

OFFICE OF THE COMMISSIONER OF CUSTOMS:
C.R.BUILDING: QUEEN'S ROAD: BANGALORE-560 001.

C. No. VIII/ 48/226/2009 Cus Tech

Dated: 29-07-2010

MINUTES OF THE INTERACTIVE SESSION HELD ON 19.07.10 AT
KENDRIYA SADAN

An interactive meeting with the EOU/STPI/EHTP units in Bangalore was held on 19-07-2010 at 11.30 am at Kendriya Sadan, Koramangala, Bangalore, regarding shifting of EOUs/EHTP/STP Units from the administrative control of Customs to Central Excise.

The following officers were present:

1. Shri. Subhash Chander, Chief Commissioner, Central Excise, Bangalore;
2. Smt. Lalitha John, Chief Commissioner of Customs, Bangalore;
3. Shri. R. Venkataraman, Commissioner, Central Excise, Bangalore-I;
4. Shri. Kamal Jyoti, Commissioner Central Excise, Bangalore-II;
5. Shri. Inder Singh, Commissioner of Central Excise, Bangalore III;
6. Shri. B. Bhattacharya, Commissioner of Customs, Bangalore

2. The Additional/Joint Commissioners, Divisional Deputy/Assistant Commissioners and the Range Officers of Bangalore Central Excise I/II/III Commissionerates and large number of representatives from the EOUs/EHTP/STP units were present.

3. All the EOUs/EHTP/STP Units at present under the administrative control of Customs will come under the administrative control of Central Excise formations w.e.f. 01-08-2010 based on the jurisdiction of the units. This shift over has been done to have uniform and better administration and control of EOUs including EHTP and STP units and to facilitate the shift to Goods and Services Tax which will come into existence shortly. This interactive session was organized to clarify all doubts with regard to shifting of the units and its

registration and other details raised by the representatives of the various EOU units.

4. The Meeting commenced with Welcome Speech by Shri. B. Bhattacharya, Commissioner of Customs, Bangalore who at the outset explained the government's decision to shift EOU/STPI/EHTP units from the Customs administrative control to Central Excise Control with effect from 1-08-2010 to facilitate smooth transition to Goods and Services Tax regime which is likely to be introduced from next financial year and requested the members to place any queries for discussion.

5. Smt. Lalitha John, Chief Commissioner of Customs, Bangalore Zone, Bangalore, in her address drew attention to the Public Notice, Trade Notice already issued in this regard. Assuring full support and co-operation in the matter, the trade was advised not to have any sort of apprehension regarding the said change over as the officers of Central Excise are equally capable and experienced in handling Customs matter.

6. Shri. Subhash Chander, Chief Commissioner of Central Excise, Bangalore Zone, Bangalore, referring to the earlier discussions informed that as far as compliance of Law and Procedures are concerned there is no change on transfer to Central Excise administration. Further it was informed that in order to ensure smooth transition sufficient precautions have already been taken to shift the records to the respective jurisdictional Range/Division/Commissionerate well in advance to avoid any administrative inconvenience and reassured the Trade of the best co-operation.

7. Shri. R. Venkataraman, Commissioner of Central Excise, Bangalore-I Commissionerate said that majority of the units are being transferred to Bangalore I commissionerate and the staff had been geared up for the new task.

He further informed that to ensure proper supervision over the field formations, separate Nodal officers have been nominated in each Commissionerate. In Central Excise Bangalore I commissionerate website, under 'What's new', details of each Unit, according to the jurisdiction in central excise formation, has been provided along with name and contact Nos., address of the jurisdictional Assistant Commissioner and the Nodal Officers have been appointed for the purpose etc. Further the trade was requested to feel free to contact the department in any exigency.

8. Shri. Kamal Jyoti, Commissioner of Central Excise, Bangalore-II Commissionerate, informed that the trade could contact the officers at any time whose details were given in the website. Commenting on handling the EOUs, the commissioner remarked that the similar sets of officers are on job and there is no reason for any kind of apprehension regarding work culture. The commissioner also advised the trade to feel free to express their problems and continue their work in the same spirit as earlier.

9. Shri Inder Singh, Commissioner of Central Excise, Bangalore-III Commissionerate, informed that all the officers of Central Excise commissionerate are well prepared to cope with the new responsibilities. Separate 'EOU Cell' has been formed with experienced officers to handle EOU matters in Bangalore III Commissionerate.

10. Smt. Sabrina, Superintendent, gave a power point presentation on the ACES project i.e. Automation of Central Excise and Service Tax a web based application and explained the significance of ACES in the present scenario. Further, a demonstration on the online procedure for registration was given. It was emphasized that those units who are already registered with the department under the earlier SACER application before 30.09.2009 need not apply for a fresh registration but will only need to wait for their user name and password from the Department for working with the ACES application. For units who

wished to register with Central Excise for the first time, the procedure was explained in the demo. The trade was given the information about the ACES website – www.aces.gov.in and the steps for online registration and e-payment were explained. As regards online filing of ER-2 returns and working with the other modules in ACES, it was informed that the Central Excise Commissionerates would have a separate interactive session with the trade.

11. Questions raised by the Trade:

1. Whether separate registrations have to be made, if one business unit has more than one premises to manufacture a product?

Ans: Commr.II:- Separate registration is required if falling under different jurisdictions.

Further similar problems were raised by different assesses and in reply to these, the Chief Commissioner of Central Excise, Bangalore Zone said that without affecting revenue, if anything could be done at the local level, he would look into it. Otherwise it would be referred to Board for clarification.

2. Whether separate B-17 Bonds are to be executed in respect of each of the additional premises of a Unit?

Ans: Separate B-17 Bond with Bank Guarantee is to be furnished in respect of each of the Additional premises, if falling under different jurisdictions, as separate registration under Central Excise is required to be taken.

3. Whether Procurement Certificate is required for each consignment?

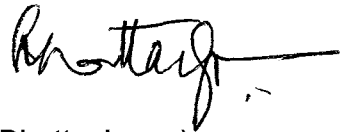
Ans: Procurement Certificate is to be taken in respect of each consignment, i.e., invoice-wise and port-wise.

4. Whether the existing Block Transfer facility will continue after 01-08-2010?

Ans: The Block Transfer facility was only made available to units in Bangalore Customs Commissionerate as a special procedure. After 01-08-2010, the Block Transfer facility shall not be available and the units may have to follow the procedure laid down in Board's Circular No.14/98-Cus dated 10-03-1998. That is to say, Procurement Certificates will have to be issued for import of goods.

12. As this was the main concern of many of the units, the Chief Commissioner of Central Excise, informed that without affecting revenue, within the frame work of law if anything could be done at the local level, same would be looked into, otherwise the matter will be referred to Board for clarification. Further, the Chief Commissioner asked the assesses to forward their doubts if any, in writing along with suggestions, within next 2-3 days so that suitable clarification can be issued accordingly. The Chief Commissioner of Central Excise before concluding informed that an open house meeting would be held during the first week of September.

This issues with the approval of the Chief Commissioner of Customs, Bangalore Zone and Chief Commissioner of Central Excise, Bangalore Zone, Bangalore.



(B. Bhattacharya)
Commissioner