NCH, New Delhi
ACC (Import)
01.01.2019 to 10.01.2019

Draft Report

ACC IMPORT

TIME RELEASE STUDY
that require forward planning. Ports require stringent planning to meet stringent production schedules and just-in-time inventory systems requirements, where the operators need to plan ahead for the movement of goods across circles regarding delays in customs clearance. It helps customs to respond to make better management of goods also meets the concerns of trade.

2. Measuring the time taken for the release of goods also meets the concerns of trade.

Reconciliation for the majority of low-risk goods, methods can allow customs to improve compliance and at the same time improve methods can allow customs to improve compliance and at the same time improve their efficiency. The use of automation and other sophisticated systems to reconcile customs is needed to identify both the problem areas and potential corrective actions to measure the average time taken between the arrival of the goods and their release. This time Release Study is one of the methods used for the review of clearance procedures.

I. Introduction

Ashley Oman

In the future: “You can only do better for lost time. You can’t make up”

(Jan 01 - Jan 10)
3. Customs and its Role in Trade Facilitation

This includes the causal relationship of customs procedures and other processes that may add to the cost of time requirements of trade. "Expedite the movement, release and clearance of goods, including goods in transit".

Trade facilitation is all about lowering trade transaction costs and creating standard and increased global trade as an objective to lower trade barriers around the world and facilitate trade of the WTO. The Doha Declaration round (Trade-Related) has been highlighted in the Doha Declaration Round (trade-related) and reducing global supply chains which benefit all the stakeholders.

Along global supply chains, which benefit all the stakeholders, there is a greater consistency that can be applied to the field of trade facilitation. When Customs administrations can align their working methods to a large extent, facilitators within Customs and Customs procedures that are harmonized and streamlined to the protocols, guidelines and Customs procedures that should be internationally agreed for optimal facilitation of movement in trade.
A new Section 143VA was inserted in the Customs Act, 1962, (Section 97 of Finance Act,

4. General Purpose and Scope

An understanding of time release data contributes to the achievement of the following

5. Legal Framework

Objectives:

- Benchmark tool
  Estimating the country's approximate comparative position as a

- Identifying opportunities for trade facilitation improvements

- Establishing baseline trade facilitation performance measurement

- Administrative changes
  Techniques, procedures, technologies and infrastructure of
  Assessing newly introduced and modified

- Constraints affecting customs release
  Identifying bottlenecks in the international supply chain and/or
6. Objective

In line with government’s efforts to facilitate trade and promote ‘Ease of doing Business’, Time Release Study has been taken up for the sample period 01st Jan 2019 to 10th Jan 2019. The objective of the time release study is to identify the areas and bottlenecks which are impediments to speedy clearance of import cargo, and to further recognize opportunities for improvement of trade facilitation and ease of doing business, by improving overall efficiency.
7.2 Impact of Goods from Air Cargo involves various agencies in a process that has to be carried out sequentially or concurrently within a defined time frame. This impacts various stakeholders, including importers, exporters, transporters, and regulatory authorities. The flow chart below illustrates the overall movement of goods and the various stages involved in the process. Each stage is critical to ensuring the seamless movement of goods.

7.1 Methodology

**Flow Chart: Cycle of TRS**
Flow Chart-C: Filling and Movement of Prior BE
TABLE 1 Total No. of Bills of Entry filed by AEO and Non-AEO clients routed through various modes of assessment and examination during the target period

<table>
<thead>
<tr>
<th>B/E selected by RMS for</th>
<th>B/E of AEO Clients</th>
<th>B/E of Non-AEO Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>B/E</td>
<td>%</td>
<td>B/E</td>
</tr>
<tr>
<td>Assessment Only</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Examination Only</td>
<td>12.5</td>
<td>13.5</td>
</tr>
<tr>
<td>Assessment &amp; Examination</td>
<td>0.34</td>
<td>10.49</td>
</tr>
<tr>
<td>No Assessment &amp; no Examination</td>
<td>57.69</td>
<td>85.26</td>
</tr>
<tr>
<td>Total Check Approval</td>
<td>162</td>
<td>239</td>
</tr>
<tr>
<td>Total</td>
<td>6766</td>
<td>57.6</td>
</tr>
</tbody>
</table>

- a) Percentage of BE filed by AEO clients is 57.6%
- b) Percentage of BE filed by Non-AEO clients is 42.4%
- c) 85.26% of B/E of AEOs are RMS facilitated (No assessment examination)
- d) 47.46% of B/E of Non-AEOs are RMS facilitated (No assessment examination)
Pie chart for non-AEO Client:

BES of Non-AEO Clients (in %)

Pie chart for AEO Client:

BES of AEO Clients (in %)
9. Stage-wise Study of BE movement

9.1 For time release study, assessment group-wise data regarding movement of each bill of entry has been collected. Time taken by each bill of entry in moving from one stage to another stage has been analyzed. Stages which are taken for study for movement of bill of entry are as under:

(i) Filing of BE to Assessment
(ii) Assessment of BE to Payment of Duty
(iii) Payment of Duty to Registration
(iv) Registration to Out of Charge

9.2 Data regarding time taken from inward entry (by airlines) and filing of bill of entry by importer (CB) are not available on EDI system against each BE. Hence, the same could not be taken up for bill of entry wise study.

10. Analysis of sample data set

10.1 Out of the total 11746 BEs filed during the study period 01st Jan to 10th Jan, 2019, data for randomly selected 1304 sample BEs representing various assessment groups have been taken for in depth analysis with regard to time taken at various stages of clearance. Sample BEs consist of 782 facilitated RMS BEs, 432 BEs assessed by various appraising groups, 36 BEs marked for first check and 50 BEs routed through various PPGs like ADC, A&Q, FSSAI, Wildlife. The same is tabulated below:
<table>
<thead>
<tr>
<th>Period</th>
<th>RMS Non-VEO</th>
<th>RMS AEO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>9.0%</td>
<td>11.0%</td>
</tr>
<tr>
<td>2011</td>
<td>8.6%</td>
<td>15.7%</td>
</tr>
<tr>
<td>2012</td>
<td>7.5%</td>
<td>16.4%</td>
</tr>
<tr>
<td>2013</td>
<td>6.8%</td>
<td>17.2%</td>
</tr>
<tr>
<td>2014</td>
<td>7.0%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Total</td>
<td>7.7%</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

Table 2: Total time taken for failed BES from fill to out of charge during the target period.

<table>
<thead>
<tr>
<th>Period</th>
<th>Average time</th>
<th>Groups</th>
<th>Apprentices</th>
<th>BES assessed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>4.9%</td>
<td>16.3%</td>
<td>3.7%</td>
<td>18.7%</td>
</tr>
<tr>
<td>2014</td>
<td>5.2%</td>
<td>20.3%</td>
<td>5.2%</td>
<td>22.3%</td>
</tr>
<tr>
<td>Total</td>
<td>5.0%</td>
<td>18.3%</td>
<td>5.0%</td>
<td>19.3%</td>
</tr>
</tbody>
</table>

Table 3: Average time taken by BES from fill to out of charge during the target period.
As regards dwell time for facilitated BFs of AEO importers, illustrative diagrams is as

![Time taken for OC, registration, payment of duty, and assessment for RMS BFs](image)

Only 8.92% of time is consumed for giving out of charge, which is attributable to

These are the areas (91.08%) for which the importers/custom brokers are accountable.

Of total time is consumed for payment of duty and 27.08% is consumed for registration.

It can be seen from the pie chart above, that in respect of RMS-facilitated BFs, 77.13%
Recently, a sizeable number of BAPs were cleared within 24 hours, despite the long time period. It may be concluded that a significant portion of BAPs are efficiently managed, and 76% of those cleared to AEO status. Prior to this, it was estimated that 69.6% of the total BAPs cleared during the fiscal year 2022 were cleared within the AEO time frame. Average dwell times for non-AEO and AEO BAPs are compared in the chart below.
The total time taken in registration to examination is highly due to examination reporting by Chartered Engineers. Similarly, the time for payment of second hand goods and time taken in production of export documents by Engineers (in case of import of second hand goods) and time taken in production of export documents by Chartered Engineers (in case of export of second hand goods) is also reduced by fixing a certain time-limit.

**Time taken during processing of first check B/E during the target period**

The collected samples for analyzing the movement of the B/E's during this study, out of 277 B/E's, 7 were for first check by EDI system, 36 B/E's were Sampled Bills of Entry Marked for First Check

**Average time taken by Non Facilitated B/E's**

Total dwell time is 30.38 hrs.

2.67 hrs. when 12 hrs. from assessment to examination reporting by Chartered Engineers. Similarly, the average time taken by Customs for processing of Exported B/E's of Non-AEO is

<table>
<thead>
<tr>
<th>Percentage</th>
<th>10.97%</th>
<th>4.57%</th>
<th>1.5%</th>
<th>6.16%</th>
<th>9.05%</th>
<th>1.47%</th>
<th>3.46%</th>
<th>16.89%</th>
<th>2.37%</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Check</td>
<td>14.78</td>
<td>APCs</td>
<td>Ass.</td>
<td>Exam</td>
<td>Reg.</td>
<td>Ass.</td>
<td>Del.</td>
<td>OC</td>
<td></td>
</tr>
<tr>
<td>Total (in Hrs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Time taken in registration to examination is highly due to examination reporting by Chartered Engineers.
Table: Time taken by BES routed through PGAS at various stages.

<table>
<thead>
<tr>
<th>PGAS</th>
<th>9.79</th>
<th>19.71</th>
<th>22.58</th>
<th>23.62</th>
</tr>
</thead>
<tbody>
<tr>
<td>WMIDP</td>
<td>0.19</td>
<td>2.01</td>
<td>2.30</td>
<td>3.60</td>
</tr>
<tr>
<td>ADC</td>
<td>4.0</td>
<td>0.04</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>V &amp; Q</td>
<td>0.12</td>
<td>0.70</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>PSSAI</td>
<td>0.0</td>
<td>0</td>
<td>0.04</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Time taken (hrs) taken (hrs) for ED
Exam and/or OOC
Registration
Payment of Duty
Assessment

BE's routed through PGAS:

First Check BES

Percentage of time taken during processing of First check BES.

- Duty to payment to OC
- Payment to Duty
- Assessment to Duty
- Assessment
- Assessment in Exam
- Group
- Time by system & processing

-87 BES routed through various PGAS namely Animal and Quarantine, PSSAI, ADC, Plant.

Note: Time from time of reporting by Chartered Engineer.

By issuing a public notice to the effect that importers/who upload CE certificate in e-Sanchit within 6 hours of import in case of import of second-hand goods, this time may be reduced.

**The time taken from examination to assessment is high due to non-production non-importation of CE.

Remix also, time-limit of 6 hrs. from assessment to production of export documents by CE importer.
It has emerged from the study that the average dwell time for clearance of import goods is 35.78 hrs. It is to be noted that periods of time taken for clearing to non-PGA BES is 61.67 hrs.

**BES**

*Average Time Taken in PGA and NonPGA*

**Comparative Dwell time for PGA and Non-PGA BES:**

*To PGA (Hrs)*

*Total time taken by BES (50 in nos. marked)*
11.3 **Registration of BE** is carried out at Import shed also. Declaration of Invoice and ES/Exs. are also required for the assessment of **Duty**.

11.4 **Registration of BE** is carried out at Import sheds. Declaration of Invoice and ES/Exs. are also required for the assessment of **Duty**.

11.5 **Time taken from Registration to Out of Charge**: The average time is taken in respect of all types of Charge is i.e. 590 hrs. For AEO Importers the average time is 30 hrs, for Non-AEO Importers it is 2.30 hrs. For Non-Restricted BE, the time is 2 hrs, for AEO Importers it is 5 hrs. For Restricted BE, the time is 2 hrs. In case of ZERO Time taken in respect of all types.

11.6 **Time taken from Registration to Out of Charge**: The average time is taken in respect of all types of Charge is i.e. 590 hrs. For AEO Importers the average time is 30 hrs, for Non-AEO Importers it is 2.30 hrs. For Non-Restricted BE, the time is 2 hrs, for AEO Importers it is 5 hrs. For Restricted BE, the time is 2 hrs. In case of ZERO Time taken in respect of all types.

11.7 **Registration time reduced from 1320 hrs in September 2018 to 699 hrs in January 2019** (W.e.f. 21st October 2018) by Importers/CB, the dwell time at this stage has been reduced dramatically from 1320 hrs to 699 hrs.

11.8 **Note**: It is pertinent to mention here that with the introduction of Online Self-Registration, the process of registration has been made significantly easier and faster.
average dwell time is 32 hrs only

time is 87 hrs and for AEO it is 60 hrs. In contrast, the BES is not found through the P
gas the

11.4A: Average dwell time for BES is 66.7 hrs. For non-BES, the

Delay by Importer in payment of duty <
Government Holidays <
Non availability of Chartered Engineer on same day for validation <
Inordinable delay in filling segregation report and inward entry by airline/Custodian <

General delay in clearance of BES:

Immediate action is envisaged for non-checker's reason causes unverified
the requirements of the following. On close scrutiny it was found that following are the reasons for
First check as non-checker delay in clearance forวรรณอก's reason causes unverified
the examination officers at shops is required to be prompt and accord priority to BES under
the examination officers at shops is required to be prompt and accord priority to BES under

in FHT (for Own of charge). At each stage the average line is very high and this needs
and close scrutiny is envisaged for non-checker's reason causes unverified

11.3.4: Appraising groups as well as examination officers are also required to accord

Enumeration:

will upload CE certificate in e-Sanction within 6 hrs from time of reporting by Chartered
will upload CE certificate in e-Sanction within 6 hrs from time of reporting by Chartered

11.2: The time taken from examination to assessment is high due to non-production/ non-

be fixed.

initial of hrs. From assessment to production of export documents by CB/Importer may
examination/reporting by Chartered Engineer. Similarly, in case of re-imports also, time-
examination/reporting by Chartered Engineer. Similarly, in case of re-imports also, time-

this time can be reduced by knowing a certain time limit of say, 12 hrs, from assessment to
in production of export documents by CHV/CD (in case of re-import of exporated goods)
in production of export documents by CHV/CD (in case of re-import of exporated goods)

11.6.1 The total time taken in re-certification to examination is high due to non-examination/

11.6 First check BES: Average total time taken is 13.4 hrs.

AE0 Importers it is 73 hrs.

taken for study. It is found that for AE0 Importers the time is 3.4 hrs and for the Non-
20

I2. At The Level of Customs Broker

I2. Recommendations

Due to the nature of the issues raised by the department, the performance of Customs Broker may be encouraged to the prior/BF of export documentation and physical inspection of BF. Any delay in the performance of Customs Broker is required to be sensitized with regard to coordination with importers and exporters.

I3. Briggs (End of Delivery Order)

B/E:

Volume of incoming cargo, only inward is delivered, which further causes delay in the time of discharge. The volume of B/E received by the Customs Broker is delivered to the importer, which further delays the discharge of the cargo. It is also important to note that the Delivery Order (DO) is handed over physically by the Customs Broker to the importer.

I4. Segregation Report (Early Inward)

Attention for Early Inward:

In addition to above, following areas beyond instant TIS also need to be

1) Fails to deliver the largest period.
2) Fails to deliver the largest period.
3) Fails to deliver the largest period.

In case of examinations due to P&G, the DG should have been cleared by the respective P&G. The timing of the examination, the BF should have been cleared by the respective P&G. So that our clearance is ready for the BF to be released accordingly.

In spite of introduction of single window, the time consumed by P&G is behind BF.
After landing of aircraft, if the customs receives priority to the case of easier cargo

1.3 At the Level of PGAS

may be cleared first.

accession and examination so that such shipments which usually consume a lot of time
airport, import of old and used capital goods are also required to be regarded for
such shipments imported under Chapter 9804, to import of restricted machinery

enforcement agencies like DRI, Prevailing and SIB are also required to be monitored

Department is also required to be careful and precise while assigning priorities or giving first

Reduce the Down Time substantially.

so that most of the formalities are completed before arrival of the cargo. This would

1.4 At the Level of Console

available at port, delay arising out of non-availability of CE can be duly addressed.

characteristic influence certificate, clearance is immediately delayed. If a CE is ready

resulting etc for faster clearance of import cargo. Similarly when a cargo is matched for

Current study shows that average time taken by PGAS is 6.1 hrs. Therefore, all PGAS

Previous study shows that when a bill of entry is marked to PGAS through single window,

1.2.4 At the Level of Console

documents to importers in advance, port P/G can be filed, assessed and duty can be paid.

holding over the same to importer. If overseas consolle accounts provide all relevant

From the above it is seen that clearance of cargo is an integrated process which involves

1.2.5 At the Level of Customian

needs to be determined and optimally utilized keeping in mind the nature and volume. This

clearance of case of donor business as espoused by the Union Government, each situation

After submission of segregation report, airlines may send Delivery Order (DO) 10

**AT THE LEVEL OF AIRLINES**

Once inward date is entered after submission of segregation report, BES (and regularization of prior BES) would start early (as the same can be commenced segregation report in a big way. If time taken to the segregation report is reduced, the time of has potential to reduce the dwell time between landing of aircraft and submission of