

## 2<sup>nd</sup> Open House under series “THE DIALOGUE – A New Beginning”

**Topic: Interaction of SEZ units with Banks**  
**12<sup>th</sup> October 2018 | Jaipur**

### **Speakers at the Session:**

- Shri A. K. Meena, Deputy Commissioner, SEZ Customs, Sitapura, Jaipur
- Representatives of following banks.
  - a. State Bank of India
  - b. Punjab National Bank
  - c. Dena Bank
  - d. Corporation Bank
  - e. IDBI Bank
  - f. ICICI Bank
  - g. HDFC Bank
  - h. Axis Bank
  - i. Bank of Baroda
  - j. UCO Bank

### **Objective of the Session:**

The session was organised by the The Gem & Jewellery Export Promotion Council (GJEPC), Jaipur Region to discuss the various issues of SEZ units with their banks like asking for Customs attested physical copies of export documents, non-allowance of advance remittance to foreign suppliers of precious metals etc. During the Interactive Session on SEZ issues organised on 19<sup>th</sup> July 2018 which was chaired by Dr L. B. Singhal, Zonal Development Commissioner, Noida SEZ it was decided to hold an open house with the banks to discuss on various issues faced by the SEZ units so as to find an immediate solution if possible or to identify the issues which needs to be referred to RBI, Ministry, Customs etc for resolution and trade facilitation.

### **Member Presence in the session:**

Representatives from around 30 SEZ units attended the session to raise their issues faced with the banks.

### **Key Highlights of the Session:**

- The members raised the issue of non allowance of advance remittance to foreign suppliers of precious metals by the banks. The Banks have quoted Para C.11 “Import of Gold” of RBI Master Direction on Import of Goods & Services which allows only star or premier trading houses to import gold on document against payment (DP) basis. Therefore, the advance payment to units other than Star or premier trading houses is not being allowed.
- The members pointed out that the banks are asking for Customs attested documents to clear the transaction in EDPMS or IDPMS. The banks clarified that they need only the details of the shipping bill/ Bill of entry to search the same in EDPMS or IDPMS for processing clearance of bill for which either first page of shipping bill/ bill of entry attested by exporter or SB/BE number & Date given on letterhead would suffice their purpose.

- The members raised the requirement by some banks for Customs attested EDF. The Banks clarified that if SB is available in EDPMS then the Customs attested EDF is not required.
- The Banks clarified that sometimes SB/BE is visible on ICEGATE but not in EDPMS/IDPMS or if SB is older than year 2014 then Customs attested EDF or SB/BE is required by them to process the said bill.
- Banks pointed out to Customs that in some cases where AD code is wrongly mentioned in Shipping bill is amended by Customs on production of Free form by the exporter to Customs but the said change does not reflect in EDPMS. Shri A.K. Meena, DC, SEZ Customs requested the banks to provide the details of such cases to Customs for either verifying the same or making the desired changes in EDPMS so that banks may clear such shipping bills.
- The Banks raised the issue of non reflection in EDPMS/ IDPMS of change in currency allowed by Customs. The Customs informed that the change in currency is always done online hence chances of non reflection are almost negligible. However, the Customs has asked the banks to give details of any such cases which would be examined and corrected.
- The exporters raised an issue pertaining to Intra Zone Sales between SEZ units where the banks ask for a SB/BE to effect the payment in Free Foreign Exchange but for such sales there is no such documents due to which the exporters are facing difficulty. The Customs clarified that there is no module in SEZ Online utility of NSDL to capture such transactions.
- The Banks informed the exporters that in consignment exports the documents for such exports has to be sent through bank to bank.
- The exporters raised the point that certain banks are allowing for making advance payment in free foreign exchange to MMTC Ltd (a Nominated agency) which has recently started operations in SEZ-II of Jaipur for supplying duty free precious metals to SEZ units located there. The Council has noted the point to examine the same and apprise the members.

#### **Glimpses of the interactive Session:**

