



भारत सरकार
GOVERNMENT OF INDIA
वित्त मंत्रालय / राजस्व विभाग
Ministry of Finance / Department of Revenue
अप्रत्यक्ष कर एवं सीमा शुल्क
Central Board of Indirect Taxes and Customs
अन्तर्राष्ट्रीय सीमा शुल्क निदेशालय
Directorate of International Customs

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F. No. : D-20/DIC/AEO/16/2017/PT-II/
Date : 02.12.2020

To,

The Principal Chief Commissioner/Chief Commissioner,
All Customs Zones

Respected Madam/Sir,

Subject:-Uniformity in the recommendation received for AEO applications (AEO-T2, T3 & LO) from the Customs Zones- regarding.

I am writing this letter to bring to your kind notice that the 1st AEO SAMVAD Meeting between Directorate of International Customs (DIC) & all the AEO Zonal Nodal officers was held on 25.11.2020 (minutes of the meeting are enclosed for kind reference).

2. One of the issues discussed was that the recommendations for AEO-T2/T3/LO applications are being received from different levels of officers from different zones. It was therefore, requested that the recommendation from the zone may be forwarded to DIC only after the due approval of the Zonal AEO Programme Manager (para 4(C) of the minutes of the meeting).

3. To ensure that the above suggestion of DIC is implemented in earnest, I would like to request that AEO cell under your jurisdiction may kindly be directed to forward the AEO-T2/T3/LO applications alongwith recommendation only after the due approval of the concerned Zonal AEO Programme Manager.

4. Such practice will ensure propriety and uniformity in processing of AEO applications & would also assist in keeping the head of the AEO cell (Zonal AEO Programme Manager) apprised of the pendency at the Zonal level.

Yours sincerely,

Encl: as above.


(ARTI AGARWAL SRINIVAS)

Principal Commissioner
Directorate of International Customs

Minutes of AEO SAMVAD Meeting

25th November 2020

Chaired by: Ms. Arti Agarwal Srinivas, Pr. Commissioner (DIC)

List of Participants from DIC:

1. Shri Manish Kumar, Joint Commissioner
2. Shri Manudev Jain, Deputy Commissioner
3. Shri Y. K Kanwaria, Assistant Commissioner
4. Shri Sanjay Kumar, Assistant Commissioner

List of Participants from customs zones:

1. Ms. Kajal Singh, Commissioner, Delhi Customs
2. Shri Manish Saxena, Commissioner, Delhi Customs
3. Nodal officers and CRMs from Ahmedabad, Bengaluru, Bhubaneswar, Cochin, Delhi, Hyderabad, Mumbai-I, Mumbai-III, Nagpur, Patna, Pune, Tiruchirappali, Vishakhapatnam (list enclosed).

Agenda Points: (schedule enclosed)

- a. Web application pendency and its processing
- b. Discussion on monthly pendency disposal report (MIS)
- c. Format of recommendation letter from the Customs Zones
- d. Format of solvency certificate for the Chartered Accountant
- e. Inclusion of break-up of contingent liability of the applicant, if any
- f. Categorical remarks on responses for the relevant SCN issued/legal compliance of the applicant

Discussion:

1. At the outset, all the participants were welcomed by the Joint Commissioner, DIC.
2. The meeting then commenced with the address of Ms. Arti Agarwal Srinivas, Pr. Commissioner, DIC, wherein three significant points were highlighted by her which are as under:
 - Regular monitoring of application pendency at the level of customs zones and timely disposal of all pending applications, especially AEO-T1 applications.
 - There is a need for institutionalizing regular/periodic meetings between DIC and nodal officers/ CRMs of various customs zones.
 - Emphasis on the requirement of all the zones to conduct regular in-house meetings and training sessions to disseminate the information to all the CRMs/ staff members handling the AEO related work.

- Pr. Commissioner also stressed the need to sensitize and hand-hold AEO applicant by respective CRMs, in case they are facing any difficulty.

3. After the address by AEO Programme Manager, all the AEO nodal officers introduced themselves and their team from the zone.

4. Subsequent to familiarization with the officers, Sh. Manish Kumar, JC commenced the discussions on the agenda points for the meeting. He also took up the issues and inputs from all the zones regarding respective agenda points. The relevant discussions are discussed as under:

a. **Web application pendency and its processing-** Zones were made aware of the current pendency position of AEO T1 applications and were requested to dispose of the pending applications at the earliest. During this discussion, representatives from Ahmedabad, Bengaluru, and Mumbai-I zones informed their current pendency position and assured that timely disposal of the same shall be taken up. **[Action: All Zones]**

b. **Discussion on monthly pendency disposal report (MIS)** - In this regard, DIC referred to the new proposed MIS report format (Proforma enclosed), shared with all the zones via office mail 24.11.2020. It was informed that all subsequent reports should be sent in the said format. Further, all the zones were requested to submit two MIS reports by 03.12.2020, i.e., report as on 01.11.2020 and 01.12.2020. The Pr. Commissioner(DIC) requested the AEO Nodal Officers to convey the dashboard report's formats that they would want access for relevant pendency information sharing from DIC.

[Action: Zonal AEO Cell]

c. **Format of recommendation letter from the Customs Zones** - The Pr. Commissioner, DIC stressed on the fact that the format of recommendation letter from the zones need to be uniform and same should be forwarded to DIC after due approval of AEO Zonal Programme Manager.

[Action: Zonal AEO Cell]

d. **Format of solvency certificate for the Chartered Accountant** - A suggestion was received from Ahmedabad zone to devise a standard Proforma for the applicant's solvency certificate. In this regard, DIC informed that the solvency certificate should be in line with the requirements of AEO Circulars and should contain the following basic details for the last three financial years:

- Net Worth figures.
- Figures of current assets and current liabilities.
- EBIT figures (Earnings before interest and taxes) for calculation of the current ratio.
- Declaration with respect to the applicant not involved in insolvency or bankruptcy proceedings.

- Declaration stating that applicant has not defaulted in payment of due Customs duties during the past three years.
- Identification number of the Chartered Accountant.

[Action: Zonal AEO Cell]

- e. **Inclusion of break-up of contingent liability of the applicant, if any** – Joint Commissioner, DIC emphasized the need for the complete break up of contingent liability for reconciliation with legal compliance report from the zone. The Joint Commissioner requested the AEO Cells to also examine this specific parameter before forwarding their reports. [Action: Zonal AEO Cell]
- f. **Categorical remarks on responses for the relevant SCN issued/legal compliance of the applicant** – Joint Commissioner, DIC informed the participants that the reports received from various zones often only submit the list of SCNs issued to the applicant in the pertinent period, without any categorical remarks on fulfillment of the criteria of legal compliance. Further, DIC stressed the need to submit the categorical remarks regarding legal compliance parameters in the absence of which the time to process the application gets unnecessarily extended. [Action: Zonal AEO Cell]

Mumbai-I Zone also suggested to include specific provisions for LOs, specifically Customs Broker, to bring into scrutiny/analyze any non-compliance by the Customs Broker, especially with respect to the extant CBLR provisions. Pr. Commissioner, DIC welcomed the said suggestion, and she assured that the same would be looked into.

[Action: DIC]

5. After this, Sh. Manudev Jain, Deputy Commissioner, discussed the major issues raised by various field formations regarding AEO T1 processing, submitted through online forms after collating the same.

- **Unavailability of DGFT link for verification of AEO T1 registrations:** In this regard, DIC informed that the said issue has already been addressed and communicated to all the zones through e-mail. It was reiterated that the portal now allows the applicant to upload the IEC copy indicating the registered mobile number and e-mail ID. Further, as per the suggestion from the Ahmedabad zone, DIC agreed to make the information tab available on the registration page more exhaustive to inform the applicant that the IEC uploaded should be screenshot from their user login of the DGFT website. Further, DIC also informed that the DGFT verification link shall be taken down from the verification page as the same is obsolete now. [Action: DIC]

- **Copy of deficiency mail to the applicant:** DIC brought to the participants' notice that a recent change has been made in the existing module to ensure that the copy of the deficiency mail is also sent to the zonal e-mail id as well as the e-mail id of the AEO cell. A list of e-mail IDs currently being used is enclosed herewith. Any changes with respect to same may be informed to DIC.

[Action: Zonal AEO Cell]

- **MIS report to include time range:** DIC assured that the existing MIS report shall be tweaked to incorporate the time range feature in the MIS report. However, presently the zones have the provision to download the MIS report in excel format and sort the same for any date range, as required. **[Action: DIC]**
- **Rectification of deficiency:** DIC communicated that a recent change had been made in the portal to freeze the details submitted by the applicant in their primary application. Any changes/replies regarding the deficiency memo issued to them need to be incorporated in the deficiency tab button (5 MB) provided at the bottom of the Annexure-II. In this regard, a pre-printed message is also sent (as the header of the deficiency mail) to the applicant whenever the zone's deficiency is communicated to them. In this regard, Ahmedabad zone suggested including a guidance note (within the application) for applicants to appropriately respond to major actions on the web application. DIC has taken note of the said point, and appropriate action in this regard shall be taken. **[Action: DIC]**
- **Clarification with respect to uploading of solvency certificate vis-a-vis point no 8,9 & 10 of Annexure-II of web application:** DIC explicitly made clear that in terms of Circular No. 3/2018-Customs dated, the applicant needs to either upload the solvency certificate or enter details with respect to Point no. 8,9 & 10 of Annexure-II of the web application. It was also informed that even the online portal had been so designed, wherein once the applicant uploads the solvency certificate, Point no. 8,9 & 10 of Annexure-II automatically gets disabled.
- **Withdrawal/deletion of application:** The Cochin customs zone suggested that the applicant be allowed to withdraw the application filed at any stage of processing in case the applicant doesn't want to pursue the application further owing to any reasons. In this regard, DIC informed that the said point had already been deliberated upon. Subsequently, a functionality of deletion of application/registration was provided to the zonal AEO nodal officer, which enabled the concerned officer to delete any application/registration on receipt of formal communication by the applicant. The Cochin customs was satisfied with the said reply. Further, Pr. Commissioner (DIC) communicated to the participants that the information with respect to any such deletion of application should also be forwarded to DIC. **[Action: Zonal AEO Cell]**

6. During the meeting, Shri Manish Saxena, Commissioner, Delhi Customs, broached the points for ensuring continuity of work (during transfers) and proposed a mechanism for the ease of pendency oversight by superior officers of the zones. He conveyed that DIC should issue generic login IDs for the web application so that the same may be transferred from one officer to another during new postings. In this regard, it is to inform that the zonal AEO nodal officer is the manager for all login pertaining to his/her zone. He/she is authorized to modify or reset the password of any of the officers working in the concerned zone from his dashboard. DIC only manages the logins for the zonal AEO nodal officer.

Shri Saxena, also indicated the limitation of the present system where the zones are not aware of the approvals from DIC. Pr. Commissioner (DIC) agreed to the point and emphasized the need to devise a system for it. The same is under consideration. In the meantime, DIC officers will be directed to mail a scanned copy of AEO certification to relevant customs zones for record-keeping via internal directions.

Shri Saxena, concluded with his remarks on the need for a tool to track any application under process AEO T2, T3, and LO application within the zone. In this context, the discussion at 4(b) for a new proposed MIS is relevant. In this connection, Pr. Commissioner (DIC) ensured that DIC would look into the feasibility of implementing an automated system-based solution to ensure the availability of such information in real-time.

[Action: DIC]

7. At last, Pr. Commissioner, DIC sought suggestions from all the participants regarding the agenda points discussed during the meeting and any other suggestions that the zones would offer by the 7th December 2020 (Monday). Further, she stressed that all the proposals received by DIC will be collated and shall be deliberated upon. Necessary changes /modifications as required shall be done in a timely manner, and information in this regard will be disseminated to all the zones.

[Action: Zonal AEO Cell]

8. The meeting was concluded with a vote of thanks by Manish Kumar, Joint Commissioner, DIC.

Sr. No.	Customs Zone	Name of the officer (Sh./Ms.)	Designation
1	Ahmedabad	Shri. Binay Pratap Singh	Additional Commissioner
		Shri. Tara Prakash	Assistant Commissioner
2	Bengaluru	Shri. S.Nasser Khan	Additional Commissioner
		Shri. K.Babu	Assistant Commissioner
3	Bhubaneswar	Shri. J. Sateesh Chandar	Joint Commissioner
		Shri. Sourabh Chakravorty	Assistant Commissioner
4	Cochin	Dr. HARISH.J	Joint Commissioner
		Shri. NIDHIN LAL.E.S	Deputy Commissioner
5	Delhi	Shri. Sanjiw Kumar Mishra	Additional Commissioner
		Shri Hari Shankar	Additional Commissioner
		Shri Abhishek Chandra Gupta	Additional Commissioner
		Ms. Farah Iqbal Gupta	Additional Commissioner
		Shri Debjit Banerjee	Joint Commissioner
		Ms. Arathi Nair	Deputy Commissioner
		Shri. Utkarsha	Deputy Commissioner
		Shri. Anil Kumar Sapra	Deputy Commissioner
6	Hyderabad	Shri. Ventru Srinivas	Additional Commissioner
		Shri. D Jagadish	Deputy Commissioner
7	Mumbai-I	Shri. K Raguram	Joint Commissioner
		Shri. K Ravi Kumar	Assistant Commissioner
8	Mumbai-III	Shri. M K Sarangi	Additional Commissioner
		Shri. Ravi Kusha Suvarna	Assistant Commissioner
		Shri Prabhakar Kumar	Joint Commissioner
		Smt. Priya Jadhav	Deputy Commissioner
9	Nagpur	Shri. Mukul Patil	Joint Commissioner
		Shri. V. Shrinivas	Assistant Commissioner
10	Patna	Shri. Pratul Tiwary	Additional Commissioner
		Shri. Suranjan Biswas	Assistant Commissioner
11	Pune	Ms. Vaishali S. Patange	Joint Commissioner
		Shri Bibekananda Nayak	Assistant Commissioner
12	Tiruchirappali	Shri. J.Md. Navfal	Additional Commissioner
		Shri. M.Saravanakumar	Deputy Commissioner
13	Vishakhapatnam	Shri. M. Sreekanth	Joint Commissioner
		Shri. Aravinda Das	Assistant Commissioner

AEO Review Meeting ScheduleDate: 25th November, 2020

<u>Sl. Number</u>	<u>Agenda Point</u>	<u>Time</u>
1.	Address by Pr. Commissioner (DIC), Ms. Arti Srinivas and Introduction of the participants from the zones	11:30 AM- 11: 45 AM
2.	Discussion/Suggestions on the following agenda points: 1. Web application pendency and its processing 2. Discussion on monthly pendency disposal report (MIS) 3. Format of recommendation letter from the Customs Zones 4. Format of solvency certificate for the Chartered Accountant 5. Inclusion of break-up of contingent liability of the applicant, if any 6. Categorical remarks on responses for the relevant SCN issued/legal compliance of the applicant <i>From DIC by- Shri. Manish Kumar, JC (DIC) and Shri. Manudev Jain, DC(DIC)</i>	11: 45 AM- 12: 30 PM
3.	Discussion on issues raised by field formation (received via Google Forms) <i>From DIC by- Shri. Manudev Jain, DC (DIC) and Shri.Nitin Misra, Supdt (Web Application)</i>	12:30 PM- 01:00 PM
4.	Concluding Remarks <i>From DIC by- Shri. Manish Kumar, JC</i>	01:00 PM- 1:05PM

Monthly Disposal Report for AEO T2, T3, & LO Applications (proposed)

Tier	Opening Balance (as on 1st of the month)	Application Received During the Month	Disposal by Way of Forwarding to DIC		Applications Under Process		Closing Balance (as on last day of the month)
			For Approval	For Rejection	Deficiency Issued	Application Under Scrutiny	
	[1]	[2]	[3]	[4]	[5]	[6]	[7] = [1] + [2] - ([3] + [4])
T2							
T3							
LO							
Total							

Details regarding column [3] & [4]

Sl. No.	Name of Entity	AEO Tier	IEC/ PAN (for LO)	Approval/ Rejection	Date of Forwarding to DIC

Details regarding column [5] & [6]

Tier	No. of Application Pending for less than 30 days	No. of Application Pending for 1-3 months	No. of Application Pending for 3-6 months	No. of Application Pending for more than 6 months
T2				
T3				
LO				
Total				

List of Zonal Email IDs along with their corresponding Zones		
Sr. No.	Name of the Zone	Email ID
1	Ahmedabad	ccu-cusamd@nic.in
2	Bengaluru	ccu-cusblr@gov.in
3	Bhubaneshwar	ccu-cexbbr@nic.in, cusbbsr1@gmail.com
4	Chennai	ccchennaizone.tn@nic.in, aeochennaizone@gmail.com
5	Cochin	cccocchin@nic.in, aeocell.cochin@icegte.gov.in
6	Delhi	ccu-cusdel@nic.in
7	DIC	diccbec.dor@gov.in
8	Hyderabad	commr-cushyd@nic.in, customs.aeo@gmail.com
9	Kolkata	ccu-cuskoa@nic.in, aeo-kolcusreport@gov.in
10	Mumbai- I	ccu-cusmum1@nic.in, aeozone1@gmail.com
11	Mumbai- II	chiefcom@jawaharcustoms.gov.in, aeocell.jnch@gov.in
12	Mumbai- III	cczone3@mumbaicustoms3.gov.in, dczone3@mumbaicustoms3.gov.in
13	Nagpur	cccexnag@gmail.com, custtech2016@gmail.com
14	Patna	ccu-cuspatna@nic.in
15	Pune	ccu-cexpune@nic.in, aeo.cuspune@gov.com
16	Trichy	ccuprev-custrichy@nic.in, aeocptrych@gmail.com
17	Vishakhapatnam	ccu-cexvzg@nic.in
18	Bhopal	ccu-cexbpl@nic.in