



Time Release Study 2020

Jawaharlal Nehru Custom House
Nhava Sheva

Government of India
Department of Revenue, Ministry of Finance
Central Board of Indirect Taxes and Customs

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The Nhava Sheva TRS 2020 is of much interest to the Board and the department for its insights into smoothening the trade flow processes.

The study has adhered to the previous methodology and scope for TRS adopted by Nhava Sheva Port to enable inter-temporal comparisons. It identifies bottlenecks and good practices at specific stages in import or export procedures. Making easily understandable analysis to pin-point specific recommendations for reform. These would be of interest to other Customs zones as well.

I commend the officers of Nhava Sheva for the study.

M. AJIT KUMAR
Chairman, CBIC

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Foreword

Nhava Sheva Customs are making time release studies since 2012 on the import side and from 2018 in exports which have contributed to suggesting road maps for the future, many of which have been implemented along the way.

The study team for TRS 2020 was constituted vide Office Order No. 08/2019 dated 17.12.2019. The aspects handled by each team member are described in Annexure A at the end of study. Shri Sanjay Vaidya, Technical Director of NIC, officers of Systems Directorate and their SI team, the Joint Director, DYCC and scientists have assisted in making the study. The active participation of importers, exporters, Custom Brokers, PGAs, CFSs and port-Terminals made the study possible. The contribution of each above is acknowledged. The support received for the study from administration of Jawaharlal Nehru Port Trust is appreciated.

Shri Sunil K Mall, Commissioner, Shri Kamlesh K Gupta, Addl. Commissioner and Shri Pandurang Chate, Joint Commissioner deserve special mention for shouldering responsibility of making the study. Shri Jag Mohan Sagar, Appraising Officer, also designed the presentation lay-out of these pages.

Shri Vivek Johri, now Member CBIC, headed Nhava Sheva when the teams were formed, the collection of details organised, the documents/goods tracked, and coordination made with various data sources. The foresight shown then, has allowed comparability in results of this study with that of 2019. I thank him.

It is hoped that this study too adds to making smoother the flow of trade across borders.

Rajiv Talwar
Chief Commissioner

1. Executive Summary of TRS 2020

- 1.1 The time release study was conducted on sample comprising bills of entry and shipping bills filed during 1st to 7th January 2020 for import and export at Nhava Sheva. The methodology of TRS 2019 was followed.
- 1.2 The essence of the findings are as follows –

Average Release Time improvement

Imports

Better at 91.65 hours compared with 105.41 hours in the previous study.

Exports

Better at 119.32 hours compared with 121.60 hours in the previous study.

National Trade Facilitation Action Plan accomplishment

Imports

The average release time of the fastest 71 per cent. of bills of entry was within NTFAP target of overall 48 hours. This figure is calculated as 63 per cent. for the 2019 study.

Exports The average release time of the fastest 01.34 per cent. of shipping bills was within NTFAP target of overall 24 hours. This figure is calculated as 00.92 per cent. for the 2019 study.

If 3 days wait period in port before loading is excluded, the accomplishment vis a vis target reaches 81 per cent. shipping bills.

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1.3 Analysis based **recommendations** made by the TRS 2020, for achieving improvement in release time, which involve consideration by CBIC are –

- (a) increasing charge for late filing of on-arrival bills of entry.
- (b) enabling auto-registration through ICES for all facilitated BE, immediately after assessment stage or entry inward, whichever is later.
- (c) integrating container scanning output with ICES, and bring the relevant BE into the out of charge queue so that action for out of charge can be taken without requirement of the copy of physical scan report.
- (d) replacing the present framework of honouring of preferential imports at ports through production of physical paper COO certificates and their verification/debiting, with electronic documentation.
- (e) give access to different government departments/agencies on ICEGATE for purpose of generating/issuing exemption certificate in a specified format which can get linked with bill of entry and get electronically verified by ICES, thus doing away with physical production of such certificates
- (f) enable auto queuing-up of facilitated bills of entry of partner government agencies when the PGA's online no objection certificate is linked to the bill of entry, and provide for automatic out of charge in manner similar to outcome developed in recently introduced customs compliance verification.
- (i) activate electronic declaration of Annexure-C details by exporter/customs broker and integrate with ICES the e-seal details and details of e-seal verification, so that in process of registration there is electronic matching of details in the shipping bill. This would imply that exporter or his representative customs broker would normally not need to come to the parking plaza.

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- 1.4 For specifically the Plant Quarantine, FSSAI and Textile Committee authorities it has been recommended to review and re-orient their internal functioning framework in terms of staffing, infrastructure and office location etc to specifically cater to the requirements at Nhava Sheva so that there can be targeted improvements.
- 1.5 For implementation locally by the Nhava Sheva Customs, the study recommends –
 - (a) in the case of Customs chemical tests, SOP should be laid down for ensuring time and date stamps and entry in online test module so that data for future studies is more refined. Secondly, to specifically improve release time, recommendation is to increase daily frequency of transporting test samples from the multiple docks.
 - (b) continued outreach to importers, exporters and customs brokers, for increasing shares of advance bills of entry and processing therein, encouraging registrations under the AEO/DPD schemes and use of direct port entry options in exports.

2. About the Custom House

- 2.1 The Custom House at Nhava Sheva caters to the clearance of export – import cargo at major port administered by the Jawaharlal Nehru Port Trust. The port was commissioned in 1988 as a single government-owned terminal, now has added four privately-operated port terminals for containerized cargo handling. It also has bulk liquid cargo handling facility. It ranks amongst the largest ports with a world-wide ranking between 30-35.
- 2.2 The Custom House caters to about 55 per cent. of India's containerized import - export cargo from the port.
- 2.3 Except when import cargo is delivered under DPD scheme¹, it is moved into 34 Container Freight Stations² (CFS) for carrying out controls and procedure by border management agencies including Customs.
- 2.4 Exports are handled using the CFS for containerisation of the cargo. In addition, sealed containers with export cargo arriving from the hinterland are processed on-wheel for clearance at export Parking Plazas³ as direct port entry (DPE)⁴.

¹ DPD scheme - upon obtaining customs out of charge the delivery of import container is made to importer who has taken registration at the port gate itself.

² CFS is a customs area set up as an extension of a customs station. It decongests the port.

³ Parking Plaza is a document processing area to facilitate Direct Port Entry for e-sealed containers for exports.

⁴ DPE process is the export equivalent of DPD. Under this, exporters' e-sealed containers need not be routed through CFS for seal verification and export permission is handled at the PP.

3. Objective of TRS 2020

- 3.1 The World Customs Organisation (WCO) refers to Time Release Study (TRS) as –

"..... tool to measure the actual time required for the release and/or clearance of goods, from the time of arrival until the physical release of cargo, with a view to finding bottlenecks in the trade flow process and taking the corresponding necessary measures to improve the effectiveness and efficiency of border procedures."

TRS is being utilized as in-house effort and helping to present the effects of past measures having bearing on release time and to identify further initiatives. Some such steps taken after the study of 2019 and others brought in till July 2020 are mentioned in **Appendix-1**.

- 3.2 In 2019, the objective under the National Trade Facilitation Action Plan (NTFAP) 2017-2020 to bring down overall cargo release time for imports has been changed from within 3 days for sea cargo to within 2 days, and for exports from within 2 days to within 1 day.
- 3.3 This study is based on sampling in the very beginning of the calendar year 2020. It aims to continue the tradition of analysis set by TRS 2019 and to make recommendations, with respect to issues identified so as to facilitate customs clearance.

It also seeks to measure accomplishment during the sample period vis a vis the revised target under the NTFAP so that the distance to be covered is known.

4. Import Release Time Methodology and Scope

- 4.1 The WCO definition of release time is of it being equal to the arithmetic mean of the time taken between the arrival of cargo at the seaport and their final release into the economy via standardised system. Accordingly, the standard definition of release time adopted is the time taken from the grant of entry inwards to the grant of out of charge⁵ by customs.
- 4.2 The core methodology spelt out in TRS 2017 and TRS 2018, and adhered in TRS 2019⁶, is adopted in present study.
- 4.3 Bill(s) of Entry⁷ (BE) filed during the sample period from 1st to 7th January 2020 were tracked till 7th February 2020. This data was analysed. The study is based on 13,678 out of the 14,391 BE filed during the sample period. A total of 713 BE (4.95 per cent.) were excluded⁸ from the study.
- 4.4 Primarily, the Customs IT System is the data source for import study. Wherever necessary, data has been obtained from partner government agencies, DYCC etc.
- 4.5 During the study & tracking period a one-time type of policy driven changeover⁹ was made that does not have a parallel in the studies from 2017 onwards. This related to method of payment of social welfare surcharge (SWS). In relevant portions of the study, the effect sans this development has also been presented.
- 4.6 **Appendix 2** contains detailed data on release times by categories of BE or importers.

⁵ Out of charge is the final procedure of import customs clearance to take delivery of imported goods. .

⁶ The TRS tool is being utilized as in-house effort of the CBIC since year 2012 when the average release time of import cargo was found to be about 300 hours. It declined to 105.41 hours in the TRS 2019.

⁷ Bill of Entry is a document required to be filed under section 46 of Customs Act 1962 to make entry of imported goods.

⁸ Reasons for exclusion were that as they were filed for purpose of warehousing (440), or they pertained to an earlier entry inwards before 30.12.2019 (175) or did not receive the entry inward (36) or were yet to receive out of charge at end of tracking period (62).

⁹ By virtue of CBIC Circular No. 02/2020-Cus dated 10.01.2020 the payment of SWS via debit in duty credit scrips was disallowed which led to 347 BE being reassessed (with or without recall).

5. Import procedure in relation to release time

- 5.1 The standard import clearance process begins with filing of the Import General Manifest¹⁰ (**IGM**) by the Shipping Lines and concludes with giving the out of charge.
- 5.2 The norm is the electronic BE which requires submission of import declarations along with self-assessment of duty liability and compliance of other non-fiscal regulatory requirements. The supporting documents are also electronically uploaded via **e-Sanchit**¹¹ facility.

An importer may file BE up to thirty days in advance of filing of the IGM. If importer adopts filing of **advance BE**, the part of the import clearance process which relates to assessment of duties on goods (along with compliance of trade policy) and even duty payment can be attempted to be completed before arrival of goods (that is, before grant of entry inwards¹²).

Thus, advance BE provide room for pre-arrival processing as some of the activities could be completed before the measure of time starts from grant of entry inwards.

- 5.3 The BE filed on arrival of goods, that is, on grant of entry inward are described as **on-arrival BE**. The term used for on-arrival BE in earlier studies is normal BE.
- 5.4 CBIC's **risk management system**¹³ (**RMS**) aims to facilitate while ensuring compliance. The extent of such facilitation or interdiction considers the concerns of revenue as well as of government regulatory agencies. It too has bearing on release time.

¹⁰ IGM is document filed under section 30 of the Customs Act by shipping line giving details of cargo arriving at the port.

¹¹ E-Sanchit is for paperless uploading of supporting documents with BE or shipping bill by importer or exporter.

¹² Entry inward is the permission granted by the proper officer to the master of the vessel to unload the goods.

¹³ RMS is an IT driven system with primary objective to strive an optimal balance between facilitation and enforcement and to promote a culture of voluntary compliance.

- 5.5 Upon filing of self-assessed BE by importer, the BE are processed by the Risk Management System (RMS) to specify the extent of facilitation or interdiction.
- 5.6 If the RMS evaluates importer's self-declaration as acceptable, the BE is treated as **fully facilitated** BE and out of charge is given upon payment of self-assessed duties, and in a few select cases, after minimal documentary checks such as verification of a license or country of origin certificate. The fully facilitated BE involves neither verification of importer's self-assessment nor examination of goods. It receives quick clearance through the customs IT infrastructure.
- 5.7 Where the RMS requires that importer's self-declaration merits further scrutiny, it routes the BE for intervention. The level of interdiction is based on level of perceived risk. These levels add to release time and are broadly as follows –

- (i) verification of documents only, also referred as **second check without examination**. The RMS assists the officer in this verification by providing appraising instructions. At times, this process may involve the Customs Officer electronically seeking information or document from importer through **Query** which can be electronically replied and documents uploaded remotely by importer via the **e-Sanchit** module.

BE, either fully facilitated or subjected to second check without examination, are referred as **facilitated** BE as the goods are not imposed with any intervention.

- (ii) verification of veracity of documents and partial or complete examination of the cargo upon assessment, also referred as **second check with examination**

- (iii) physical examination of cargo before completion of assessment, also known as **first check**. This may also be applied by assessing officer including at request of importer who is unable to assess its goods. Cases of import of second-hand goods, or where it is evaluated that there is more room for mis-declaration, attract first check. Thereafter, based on examination report and other relevant parameters like **test reports**, certificates etc. the assessing Group does the verification. In the case of the first check, the Customs duties are paid after these processes are over and out of charge is given by the Docks Officer.

5.8 The Indian **Authorised Economic Operator**¹⁴ (**AEO**) programme launched by CBIC in 2016 is under the aegis of WCO's SAFE Framework of Standards to secure and facilitate global trade.

It aims to enhance international supply chain security and to facilitate movement of legitimate goods. An entity engaged in international trade which is approved by Customs as being compliant with supply chain security standards is granted an AEO Status. The holder of such status has tangible benefits which include **facilitation** by priority in processing and clearance of goods.

From 2019 to 2020, AEO partners have risen from 2062 to 3427 in number, while such logistics operators rose from 503 to 762. During the study period, of the 3427 AEO partners, 10 have tier III status that provided maximum benefits, including deferred duty payment facility in which there is delinking of duty payment and customs clearance. There were 505 AEOs in tier II and 2912 AEOs in tier I.

¹⁴ AEO – They are entities engaged in international trade approved by Customs as compliant with supply chain security standards and granted certain benefits.

- 5.9 Under **Direct Port Delivery (DPD)** scheme, upon obtaining customs out of charge the delivery of containerised cargo is made at port gate itself to importer, thus providing importer the flexibility in routing the container to any preferred location. By this way the scheme allows importer to consolidate further the gains from facilitation. Number of importers/exporters accorded DPD option, many of them *suo-moto*, has increased from 3080 in previous year to 4433 in 2020.
- 5.10 **Regularity of import** has been studied in the past in relation to release time with importers, who have filed seven or more BE during sample period, being categorized as regular importers and others as non-regular importers. There were 320 regular importers and 5771 non-regular importers segregated by this method.
- 5.11 In many instances, clearance of import cargo is dependent upon role of **other government agencies** such as the plant or animal quarantine authority, the FSSAI, Drugs Controller from where a report or NOC is required. CBIC's Single Window Interface for Facilitating Trade (**SWIFT**)¹⁵ has presently brought six Participating Government Agencies (**PGA**)¹⁶ onto a single platform that has documentation facility coupled with common RMS. These aspects too have bearing on release time.

¹⁵ SWIFT – a programme which enables importers/exporters to file a common electronic 'Integrated declaration' compiling information for customs and all PGAs. It replaces nine separate forms required by these 6 PGAs and Customs.

¹⁶ PGAs - These are specialized bodies due to their expertise in a particular field or due to them being the empowered agency under a statute to regulate the import of specified goods.

6. Overall cargo release time in imports

- 6.1 In 2020, the overall average release time for imports is lower at 91.65¹⁷ hours compared with previous year. The improvement is from 105.41 hours, 144.18 hours and 181.34 hours computed in the previous studies of 2019, 2018 and 2017, respectively.

Overall or average release time is within 48 hours of the fastest 70.58¹⁸ per cent of BE, that is, 9410 BE out of 13678 BE. Thus, cargoes under 71 per cent. of BE filed were released within revised NTFAP target of 2 days. It is calculated that the improvement is made from 63 per cent. in 2019.

The fastest 40.49 per cent BE also had individual release times within 48 hours. This figure has improved from 34 per cent. in 2019.

- 6.2 The fastest individual BE were jointly two BE¹⁹, each with individual release time of 0.10 hours (six minutes). This illustrates the technical possibilities related to release time. The least fast BE in the category meeting NTFAP target has individual release time of 110.22 hours.

¹⁷ Unadjusted for SWS issue - 92.89 hours

¹⁸ Unadjusted for SWS issue - 69.57 per cent.

¹⁹ BE No. 6343063 dated 03.01.2020 of DE Diamond Electric India Private Ltd. filed by Vardhman Customs Clearing & Forwarding Agents and BE No. 6377744 dated 07.01.2020 of L&T- MHPS Turbine Generators Private Limited filed by Express Cargo.

7. The path to promptness identified in TRS 2019

- 7.1 Advance BE, enhanced level of facilitation associated with AEO status holders or importers utilising DPD scheme have been described in previous study of 2019 as the Path to Promptness. The previous studies also categorise BE as filed by regular importers who are taken as those who filed seven or more BE during the sample period.
- 7.2 The outcomes of the study for these types of BE or importers are encouraging and as given below –

Table 1

<u>Nature of BE or Importer</u>	<u>%age share in total</u>	<u>%age share in total</u>	<u>%age facilitation level</u>	<u>%age facilitation level</u>	<u>ART in hours</u>	<u>ART in hours</u>	<u>%age share that meets NFTAP target</u>
Year →	2019	2020	2019	2020	2019	2020	2020
Advance BE	66.2	69.45	75.63	78.18	83.06	78.46	83.58
Fully facilitated BE	57.15	57.64	100	100	75.25	67.57	90.29
Facilitated BE	73	75.16	100	100	83.6	80.9	85.24
AEO importer BE	37	52.65	90.89	88.7 ²⁰	75.31	74.34	87.52
DPD importer ²¹ BE	57.8	53.17	82.58	84.78	87.85	77.69	84.71
Regular importer ²² BE	38.2	34.27	84.84	88.67	83.27	69.43	90.43

Recommendation 1

- 7.3 It is recommended that for faster average release time the following achievements in 2020 study must receive attention and be surpassed through continuing outreach to the stakeholders, especially the customs brokers –
- increasing share of advance BE beyond 69.45 per cent.; raising usage of AEO programme and DPD scheme from present level.
 - within advance BE, increasing share of BE in which assessment gets completed before entry inwards beyond 87.05 per cent. and in which duty is also paid before entry inwards beyond 32.53 per cent.

²⁰ AEO BE full facilitation level – 84.5 per cent. in 2019 and 75.35 per cent. in 2020. Overall full facilitation level 58.1 per cent. in 2019 and 55.76 per cent. in 2020.

²¹ AEO BE in DPD BE is 61.5 per cent. in 2018, 60.5 per cent. in 2019 study and 82.9 per cent. in present study.

²² LG Electronics India Pvt Ltd was regular importer with highest number of BE filed, 92 per cent. being advance BE.

8. BE with slower release times

8.1 The performance of the slowest BE showed improvement as follows –

Table 2

<u>bills of entry</u>	<u>average release time in hours</u>	
	<u>year 2019</u>	<u>year 2020</u>
slowest 01 per cent.	719	602
slowest 05 per cent.	465	392
slowest 20 per cent.	275	235
slowest 30 per cent.	226	196

8.2 The broad categories of BE with longer average release times were the same as in previous years. However, these showed further improvement as follows–

Table 3

<u>Nature of BE or Interdiction or Importer</u>	<u>%age share in total</u>	<u>%age share in total (number)</u>	<u>%age facilitat ion level</u>	<u>%age facilitat ion level</u>	<u>ART in hours</u>	<u>ART in hours</u>	<u>%age share that meets NFTAP target</u>
Year →	2019	2020	2019	2020	2019	2020	2020
On-arrival BE	33.73	30.55	66.68	68.31	150.03	125.68	34.82
Query in assessment BE	2.8	4.33	35.71	51.43	204.54	155.37	25.69
2 nd check exam. BE	24.34	22.20	-	-	157.33	133.67	14.39
1 st check exam. BE ²³	3.0	3.0	-	-	218.54	212.42	1.14
Non-regular importers ²⁴ BE	61.8	65.72	65.05	68.12	119.24	105.12	58.59
Liquid bulk cargo ²⁵ BE	0.3	0.1	72.09	52.94	109.49	120.45	41.18

²³ 1st check examination is done for both policy and duty reasons such as valuation including for second hand machinery, classification and process for detection of hazardous dyes especially in textiles, re-imports, to check for concealment or security purposes.

²⁴ 5771 non-regular importers.

²⁵ Liquid bulk cargoes include edible oils, chemicals (acetone, phenol, etc), certain petroleum products and generally involve testing.

Curtailing late filing of On-arrival BE

- 8.3 It is noted from the above two tables that the difference between the average release times of on-arrival BE and advance BE is 47.22 hours. The average time taken to file 4179 on-arrival BE measured from entry inward is 30.07 hours, compared to 43.30 hours in 2019.

Thus, a substantial portion of the difference in average release time of the two types of BE is contributed only by the time taken in filing of on-arrival BE. A prompter filing is desirable.

- 8.4 Insofar as implication on release time is concerned, analysis shows that 350 on-arrival BE were subjected to late fee charge. These have average time of filing from entry inward of 96.35 hours and average release time of 204.70 hours.

They include 26 BE not involving duty, with average time of filing from entry inward of 111.99 hours and average release time of 230.15 hours.

Had these on-arrival BE been filed in the same time as the balance 3829 on-arrival BE were filed, the average release time of on-arrival BE would have been lower by 7 hours and the overall average release time of all BE lower by 5 hours.

Recommendation 2

- 8.5 It is recommended that to have prompter filing of on-arrival BE which directly contributes to reduced release time and higher target achievement, the late filing charges be suitable increased from the present level of Rs. 5,000 to Rs. 7,500 per day.

9. Stage-wise analysis

9.1 The static stage-wise comparative data is as follows –

Table 4

Stage	BE type	2018		2019		2020	
		FF ²⁶ BE	All BE	FF BE	All BE	FF BE	All BE
Inward - submission	Advance	-44.4	-42.36	-58.00	-54.36	-86.42	-87.96
	On-arrival	(46.18)	(49.24)	(40.00)	(44.36)	(27.17)	(30.07)
Submission – assessment	Advance	00.08	18.18	00.05	13.30	00.08	12.75 ²⁷
	On-arrival	(0.12)	(24.42)	(0.05)	(17.54)	(0.08)	(16.19) ²⁸
Assessment - duty payment	Advance	100.25	91.54	106.34	97.59	98.89	90.25
	On-arrival	(71.3)	(76.24)	(62.18)	(61.36)	(57.04)	(54.36)
Duty payment - registration	Advance	37.03	38.42	<i>00.16</i>	<i>11.58</i>	33.08	37.97
	On-arrival	(34.06)	33.24	(0.13)	(11.03)	(1.67)	(5.57)
Registration - OOC	Advance ²⁹	03.20	08.30	08.05	13.18	11.03	16.24
	On-arrival ³⁰	(4.06)	(11.18)	(12.18)	(15.42)	(10.79)	(18.13)

Note – processes in stages over lap. Stage-wise time is not amenable to addition to arrive at release time

9.2 In the Table above, duty payment to goods registration stage draws attention with regard to the result highlighted in italics. The said result, inter alia, flows from certain local interventions mentioned in that study which were temporarily applied across the 2019 study period. These steps included RMS facilitation centre of the Custom House acting on CBs requests to make, or *suo moto* making, the registration of eligible cases. Such steps are not replicated as a standard procedure in the 2020 study.

9.3 The 2020 analysis shows that for 2747 advance fully facilitated BE (in which duty stood deferred or paid before entry inward) the importers/CBs took average 25.36 hours between duty payment and goods registration, and average 19.29 hours in the case of other 7534 facilitated advance or on-arrival BE.

Recommendation 3

9.4 It is recommended that Systems enable auto-registration through ICES for all facilitated BE, immediately after assessment stage or entry inward, whichever is later. This will free up processes leading to better release time.

²⁶ fully facilitated

²⁷ adjusted for SWS issue, unadjusted 21.94 hours

²⁸ adjusted for SWS issue, unadjusted 17.54 hours

²⁹ Advance FF BE – 5555, advance BE - 9499

³⁰ On-arrival FF BE – 2072, on-arrival BE - 4179

Scan EIR integration with ICES

- 9.5 The registration to OOC stage has shown relative increase in time since 2018, even while overall average release time has declined. Given the fluidity of time overlap between stages, it was decided to adopt the tool whereby BE that should normally be moving without any hinderance are identified and then a common factor that may be causing larger time taken is attempted to be identified.
- 9.6 By this methodology, 7666 facilitated BE were shortlisted which were not associated with factors such as country of origin certificate, or partner government agency or requiring certificates such as for import of goods at concessional rate of duty. It was found that these involved average 4.96 hours from registration to OOC, but for a segment consisting of 522 BE involving container scanning based on RMS selection, this time stage averaged 29.94 hours. All the scan reports were of clean image.
- 9.7 Examining the procedure, it was noticed that after entry inward the particular container is selected and sent to Container Scanning Division (CSD) where, upon scanning, a Scan EIR (equipment interchange report) is made with either a clean image stamp or otherwise. The individual Scan EIRs are collected manually from the CSD and then presented at the relevant location for out of charge.
- 9.8 Since, clean Scan EIRs imply absence of examination of the goods, it is deduced by elimination that the physicality of the process of communication of Scan EIRs contributes partly to higher release time.

Recommendation 4

- 9.9 It is recommended that to better release time, the scanning output which is already sent to the SFTP server of the data centre be integrated with ICES, and for the Scan EIR the EDI System bring the relevant BE in to the out of charge queue so that the officer at the RMS facilitation centre/docks/terminal gates can act without requirement of the copy of physical scan EIR.

10. Other categories of BE with longer average release times

10.1 BE involving country of origin certificate:

Comparison was made within the category of facilitated BE not involving PGA, of BE with COO requirement and those not involving COO certificate. The result was -

Table 5

<u>Non-PGA, facilitated BE</u>	<u>%age share in total BE (number)</u>	<u>Average release time in hours</u>
Non-COO BE	51.30 (7019)	62.63
COO BE	10.81 (1377)	69.55

10.2 The foregoing reflects considerable 11 per cent. share of COO BE indicating large relevance of origin in imports as also that there is almost 7 hours impact in this segment with respect to average release time.

Recommendation 5

10.3 It is recommended that Government consider replacing the present framework/arrangement of honouring preferential imports at ports (involving production of physical paper COO certificates and their verification/debiting at time of import) with electronic documentation to achieve paper less clearance.

10.4 BE involving certificate from other Govt departments:

In the duty structure, there are exemptions based on certificate requirements from State or Central Government or their departments or government approved agencies. Many of these can be traced in notification No. 50/2017³¹ - Customs or at Sr. No. 39 of Notification No. 24/2005 - Customs. Procurement certificates for EOUs fit in this category. The likely impact of these requirements is mapped below –

Table 6

<u>Nature of BE</u>	<u>%age share in total (number)</u>	<u>Average release time in hours</u>
No Certificate from Govt Dept BE (non-PGA, non-COO, fully facilitated)	40.44 (5532)	59.18
Certificate from Govt Dept BE (non-PGA, non-COO, fully facilitated)	01.75 (240)	72.4
Certificate from Govt Dept BE	03.93 (578)	98.46

10.5 The above analysis suggests involvement of a 13-hour time factor when such a certificate is to be physically produced for verification and debiting at time of import.

Recommendation 6

10.6 It is recommended that the different agencies be given access on ICEGATE for purpose of generating/issuing certificate in an agency-wise specified format. Upon generation of such certificate with an IEC No. etc, a unique ID may get associated, which would get quoted in the BE for which a specific field needs to be provided, thereby enabling ICES to electronically verify.

A similar process may also be considered for purpose of specific import license/original NOC from BIS, Rubber Board, RNI, CBN, etc.

³¹ For example in terms of Sr. Nos. 17, 404(a), 404(b), 169, 480, 408, 539A, 478, 405(5), 312, 542, 313, 188, 276, 340, 341, 451, 462, 463, 471, 472, 509, 510, 511, 512, 516, 527, 528, 549, 559, 564, 168(A), 168(C), 269(i), 290(ii), 290(iii), 290(iv), 341A, 375(ii), 415(a), 415(b), 513(a), 515A, 516A, 516B, 528A, 292(A) of Notification No. 50/2017 – Cus.

10.7 BE involving Customs chemical examination:

The data collected during the study showed as follows –

Table 7

<u>Nature of BE</u>	<u>%age share in total (number)</u>	<u>Average release time in hours</u>
Customs chem. exam. BE involving 135 samples	8.77 (120)	180.13 ³²

10.8 During the study, the release time for reporting 'samples' was recorded from day of receipt in DYCC laboratory to day of reporting on sample by laboratory. This is a rough measure of 2.28 days. It translates to 54.60 hours.

Recommendation 7

10.9 It is recommended with regard to Customs chemical tests –

- (a) both time and date stamp should be borne on sample collection in the docks, and also when sample is received in DYCC laboratory. Both these sets of time and date stamps must be entered by DYCC laboratory in online Test Module.
- (b) the lab must also enter both time and date when reporting on the sample.
- (c) increase the daily frequency of transporting samples from docks

This can be implemented by the Custom House.

³² 198 hours in 2019

10.10 BE involving Partner Government Agencies:

The BE associated with partner government agencies have traditionally held longer release times, with the exception of those involving the Drugs Controller -

Table 8

<u>Nature of BE</u>	<u>%age share in total BE (number)</u>	<u>Average release time in hours</u>
PGA ³³ BE	11.4 (1562)	156.39 ³⁴
Non-PGA BE	88.6 (12116)	84.7 ³⁵
PGA advance BE	07.86 (1076)	148.3
PGA facilitated BE	08.34 (1141)	143.99
PGA AEO BE	04.52 (618)	134.97
PGA on-arrival BE	03.55 (486)	174.23
PGA non-facilitated BE	03.07 (421)	189.98
PGA non-AEO BE	06.90 (944)	170.4
C Drugs SCO BE	02.68 (367)	59.10 ³⁶
Wildlife CCB BE	00.00 (1)	84.37 ³⁷
Animal QCS BE	00.18 (25)	101.49 ³⁸
Plant Quarantine Dir. BE	04.85 (664)	181.12 ³⁹
FSSAI BE (NOC issued online)	01.79 (240)	192.56
FSSAI BE (incl. manual NOC)	03.18 (436)	201.01 ⁴⁰
Tex. Comm. all BE	00.53 (73)	169.70 ⁴¹
Tex. Comm. BE cleared on final test report	00.15 (21)	286.27

10.11 The above data, as also its comparison with data in Table 1, indicates that attributes of being advance/facilitated/AEO BE have a diminished contribution when associated with most PGAs.

³³ PGAs on SWIFT -FSSAI, AQCS, PQ, Drugs Controller, Textiles Committee, Wildlife Crime Control Bureau (WCCB).

³⁴ 140.48 hours in 2019

³⁵ 87.49 hours in 2019

³⁶ 52.06 hours in 2019. The increase is considerably explained by the time stamps which indicate that CDSCO took average time of 36.03 hours in 2020 as compared to 31.33 hours in 2019 for providing online NOC.

³⁷ There is no BE in 2019 study.

³⁸ 64.26 hours in 2019. The increase is considerably explained by the time stamps which indicate that AQCS took average time of 87.45 hours in 2020 as compared to 58.6 hours in 2019 for providing online NOC

³⁹ 186.24 hours in 2019

⁴⁰ 192.54 hours in 2019

⁴¹ 175.54 hours in 2019 for 63 BE

- 10.12 There is considerable 11.4 per cent. weight of PGA BE in the sample. Hence, their release time would assist in crossing the distance to the target.

Recommendation 8

- 10.13 It is recommended –
- (a) Plant Quarantine, FSSAI and Textile Committee review and re-orient their internal functioning framework in terms of staffing, infrastructure and office location etc to specifically cater to the requirements for Nhava Sheva
 - (b) Every PGA ensure NOC only by electronic message exchange to save time, including time taken for linking report with BE.
 - (c) EDI System could auto queue-up the facilitated PGA BE for out of charge when PGAs online NOC is linked up to the BE. This auto queueing may be such that leads to automatic out of charge, similar to the situation in customs compliance verification.

11. Export process methodology and scope in relation to release time

Methodology

11.1 Export clearance by Customs is handled using the CFS for containerisation of the cargo or by using the parking plazas (PP) for sealed FCL containers arrived from exporters premises. The customs processes are a segment of the overall export procedure.

The broad stages in the export process whose time is measured are described below.

- (a) The exporter/CB handle the activity from factory/exporter's premises to customs area CFS/PP (**pre-arrival or domestic stage**)

It is to be noted that the **shipping bill (SB)**⁴² with exporter's self-assessment is filed electronically before movement of goods begins, and most of the times, the export declaration processing by customs is simultaneous with movement of goods from factory/warehouse to port area i.e. it is accomplished before the arrival of the goods at the customs area (CFS or PP). The RMS allows the lowest risk category to be cleared as facilitated without subjecting the cargo to either assessment or examination. The 2019 study had noted that over 80 per cent. SBs are facilitated.

- (b) exporter/CB also handles entry of goods inside the CFS/PP to goods registration (**stage 1**) and the goods Registration to Let Export Order (**LEO**)⁴³ (**stage 2**) activity.

⁴² SB – is an export declaration presented to Customs by the exporter under section 50 of the Customs Act before goods can be exported out of the country.

⁴³ Let Export Order (LEO) - is the final procedure of export customs clearance procedure to export any goods outside country. It permits the loading of the goods for exportation.

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Once goods are presented, if at the PP, the Customs verify e-seal on the container arrived from exporter's premises. E-seal verification is done on-wheel and using hand-held reader. Production of Form-13 from shipping line is pre-requisite for undertaking registration.

On making registration, the documents are verified in all cases. At CFS the lot, marks and numbers are verified. If necessary, examination is done. Presently, a DPE consignment container at PP is routed to CFS for examination. Thereafter, LEO is given.

- (c) In CFS, after LEO the goods are handed over to freight forwarder/consolidator for preparing them for export. In PP, the container survey is done by representative of shipping line. Before gate-out, all regulatory compliances must be complete so, for example, there may be wait for NOC from a government agency such as from Drugs Controller. After this the container is moved. This leads to the stage of LEO to CFS/PP gate-out (**stage 3**), which is followed by the stage of CFS/PP gate-out to port-terminal gate-in (**stage 4**).
- (d) The further stages are port-terminal gate-in to loading of cargo on vessel (**stage 5**), then loading on vessel to vessel departure/sailing (**stage 6**).

Data sources

- 11.2 The measures of time at various stages of export goods movement are based on data from multiple sources. The Customs EDI mainly tracks movement of the documents including filing of SB and also records the time stamps for registration and LEO.

The rest of the time data is sourced from where it is captured that is Logistics Data Bank (LDB)⁴⁴ and databases of custodians of the PP and CFS, the Port-Terminals, etc. As in the 2019, exporters provided data in pre-specified forms via weblink.

Scope

- 11.3 The first study in 2018 was based on a sample of 199 SB pertaining to 6 types of goods exported under DPE from PP as FCL cargo by top 21 exporters. In the 2019 study, the SB processed through CFSs which included LCL cargo were included. The top 10 export goods included 5 of the previous study and 5 others with 760 SB involving top 71 exporters.

The present study retains the scope of 2019 study. During the sample period from 01-07 January 2020, total 21,889 SB were filed/ given LEO. 2,926 SB pertained to the identified 10 goods⁴⁵. 596 SB, including 160 SB using CFS, were filed by 70 of the identified exporters for these ten goods which form the sample.

- 11.4 Accordingly, the comparison of all 10 identified goods can be made. The 2019 study notated average time in hours and minutes for exports. For uniformity with import portion of the study, time is presented in hours.

⁴⁴ DMICDC's Logistics Data Bank

⁴⁵ Frozen Meat (0202), Frozen Fish (0306), Chemicals (2906), Pharmaceuticals (3004), Cotton (5201), Bedsheet (6304), Stainless Steel (7222), Crank Shaft (8483), 2-wheel Automobile (8711), Electrical Machinery (85)

Calculation of Release Time

11.5 The summation of time taken in stages 1 to 6 yield **net release time**. The net release time of individual SBs is analysed to calculate the average release time for export or for the stages therein or to calculate the accomplishment vis a vis NTFAP objective of overall export sea cargo release time within 24 hours.

If the pre-arrival stage is added, the measure is of **gross release time** which includes the initial domestic transportation time. It is measurable on the basis of time stamp of affixing e-seal in respect of factory stuffed containers routed through PP for export.

11.6 **Appendix 3** contains detailed stage-wise data and release times by categories of SB or goods exported from PP or CFS.

12. Time taken at individual stages

12.1 The time measured in the study, export stage-wise is mapped below –

Table 9

	Year	Custodian gate-in to Registration	Registration to LEO	LEO to Custodian gate-out	Custodian gate-out to Port gate-in	Port gate-in to loading on vessel	Loading on vessel to vessel departure	Average release time
		Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	
All 596 SB	2020 ⁴⁶	9.23	0.91	22.33	5.36	71.85	9.64	119.32
	2019	10.54	2.04	23.36	7.35	68.60	9.71	121.60
436 PP/DPE SB (all facilitated)	2020	7.09	0.6	1.94	3.7	73.01	9.61	95.95
	2019	5.14	1.73	3.43	7.32	69.12	9.5	96.25
160 CFS SB (cargo needing stuffing ⁴⁷ including non-facilitated ⁴⁸)	2020	15.08	1.77	77.89	9.88	68.70	9.68	183.00
	2019	26.29	2.97	81.48	7.43	67.09	10.31	195.57
Refrig./Perishable SB (Frozen Meat & Fish)	2020	5.06	0.17	1.56	2.2	63.27	7.71	79.97 ⁴⁹
	2019	2.96	0.89	4.87	6.03	54.76	9.14	78.64

12.2 A prime difference is visible in the time measured in the CFS vis a vis time in PP/DPE, constituted collectively by stages 1, 2, 3 and specifically the stage 3.

There are some common reasons that add to time at this stage, such as time being dependent upon exporters/CBs producing documentation or in case of shipment under multiple transport vehicles the time is recorded from first part arrived while registration awaits arrival of all parts of the shipment.

⁴⁶ Pre-arrival domestic transportation time in 2020 is 19.55 hours vis a vis 19.39 hours in 2019

⁴⁷ Cargo needing stuffing – 69 LCL, 91 FCL

⁴⁸ The sample had 3.86 per cent. non-facilitated SB

⁴⁹ Lower average release time reflects priority being extended to perishable cargoes

- 12.3 However, in a CFS, in stage 3, the time involved as compared to PP is higher for, amongst others, the reasons that post LEO, before relevant cargo is moved out from CFS, it is to be aggregated or consolidated and then stuffed into a container, which takes time. For these activities, a CB hands over documents to consolidator who plans the activities keeping in view the vessel cut-off time/date.

A survey of shipment is made for its packing type (carton, bale, pallet, drum, loose etc), volume and weight. This is repeated for cargoes from multiple exporters. Such aggregation enables making of container load plan for each container load port wise / transshipment port wise. Then stuffing is carried out by the CFS in a common container under supervision of customs officer and sealed as being ready for export. Based on LCL consolidator requisitioning movement, the CFS moves the container to port-terminal.

The data distribution shows that in stage 3 of LEO to CFS gate-out wherein the average time is 77.89 hours, in up to 72 hours only 58.15 per cent. SB cleared stage 3. Moreover, 13.75 per cent. SB took over 7 days to clear this stage.

- 12.4 **Stage 4** is the transportation stage of fully prepared and ready to export containers from custodian premises to port-terminal. The higher time taken at this stage in transportation from CFS vis a vis from PP, may inter alia, be attributable to distance of the CFS/PP from the terminal gate, the road conditions, time of the day etc.

- 12.5 The export **stage 6** of loading of cargo on vessel to departure of vessel is also a goods movement stage. It averaged 9.64 hours in the study. Loading generally starts within 2 hours of berthing of vessel and continues to maximum approx. 20 hours. In a few instances, even the loading is allowed till last hour. The average measured appears consistent with these general aspects.

The Wait

- 12.6 The intervening **Stage 5** from terminal gate-in to loading on vessel involves an average of 71.85 hours, say 72 hours.

It means that the cargo, which has already met every requirement (of customs or other government agency or port authority etc) prescribed for export, waited at the terminals for average 3 days, prior to loading.

The port-terminals allow such export cargo entry into terminal premises up to 4 days prior to "cut-off". The cut-off is usually 6 - 8 hours prior to arrival of vessel. The cut-off time may stand reduced for perishable cargo, but in general in the few instances where cut-off time is reduced it is in lieu of charges.

- 12.7 The analysis shows that in 0 -72 hours, overall 58.39 per cent. of the SB that entered stage 5, had cleared stage 5. This percentage was 71 per cent. for JNPT, 72.6 per cent. for GTI, 58.7 per cent. for NSIGT, 50 per cent. for NSICT and 21.8 per cent. for BMCT.

These terminal-wise variations may also be indicative of the cumulative differences between terminals in terms of capacity, infrastructure, vessel traffic schedule, etc.

- 12.8 While feedback is that exporters like to have the certainty of export occurring in time and such advance arrival of cargo is facility extended to exporters, the time available also acts as an enabler for terminals to prepare for optimising vessel turnaround times.

- 12.9 The fact is that export containers wait inside the terminal well in advance of the cut-off times, even though it is admissible for them to arrive inside the terminals just before the cut-off times. Accordingly, simulation of a just - in - time scenario is possible in which cargo does not wait inside the terminal prior to loading.

13. Overall release time in exports

13.1 In 2020, the overall average release time exports is lower at 119.32 hours compared with 121.60 hours in previous year.

There is improvement in average release time in the exports from PP under Direct Port Entry from 96.25 hours to 95.95 hours and in exports from CFS from 195.57 hours to 183.00 hours.

The overall or average release time is within revised NTFAP target of 24 hours of only the fastest 01.34 per cent. of SB. This figure is calculated as 00.92 per cent. for the 2019 study.

13.2 In a simulated just-in-time scenario wherein export cargo does not wait at the terminals but arrives just before cut off time and gets loaded, the average net export release time would fall to 47.47 hours, while overall or average release time of the fastest 81.04 per cent. SB would be within the 24 hours NTFAP target.

Recommendation 9

13.3 In view of the time taken in CFS being considerably higher than at PP as it involves preparatory activities (consolidation, supervised stuffing and sealing) and also adds to waiting time, the Direct Port Entry via Parking Plazas should continue to be encouraged.

Recommendation 10

13.4 At the PP for direct port entry, after scanning of e-seal for verification by hand-held reader, the sealing details could be electronically integrated with ICES. Once the container is e-sealed and prior to gate-in at PP, the electronic declaration of Annexure-C details by exporter/CB could be activated.

The electronic matching of above with details in the SB when process of registration is undertaken can do away with need for exporter/CB to come to the PP, apart from eliminating EGM errors.

Steps having bearing on release time taken after TRS 2019**S.No. Steps**

- 1 DPD Scheme – (i) Extension of DPD Schemes to AEO importers, (ii) Introduction of facilitation of examination of DPD container at Port/Terminals
- 2 Turant Customs – (i) Query module for OOC officers (ii) Auto-queue of BE for OOC
- 3 The number of PGAs which have been integrated with ICES has reached 55.
- 4 New RMS Facilitation Centre providing quicker resolution related to BE.
- 5 ICEDASH tool placed in public domain for comparison and monitoring imports.
- 6 EoDB Score card for CBs provided healthy competition among Custom Brokers.
- 7 Online scanning module provided the importers/CBs and other stakeholders to obtain information about selection of containers for scanning.
- 8 Scanning of Container – the standard operating procedure for sending containers of DPD containers published.
- 9 ICETABs for officers at Docks for feeding examination reports on the spot.
- 10 SOP for short landing of shipments published with greater clarity for faster clearance
- 11 ICES Test Module (Sample Test Entry) was implemented for CRCL and Textile Committee
- 12 Implementation of eSanchit for exports for paperless exports
- 13 Mandatory declaration of UQC and SQC for faster assessment without queries
- 14 Examination of eSealed export containers on Sunday and Holidays
- 15 Project import module in ICES was implemented for paperless records related to project imports under CTH 9801.

Steps having bearing on release time taken since TRS 2020**S.No. Steps for**

- 1 Online amendments of BE
- 2 ICES Module upgradation – (i) Disabling of auto-removal of BE from the queue, (ii) Separate option of waiver of late filing charges, (iii) Option of re-sending first check BE to docks
- 3 Under the programme of turant customs, CCV (Customs Compliance Verification) allowed the communication to the importer about completion of verification of compliances even before duty payment.
- 4 eOOC and eGate-Pass – Paperless imports
- 5 Online module to update bank account details (AD Code)
- 6 eLEO and eGate-Pass – Paperless exports
- 7 CRCL equipped with new analytical techniques for faster and comprehensive testing of goods.

Appendix 2

Import study data

1. Year-wise statistics of Advance BE and On-arrival BE

Category of BE	Average Release Time (in Hours)			Number of BE		
	2018	2019	2020	2018	2019	2020
On-arrival BE	187.3	150.03	125.68	6094	5265	4179
Advance BE	113.54	83.06	78.46	8663	10341	9499
Total BE	144.18	105.41	92.89	14757	15606	13678

2. Year-wise comparison of pre-arrival processing in advance BE vis a vis on-arrival BE

Category of BE	Average Release Time (in Hours)			Share in total BE		
	2018	2019	2020	2018	2019	2020
Advance BE	113.54	83.06	78.46	58.7%	66.0%	69.45%
Advance BE where assessment completed before entry inwards	99.36	74.36	70.09	44.5%	58.0%	60.45%
Advance BE where duty paid before entry inwards	55.48	41.12	44.11	8.8%	13.7%	19.73%
On-arrival BE	187.3	150.03	125.68	41.3%	34.0%	30.55%
Delayed BE with late filing charges	238.12	291.19	204.7	8.1%	4.5%	2.55%
Total BE	144.18	105.41	92.89	100.0%	100%	100%

3. Year wise comparison of BE with Interdiction

Category of BE	Average Release Time (in Hours)			Number of BE (Share in total BE)		
	2018	2019	2020	2018	2019	2020
Fully Facilitated BE	115.18	75.25	67.57	8881 (60%)	9053 (58%)	7627 (56%)
Second Check BE	159.42	116.30	102.77	1649 (11%)	2318 (15%)	2654 (19%)
Second Check BE with Examination	190.24	157.33	133.67	3698 (25%)	3760 (24%)	3037 (22%)
First Check BE	261.42	218.54	212.42	529 (4%)	475 (3%)	360 (3%)
BE where assessment requiring queries*	234.42	204.54	155.37	778 (5%)	448 (2.8%)	593 (4.3%)
Customs Chemical Tests*	207.58	198.24	180.13	112 (0.8%)	33 (0.2%)	120 (0.8%)
Total BE	144.18	105.41	92.89	14757	15606	13678

*Due to overlapping stages, these BE are not added to arrive at number of total BE in the study

4. Year-wise comparison of BE filed by AEO Importers and their release time

Category of BE	Average Release Time (in Hours)			Number of BE		
	2018	2019	2020	2018	2019	2020
BE filed by AEO Tier-3 Importers	-	29.39	28.91	-	176	219
BE filed by AEO Tier-2 Importers	-	54.4	61.76	-	1189	1136
BE filed by AEO Tier-1 Importers	-	82.59	78.49	-	4408	5847
Total of BE filed by AEO Importers	103.06	75.31	74.34	4295	5773	7202

4.1. Year-wise comparison between AEO BE and Non-AEO BE with their release time based upon category of facilitation

Category of BE		Average Release Time (in Hours)			Number of BE (Share in total AEO BE)		
		2018	2019	2020	2018	2019	2020
AEO Importer	Facilitated On-arrival BE	136.24	110.38	93.14	1121 (26.1%)	1226 (21.2%)	1269 (17.6%)
	Facilitated Advance BE	69.18	47.22	50.8	2513 (58.5%)	3653 (63.3%)	4172 (57.9%)
	Non-Facilitated On-arrival BE	239.54	220.52	164.52	249 (5.8%)	255 (4.4%)	423 (5.9%)
	Non-Facilitated Advance BE	135.54	111.07	101.4	412 (9.6%)	639 (11.0%)	1338 (18.6%)
	Total AEO BE	103.06	75.31	74.31	4295	5773	7202
Non-AEO Importer BE		161.06	123.24	113.51	10462	9833	6476

5. Year-wise BE filed by DPD Importers

Category of BE	2018	2019	2020
Per cent. of DPD Importers out of Total Importers in the study	11%	26%	26%
Number of BE filed by DPD importers (Share in total BE)	5634 (38%)	9023 (58%)	7273 (53%)
Number of AEO BE in DPD BE (AEO Share in DPD BE)	3464 (61.5%)	5459 (60.5%)	6036 (82.9%)

5.1. Year-wise release time of BE filed by DPD Importer BE and Non-DPD Importer BE

Category of BE		Average Release Time (in Hours)			Number of BE (Share in total BE)		
		2018	2019	2020	2018	2019	2020
DPD Importer	Advance Facilitated BE	65.36	51.32	51.33	3042 (54%)	4692 (52%)	3927 (54%)
	On-arrival Facilitated BE	134.12	111.55	94.43	1183 (21%)	1624 (18%)	1091 (15%)
	Advance Non Facilitated BE	136.06	112.5	101.96	901 (16%)	1895 (21%)	1673 (23%)
	On-arrival Non Facilitated BE	220.3	195.21	156.6	507 (9%)	812 (9%)	582 (8%)
	Total BE	104.73	87.85	77.69	5634	9023	7273
Non-DPD Importer BE		168.54	130.14	110.14	9123	6583	6405

6. Year-wise comparison of BE filed by regular importers and non-regular importers

Category of BE	Average release time of BE filed by Regular importers (in hours)		Average release time of BE filed by non-regular importers (in hours)	
	2019	2020	2019	2020
AEO importers BE	69.42	66.59	90.30	86.12
Non AEO importer BE	115.06	105.04	125.18	113.99
DPD importer BE	74.18	65.75	92.12	89.03
Non DPD BE	120.06	76.09	123.18	109.20
Advance BE	64.12	62.42	97.24	89.02
On-arrival BE	139.48	98.16	154.12	133.45
Facilitated BE	62.18	57.30	88.12	76.77
Non Facilitated BE	134.42	107.67	147.48	128.82
Total BE	83.27	69.43	119.24	105.12

6.1. Share of categorized BE in BE filed by regular importers and non-regular importers

Category of BE	2018	2019	2020
Number of Regular Importers in the study	349	381	320
Advance BE filed by regular importers (%)	-	75%	80%
On-arrival BE filed by regular importers (%)	-	25%	20%
Average release time of BE filed by Regular Importers (in hours)	109.24	83.27	69.43
Number of non-regular importers in the study	5944	6048	5771
Advance BE filed by non-regular importers (%)	-	61%	64%
On-arrival BE filed by non-regular importers (%)	-	39%	36%
Average release time of BE filed by non-regular Importers (in hours)	163.3	119.24	105.12

7. Year-wise comparison of regular custom broker and non-regular custom brokers

Category of BE	2019	2020	Remarks
Average release time of BE filed through regular CBs	103.24	91.02	The Custom Broker who has filed more than 7 BE in the study period, is defined as regular custom broker.
Average release time of BE filed through non-regular CBs	123.18	105.05	
Total BE	105.41	92.89	

8. Year-wise comparison of release time (hours) for LCL BE, FCL BE and Liquid Bulk Cargo BE

	LCL			FCL			Liquid Bulk Cargo		
Category of BE	2018	2019	2020	2018	2019	2020	2018	2019	2020
Facilitated Advance BE	104.42	67.41	53.17	85.18	54.19	58.53	113.36	108.14	53.93
Facilitated On-arrival BE	152.48	108.58	90.18	161.3	121.05	101.97	167	118.26	94.59
Facilitated Total BE	127.42	84.46	65.93	108.12	70.13	68.46	133.54	112.06	78.32
Non-Facilitated Advance BE	171.12	120.19	107.27	153.24	122.46	109.4	238.24	106.22	227.09
Non-Facilitated On-arrival BE	227.54	190.07	152.5	216.3	185.58	154.13	430.48	97.28	64.45
Non-Facilitated Total BE	206.18	154.23	125.26	181.3	145.29	124.25	373.48	105.06	180.62
Total BE	151.36	107.28	86.46	140.24	104.54	95.70	249.36	109.49	120.45

9. Participating Government Agencies (PGAs)

Category of BE	Number of BE			Average Release Time (in Hours)		
	2018	2019	2020	2018	2019	2020
On-arrival BE referred to FSSAI	-	-	119	300.42	248.54	233.95
Advance BE referred to FSSAI	-	-	317	185.54	173.48	188.64
Total BE referred to FSSAI	739	406	436	226.36	192.54	201.01
On-arrival BE referred to PQIS	-	-	174	333.24	254.12	205.45
Advance BE referred to PQIS	-	-	490	199.3	167.06	172.48
Total BE referred to PQIS	638	375	664	246.06	186.24	181.12
On-arrival BE referred to AQCS	-	-	7	283.24	79.12	105.6
Advance BE referred to AQCS	-	-	18	168.18	54.48	99.9
Total BE referred to AQCS	107	20	25	207	64.36	101.49
On-arrival BE referred to CDRUG	-	-	133	212.54	93.36	84.66
Advance BE referred to CDRUG	-	-	234	133.24	37.42	44.58
Total BE referred to CDRUG	804	252	367	163.58	52.06	59.10
On-arrival BE referred to Textile	-	-	367	196.48	142.54	133.08
Advance BE referred to Textile	-	-	672	145.54	88.36	75.89
Total BE referred to Textile	178	1277	1039	173.06	109.48	96.03
On-arrival BE referred to WCCB	-	-	1	90.36	-	84.37
Advance BE referred to WCCB	1	-	-	-	-	-
Total BE referred to WCCB	1	-	1	90.36	-	84.37
Total BE referred to PGAs	2468	2330	2532	206.17	140.48	131.11

10. Stage-wise time (hours) of Advance BE

Category of BE	2018	2019	2020
Entry inward to Submission of BE	-42.36	-54.36	-87.95
Submission of BE to Assessment of BE	18.18	13.3	21.94
Assessment of BE to Duty Payment	91.54	97.59	95.32
Duty Payment to Goods Registration	38.42	11.58	33.72
Goods Registration to Out of Charge	8.3	13.18	16.24

10.1. Stage-wise time (hours) of Advance facilitate BE

Category of BE	2018	2019	2020
Entry inward to Submission of BE	-44.4	-58	-86.42
Submission of BE to Assessment of BE	0.08	0.05	0.08
Assessment of BE to Duty Payment	100.25	106.34	98.89
Duty Payment to Goods Registration	37.03	0.16	33.08
Goods Registration to Out of Charge	3.2	8.05	11.03

11. Stage-wise time (hours) of on-arrival BE

	Non-Facilitated BE			Facilitated BE			Total BE		
Category of BE	2018	2019	2020	2018	2019	2020	2018	2019	2020
Entry inward to Submission of BE	51.36	49.24	32.95	46.18	40	27.16	49.24	44.36	30.07
Submission of BE to Assessment of BE	52.04	36.18	34.79	0.12	0.05	0.08	24.42	17.54	17.54
Assessment of BE to Duty Payment	70.58	60.48	53.3	71.3	62.18	61.6	76.24	61.36	57.33
Duty Payment to Goods Registration	32.42	22.12	9.35	34.06	0.13	-1.07	33.24	11.03	4.28
Goods Registration to Out of Charge	19.09	19.12	25.26	4.06	12.18	10.91	11.18	15.42	18.13

Appendix 3

Export study data

1. Year-wise average release time (in hours)

	2018		2019		2020	
	No. of SB	Net ART (hours)	No. of SB	Net ART (hours)	No. of SB	Net ART (hours)
Electrical machinery	13	99.7	16	95.06	43	97.20
Frozen meat	20	53.4	173	79.97	129	80.52
Frozen fish	24	81.5	16	64.87	9	79.53
Pharmaceuticals	14	87.9	91	74.86	30	88.74
2 wheeled vehicles	105	97.8	114	107.94	46	129.94
Total	176	89.88	410	86.60	257	93.08

2. Stage-wise time (in hours)

	SB No.		CFS/PP gate-in to Regn (in Hrs)		Regn to LEO (in Hrs)		LEO to CFS/PP gate-out (in Hrs)		CFS/PP gate-out to Port gate-in (in Hrs)		Port gate-in to Loading on vessel (in Hrs)		Loading To vessel Sailing		Net ART (in Hrs)	
	2019	2020	Stage 1		Stage 2		Stage 3		Stage 4		Stage 5		Stage 6		2019	2020
			2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020		
Frozen Meat PP	173	129	2.70	5.40	0.64	0.16	4.87	1.56	6.27	2.26	55.96	63.41	9.53	7.73	79.97	80.52
Frozen Fish PP	16	9	2.12	1.48	0.79	0.19	5.85	1.90	3.74	1.41	47.44	67.50	4.93	7.05	64.87	79.53
Chemicals PP	2	5	19.70	8.53	1.19	0.50	2.36	1.10	4.00	3.25	117.11	74.72	14.67	15.18	159.03	103.28
Pharma PP	91	30	10.78	5.01	1.88	2.25	1.71	1.49	2.43	1.59	53.26	70.28	4.80	8.12	74.86	88.74
Cotton PP	10	19	0.81	2.37	1.08	0.15	0.77	1.12	3.95	2.23	71.18	115.80	13.82	11.53	91.61	133.20
Bedsheets PP	46	38	5.46	6.88	5.66	0.63	1.83	0.64	8.81	3.40	90.84	44.60	9.41	12.01	122.01	68.16
Stainless Steel PP	48	85	6.22	5.85	2.19	0.77	3.90	1.52	27.29	5.49	82.51	78.34	9.94	11.21	132.05	103.18
Crank Shafts PP	50	32	5.11	9.16	1.70	0.38	2.50	3.17	6.31	1.58	87.62	83.56	12.35	11.69	115.59	109.54
Electrical Machinery PP	16	43	6.43	7.23	1.22	0.54	3.43	2.50	4.40	7.90	69.09	68.91	10.49	10.12	95.06	97.20
2 wheel Automobile PP	114	46	4.15	16.97	1.77	0.89	3.41	4.25	5.54	4.68	81.25	95.09	11.82	8.06	107.94	129.94
Frozen Meat CFS	2	3	19.38	1.34	9.12	0.49	0.85	0.86	5.41	1.96	30.73	44.57	7.99	8.43	73.48	57.65
Frozen Fish CFS	2	0	15.93	0.00	14.68	0.00	1.26	0.00	3.77	0.00	33.83	0.00	9.45	0.00	78.92	0.00
Chemicals CFS	10	6	32.91	1.13	1.95	1.73	42.20	56.68	9.07	4.69	50.08	75.29	16.77	8.37	152.98	147.89
Pharma CFS	49	34	17.95	6.63	4.08	2.66	60.58	65.50	5.46	5.14	76.51	68.25	7.60	6.35	172.18	154.53
Cotton CFS	0	1	0.00	88.57	0.00	2.25	0.00	31.90	0.00	9.31	0.00	55.55	0.00	19.57	0.00	207.15
Bedsheets CFS	70	53	33.93	19.44	2.72	1.39	102.24	112.58	9.34	8.08	71.76	94.02	12.22	10.20	232.21	245.71
Stainless Steel CFS	9	6	7.93	3.77	3.02	1.19	53.96	42.69	12.17	2.98	96.52	33.32	12.96	16.80	186.56	100.75
Crank Shafts CFS	24	23	34.54	24.77	2.33	1.53	73.73	67.36	5.41	16.10	49.90	50.97	8.82	10.46	174.73	171.19
Electrical Machinery CFS	27	29	19.53	14.97	1.26	1.98	107.70	71.54	6.34	17.00	53.37	44.56	8.84	10.80	197.04	160.85
2 wheel Automobile CFS	1	5	19.02	6.16	1.13	0.88	93.13	2.93	1.18	10.76	107.02	76.62	0.64	8.52	222.12	105.87

3. Year-wise comparison chart of categorized SB

Category of SB	2018	2019	2020
Average release time of facilitated SB processed through Parking Plaza	89.88	96.24	95.95
Average release time of facilitated SB processed through CFS	-	199.80	193.16
Average release time of non-Facilitated SB processed through CFS	-	174.89	122.47

4. time taken in CFS (LEO to Gate out)

CFS Name	Total time taken in CFS (LEO to Gate out)												Total	%age of Total S.B analysed
	0 to 4hrs	>4 hrs to 8hrs	>8 hrs to 12hrs	>12 hrs to 24 hrs	>24 hrs to 36 hrs	>36 hrs to 48 hrs	>48 hrs to 72 hrs	>72 hrs to 96 hrs	>96 hrs to 120 hrs	>120 hrs to 144 hrs	>144 hrs to 168 hrs	>168 hrs		
Ameya Logistics Pvt Ltd	2	1	1	1	0	0	0	1	2	2	1	0	11	6.88
Ashte Logistics Pvt Ltd	1	0	0	0	1	0	0	0	0	0	0	0	2	1.25
CONCOR CFS	7	0	0	0	0	0	0	0	0	0	0	0	7	4.38
CONTINENTAL WH CORP(NS)LTD	0	0	0	0	0	0	0	1	0	0	0	0	1	0.63
CWC Logistics Park	0	0	0	0	2	0	0	0	0	2	6	5	15	9.38
EFC Logistics India PVT. Ltd.	0	0	0	0	0	0	2	0	0	0	0	0	2	1.25
Forbes Gokak Ltd	0	0	0	0	1	0	5	1	1	2	0	6	16	10.00
Int. Cargo Terminal Pvt. Ltd.	0	0	0	0	0	0	2	0	2	1	0	0	5	3.13
JWC Logistics Park P LTD	0	0	0	0	4	0	0	0	3	1	0	0	8	5.00
JWR	0	2	8	2	3	0	1	1	5	2	0	2	26	16.25
MHARASHTRA STATE WARE HOUSING	16	0	0	1	0	0	0	0	0	0	0	0	17	10.63
Navkar Corporation Ltd	0	0	0	0	0	0	0	0	0	0	0	2	2	1.25
Ocean Gate Container Pvt.Ltd.	0	0	0	0	0	0	2	0	0	0	0	0	2	1.25
Seabird Marine Services P Ltd	0	0	0	0	1	0	0	0	0	0	0	0	1	0.63
SPEEDY CFS	3	0	0	0	0	0	1	0	0	0	0	0	4	2.50
Take Care Logistic	0	0	0	1	1	0	0	0	0	0	0	0	2	1.25
VAISHNO LOGISTICS YARD	0	0	2	0	0	0	0	0	0	0	0	0	2	1.25
WARE HOUSE 1 GDL	0	0	0	0	2	0	4	0	1	0	0	2	9	5.63
WARE HOUSE 7 PUNJAB	2	0	0	3	4	0	4	2	5	1	2	5	28	17.50
Total	31	3	11	8	19	0	21	6	19	11	9	22	160	100.00

Note: In the 0-4 hours window, 14 SB were diverted from PP for examination. At the CFS, aggregation or consolidated or stuffing was not involved and goods were already on wheel. 17 SB were FCL, including palletised cargo, that required no aggregation or consolidation and only stuffing.

5. Terminal Gate-in to Loading on vessel

Terminal	0 to 24 hrs	>24hrs-48hrs	>48hrs-72hrs	>72 hrs to 96 hrs	>96 hrs to 120 hrs	>120 hrs to 144 hrs	>144 hrs to 168 hrs	>168 hrs	Total
	Nos	Nos	Nos	Nos	Nos	Nos	Nos	Nos	Nos
NSICT	7	14	25	30	8	2	1	5	92
NSIGT	3	44	51	33	25	6	3	2	167
BMCT	3	5	9	29	21	3	0	8	78
GTI	12	75	61	35	14	3	1	3	204
JNPT	0	7	32	13	3	0	0	0	55
Total	25	145	178	140	71	14	5	18	596
%age of total	4.19%	24.33%	29.87%	23.49%	11.91%	2.35%	0.84%	3.02%	100%

Annexure
Team of Officers for TRS-2020

Sr. No.	Role	Name of Officer (Shri/Smt)
1	Convener	Sunil Kumar Mall, Commissioner of Customs, NS-I
2	Co-Convener	S. K. Vimalanathan, Commissioner of Customs, NS-III Sanjay Mahendru, Commissioner of Customs, NS-G Rajesh Kumar Mishra, Commissioner of Customs, NS-V
3	Technical/System Support/ Printing publishing	Manish Thapiyal, Joint Commissioner of Customs
4	Co-ordination with Customs Brokers, Importers & Exporters	Sanjay Kumar, Addl. Commissioner of Customs
IMPORT TRS		
5	Co-ordination with all assessment Groups during TRS Period	Vishal D. Jorande, Joint Commissioner of Customs Abhaysinh J Phalake (for NS-II), Assistant Commissioner Harish R. Rao (for NS-I), Assistant Commissioner Shantanu, Assistant Commissioner Sruti Vijay Kumar, Assistant Commissioner
6	Co-ordination with all Docks (Import)	Dipin Singla, Joint Commissioner of Customs Lakhanlal Meena, Assistant Commissioner Jitendra Singh, Assistant Commissioner Daribha Lyndem, Assistant Commissioner
7	Co-ordination with PGAs	K. C. Kala, Addl. Commissioner of Customs Anil Pundir, Assistant Commissioner
8	Data Analysis for Import	Pandurang Chate, Deputy Commissioner Rahul Kumar, Assistant Commissioner Shantanu, Assistant Commissioner Sruti Vijay Kumar, Assistant Commissioner
9	Assistance in Data Acquisition, IT Support and Data analysis for Import TRS	Jai Narayan Meena, Appraiser Jag Mohan Sagar, Appraiser Shivam Singh, Examiner Aviel Shalom, Examiner
EXPORT TRS		
10	Co-ordination and acquisition of exports data with all Docks (Export), Parking Plaza, Terminals & CFS	K. K. Gupta, Joint Commissioner of Customs
11	Data Analysis for Export	T. Arivazaghan, Joint Commissioner of Customs Shweta Pachauri, Assistant Commissioner Lakhanlal Meena, Assistant Commissioner
12	Assistance in Data Acquisition, IT Support and Data analysis for Export TRS	Sandeep Poonia, Appraiser Ritesh Jaiswal, Appraiser Saurabh Srivastava, Examiner Gaurav Singh Ahlawat, Examiner

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