

ANNEXURE

ANNEXURE: 1
Fact Sheet on Special Economic Zones **(Refer paragraph 1.9)**
As on 1 April 2019

Number of Formal approvals	416		
Number of notified SEZs	351 plus 7 Central Govt. plus 12 State/Pvt. SEZs		
Operational SEZs	232		
Units approved in SEZs	5,109		
Investment	Investment	Incremental Investment	Total Investment
	(As on February 2006)		(As on 1 April 2019)
Central Government SEZs	₹ 2,279 Cr.	₹ 16,398 Cr.	₹ 18,677 Cr.
State/Pvt. SEZs set up before 2006	₹ 1,756 Cr.	₹ 11,518 Cr.	₹ 13,274 Cr.
SEZs notified under the Act	-	₹ 4,75,693 Cr.	₹ 4,75,693 Cr.
Total	₹4,035 Cr.	₹ 5,03,609 Cr.	₹ 5,07,644 Cr.
Employment	Employment	Incremental Employment	Total Employment
	(As on February 2006)		(As on 1 April 2019)
Central Government SEZs	1,22,236 persons	1,05,801 persons	2,28,037 persons
State/Pvt. SEZs set up before 2006	12,468 persons	90,584 persons	1,03,052 persons
SEZs notified under the Act	0	17,29,966 persons	17,29,966 persons
Total	1,34,704 persons	19,26,351 persons	20,61,055 persons
Export performance			
Year	Exports		Growth percentage
FY16	4,67,337		1
FY17	5,23,637		12
FY18	5,81,033		11
FY19	7,01,179		21

Total Investment	2015-16	2016-17	2017-18	2018-19
	₹in crore	₹in crore	₹in crore	₹in crore
Central Government SEZs	15,178	15,974	19,381	18,677
State/Pvt. SEZs set up before 2006	10,169	11,478	12,952	13,274
SEZs notified under the Act	3,51,147	4,05,690	4,59,979	4,75,693
Total	3,76,494	4,33,142	4,92,312	5,07,644
Employment (in person)	2015-16	2016-17	2017-18	2018-19
Central Government SEZs	2,38,382	2,34,861	2,39,870	2,28,037
State/Pvt. SEZs set up before 2006	84,004	95,970	1,00,669	1,03,052
SEZs notified under the Act	12,68,995	14,48,020	16,56,071	17,29,966
Total	15,91,381	17,78,851	19,96,610	20,61,055

Source: www.sezindia.nic.in

ANNEXURE 2

Duty evasion cases detected by DRI (Scheme-wise)

(Refer Paragraph 1.13.1)

Sl.No	Scheme	FY 15 No. of cases Duty (₹ in Cr.)	FY 16 No. of cases Duty (₹ in Cr.)	FY 17 No. of cases Duty(₹ in Cr.)	FY 18 No. of cases Duty (₹ in Cr.)	FY 19 No. of cases Duty (₹ in Cr.)
1	Misuse of End-Use & Other Notification conditions.	18 110.18	69 770.48	29 15.91	48 117.50	60 539.47
2	Misuse of EPCG	49 289.11	64 454.92	53 311.96	37 237.47	32 72.90
3	Undervaluation	85 285.64	92 254.37	154 184.89	346 1825.42	80 301.01
4	Mis-declaration	52 172.42	112 1187.61	167 309.09	163 184.72	211 791.89
5	Drawback		94 1150.46	58 99.70	146 40.22	21 6.87
6	Misuse of EOU/EPZ/SEZ	6 37.50	18 9.54	6 37.34	3 1.05	3 4.95
7	Misuse of DEEC/ Advance licence	11 1077.15	12 15.21	55 265.21	79 293.54	178 3433.40
8	Others	186 953.54	170 2780.73	145 198.08	118 364.74	167 1077.70
	Total	407 2925.54	631 6623.32	667 1422.18	940 3064.65	752 6228.19

Source: DRI Anti smuggling performance report (ASPR)

ANNEXURE- 3**Legal framework and Administrative instructions for SCN and Adjudication****(Refer paragraph No.3.1.1)**

Sl No.	Section/ Rule/Circular	Brief Reference
1.	28(1) of Customs Act (CA) 1962	SCN in cases other than the reasons of collusion or any wilful mis-statement or suppression of facts
2.	28(4) of CA 1962	SCN in cases of collusion or any wilful mis-statement or suppression of facts
3.	28(8) of CA 1962	The amount of duty and interest in SCN cases.
4.	28(9) of CA 1962	Timelines for adjudication of SCN cases
5.	111 of CA 1962	Confiscation of improperly imported goods
6.	75 of CA 1962	Regulation of Drawback for exports
7.	122 of CA 1962	Adjudication of confiscation and penalties
8.	124 of CA 1962	SCN before confiscation of goods
9.	129 D of CA 1962	Powers of Pr.Chief Commissioner/Chief Commissioner to pass certain orders
10.	Pre notice Regulations 2018	Initiation of Pre notice consultation in cases wherein SCN was proposed
11.	13 of FTDR Act 1992	Adjudicating authority in Licence cases of Search, Seizure, Penalty and confiscation
12.	14 of FTDR Act 1992	Giving opportunity (notice in writing) to the owner of the goods before order imposing a penalty or of adjudication of confiscation
13.	4.24 of HBP Vol. I	Monitoring of obligation; Advance Licence
14.	Para 5.8 of HBP Vol. I	Regulation of export obligation fulfilment; EPCG Scheme licence
15.	Para 5.13 of HBP Vol. I	Redemption procedure for EPCG licences
Administrative Instructions		
1.	CBIC Cir. No. 162/73/95-CX dt. 14.12.1995 as amended	Transfer of SCN cases to Call Book.
2.	CBIC Cir.No. 717/33/2003-CX dt 23.5.2003	Monthly Technical Report/ Monthly Performance Report
3.	DGFT Cir. F.No.18/24/HQ/99-2000/ECA II dt 31 Dec 2003	Guidelines for Denied Entity List cases
4.	CBIC Cir No. 3/2007-Cus dated 10 Jan 2007	Time frame for Seizure cases within which adjudication would be completed
5.	CBIC Cir No. 4/2007-Cus dated 10 Jan 2007	Remand back cases timelines for adjudication
6.	Min.of Finance F.No/609/119/2010-DBK dt. 18.1.2011	Progress in the implementation of the Bank Realization Certificate (BRC)Module
7.	CBIC Cir.No.24/2011-Cus dt 31.5.11	Monetary limit for issue of SCN and adjudication
8.	CBIC Cir.No.16/2017 dated 2 May 2017	Issue of simple notice for discharge of Export obligation
9.	CBIC, instructions No. 5/2018 dt 28.3.2018 and No.6/2018 dt 2.04.2018	Issuance of SCNs and Adjudication Orders through DIGIT
10.	DGFT Trade Notice No. 1/2018-19 dt. 4.4.2018	Export Obligation Discharge Certificate (EODC) Monitoring System

ANNEXURE 4
Scope and Audit Coverage

(Refer paragraph No.3.3)

SI No.	Name of Selected Customs Commissionerate	Name of selected RAs	Name of Selected DC-SEZ
1	Commissionerate of Customs (Prev.)Lucknow Commissionerate of Customs Noida Commissionerate of Customs (Prev.) Patna	Kanpur	Noida
2	Commissionerate of Customs (Airport) Kolkata Commissionerate of Customs (Prev.) West Bengal	Kolkata	SEZ Falta
3	Commissionerate of Customs Hyderabad Commissionerate of Customs Vishakapattanam Commissionerate of Customs (prev.) Bhuvneswar	Hyderabad	VSEZ Vishakhapatnam
4	Commissionerate of Customs (Import), NCH Delhi Commissionerate of Customs (Export), NCH Delhi Commissionerate of Customs Indore	Delhi, Indore	Pithampur, Gwalior
5	Commissionerate of Customs Ahmedabad Commissionerate of Customs Mundra Commissionerate of Customs (Prev.) Jodhpur	Ahmedabad, Rajkot Jaipur	Kandla
6	Commissionerate of Customs Ludhiana	No RA selected	No DC in Jurisdiction
7	Commissionerate of Customs (ACC & Airport) Bangaluru Commissionerate of Customs Mangaluru	Bangaluru	CSEZ Bengaluru (DC-Cochin)
8	Commissionerate of Customs (NS-I), JNCH MUMBAI Commissionerate of Customs (NS-II), JNCH MUMBAI Commissionerate of Customs (NS-III), JNCH MUMBAI Commissionerate of Customs (NS-V), JNCH MUMBAI	ADGFT, Mumbai	SEEPZ, Mumbai
9	Commissionerate of Customs -I (Airport), Chennai Commissionerate of Customs -II (Sea Import), Chennai Commissionerate of Customs -VII (Air Cargo), Chennai Commissionerate of Customs Cochin	Chennai, Cochin	MEPZ, Chennai, CSEZ, Cochin
Total	25	12	8

ANNEXURE 5
Non-updation of the DRI intelligence gathering and investigation tools (DIGIT)
database

(Refer Paragraph 3.4.4.1)

Sl.No.	Name of the Commissionerate	Whether legacy data entry has been made in DIGIT by July 2018	Whether SCNs and Adjudication orders are being uploaded in DIGIT w.e.f. 1.4.2018	Implementation of DIGIT Implemented/partially implemented/Not implemented
1	Commissionerate of Customs, Ahmedabad	Not uploaded	Not uploaded	Not implemented at all
2	Commissionerate of Customs, Mundra	Information not furnished	Information not furnished	Information not furnished
3	Commissionerate of Customs, Jodhpur	Not uploaded	Information not furnished	Information not furnished
4	Commissionerate of Customs, NCH, Mangalore	Not uploaded	Partially	Partially implemented
5	Commissionerate of Customs (ACC& Airport), Bangalore	Information not furnished	Information not furnished	Information not furnished
6	Commissionerate of Customs, Ludhiana	Partially	Not uploaded	Not implemented at all
7	Commissionerate of Customs (Sea) Chennai	Not uploaded	Information not furnished	Information not furnished
8	Commissionerate of Customs (Air), Chennai	Not uploaded	Partially	Partially implemented
9	Commissionerate of Customs(Sea), Cochin	Partially	Partially	Partially implemented
10	Commissionerate of Customs (Air), Cochin	Information not furnished	Not uploaded	Not implemented at all
11	Commissionerate of Customs, ACC (Import) NCH , Delhi	Not uploaded	Not uploaded	Not implemented at all
12	Commissionerate of Customs, Indore	Not uploaded	Not uploaded	Not implemented at all
13	Commissionerate of Customs, ACC (Export), NCH, Delhi	Not uploaded	Partially	Partially implemented
14	Hyderabad Custom Commissionerate	Not uploaded	Not uploaded	Not implemented at all
15	Commissionerate of Customs, VSKP	Partially	Not uploaded	Not implemented at all
16	Commissionerate of Customs(Prev.), Bhubaneswar	Not uploaded	Partially	Partially implemented
17	Commissionerate of Customs, Air Port , Kolkata	Not uploaded	Not uploaded	Not implemented at all
18	Commissioner of Customs (Preventive), West Bengal	Not uploaded	Not uploaded	Not implemented at all
19	Commissionerate of Customs (Preventive), Lucknow	Not uploaded	Information not furnished	Information not furnished

Sl.No.	Name of the Commissionerate	Whether legacy data entry has been made in DIGIT by July 2018	Whether SCNs and Adjudication orders are being uploaded in DIGIT w.e.f. 1.4.2018	Implementation of DIGIT Implemented/partially implemented/Not implemented
20	Commissionerate of Customs, Noida	Not uploaded	Information not furnished	Information not furnished
21	Commissionerate of Customs(Preventive), Patna	Not uploaded	Partially	Partially implemented
22	Commissionerate of Customs (I,II,III,IV), JNCH, Mumbai	Not uploaded	Partially	Partially implemented
25				
Summary:				
No. of Commissionerates not implemented at all				10
No. of Commissionerates implemented partially				9
No. of Commissionerates did not furnish data/information				6
Total				25

ANNEXURE 6

Incorrect application of Exemption notification

(Refer Paragraph 4.7)

S.No.	DAP No.	Subject	Amount Objected (₹ In lakh)	Amount Accepted (₹ In lakh)	Amount Recovered (₹ In lakh)	Commissionerate
1	30	Short levy of basic customs duty	12.33	12.33	12.33	ACC, Mumbai
2	50	Non levy of special additional duty of customs due to incorrect availing of exemption	13.52	13.52	15.81	Customs Commissionerate, Mundra,
3	59	Short levy of duty due to incorrect grant of exemption	15.72	15.72	19.17	Custom House, Kochi
4	67	Short levy of countervailing duty on import of urea	27.03	27.03	5.26	JNCH, Mumbai
5	96	Short levy of duty due to incorrect application of notification	18.32	18.32	23.60	ACC, Bengaluru
6	97	Non fulfilment of export obligation	53.06	53.06	13.26	ACC, Bengaluru
7	106	Non recovery of duty and interest on goods imported under notification no.27	21.35	21.35	32.47	Kolkata (Port)
8	114	Short levy of duty due to incorrect adoption of assessable value	13.97	13.97	16.58	ICD, Ankleshwar, Ahmedabad
Total			175.30	175.30	138.48	

ANNEXURE 7**Short/non-levy levy of IGST on imports (Refer Paragraph 4.8)**

Sl.No.	DAP No.	Subject	Amount Objected (₹ In lakh)	Amount Accepted (₹ In lakh)	Amount Recovered (₹ In lakh)	Commissionerate
1	3	Short levy of duty due to incorrect application of IGST rates	31.47	31.47	39.24	ACC, Chennai
2	5	Short levy of duty due to incorrect adoption of integrated tax	24.32	24.32	24.89	ICD, Garhi Harsaru under Patparganj Commissionerate
3	8	Short levy of duty due to incorrect application of IGST rates	15.45	15.45	17.29	CH, Pipav Jamnagar
4	14	Short levy of duty due to incorrect application of IGST rates	36.16	36.16	60.78	ICD, Garhi Harsaru
5	15	Short levy of duty due to incorrect application of IGST rates	19.43	19.43	20.83	ICD, Tughlakabad
6	16	Short levy of duty due to incorrect application of IGST rates	33.41	33.41	36.98	ICD, Garhi Harsaru
7	17	Short levy of duty due to incorrect application of IGST rates	19.44	19.44	20.45	ICD, Tughlakabad
8	28	Short levy of duty due to incorrect application of IGST rates	15.76	15.76	8.45	NCH, Chennai
9	37	Short levy of duty due to incorrect application of IGST rates	56.27	56.27	67.27	ICD, Tughlakabad
10	38	Short levy of duty incorrect application of IGST rate	43.58	43.58	38.75	NCH, Delhi
11	43	Short levy of duty due to incorrect application of IGST rates	11.47	11.47	9.16	ICD, Tughlakabad
12	54	Short levy of duty due to incorrect application of IGST rates	13.98	13.98	17.29	NCH, Delhi
13	62	Short levy of duty due to incorrect application of IGST rates	20.98	20.98		ICD, Tughlakabad
14	69	Short levy of IGST on ink cartridges	26.70	26.70	0.03	ACC, Mumbai
15	102	Short levy of IGST	24.84	24.84	30.65	ACC, Mumbai
16	105	Short levy of duty due to incorrect application of IGST rates	64.32	64.32	66.35	NCH, Delhi
Total			457.58	430.91	458.41	

ANNEXURE 8

Short/non- levy of duty due to grant of notification benefits erroneously

(Refer Paragraph 4.9)

S. No.	DAP No.	Subject	Amount Objected (₹ In lakh)	Amount Accepted (₹ In lakh)	Amount Recovered (₹ In lakh)	Commissionerate
1	18	Short levy of duty due to grant incorrect benefit of notification 50/2017	20.55	10.13	10.13	ICD, Garhi Harsaru
2	86	Short levy of duty due to incorrect extension of notification benefit	17.59	17.59	Nil	Custom House, Chennai
3	104	Non levy of customs duties on chickpeas imports	52.15	52.15	52.94	JNCH, Mumbai
4	112	Short levy of duty due to incorrect extended of notification benefit	31.31	31.31	34.52	Chennai (Sea)
118-Para 2.2 to Para 3.4 except Paras 2.2 and 3.3; included in the Chapter		Short levy of BCD on imports of Machinery and parts under notification 50/2017	136.73	Nil	Nil	Kochi (Sea) Chennai (Sea)
Total			258.33	111.18	97.59	

ANNEXURE-9

Short/Non-levy of duties due to misclassification of imports

(Refer paragraph 4.10)

S.No.	DAP No.	Subject	Amount Objected (₹ In lakh)	Amount Accepted (₹ In lakh)	Amount Recovered (₹ In lakh)	Commissionerate	Commodity
1	6	Non levy of duty due to misclassification	33.87	33.87		Chennai (Sea)	Rhizotron control growth chamber
2	9	Short levy of duty due to misclassification	26.18	26.18		ACC, Bengaluru	Tobacco feed control unit
3	13	Short levy of duty due to misclassification	18.87	18.87	23.23	ICD, Tughlakabad	White top pulp board
4	20	Short levy of duty due to misclassification	43.55	43.55	2.26	Chennai (Air)	CCTV Camera
5	21	Short levy due to misclassification	44.66	44.66	20.29	Chennai (Sea)	Machinery for animal feed
6	22	Short levy of duty due to misclassification	12.80	12.80		Chennai (Sea)	Radio Frequency Identification Tag
7	26	Short levy of duty due to misclassification	32.11	32.11	38.54	Kochi (Sea)	Media Grid Base pack & other
8	29	Short levy of IGST due to misclassification	25.88	25.88	28.53	Kochi (Sea)	Bellows assembly and Face assembly
9	35	Short levy of duty due to misclassification	19.97	19.97	22.83	ICD, Tughlakabad	Battery of mobile phone
10	40	Short levy of duty due to misclassification	65.56	65.56	77.26	ICD, Tughlakabad	Synchronizer component for gear assembly
11	41	Short levy of duty due to misclassification	13.99			ICD, Tughlakabad	Canned fruit cocktail
12	52	Short levy of duty due to misclassification	11.01	11.01	12.23	ICD, Tughlakabad	Automobile parts
13	53	Short levy of duty due to misclassification	60.12	60.12		ICD, Tughlakabad	Router line card
14	55	Short levy of duty due to misclassification	10.80	10.80	14.85	JNCH, Mumbai	Filter paper
15	57	Short levy of duty due to misclassification	10.81			JNCH, Mumbai	Coffee mate coffee creamer
16	65	Short levy of duty due to misclassification	10.07	10.07		ACC, Bengaluru	GSM/GPRS module
17	71	Short levy of duty due to misclassification	46.37	46.37		Chennai (Sea)	Inbody band fitness watch
18	72	Non levy of duty due to misclassification	90.97	90.97		ICD, Santhnagar	Fiber Reinforced plastic fibre glass
19	74	Short levy of duty due to misclassification	15.49	15.49		JNCH, Mumbai	Raw material for cosmetic
20	79	Short levy of duty due to misclassification	39.36	2.33		JNCH, Mumbai	Monitors and Microscopes
21	85	Short levy of duty due to misclassification	17.03	17.03		JNCH, Mumbai	Polypropylene bags

S.No.	DAP No.	Subject	Amount Objected (₹ In lakh)	Amount Accepted (₹ In lakh)	Amount Recovered (₹ In lakh)	Commissionerate	Commodity
22	107	Non levy of duty due to misclassification	76.45	37.68	42.45	Chennai (Sea)	Multi-purpose pilot plant for Petroleum research
23	109	Short levy of basic customs duty due to misclassification	18.22	16.43	16.43	ACC, Hyderabad	Dust monitors, Air Particle counters
			744.14	641.75	298.90		

ANNEXURE-10

Imports cleared without levying applicable duties and other irregularities

(Refer paragraph 4.11)

S. No.	DA P No.	Brief Subject	Amount Objected (₹ In lakh)	Amount Accepted (₹ In lakh)	Amount Recovered (₹ In lakh)	Commissionerate	Commodity
1	51	Short levy of Basic Customs duty	13.63	13.63	16.03	SEZ, Atladara	Pyroxasulfone
2	82	Excess refund of duty	46.48	46.48	58.07	JNCH, Mumbai	Red bull energy drink
3	45	Non levy of anti dumping duty	11.75			JNCH, NhavaSheva-I	Phthalic Anhydride
4	49	Short/non levy of anti dumping duty	11.36	11.36		JNCH, NhavaSheva-I	Injection Moulding machine
5	63	Non levy of anti dumping duty	25.49			NhavaSheva-i	Zeolite
6	89	Non levy of anti dumping duty	33.35			JNCH, Mumbai	Polypropylene
7	93	Non levy of anti dumping duty	12.23			JNCH, Mumbai	Synchronous digital hierarchy transmission equipment
8	100	Non/short levy of anti dumping duty	14.05			JNCH, Mumbai	Di-methyl acetamide
9	108	Non levy of anti dumping duty	31.99	31.99		JNCH, Mumbai	Saccharine
			200.33	103.46	74.10		

ANNEXURE-11**Short / Non-Levy of charges by Development Commissioners**

(Refer paragraph 4.12)

S. No.	DAP No.	Brief Subject	Amount Objected (₹ In lakh)	Amount Accepted (₹ In lakh)	Amount Recovered (₹ In lakh)	Commissionerate
1	7	Short recovery of cost recovery charges	68.27	68.27	68.27	ICD, Ankleshwar
2	75	Non recovery of cost recovery charges	44.93	29.12	29.12	GPPL Pipavav
Total			113.20	97.39	97.39	

Annexure-12**Non-compliance to provisions of Export Promotion Schemes**

(Refer paragraph 5.2)

S.No.	DAP No.	Brief Subject	Amount Objected (₹ in Lakh)	Amount Accepted (₹ in Lakh)	Amount Recovered (₹ in Lakh)	Commissionerate
1	34	Irregular regularization of default in respect of advance authorization	21.43	25.90	25.90	ADGFT, Kolkata
2	42	Non levy of customs education cess on DTA sale	10.48	10.48	11.50	DC, FSEZ, Kolkata
3	44	Incorrect grant of SFIS authorization	49.34	49.34	49.34	JDGFT, Vadodara
4	46	Non fulfilment of export obligation in respect of EPCG authorization	14.67			ADGFT, Kolkata
5	47	Incorrect grant of duty credit under Market Linked Focus Product Scheme	28.95	28.95	48.64	JDGFT, Chennai
6	48	Incorrect grant of duty credit scrip under SHIS scheme	8.00	8.00	11.02	ADGFT, Kolkata
7	61	Incorrect grant of reward under IEIS	9.13	9.13	11.05	JDGFT, Coimbatore
8	68	Short levy of duty on DTA sales due to misclassification	70.33	70.33		Custom House, Kochi
9	73	Excess grant of duty credit under MEIS	35.18	35.18	39.50	JDGFT, Madurai
10	76	Ineligible deemed drawback	39.04	49.08	49.08	DC-CSEZ, Kochi

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S.No.	DAP No.	Brief Subject	Amount Objected (₹ in Lakh)	Amount Accepted (₹ in Lakh)	Amount Recovered (₹ in Lakh)	Commissionerate
11	78	Short levy of excise duty	10.26	10.26	16.02	Pune III (EOU) Mumbai
12	81	Non fulfilment of export obligation against EPCG licence	30.90	11.27		ACC, Bengaluru
13	91	Incorrect availment of CST refund	30.85	24.40	24.40	CGST, Bhvnagar-I
14	98	Incorrect grant of exemption under duty free import authorization	22.13	22.13	28.98	Custom House, Mundra
15	101	Short levy of duty on excess sale of product in DTA	10.39	10.39	3.17	Aurangabad-II
16	113	Irregular availing of exemption of customs duties under MEIS	51.63	51.63		CGST (III) Gandhinagar
17	116	Non recovery of drawback on failure to realize export proceeds	46.61	46.61		Kolkata (Port)
			489.32	463.08	318.55	