

OFFICE OF THE COMMISSIONER OF CUSTOMS (NS I, III & V)
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA
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F. No. S/22-Gen-01/2014-15 AM (I) NS-III

Date: 28.07.2016

MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION
COMMITTEE FOR NS-I, III & V HELD ON 21.07.2016

The PTFC meeting held on 21.07.2016 was chaired by Shri D.K.Srinivas, Commissioner of Customs, NS-I & III, Shri Vijay Singh Chauhan, Commissioner of Customs, NS-V and Shri Subhash Agrawal, Commissioner of Customs, NS-IV. The meeting was attended by the following Members/Participants of trade -

Sr. No.	Names (Smt./Shri/Ms.)	Organization/Association/Designation
1	Subhas Rajkumar	MANSA
2	Manish Kumar	MANSA
3	Vinayak Aparaj	BCHAA
4	Venkatram Narayanan	CFSAI
5	Umesh Grover	CFSAI
6	Laksha T.	CFSAI
7	Neelesh Datir	AILBIEA
8	Mohan Nihalani	AIIEA
9	Chetna M Bhadeka	WCBFF
10	Nimish Desai	WISA
11	Paresh Shah	BCHAA
12	Omprakash Agrawal	MSWA
13	Suresh Dalvi	BCHAA
14	Hiren Ruparel	BCHAA
15	Ganpat Karade	BCHAA
16	Raghav Uchil	AMTOI
17	Norman Fernandez	CSLA
18	Shankar Shinde	RCCI
19	Sarfaraz Ahmed Khan	RCCI
20	Rajasekhar R.	Crop Care
21	Jacob Thomas	CFSAI
22	S Srinivas	CFSAI
23	Viral M Engineer	CFSAI
24	Cedric Brindley	M/s Apollo CFS
25	Sanjay Bave	M/s Apollo CFS
26	Manohar Acharekar	M/s Continental CFS
27	Salim Shikalgar	CFSAI

Following Officers from Department attended the meeting -

Sr. No.	Names (Smt./Shri/Ms.)	Designation
1	Vijay Risi	Addl. Commissioner of Customs, JNCH
2	Dhirendra Lal	Addl. Commissioner of Customs, JNCH
3	Rahul R. Nangare	Addl. Commissioner of Customs, JNCH
4	Nikhil Meshram	Addl. Commissioner of Customs, JNCH
5	S C Gangar	Addl. Commissioner of Customs, JNCH
6	Akhilesh Pandey	Addl. Commissioner of Customs, JNCH
7	Pritee Choudhary	Joint Commissioner of Customs, JNCH
8	B.S. Mangat	Dy. Commissioner of Customs, JNCH
9	Amit Kumar	Dy. Commissioner of Customs, JNCH
10	Sandeep Yadav	Dy. Commissioner of Customs, JNCH
11	S D Jambotkar	Dy. Commissioner of Customs, JNCH
12	Tapan Kumar	Dy. Commissioner of Customs, JNCH
13	P K Ahire	Asstt. Commissioner of Customs, JNCH

- 2) At the outset, the Chairperson welcomed all the members.
- 3) The Addl. Commissioner, Appg. (Main) (Import), thereafter, announced the following facilitation measures for Ease of Doing Business carried out by the Department since the last PTFC meeting held on 28.06.2016.
 - i) STANDING ORDER No.44/2016 dated 08.07.2016 regarding Valuation of Plastic items for Assessment of Custom Duty.
 - ii) FACILITY NOTICE No.102/2016 dated 12.07.2016 regarding import of containers for re-export purpose.
 - iii) PUBLIC NOTICE No.101/2016 dated 13.07.2016 regarding appointment of Public Grievance Officer to take up all grievances pertaining to NS-II, IV & General.
 - iv) PUBLIC NOTICE No.99/2016 dated 08.07.2016 regarding KYC norms for the Shipping lines / freight forwarders etc.
 - v) PUBLIC NOTICE No.98/2016 dated 07.07.2016 regarding appointment of Public Grievance Officer to take up all grievances pertaining to NS-I, III & V.
- 4) Thereafter, the Agenda points were taken up for discussion.

Old Points:

Point No.5:- Shifting of imported goods to local containers.

It was informed that the issue was discussed in the last PTFC Meeting and the CFS Management Cell was asked to convene a meeting of all the CFS and the Trade/Customs Brokers and recommend the course of action.

The Chairperson had opined that basic objective for shifting to local containers is to reduce the cost to the Importers and, therefore, the space has to be invariably provided by the respective CFS's without fail. He further informed the House that the shifting of the goods to local containers will be done under DC/Docks supervision. Accordingly, the Chairperson directed the CFS Management Cell to conduct a meeting again with the CFS Association alongwith the members of M/s BCHAA to sort out pending issues and to arrive to an amicable solution.

Action taken:-

The CFS Management Cell informed that a meeting was held on 23.06.2016 with the representatives of M/s BCHAA and M/s CFS Association and specific role of all the stakeholders have been decided. It was informed that the permission for the shifting of goods to the local containers will be granted by DC/Docks after examining the merits of the case. It was also informed that the shifting of the goods will be carried out under Preventive supervision. Further CFS's have agreed to provide the space for domestic containers. Moreover, the CFS's who are willing to provide the local containers will provide the same or the CFS's will provide the list of vendors for domestic containers to the Importers. The charges of ground rent will be decided mutually between the CFS's and M/s BCHAA. It is also informed that M/s BCHAA has agreed for payment on MOT basis by the respective importers for the shifting of the goods under Preventive supervision.

(Point closed)

Point No.6:-Shipping Lines demanding KYC from Importers and Customs Brokers on all imports as per PN No.17/2012.

The issue was discussed in the last PTFC meeting. The Chairperson informed that the issue is under examination and will be finalized in the next meeting.

Action taken:-

In this regard, the Preventive General Section informed that Public Notice No.99/2016 dated 08.07.2016 has been issued wherein the list of the documents for Know Your Customer (KYC) norms has been prescribed viz. (a) Photo Identity proof, (b) Address Proof, (c) Photocopy of IEC, (d) Letter of authority from exporter. Further in case the bookings are made by CONSOL Agents/ Freight Forwarders, the following documents in addition to above will be required viz., (i) Registration Certificate of Freight Forwarders, (ii) Letter of Authority from Freight Forwarders, where bookings are made by an employee of the Freight Forwarders and (iii) declaration from Freight Forwarders that they have collected documents mandated under (a) to (d) mentioned above.

It was further informed that where the transactions between Shipping lines, etc., and Exporters are of a recurring nature and documents collected are undergoing no change, then such compliance will continue to be valid for similar transactions by the said person/firm/exporter for the succeeding six months. Further in case of imports, the same is applicable *mutatis mutandis*.

In this regard, the Chairperson directed that all Shipping lines should follow the above mentioned Public Notice for uniformity in practice. Accordingly, Shipping lines Association were directed to issue the advisory to members shipping lines in this regard.

(Point closed)

Point No.7:-Request to review Standing Order on Plastic Valuation.

Issue:

- a) Almost all the Bills of Entry have to be referred to the Jt. Commissioner for approval of valuation.
- b) RMS Bill of Entries have to be recalled for valuation, thus defeating its very purpose.
- c) Past practice of assessments needs to be reviewed and reinstated.
- d) Delay in clearances, due to this age old practice causing increase in transaction cost, due to levy of ground rent etc. on containers.

The Chairperson stated that due to peculiar nature of the concerned commodity and the different descriptions like Prime, Sub-Prime, etc. declared by various Importers, a need was felt to arrive to a uniform assessment practice. Accordingly, Standing Order No.7493/99 dated 03.12.1999 was issued to overcome

the same. The said Standing Order stipulates allowance of variation upto 10% with the approval of ADC/JC Group.

The Chairperson further informed that the issue will be examined for delegation of the authority for allowing variation upto 10% to the DC/ Group for Group assessed B/E and to the DC/Docks in case of RMS facilitated Bills of Entry. Accordingly, Group II G was directed to finalise the issue at the earliest.

Further with regards to valuation practices w.r.t. imports from Joint Venture Parties, Sole Selling Agents, etc, it was clarified by the Chairperson that this being a policy matter, any guidelines in this regard can only be issued by the Directorate of Valuation.

Action taken:

The Group-IIG informed that Standing Order No.44/2016 dated 08.07.2016 has been issued in this regard vide which variation/discounts from PLATT rate in terms of Standing Order No.7493/99 dated 03.12.1999 were revisited and facilitation measures were provided.

(Point closed)

Point No.8:-Single Window Points:

a) Where an item imported does not fall under the purview of particular PGA, the CCR/ Examination order also should not make any reference to that PGA. For example, lot of items imported do not attract ADC NOC, however, the CCR and Examination order still mentions "ADC NOC, IF APPLICABLE". This leads to documents being sent to ADC for their NOC.

Request: To kindly make the necessary rectification in CCR and Examination order. Till such time, if such a situation arises, the BE should not be marked to PGA for NOC.

b) Docks DC at JNCH should give the release of BE for PGAs where the imported item is not required to be referred to. There are some items e.g Seeds, which are marked to PQ and FSSAI. Whereas this item required only PQ NOC. We request that shed DC should overrule PGA which is not required after verification of documents.

The Chairperson informed that the said issue will be examined and will be resolved in due course as CCR can be removed by RMD and not by this Office. Moreover it was also directed to the EDI section to take out the list of the 'Out of

Scope' items available on the ICEGATE and sensitise the Group as well as Docks Officers.

Action taken:

It was informed by the EDI section that the issue has been forwarded to the Single Window Team, New Delhi for resolving the same. Further the list of the 'Out of Scope' items available on the ICEGATE has been circulated to the concerned Groups/ Docks officers.

The Chairperson informed M/s BCHAA to meet the Additional Commissioner of Customs (Docks) in case any clearance is delayed due to aforesaid issue.

(Point closed)

Point No.9:-Early closure of Cash counters by Apollo CFS.

Many members have informed that the Cash Counter at Apollo CFS is closed early and members cannot take delivery of their cargo.

Request: In view of 24X7 Customs working, we request you to instruct Apollo CFS to extend the timings of the Cash Counters.

The Chairperson took a serious note of the fact and directed the CFS Association to issue advisory to all members with clear cut instruction alongwith the action proposed to be initiated against the CFS's violating the guidelines with a copy marked to the Department as well as the CHA Associations.

Action taken:-

The CFS Management Cell informed that M/s Apollo Logistics Pvt. Ltd. in their reply have stated that timings of Cash Counters have been increased upto 8.30 p.m. with immediate effect and in case of any emergency, the CHA's can contact the concerned persons as per the information given on the display board of the cash counter. It was also stated that e-payment facility was also available to the stakeholders.

Further M/s CFS Association have also submitted that all the Cash Counters of their members CFS's are operational from 10 a.m. to 9 p.m.

(Point closed)

Point No.10:-CFS Related Points:

- a) Some CFS are collecting charges up to 7-8 p.m. only and our members are facing problem.

Request: In view of 24X7 Customs working, we request you to instruct CFS to extend the timing up to 10 p.m.

b) **Seal Cutting**

Public Notice No.65/2012 issued by JNCH should be followed by all CFS.

Request: No additional documents/DC permission should not be insisted for. (Continental email attached)

c) **All CFS to collect uniform charges for printing B/E and S/B**

We refer to JNCH Public Notice No.25/2016 dated 12.2.2016 regarding Schedule of maximum charges to be collected at the Service centers for printing B/E & S/B. It is noticed that various CFSs are charging differently.

Request: We request to instruct all CFS to charge uniform charges for printing of BE and SB in larger interest of EXIM Trade and Ease of Doing Business.

d) For clearance of import consignment, CFS should collect their own charges from the trade. Instances have been brought to notice where Shipping Lines/NVOCCs are collecting the charges at the time of Delivery.

Request: We suggest that Shipping Lines should not collect charges pertaining to CFS operation.

The Chairperson took a serious note of the facts and directed the CFS Association to issue advisory to all members with clear cut instruction alongwith the action proposed to be initiated against the CFS's violating the guidelines with a copy marked to the Department as well as the CHA Associations.

The Chairperson also stated that blatant violation of Public Notice by any CFS's cannot be tolerated. The CFS Association was directed to issue Standard Operating Procedure (SOP) and all the CFS's were directed to invariably follow it and appropriate action should be initiated against CFS's who were not observing the guidelines.

It was also stated that a meeting shall be held by the CFS Association with the CHA Associations in the presence of CFS Management Cell to examine and address all the aforesaid issues.

Action taken:-

In this regard, CFS Management Cell has provided point-wise comments as under:-

(a) M/s CFS Association has informed that the all the Cash Counters of their members CFS's are operational from 10 a.m. to 9 p.m. and in case of any urgency, payment are also received during late hours.

(b) There was a single incident pertaining to M/s Continental Warehousing and the problem was rectified immediately. It was also informed that Advisory has been issued to the members to adhere to Public Notice No.65/2012.

(c) M/s CFS Association has informed that they are applying the same discounted rate to their customers. It was also informed that Advisory has been issued to their members in this regard.

(d) The issue pointed out was in respect of specific incident relating to CFS M/s MSWC. In this regard, M/s MSWC have assured that all the rules and regulations laid down by the department will be followed.

The Chairperson observed that all the service providers need to deliver the requisite services expected from them. Further Additional Commissioners of Customs (Docks) were also instructed to verify the compliance of the aforesaid issues during inspections of the CFS's.

(Point closed)

New Points:

(Point No.11 sponsored by M/s BCHAA; remaining Points sponsored by M/s CFS Association of India)

Point No.11:-Amendment in High Seas Sale.

Members have informed that while carrying out amendments in HSS consignments, lot of time is taking for carrying out amendments.

Suggestions:- In larger interest of EXIM Trade and Ease of Doing Business initiative announced by the Govt. of India, it is requested to cut down the procedure and minimize manual intervention while carrying out HSS amendments.

Facts on the matter:-

It was informed to the members that simplified procedures for amendment on High Sea Sale has been issued vide Facility Notice Nos.73/2015 dated 01.10.2015 and 47/2016 dated 15.03.2016.

Action taken:-

The Additional Commissioner of Customs (Import Noting) observed that there was strict adherence to the above mentioned Public Notice. It was further informed that they will undertake a study to ascertain level of automation that can be achieved in this amendment procedure with a view to curtail manual intervention.

(Point closed)

Point No.12:- Non pasting of DMS Coupons.

In several cases DMS coupons are not pasted on documents by CHA. This becomes a violation of the Customs law. This issue was also discussed in the last PTFC meeting.

Action taken:-

The Chairperson directed the ADC/ CFS Management Cell to look into the matter and sought cooperation of the trade members for compliance on the issue.

(Action: ADC/ CFS Management Cell)

Point No.13:- Late commencement of work by the CHA's Staff.

CFS facilities remain underutilized in the first half as CHA staff normally commences work after 11 a.m. If the morning hours from 9.30 a.m. are utilized, it will maximize customs examination rounds.

Action taken:-

The Chairperson observed that similar issue has been discussed in the PTFC meeting held on 25.02.2016 and, accordingly, requested the Trade members to schedule their work in an even manner.

(Point closed)

Point No.14:- Availing e-invoicing/e-payment facility.

Availing e-invoicing/e-payment facility which is available in all our members CFS's is grossly under-utilised. Same need to be encouraged by M/s BCHAA and cheque payments should be minimized.

Action taken:-

The Chairperson directed the CHA Associations and M/s CFS Association of India to jointly conduct a meeting to discuss the aforesaid issue and to arrive to a solution.

(Point closed)

15) Further Points raised by M/s Bombay Metal Exchange Ltd. were not taken up for discussion as no representative of that organisation attended the meeting.

16) The members of the meeting were informed that the next PTFC meeting shall be held on **25.08.2016 at 11.30 hrs at Conference Hall, 7th Floor, JNCH**. The Chairpersons requested all the Association Members to forward their agenda points, if any, at least **07 working days in advance** on Fax No. 022-27243245 or by e-mail to Appraising Main (Imp) Section on appraisingmain.jnchimp@gmail.com for taking up the issue in the upcoming PTFC meeting.

17) The meeting ended with thanks to the Chair.

18) This issues with the approval of the Commissioner of Customs NS-I & V and the Commissioner of Customs NS- III.

(B.S.MANGAT)
DEPUTY COMMISSIONER OF CUSTOMS
CENTRALISED APPRAISING MAIN,
NS-I, III & V JNCH

To,

All the Members of PTFC.

Copy to:

1. The Chief Commissioner of Customs, Mumbai Zone-II, JNCH, Sheva.
2. The Principal Addl. Director General, Directorate General of Tax Payers Services, Mumbai Zonal Unit, Room No.138/139, New Custom House, Ballard Estate, Mumbai - 400 001 (mzu-dgtps@gov.in).
3. The Ombudsman, Indirect Taxes, Mumbai.
4. The Pr. Commissioner/All Commissioner of Customs, Zone-II, JNCH, Sheva.
5. All ADC/JC, DC/AC of Customs (I, III, V), JNCH, Sheva.
6. DC/EDI for uploading on JNCH website.
7. Office Copy.