment be updated in the portal simultaneously after giving the acknowledgment to the parties.</p>	<b>IBA</b>	<b>DG(Sys)</b>	<p>The matter will be considered by DG (Systems) in consultation with RBI.</p> <p><b>{Action: DG (Systems)}</b></p>



68.	Delay in uploading of Shipping Bills in EDPMS (RBI). TAT for uploading Shipping Bills in EDPMS may be reduced.	<b>IBA</b>	<b>DG(Sys)</b>	The matter will be considered by DG (Systems) in consultation with RBI. <b>{Action: DG (Systems)}</b>
69.	I/EDPMS data not flowing from ICEGATE to EDPMS. One point customer help desk at customs end to redress such concerns.	<b>IBA</b>	<b>DG(Sys)</b>	The matter will be considered by DG (Systems) in consultation with RBI. <b>{Action: DG (Systems)}</b>
70.	<p>Since submission of exchange control copy of shipping bills with AD bank has been done away with, banks are not able to cross check the below information with the documents submitted by the exporter. Would be helpful if the following information flows to RBI EDPMS portal from Customs:</p> <ul style="list-style-type: none"> <li>• Consignee Name</li> <li>• Buyer Name and Address (This would be required for third party transactions)</li> <li>• Port of Discharge</li> <li>• Good Description</li> <li>• Nature of Payment</li> <li>• Period of Payment</li> <li>• Shipping Bill Currency</li> <li>• Shipping Bill Amount</li> <li>• Exchange Rate</li> <li>• Invoice Currency &amp; Invoice Amount (mapped against each Shipping Bills)</li> <li>• GSTN ID</li> </ul> <p>Appended information would be helpful to AD Bank to adhere with the existing regulatory guidelines as the same are not available to AD Bank as on date.</p>	<b>IBA</b>	<b>DG(Sys)</b>	The matter will be considered by DG (Systems) in consultation with RBI. <b>{Action: DG (Systems)}</b>
71.	<p>EDPMS, should have the following additional information:-</p> <p>(a) Currently buyer/ remitter name mismatch gets highlighted only at the time of IRM</p>	<b>IBA</b>	<b>DG (Systems)</b>	The matter will be considered by DG (Systems) in consultation with RBI. <b>{Action: DG (Systems)}</b>

	<p>reconciliation,. Consignee and buyer name should reflect in the EDPMS as to identify the buyer / remitter name mismatch</p> <p>(b) For shipment related details, Banks have to seek transport document additionally. Shipment details related to transport document such as consignor, consignee, vessel name , shipping line and agent name.</p> <p>(c) Currently goods description / purpose is not incorporated in EDPMS. Goods description / purpose should be incorporated (such as FOC, Sample, GR waiver, etc).</p> <p>(d) Currently FOB value is reflecting in EDPMS, we suggest that actual invoice value should appear.</p> <p>(e) Payment realisation should be done on shipping bill wise instead of invoice wise.</p> <p>(f) In IRM data bank name and address should reflect for sending FEDAI related letters. For multiple IRM against single shipping bill there should be a provision to add multiple IRM at once.</p> <p>(g) System enhancement for improved response time while generating reports and possibility for reports prior to 365 days ageing</p> <p>(h) Whether under Project export (expected date for realization should be 36 months instead of 270 Days in case of Project export)</p> <p>(i) Country of origin of goods (Separate field required)</p> <p>(j) Export under License Y/N</p> <p>(k) Mode of Transport</p> <p>(l) Name of Carrier (BL/ AWB Issuer)</p> <p>(m) Name of Vessel</p> <p>(n) Container Number</p>			
--	---	--	--	--

	<p>(o) Voyage Number  (p) Place of final destination (for multi modal transport)  (q) Port of discharge/unloading  (r) Port of loading/shipment  (s) Place of dispatch (for multi modal transport)</p> <p>IDPMS should have the following additional information:</p> <p>i. X-BOND Bill of Entry Number (Where applicable)  ii. Import under License - Y/N  iii. Country of origin of goods (Separate field required)  iv. Mode of Transport  v. Name of Carrier (BL/ AWB Issuer)  vi. Name of Vessel  vii. Container Number  viii. Master BL or AWB/HBL No. and Date, or BL/AWB/LR/RR No. and Date  ix. Voyage number  x. Place of final destination (for multi modal transport)  xi. Place of dispatch (for multi modal transport)</p>			
72.	<p>In some cases Importers are facing hardships while making Direct Import payments as there are many instances wherein Bill of Entry data is not flowing into IDPMS, whereas BOE is available at ICEGATE. Custom/RBI to ensure seamless flow of Export/Import data to AD Banks. Helpdesk consisting of representatives both Customs and RBI EDPMS Support Group can look into such issues and attend on Priority.</p>	<b>IBA</b>	<b>DG(Sys)</b>	<p>The matter will be considered by DG (Systems) in consultation with RBI.</p> <p><b>{Action: DG (Systems)}</b></p>
73.	<p><b>Delay in Crediting IGST Refund after Scroll is Generated</b>  At times, inordinate delay is taken in crediting the refunds in exporters account after the scroll is</p>	<b>FIEO &amp; FFFAI</b>	<b>JS(CUS) &amp; DG(Sys)</b>	<p>After generation of refund Scroll data is transferred to the concerned bank for disbursal of refund amount to assessee's account. The reason for non credit of such refund amount may be due to rejection at the level of</p>

	<p>generated. Sometimes SB details are filed at Customs but not available in ICEGATE. Customs Authorities are advising that they have no role once refund scroll is issued. No response is received from DG (Systems) even after several reminders through e-mail. Delay in getting the refunds causes liquidity problem affecting exports. Hence, refund should be credited to the exporters account within the stipulated times period. Whenever, delay is occurred interest should be paid for the delayed period. It is essential that a Nodal Officer may be nominated to whom the exporters may approach for speedy redressal of their issues. It has been difficult to contact the right person for System related challenges which has blocked large sum of money.</p>			<p>PFMS. In this regard, a detailed SOP has already been issued mentioning the step by step procedure to be followed.</p> <p>Once IGST scroll is generated and accepted at PFMS. ePAO in PFMS processes the same. In case of any delay, ICEGATE coordinates and follows up with concerned SMs and PFMS/CDDO/ePAO for resolution.</p> <p><b>{Matter closed}</b></p>
74.	<p><b>Delay in clearance of import/ export consignment on account of delay in generation of OTP of Customs Officer for log in</b></p> <p>Clearance of consignment is now routinely getting delayed due to delay in getting OTP of Customs Officers thus they are not able to login timely. It is requested that OTP generation for login by Customs Officer should be done immediate basis. Necessary rectification in Customs EDI system will help.</p>	<b>FFFAI</b>	<b>DG(Sys)</b>	<p>Now 2 factor authentications has been introduced by SI team during Citrix login, ICES team will review whether to continue to OTP base login in ICES, if an officer is having 2 factor authentication enabled.</p> <p><b>{Action: DG (Systems)}</b></p>
75.	<p><b>Customs Officer unable to view documents in E-sanchit</b></p> <p>It is routinely experienced that Customs Officers are not able to view the documents uploaded in E-sanchit on their screen thus leading to query being raised. Particularly documents such as Catalogue/Technical literature, duty exemption certificates, country of origin certificate etc., which is uploaded in other category in E-sanchit are not being viewed properly by the Officers. It is suggested that due rectification in E-sanchit module to be carried out.</p>	<b>FFFAI</b>	<b>DG(Sys)</b>	<p>Initially there were some teething problems in viewing documents in e-Sanchit by customs officer. However, it has already been rectified.</p> <p>On the issue of uploading of certificates/ clearances by PGAs, Commissioner (Single Window) informed that in many instances, importers/ exporters are registered with ICEGATE system but e-mails are not registered. Therefore, documents uploaded by such PGAs relating to their import/ export consignments could not be viewed by such importers/ exporters. He therefore requested all Associations to encourage trade members and importers and exporters associated with them to get registered with</p>

				ICEGATE with proper e-mail ids for availing this facility for faster clearance of consignments.  <b>{Action – All Associations}</b>
76.	<b>Alert in EDI System for Exporters</b> It is routinely experience that alert is given in EDI System for Exporters when there is some deficiency in submission of BRCs for the drawback claim. However it is observed that at field level even when compliances are fulfilled the alerts are not removed. It is suggested that there should be standard process laid down for insertion of alert and also it's removed in time bound manner in EDI System.	<b>FFFAI</b>	<b>DG(Sys)</b>	Specific instances may be brought to the notice.  <b>{Matter closed}</b>
<b><u>SEZ/EOU related issues</u></b>				
77.	<b>Clarification be issued on exemption from Compensation Cess on goods imported by SEZ</b> Goods imported by SEZ are exempted from IGST levied u/s 3(7) of the CTA, 1975 vide notification no. 64/2017-Cus dated 05.07.2017. However, similar exemption notification is not issued for compensation cess levied u/s 3(9) of CTA. However, in “ICEGATE portal”, entire customs duty including compensation cess is shown as exemption on import by SEZ and therefore does not allow to file Bill of Entry wherein exemption is claimed from payment of BCD and IGST and payment of Compensation Cess. Notification no. 64/2017-Cus dated 05.07.2017 be amended so as to also include compensation cess charged u/s 3(9) of CTA for the purpose of exemption on goods imported by SEZ.	<b>CII</b>	<b>DG (EP)</b>	This issue has already been referred to TRU-1 for consideration of the Fitment Committee for extending compensation cess exemption or input by SEZ.  <b>{Action – JS (TRU-1)}</b>
78.	Customs duty to be levied only on net product retained by refinery situated in domestic tariff area from the Petroleum Gas received from Refinery situated in SEZ Area. In Refineries, many a times Petroleum gases	<b>CII</b>	<b>JS (Cus)</b> <b>&amp;</b>	The matter is under examination in consultation with JS (Cus.).  <b>{Action – JS (Customs), DG (EP)}</b>

	brought to extract rich gas and lean gas returned as continuous supply process through dedicated pipelines. Thus, effectively there is supply of only the gas retained by the refinery. Such practice has been approved under GST vide circular No.53/27/2018-GST dated 09.08.2018.' This is also in line with circular Nos. 12/12/2017-GST dated 26th October 2017 and 29/3/2018-GST dated 25th January 2018. A similar clarification under customs regulations will enable transactions between DTA & SEZ Refineries also to operate on same principles.		<b>DG (EP)</b>	
79.	<b>Time limit be increased for bringing back goods by EOU from the job worker's premises</b> EOU – Time limit of 90 days prescribed for bringing back goods from the job worker's premises is inadequate and sometimes it becomes operationally difficult for EOUs to bring back the goods within 90 days. The GST law provides for return of goods within 1 year from the date of dispatch. The present time limit of 90 days prescribed for return of goods to EOU from the sub-contractor/ job worker be increased to 1 year.	<b>CII PHDCCI</b>	<b>DG (EP)</b>	Circular No. 65/2002-Customs dated 07.10.2002 read with Circular No. 26/2003-Customs dated 01.04.2003 prescribes period of 90 days for returns of goods sent out for job-work. Jurisdictional AC/DC has been empowered to extend time limit beyond 90 days in deserving cases.  <b>{Matter closed}</b>
80.	<b>Dispense with drawing of samples each time goods are sent from EOU to job worker/ contractor</b> Presently, the EOU while sending out goods for job work in DTA is required to give an intimation to the jurisdictional officer and a sample of the goods is drawn and retained in the Range Office. On receipt of the goods in the unit after job work, the Bond Officer shall establish the identity of the goods so returned. He shall also retain a sample of the processed goods so returned for records. Para 2(d) of Circular No. 65/2002-Cus dated 07/10/2002 may be referred. The requirement of	<b>CII PHDCCI</b>	<b>DG (EP)</b>	These measures have been built in to check any misuse of facility of sub-contracting. No special dispensation can be made of specific sector as it will lead to such demands from other sector as well as there is possibility of revenue leakage.  <b>{Matter closed}</b>

	giving an intimation to the jurisdictional officer and drawing/ retaining of sample in the Range office to establish the identity of the goods is operationally very difficult to be followed by EOUs more so in case of Chemicals when process involves change of form and therefore should be relaxed. The condition of providing intimation and drawing of samples be relaxed, especially in the case of chemical/ pharma business			
81.	<p><b>Credit Duty Drawback to exporter's bank account directly on exports from DTA to SEZ</b></p> <p>The Duty Drawback eligible on exports from DTA to SEZ should be credited to exporter's bank account similarly as exports through ICES (Indian Custom EDI System), without the need to submit physical documents which will drastically reduce time, money and energy expended by both the exporters and authorities.</p>	<b>CII</b>	<b>JS(DBK) to DoC</b>	<p>This relates to Duty Drawback allowed to exports from DTA to SEZ under Rule 24 of the Special Economic Zones Rules, 2006. Further action in the matter is to be taken by Department of Commerce (DoC) as far as grant of drawback by Specified Officer of SEZ is concerned. As regard cases where a disclaimer is submitted by SEZ Unit or Developer that they do not intend to claim entitlement of drawback, further action for electronic processing of such drawback claims of DTA suppliers by Customs authorities is to be initiated by DoC. CII may take up the matter with DoC accordingly.</p> <p><b>{Matter closed}</b></p>
82.	The Rule 5 of Customs (import of Goods at Concessional Rate of Duty) Rules, 2017, nowhere prescribes that information provided by EOU under sub-rule (1) (a) of said Rule 5 is required to be approved by Jurisdictional DC/AC of Customs on prior basis for imports, whereas the range officers of SEZ and FTZ insist on the prior approval by Jurisdictional DC/AC of Customs. This is against the said rule and the Government's objective of "ease of doing business".	<b>FICCI</b>	<b>DGEP</b>	<p>Specific instances may be brought to the notice of Board for addressing them as Circular no.10/2018. Customs dated 24.4.18 vide para 3 has already clarified that the importer EOU need not get prior approval of the information submitted under sub-rule (1) (a) of Rule 5 of Customs (import of Goods at Concessional Rate of Duty) Rules, 2017 from Jurisdictional DC/AC of Customs for duty free import at the Custom Station of importation. Information submitted to the DC/AC of Customs at the Custom Station of importation by EOU is sufficient for importing goods without payment of duty under exemption notification No. 52/2003 – Customs dated 31.03.2003.</p> <p><b>{Matter closed}</b></p>

83.	<p>CBEC vide Circular No.35/2016-Customs dated 29.07.2016 has prescribed a Form to maintain records of receipts, storage, processing and removal of goods, imported by the units in digital form. It also further mandates that a digital copy of the Form, containing transactions shall be provided to the proper officer in a CD or Pen drive, as convenient to the unit. But Jurisdictional Customs officer insists on submitting hard copy of the records.</p> <p>In furtherance to the Government's objective of "ease of doing business" all correspondences with the Customs office should be made paperless.</p>	<b>FICCI</b>	<b>DGEP</b>	<p>No specific instance has been brought to the notice. Specific instances, if any, may be brought to the knowledge of DGEP.</p> <p><b>{Matter closed}</b></p>
84.	<p><b>Permission for re-stuffing the SEZ unit cargoes from Domestic container to Exim Container at the Bonded Area in Gateway Port.</b></p> <p>At present EXIM container are required to be sent to SEZ units from Gateway Port. Many of these SEZ units are located in interiors. In order to reduce the dwell time for turnaround time for exports, it is requested that SEZ unit be allowed to stuff the cargo in domestic containers and upon arrival at the Gateway Port the goods from the domestic containers should be reloaded in the international EXIM container inside the jurisdictional port premises having presence of Customs.</p>	<b>FFFAI</b>	<b>JS (Cus)</b>	<p>The issue is not clear. The status demanded here is already available with the SEZ units. The option is always available with the SEZ units that they can stuff the cargo in domestic containers and upon arrival at the Gateway Port the goods from the domestic containers may be reloaded in the international EXIM container inside the jurisdictional port premises in presence of Customs officials. However, a clarification in this regard shall be issued by Board.</p> <p><b>{Action – JS (Customs)}</b></p>
85.	<p><b>Permit re-importation without any time restrictions under notification 52/2003-Customs dated 31-3-2003</b></p> <p>Currently, the goods exported for repair or reconditioning are required to re-imported within three years / Seven years from the date of exportation to avail the benefit of notification no. 52/2003 dated 31-03-2003. Medical equipments have longer life span than the prescribed period of 3/7 years (approximately) 15 years. Overseas customers are constrained to prematurely scrap the repairable products. This</p>	<b>USISPF &amp; FICCI</b>	<b>DGEP</b>	<p>On recommendation of Ministry of Electronics &amp; Information Technology (MeitY) the period of three years allowed for re-import of goods manufactured and exported by EOUs for the purposes of repair and reconditioning have been extended to seven years for specified goods (appearing in Annexure VII to notification no. 52/2003 – Customs as amended no 05.12.2020). These goods includes certain Medical equipments and apparatus. These goods are same as allowed to be reimported within seven years under General notification no. 158/95 – Customs dated 14.11.1995 as amended on 11.09.2018. The re-importation</p>



	<p>restriction is impeding manufacturing expansion program as overseas affiliates are constrained to prematurely scrap the repairable products.</p> <p>The pharma sector should be allowed extended time limit for re-importation of goods under the notification no. 52/2003-Customs.</p>			<p>of such goods without any time restriction cannot be considered as it is not administratively feasible.</p> <p><b>{Matter closed}</b></p>
86.	<p>At present, there is no provision to deposit online Custom duty of DTA sale under 100% EOU /EHTP scheme. When an unit makes the DTA sale then there is no option to deposit the involved custom duty through online however it is mandatory to deposit the custom duty before moving the goods from factory premise hence it has to be deposited manually through TR-6 challan. For this process the unit is required to prepare the Challan TR-6 manually and has to visit the authorised bank to deposit the involved custom duty portion, which is very time consuming and cumbersome process. An online provision for payment of aforesaid custom duty may reduce effort and time.</p>	<b>STPI</b>	<b>DGEP</b>	<p>Matter is under examination in consultation with DG (Systems).</p> <p><b>{Action – DG (Systems), DGEP}</b></p>
<b><u>Refund related issues</u></b>				
87.	<p><b>Timely refund of Customs Duty</b></p> <p>In cases where refunds arise without any dispute between the importer and the Dept., their refunds should be granted urgently &amp; suitable instructions be issued by CBIC. These situations are-</p> <p>a) Double duty payment due to system error,  b) Refund duty deposited/ EDD  c) Refund arising out of the bonafide clerical error.  d) Short shipment and part shipment</p>	<b>BCBA</b>	<b>JS (Cus)</b>	<p>The matter is being examined and suitable action will be taken accordingly.</p> <p><b>{Action – JS (Customs)}</b></p>

88.	<p><b>Provide Refund of customs duty on submission of Certificate of Origin received subsequent to import of goods</b></p> <p>Many a times, the suppliers are not able to provide the certificate of origin along with the goods and it may be received after clearance of goods. Importers need to clear the goods without availing FTA benefit, as items may be urgently required for production or to avoid demurrage. The importers may be allowed to claim the duty benefit from customs post clearance by way of refund as is available in other countries of EU, Korea, and Japan etc.</p>	CII	Commr.(Cus)	<p>Section 18 of the Customs Act, 1962 provides for provisional assessment. Thus any imports intending to avail an FTA benefit may seek provisional assessment. For this purpose, the importer has to claim the preferential tariff treatment at the time of import.</p> <p>The assessment will be finalized upon submission of original certificate of origin and other necessary documents. Upon finalization of assessment, the importer may seek refund of excess amount deposited.</p> <p><b>{Matter closed}</b></p>
89.	<p><b>Disparity between Refund and Rebate on Export – GST</b></p> <p>Export on Payment of IGST – Refund allowed on Inputs, Input Services and Capital Goods. Export without Payment of IGST (Refund of Taxes) – Refund allowed on Inputs and Input Services only. So this needs to be at par in both methods.</p>	PHDCCI	Commr. (GST Policy)	<p>Refund of IGST paid and refund of unutilized ITC are two routes available to exporters. The exporters are at liberty to choose any of the method which is beneficial to them.</p> <p><b>{Matter closed}</b></p>
90.	<p><b>Pending IGST Refund on export of goods</b></p> <p>Refund pending due to SB005 and SB006 error should be cleared immediately. Suitable instructions should be issued to Field formations to clear the refund or assign the reason for not granting the refund.</p>	PHDCCI	JS (Cus)	<p>Shipping Bill wise 98% of the refund claims pending due to SB005 and SB006 errors has already been disposed and the remaining refund claim of 2% Shipping Bills are pending due to non receipt of documents from Exporters/CHAs/Shipping line/Carriers. They are also being disposed as soon as relevant documents are being received.</p> <p><b>{Matter closed}</b></p>