



**OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
CUSTOMS HOUSE:: PORT AREA :: VISAKHAPATNAM- 35
[PHONE : (0891) 2825114 : FAX : (0891) 2562613**

F.No.S17/04/2014-Estt.

Date: 13.10.2016.

SEVOTTAM

**MINUTES OF MANAGEMENT REVIEW MEETING OF
PRINCIPAL COMMISSIONERATE OF CUSTOMS
HELD ON 29.09.2016 AT THE CUSTOM HOUSE, VISAKHAPATNAM**



Background:

Clause 5.7 of IS 15700-2005 mandates that top management shall review the organization's management systems for service quality, Citizen's charter and compliant handling at planned intervals to ensure their continuing suitability, adequacy, efficiency and effectiveness.

The Second Management Review Meeting was held on 29.09.2016 under the chairmanship of Shri C. Rajendiran, Principal Commissioner (who is also the Nodal Officer / Public Grievance Officer) and following Process Owners / officers were present.

1. Shri Sudhakar Mishra, Additional Commissioner
2. Smt. Rachna, Deputy Commissioner (Bonds)
3. Smt B.Jyoti Kiran , Deputy Commissioner (Groups)
4. Kshitij Jain, Deputy Commissioner (SIIB)
5. Sri Deepak C.Zala. Asst Commissioner (Imp& Exp)
6. Shri J.M. Kishore, Deputy Commissioner (Sevottam)
7. Shri P.V.S.S. Srinivas, Assistant Commissioner (Head of the Audit Team)
8. Shri S.K. Dutta, Assistant Commissioner (General Preventive)
9. Shri P. Gopichand, Assistant Commissioner (Establishment/Exports)
10. Shri T. Ravi Varma, Assistant Commissioner (Bonds)
11. Shri B.Narendra Kumar, Assistant Commissioner (Appg, Main)
12. Shri K.P.S. Reddy, Superintendent of Customs (Auditor)
13. Shri N.Rajendra, Superintendent of Customs (Auditor)
14. Shri L.V.R.Sudhakar, Superintendent of Customs (Sevottam)
15. Shri T.V. Shayeswara Rao, Administrative Officer (IC/OC)
16. Sri Ch.Narayana Murty, Administrative Officer (IC/OC)

At the outset, the chairman welcomed the participants and impressed upon them on the Principal Commissionerate's commitment delivery quality services as per the standards of IS 15700-2005. Then, the **agenda points** were taken up for detailed discussion.

Agenda:

The following was the brief agenda of the meeting

- (1) Follow-up actions from previous management reviews,
- (2) Results of audit,
- (3) Customer Feedback including results of customer satisfaction surveys,
- (4) Changing customer requirements,
- (5) Feedback from other stakeholders,
- (6) Extent to which objectives are achieved,
- (7) Status of preventive / corrective actions,
- (8) Review of process performance, and
- (9) Recommendations for improvement.

1. Follow-up actions from previous management reviews.

Action Taken Report on the minutes of the first Management Review Meeting held on 09.05.2016 has been submitted by the Superintendent of Customs (Sevottam), which is as under:

i) Point No. 2 (a) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016

Respective Section Heads were directed to reconcile with the dealing clerk of the Sevottam Central Receiving Section (CRS) and correlate with their registers so that the unaccounted letters can be traced out and if action had already been taken on such letters, the respective Section Sevottam Registers can be updated

Action Taken

Section Heads have reconciled the data with the Tax Assistant of Sevottam in respect of unaccounted letters and updated the Sevottam Registers accordingly.

ii) Point No. 2 (b) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016

Certain steps like first entering the details of the letter/refund claim/drawback claim received from the Sevottam Central Receiving Section (CRS) in the Section Sevottam Registers even before attending to the letter/refund claim/drawback claim and entering other details after the decisions were taken, were suggested to overcome the problem of unaccounted letters/claims

Action Taken

Time and again the Section Heads have been enlightened to these aspects during the interactive sessions/ training programmes. It appears that the Officers/Staff have understood them well since the unaccounted letters

percentage has come down from 9.6% (196 out of total 2036 letters received) from the time of First Audit to 2.5 % (96 out of total 3833 letters received) during the Second Audit.

iii) **Point No. 2 (c) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**

It was suggested that letters marked to Sections which don't deal with them may be returned to the Sevottam Central Receiving Section (CRS) so that the letters can be attended to without delay by the concerned Section

Action Taken

In this area also the officers/staff were properly briefed during the interactive sessions/training programmes and no problems are noticed in the documents reaching the Section dealing with them.

iv) **Point No. 2 (d) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**

Suggestions were made to display more posters on Sevottam at various points of contact to enhance awareness and it was also suggested that Senior officers may make specific reference to Sevottam whenever they address public functions, Trade Bodies etc., to enhance the awareness levels of Sevottam

Action Taken

Orders for some more posters are being placed in order to display them at various Points of custom houses

v) **Point No. 2 (e) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**

Suggestion was made to collect feedback through email in addition to feedback collected at point of service

Action Taken

Wide publicity is given to the implementation of Sevottam and all the stakeholders are being requested to send the feedback.

vi) **Point No. 2 (f) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**

Suggestion was made to be carry out Audit inspection every 3 months

Action Taken

Internal Audit Teams have been constituted for conducting Audit. Though the periodicity of the Audit, as per the SQM is Six Months, Audit is being conducted more frequently to ensure compliance with the Sevottam procedures during the initial period. The second audit was conducted after 5 months of 1st audit.

- vii) **Point No. 2 (g) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**
Suggestion was made to conduct Sensitization programme for CHAs
Action Taken
Is scheduled to be conducted during the 3rd week of October, 2016.
- viii) **Point No. 2 (h) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**
Suggestion was made for issuing System generated acknowledgment
Action Taken
System generated acknowledgement is being issued at CRS.
- ix) **Point No. 2 (i) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**
Suggestion was made that the norm/standard time for disposing off a drawback claim should be enhanced to 1 month instead of the existing 7 working days
Action Taken
A letter F.NO: S17/04/2014 Dt 23.09.2016 was forwarded to Directorate General of Performance Management, New Delhi, suggesting the standard prescribed under the Sevottam scheme be increased from seven working days to 10 working days so that the norm could be met successfully.
- x) **Point No.s 2 (ii) & 2 (iii) (Results of Internal Audit) of the first Management Review Meeting held on 09.05.2016**
A Note from the Imports Section had been received requesting to exempt certain documents for submission at CRS, which require immediate action like amendments, re-assessments, permission for filing manual Shipping Bill/ Bill of Entry, submission of BG/ Bond etc. Similarly a Note from ITP Cell also received requesting exemption from submission of documents at CRS on the ground that acceptance and registration of TR and TP Bonds and closing of Landing permissions are routine in nature for which permissions are given on the face of the letter or in ICES 1.5, as applicable. And with limited manpower, it is very difficult to maintain the Sevottam Register.
No decision has been taken in this regard so far.
- xi) **Point No. 7 (status of preventive/corrective action) of the first Management Review Meeting held on 09.05.2016**
The respective Section Heads were directed to take necessary preventive action basing on the root cause analysis and to take rectification actions
Action Taken
The Section Heads have taken preventive/corrective actions as evident from the fact that the unaccounted letters percentage has come down from 9.6% (196 out of total 2036 letters received) from the time of First Audit to 2.5 % (96 out of total 3833 letters received) during the Second Audit.

xii) **Point No. 9 (Recommendation for improvement) of the first Management Review Meeting held on 09.05.2016**

(a) **Improvement in Service Quality Standards** Suggestion was made by the Chairman of the Management Review meeting to take up the matter of amending the time norm for drawback from the existing 7 working days to 15 calendar days or 11 working days

Action Taken

As mentioned at point No. ix above, Letter dated 23.09.2016 was forwarded to Directorate General of Performance Management New Delhi, suggesting the standard prescribed under the Sevottam scheme be increased from seven working days to 10 working days so that the norm could be met successfully.

(b) **Improvement in Customer satisfaction** Suggestion was made by the Chairman of the Management Review meeting for some more refresher sessions on Sevottam procedures to be conducted for all process owners and all other officers dealing with the Sevottam work

Action Taken

Some more training programmes/ interactive sessions have been conducted with the process owners/ section heads / dealing clerks.

(c) **Improvement in the Management systems for service quality, citizens' charter and complaint handling** No suggestions were given

(d) **Resource Needs** Suggestion was made for designing simple software/database by NIC and for creation of system generated receipt for having unique ID number for Sevottam letters exclusively

Action Taken

Acknowledging receipt of letters/claims from the trade by giving System generated receipt is already in place in the Sevottam Central Receiving Section (CRS). A dedicated e-mail address is being created in respect of Sevottam Cell for receiving feedback and for correspondence from Sevottam cell

2. Results of Internal Audit:

Internal Audit team has been constituted with one Asst Commissioner and Two Superintendent of Customs. The team has conducted Internal Audit of Sevottam from 08-08-2016 to 12-08-2016 covering the period 01.03.2016 to 31.07.2016, and submitted Audit report on 14.09.2016.

No non-conformity is reported by the Internal Auditors. However, Internal Auditors have made certain suggestions which were also taken up for discussion and decisions made then on, as stated below:

I. Major Deficiencies Noticed

- A. Out of the 3833 letters received at Central Receipt Section of Sevottam, 96 letters are not figuring in any of the Registers. This situation has arisen due to the lack of proper awareness of Sevottam, lack of commitment and monitoring. It is imperative that every letter received in the Section is duly accounted for and attended to.
- B. There is very little feedback on the quality of service from the trade due to lack of proper awareness of the Sevottam facility amongst the Trade. Awareness levels of the Trade can be raised by informing them about Sevottam during PTFC/Trade Facilitation meetings

II Suggestions for improvement

- i) It is quiet likely that most/all of the 96 letters unaccounted for, might have been received by different Sections and action might have also been taken on the same. Central Receipt Section of Sevottam has a data base about the routing of letters to different Sections. Respective Section Heads (Incharge Superintendent/Appraiser/A.O.) can reconcile with the dealing clerk of Central Receipt Section of Sevottam and correlate their Registers with the Sevottam Register of the Central Receipt Section so that the unaccounted for letters can be traced and if action has already been taken on such letters, the respective Sevottam Registers can be updated.

Decision: The Principal Commissioner directed that since an elaborate procedure regarding the receipt /disposal of letters received through Sevottam is in place, all the Section Heads should strictly adhered to the provisions/guidelines of Sevottam. All the Deputy Commissioner/ Assistant Commissioner of the concerned sections shall review the compliance on fortnightly basis and to take preventive corrective action, as necessary.

Action : ALL DC/ACs

- ii) It is once again reiterated that as soon as a letter/claim is received from the Central Receipt Section of Sevottam and even before any action is initiated on the said letter/claim, entries should be made in the Sevottam Registers so that the problem of unaccounted letters mentioned above will not arise in future. Further, if any decision is required on the letter/claim, entry should immediately be made in the second Register as well. Once a decision has been taken and communicated to the person/firm, entries in the Registers may be updated immediately.

Decision: D.C(Sevottam) has stated that since enough number of Training/ interactive sessions with all the Process Owners/ Section Heads/ Dealing Assistants to brief the procedures under Sevottam have already been conducted , now it the responsibility of all the concerned to implement the Sevottam Successfully.

Action : ALL DC/ACs

- iii) A general tendency to the effect that the proper maintenance of Sevottam Registers is the look out of the dealing assistants and other superior officers have no role in the same is noticed. The impression needs to be changed and officers at all the levels should own the processes so that Sevottam standards can be met. Failure to effectively supervise the implementation of this scheme and it's nuances by the officers working under them is not a happy parameter to evaluate the performance of the Section Heads.

Decision: The Principal Commissioner directed that All the Deputy Commissioner/ Assistant Commissioner of the concerned sections shall take the matter seriously and personally monitor the compliance on fortnightly basis in coordination with the Section Heads/ Dealing Assistants.

Action : ALL DC/ACs

- iv) As can be seen from the data given in Annexure A except for drawback, Custom House is able to achieve the standards prescribed in Sevottam. Regarding drawback, a suggestion was given by the Audit team to take up with Directorate General of Performance Management (DGPM) to increase the standard time norm to 11 working days instead of the existing 7 working days. A detailed proposal/request may be sent to the DGPM enumerating the reasons for increasing the time limit.

Decision: It is informed that a letter F.NO: S17/04/2014 Dt 23.09.2016 was forwarded to Directorate General of Performance Management New Delhi, suggesting the standard prescribed under the Sevottam scheme be increased from seven working days to 10 working days so that the norm could be met successfully

- v) Senior Officers may make a specific reference to Sevottam whenever they address public functions, Trade Bodies, etc., this would enhance the awareness levels of the program.

Decision: Principal Commissioner suggested the during the Meeting of PTFC etc, the Trade should be informed about nuances of Sevottam and invite the feedback. Further Principal Commissioner suggested to hold a interactive section with the Trade/ CHAs/ Stake Holders apart from AEO as part of Single Window.

- vi) Collect feedback through email questionnaires in addition to feedback collected at point of service.

Decision: A dedicated e mail address to be created in respect of Sevottam Cell for receiving feedback and for correspondence from Sevottam cell.

3. **Customer Feedback including results of customer satisfaction surveys**

The feedback seeks to valuable inputs regarding customer satisfaction on accessibility of information and officers courtesy in behaviour, promptness, complete and correctness of response etc., is made available at the CRS.

Decision: The Principal Commissioner directed to identify and collect the email address of the 50/100 people among the Trade/ CHAs/ Stakeholders, and seek the feed back from the dedicated email address to be created for Sevottam Cell.

4. Changing customer requirements

Customer requirements are changing from time to time. To meet to these requirements, the Commissionerate had launched website wherein they can lodge complaints / suggestions etc., and this website contains important links to the CBEC, ACES and other useful links.

No suggestions were made.

5. Feedback from other stakeholders.

Decision: Further Principal Commissioner to hold a interactive session with the Trade/ CHAs/ Stake Holders apart from AEO as part of Single Window

(6) Extent to which objectives are achieved:

Second Audit report Dt 14.09.2016 submitted by the Internal Audit team who conducted the Audit from 08.08.2016 to 12.08.2016 for the period 01.03.2016 to 31.07.2016 has been circulated to all the members and discussed at length.

(7) Status of preventive / corrective actions:

Already discussed in the preceding Paras ,the Principal Commissioner directed all the process owners to undertake the preventive / corrective actions to eliminate causes of non-conformity and potential causes in order to prevent recurrence.

(8) Review of process performance:

It is observed that there are specified processes for each service deliverable with process owner designated for each of these, the process performance has been satisfactory as the designated have not only resulted in achievement but have actually exceeded the service quality norms in most of the cases.

(9) Recommendations for improvement.

A) The Principal Commissioner directed to order for more Sevottam Posters/ Boards to display in various points in Custom House, including Corridors/ section rooms to give maximum exposure to Sevottam roll-out.

B) Regarding the request of Imports Section & ITP cell to exempt the documents from submission at CRS pertaining to their section, by following the ratio followed in Mumbai and Chennai Custom Houses, the Principal Commissioner directed to study the Public Notices issued by the Mumbai and Chennai Custom Houses to take appropriate action in this Custom House.

C) The Principal Commissioner directed to make the commissionerate ready for BIS Certification IS 15700:2005. In view of the difficulties in meeting the prescribed norm of 80% in respect of remittance of Drawback within 7 working days of either filing of manifest in the case of electronic processing of declarations or filing of paper claim in the

case of manual processing, as informed to Directorate General of Performance Management , New Delhi vide this office letter of even no 23.09.2016, it is directed to ascertain the procedure followed by other field formations , who were awarded IS 15700-2005 Certificate by the Bureau of Indian Standards.

D) Resource needs:

It is constantly assessed and monitored and wherever required augmentation is being taken up suitably.

This issues with the approval of Principal Commissioner of Customs.


13/11/16
(SUDHAKAR MISHRA)

ADDITIONAL COMMISSIONER OF CUSTOMS.

Copy to

1.

The Director General,
Directorate General of Performance Management,
Customs, Central Excise, & Service Tax,
5th Floor, Drumshape Building,
I.P.Bhavan, I.P Estate,
New Delhi. -110002

2. All DC/ACs

3. Supdt (EDI) - to upload on the website of Custom House, Visakhapatnam

4. Audit Team Members