

सीमाशुल्कआयुक्त (एनएस –I) कार्यालय  
**OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-I**  
 मूल्यनिरूपणमुख्य (आयात) APPRAISING MAIN (IMPORT)  
 जवाहरलालनेहरूसीमाशुल्कभवन, न्हावाशेवा,  
**JAWAHAR LAL NEHRU CUSTOM HOUSE, NHAVA- SHEVA**  
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Date:03.02.2020

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**MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION  
 COMMITTEE HELD ON 30.01.2020**

The PTFC meeting held on 30.01.2020 was chaired by Shri S.K. Vimalanathan, Commissioner of Customs (NS-III), Shri Sunil Kumar Mall, Commissioner of Customs (NS-I), Shri R K Mishra, Commissioner of Customs (NS-V) and Shri Sanjay Mahendru, Commissioner of Customs (NS-II&G). The meeting was attended by the following members/participants of trade:-

<b>Sr. No.</b>	<b>Names (S/Shri/Ms./Mrs.)</b>	<b>Organization/Association/Designation</b>
01	Gaupat P. Kerade	BCBA
02	Rajshekhar R	UPL Ltd.
03	Nimish Desai	WISA
04	Paresh Shah	WISA
05	P.G. Rao	JNPT
06	Mohan Nihalani	AIIEA
07	Roshan Irani	AIWCBA
08	Chetna Badheka	AIWCBA
09	Paresh Thakker	BCBA
10	Salim S.	CFSAI
11	Umesh Grover	CFSAI
12	Shailesh Mishra	BMCT
13	Hardik Vaidya	DP World
14	R.K. Rubin	AMTOI
15	Suresh Ramrakhiani	IOEPC
16	Devendra Shah	ISFEA
17	Atish Mhatre	WMS
18	Amit Bendre	AMTOI
19	Sanjeev vasu	CFSAI
20	S. Rajkumar	MANSA
21	Archana Ghosh Roy	ONIDA
22	Nishikant Chaugule	ONIDA
23	Sunil K. Vaswani	CSLA
24	Hiren Ruparel	BCBA

Following Officers from the department also attended the meeting:-

<b>Sr. No.</b>	<b>Names (Shri/Smt./Ms.)</b>	<b>Designation</b>
1	Kamlesh Kumar Gupta	Addl. Commissioner of Customs, JNCH
2	Sanjay Kumar	Addl. Commissioner of Customs, JNCH
3	T. Arivazaghan	Joint Commissioner of Customs, JNCH
4	Vishal D. Jorande	Joint Commissioner of Customs, JNCH
5	Dipin Singla	Joint Commissioner of Customs, JNCH

2) Shri Vishal D. Jorande, Joint Commissioner of Customs, started the discussion related to the import agenda points of the meeting.

### **Old Agenda Points**

**Point No.:1 SCMT ISSUES:** As per Notification No. 54 / 2019, shipping lines were directed to file SAM/SDM in test environment from 15<sup>th</sup> September to 31<sup>st</sup> October 2019. It was informed in the meeting held on 26<sup>th</sup> August 2019 in Mumbai that a test module will be created by 5<sup>th</sup> Sep 2019 for test run of SAM/SDMs. Unfortunately, the test module has not yet been created & the SCMT related important queries and requirement of JSON Samples still remain unanswered. Our members are now not in position to complete development & testing process by 31<sup>st</sup> October 2019. In view of this, CBIC team may kindly be requested to extend the EDI implementation for further period of 3 months and a timely response on all the technical queries raised by IT Team of the shipping lines may kindly be sent.

Following queries which are crucial for the development of the SCMT module by the shipping lines still remain unanswered.

<b>SNO</b>	<b>QUERIES</b>
1	SDM JSON SAMPLE given in SCMT guideline V 1.2 dated 23 <sup>rd</sup> August 2019 reflects SAM DATA only, PCIN/CSN is not mentioned anywhere in SDM JSON SAMPLE FILE. Need JSON SDM SAMPLE with multiple PCIN of a BL or HBL /MCIN/CSN Numbers.
2	Need clarity which segments are required mandatorily for SAM/SDM to be filed by vessel operator (ASC) in case of CSN/MCIN filed by the forwarders / co-loaders.
3	Need clarity which segments are required mandatorily at the calling port when previous manifest is already filed by vessel operator at last port of call.
4	JSON Sample is required for SCE/SCX/SCD to be filed by the co-loaders(ASA).
5	As per cargo movement matrix IM (IMPORT) shipment can be domestic transit, Export shipment can be foreign transit & domestic transit & Transit Cargo can be domestic transit & foreign transit. Need clarity on each scenarios.
6	Will all Indian onboard import cargo (Cargo of other Indian Ports) be treated as Import Cargo (IM) in SAM/SDM or be treated as Transit Cargo (TR)? Need clarity .
7	In which scenario, Export Cargo can be foreign transit cargo. Need clarity. The cargo movement type "FT" is mentioned in type of cargo Export also.
8	There is basically no difference between Shipping Agent & Shipping Line, so logically getting separate registration is not required. The Agencies registered as ASA should also be permitted to file SAM / SDM. Both ASA & ASC should be authorized to file SAM / SDM as being done presently. As per SCMT Guidelines, registration done at one customs location is valid for the rest of the customs locations as well. A clear message needs to be sent out in this regard to all the Customs locations to avoid their seeking a separate registration at their respective locations.
9	SAA/SDA should be allowed to be filed by the concerned co-loaders as per the existing option, as cargo booking & MBLs issuance are done by co-loaders in such a case and all liability from POL to FPD remain on co-loader A/C.

10	Add/Edit/Delete option for SCMTR registration is urgently required. Most of the shipping lines have completed process for Parent User Registration only. Since documentation process of most of the shipping lines/agents are decentralized, Hence without child user registration those shipping lines cannot file SAM/SDM for their branch locations (Other sea port locations).
11	In CSN Case, What data fields are required to be matched with MBL & HBL?

**Facts of the Matter:** In this regard, it is intimated that implementation of SCMT Regulation, 2019 has been extended to 16<sup>th</sup> Feb 2020. It is also informed that the points shared by CSLA have already been shared with DG Systems. Reply from DG (Systems) is awaited. A reminder dated 28.01.2020 has also been sent. The chair informed the trade that DG Systems is planning to have workshop in Delhi for User Acceptance of the new regulation in coming week and directed the stakeholders to send their technical persons so that all the possible scenario will be tested and if any problem arises that will be better answered by the technical team present in the workshop. However in addition to that department is also exploring the possibility to organize video conference.

[Point Closed]

**Point No. 2:** We need clarity on the SCMT registration process of ASC & ASA.

**Facts of the Matter:** In this regard, it is intimated that implementation of SCMT Regulation, 2019 has been extended to 16<sup>th</sup> Feb 2020. It is also informed that the points shared by CSLA have already been shared with DG Systems. Reply from DG (Systems) is awaited. A reminder dated 28.01.2020 has also been sent. The chair informed the trade that DG Systems is planning to have workshop in Delhi for User Acceptance of the new regulation in coming week and directed the stakeholders to send their technical persons so that all the possible scenario will be tested and if any problem arises that will be better answered by the technical team present in the workshop. However in addition to that department is also exploring the possibility to organize video conference.

[Point Closed]

**Point No: 3 Allow processing and pickup of SEZ/FTWZ/ICD Containers filed and pickup from Port terminal.**

There are many consignments for SEZ/FTWZ/ICD filed under Trans-shipment. Shipping lines should accept such request for filing of containers and allow movements from Port Terminals or importer preferred CFSs instead of movement and processing through Shipping Lines nominated CFSs.

We request a suitable Public Notice be issued for guidance and processing of same as this will result in reducing dwell time and transaction cost.

**Facts of the Matter:** In this regard it is informed that as per rule 3 of Goods Imported (Conditions of Trans-shipment) Regulations, 1995 trans-shipment shall be allowed on the following conditions:-

- (a) The declarant makes an application to the proper officer of customs seeking permission for trans-shipment of the goods imported;
- (b) The goods imported are mentioned in the import manifest or the import report, as the case may be, as for trans-shipment to any customs station;
- (c) Such trans-shipment is by rail, a vessel, an aircraft or a motor vehicle or by a combination of two or more of these modes of transport:

As per rule 2 of said regulation, Declarant means:-

- (i) The person in charge of the conveyance in which the goods are imported, or his agent, or
- (ii) The person authorized to trans-ship the goods by the exporter of the goods or by an agent acting on behalf of such exporter;

From the above it is clear that only declarant can make an application for transshipment of cargo under the said rule i.e. shipping line or agent of the shipping line. Therefore, the request made by BCBA has to be considered by the declarant as stated above.

Further, this office has requested to all the Terminals to offer their comments on the said issues which were raised, by BCBA. The chair directed that in this regard a meeting shall be conducted with port authorities, shipping lines and BCBA to resolve the issue within the framework of existing law.

[Point Closed]

### **New Agenda Points**

#### **Agenda Points represented by MANSA & CSLA**

**Point No. 1:** Through the attached PN No. 08/2020, all stakeholders have been advised to complete SCMT registration process by 20<sup>th</sup> January 2020. Most of the Shipping lines/agents have already completed registration process for ASA (Authorizing Shipping Agent) category 3-4 months back. In many cases some queries have been raised by the department which are neither visible to the jurisdictional customs nor to the concerned shipping lines/agents.

Some shipping lines/agents have received confirmation message from CBIC & ICEGATE that their ASA registration have been successfully approved, whereas the ICEGATE dashboard shows registration status “PENDING FOR APPROVAL” for those lines / agents. Shipping lines are unable to complete ASC registration process as system requires separate registration for same PAN-INDIA authorized users already registered earlier under ASA category for ASC registration also. These issues have been raised with DG system on many occasions which are still unanswered by CBIC & DG System team. Although we maintain that there should not be any need of separate registration in both ASC and ASA. This is totally duplication of work. Registration in any one entity should be sufficient.

In the ICE Gate dashboard few Lines got message to submit the Self Certified Declaration manually in EDI Section, JNCH. The manual transactions and submission of hard copies etc. to Customs of the relevant documents should be avoided totally when the facility is fully available ONLINE.

Further table 1 given in the PN 08/2020 doesn't show ASA category which allows shipping agent to file SAM/SDM on behalf of the principal company. Also the table 1 states that CSN can only be filed by ANC (FF/NVOCC) only wherein it was clarified by DG system in various meeting that co-loader / slot operators can file manifest as CSN and that CSN No. only to be shared with vessel operator.

It is therefore requested to arrange clarification from DG System on all the said points on top priority basis.

S. No	Queries	ICEGATE comments
1	During the technical session with DG System team held in Mumbai on 26th August 2019 & VC Session with ICEGATE Team headed by you on 5th September 2019 it was informed that ASC code / registration will be required for filing of SAM/SDM even though the same agency is registered as ASA too. As explained by us during the meeting that there is basically no difference between Shipping Agent and a Shipping Line. The ASA is authorized by the S/Line only to operate on behalf of the Line. Same documents are submitted in case of ASA or ASC. The Agencies registered as ASA should also be permitted to file SAM / SDM. In short both ASA & ASC should be authorized to file SAM / SDM as being done presently.	Issue has been taken up with the concerned team.

2	We were informed that co-loaders/slot operators can file SCE / SCX /SAA/SDA only. Since SAM & SDM can be filed by vessel operator only, System can recognize vessel operator basis on the agency who had applied for rotation number / VCN and accordingly main SAM/SDM should be accepted through the vessel operator.	Issue has been taken up with the concerned team.
3	If only ASC will be authorized to file SAM / SDM, the Agencies registered under ASA will not be able to file and files i.e. SAA. It is certain, the VOA will not help them always to file the SAA. Thus it is imperative the Agencies registered under ASA entity also should be given authority to file SAM / SAA / SDM etc. Similar to the present system which is going very smoothly without any problems.	Issue has been taken up with the concerned team.
4	ADD/EDIT/DELETE option to add/edit authorized users should be provided on top priority basis. Most of the shipping lines have completed SCMTR ASA registration with one parent user only, However, they file manifest through the authorized users of their various branch locations. Without ADD/EDIT option those shipping lines cannot file manifest of their branch locations. In case any employee resigns / shifted to other Dept. The ICEGATE Id of the concerned person needs to be deactivated and then only the new person is allowed to register. If the authorized person is PARENT user, then all the CHILD users also get deactivated completely and then required to be re-registered. This is very tedious and time consuming process. There should be simplified option to edit parent/child users electronically on ICEGATE without any need of re-registration/deactivation of all the users.	Currently there is no provision for amendment for registration under SCMTR. Issue has been taken up with the concerned team.
5	Adding / deleting parent /child users on SCMT application is an urgent requirement and would require a definite timeline as our operations are non-centralized.	Issue has been taken up with the concerned team.

We would be obliged if the above quoted points are clarified after taking the same with the Director General (System) at the earliest for enabling all our Members to register under SCMT regulations **WITHOUT** much difficulty and confusion and manual handling of the documents as envisaged.

**Facts of the Matter:** DG Systems vide ICES Advisory 01/2020 (SCMTR) – Registration and Application Process for all the Stakeholders is undergoing system updation. In this regard the Department has taken cognizance of all the issues raised by CSLA & MANSA during meeting held on 22.01.2020 with all the stakeholders as a part of an outreach programme. The issues have been directly raised by CSLA & MANSA to DG System through ICES Gate and have been shared by the Department through Saksham. The chair informed the trade that DG Systems is planning to have workshop in Delhi for User Acceptance of the new regulation in coming week and directed the stakeholder holder to send technical persons there so that all the possible scenario will be tested and if any problem arises that will be better answered their by the technical team present in the workshop. However in addition to that dept. is also exploring the possibility to organize video conference also.

[Point Closed]

#### **Agenda Points represented by BCBA**

**Point No:1 Out of Scope /Unrelated items being marked to PGA such as FSSAI and ADC:-**We would like to submit that due to recent CTH change after 1.1.2020, there have been considerable instances where out of scope items are being marked to PGA's such as ADC, FSSAI etc.

Trade and industry is facing tremendous difficulty in obtaining Out of Scope permission form PGA's such as FSSAI, ADC etc. Hence we suggest that, in case of out of Scope permission, PGA's should give permission on the same day itself in Single Window.

Further some of the PGA's (FSSAI / P&Q are subjected to A/C, D/C release whereas, other PGS (ADC, A&Q) are directly routed to Officer for out of charge.

We request that all the PGA's should be directly routed to officer for OUT OF CHARGE to avoid delays in release form A/C.

**Facts of the Matter:** In this regard it is to inform that two such instances have been noticed where the documents have been marked to PGAs whereas for the items declared therein such PGA NOC was not required. The issues have been brought to the notice of Addl. Commissioner in-charge of the group for further action in the matter.

In this regard it is also intimated that-

i) The matter was taken up with RMCC immediately and accordingly corrective measures have been taken by them. Hence, No such incident should occur after 20.01.2020.

ii) It is further to update that as informed by RMCC, new item list of FSSAI and Drug Controller was received by them through single window, which has been updated, hence, some new items are being marked to PGA which were not being sent erstwhile.

Accordingly, the issue faced by the BCBA regarding Out of Scope/Unrelated items being marked to PGA such as FSSAI and ADC has been addressed. The chairperson agreed to the stakeholders' demand that all the cases should be directly routed to the officer for Out Of Charge to avoid delay in clearance and informed that the dept. will recommend this to the DG (Systems).

[Action: DC/EDI]

**Point No.: 2 Prior to Finalization:-**As discussed during last PTFC meeting, we had submitted the below mentioned BE details for which IGM was not automatically finalized through system for study having all correct DATA details.

BCBA Letter no	Number of Bill of Entries
BCBA/SS/072:523/2019 dated 27.12.2019	9
BCBA/SS/001:012/2020 dated 14.1.2020	10

We request you to share the details for reason of IGM not being finalized to enable us take precaution and sensitize our members as there is huge delay at EDI section to get the IGM regularised.

**Facts of the Matter:** In this regard, the IGMs mentioned in the letter received from BCBA were compiled and sent to DG Systems to identify the cause on non-regularisation of BEs related to mentioned IGM. In their reply, the DG Systems stated that the issue has been resolved.

[Point Closed]

**Point No.: 3 Digitization of Bond Dept:-** We would like to state that there is an urgent need to digitize the Bond Dept. At present, parallel manual processing is being carried out which is time consuming. Further, in order to improve the dwell time, the Bond Dept should also be working on Saturday.

This often results in DPD container being shifted out of Port Terminals if the Bond Formalities are not completed on timely basis.

**Facts of the Matter:** In this regard, it is to state that as far as digitization is concerned, a letter dated 15.01.2020 was written to DG/System requesting for updating and Automation with ICES connectivity of all Bond related work. At present, all the work in Bond Section is being dealt manually which is time consuming and likely to lead delay despite all sincere efforts.

However, Bond Section on its own have called for a local vendor and exploring the possibilities of developing local solution/application for digitization of records. The local vendors have been provided all the inputs required for digitization/Development of software for Bond related work.

As far as working on Saturday is concerned, it is noticed that there is no delay of any nature or any case on account of staff/officer in the Bond Section. The Bond acceptance and generation of Job number for warehouse B/Es are always done in advance prior to out of charge. As soon as the CB/importer execute the bond, they are registered and Job number is generated. Therefore, it would not have any impact on dwell time even if Bond Department is working on Saturday. The trade is advised to complete the Bond Procedure in advance. The chairperson informed that it is not possible to work all the sections on Saturday and directed the trade to file a prior Bill of Entry and get the Bond regularised before the goods arrive for the clearance. [Point Closed]

**Point No.:4 streamlining of process for DYCC samples:-**We appreciate the endeavour of Customs to clear the shipment within a period of 7 days stated in the PTFC meeting held on 28.11.2019. However it is noticed that trade is facing difficulty as the samples for DYCC are collected only on Mondays and Thursdays from CFS's and the same are being re-forwarded to DYCC Mumbai Customs which is time consuming process and incurring further detention demurrage for shipment

We request for daily collection of samples and ONLINE Tracking be available for timely availability of test report.

**Facts of the Matter:** In this regard it to be mentioned that the DYCC laboratory receives the samples in every working days (Monday to Friday) from sample section/Group. However, the collection of samples from CFS's and forwarding to DYCC laboratory is not done the laboratory. Hence, in this regard there is no action pending at laboratory.

In this regard, it is to inform that each and every sample of DYCC, JNCH is received from the concerned CFSs on every working day. The received samples are submitted in DYCC, JNCH on the same day. However, if required, the same may be verified with DYCC registers and the registers maintained by the Scale man of various CFSs. The chair informed that to improve the sampling process we are developing an online sample tracking module and it will implement by end of February.

[Point Closed]

**Point No.:5 Timely refund of Customs Duty:-**With a view to implement the Trade Facilitation Agreement (TFA) article in totality and to achieve higher degree of Ease of Doing Business for trade and industry, we would like to convey that one of the important aspect in the entire process of clearance is simplifying the procedure of claiming refund from Customs.

There is an acute need to lay down transparent and time bound process of claiming refunds of Custom Duty paid in excess.

There are several instances besides interpretative issues of classification & notification applicability; where the refunds are arising out of no dispute between the importer and the Dept. We enlist here below following instances where there is urgent need to formulate instructions to disburse the refund claims back to the importer which are arising out of no disputes.

- a) Excess payment of duty due to error in EDI System.
- b) Double duty payment due to system error.
- c) Refund duty deposited/ EDD.
- d) Refund arising out of the bonafide clerical error.
- e) Short shipment and part shipment

We suggest that above refunds should be processed in stipulated time limit which needs to be followed and monitored by field formation. At present, we would like to submit that trade and industry has to follow-up rigorously even for refunds arising out of EDI system errors. These kind of refunds are arising due to no fault of importers.

We suggest that above refunds should be sanctioned without challenging the assessment with Commissioner Appeals.

**Facts of the Matter:** In this regards, the comments in respect that pertains to CRC, NS-III, JNCH are as below:-

- 1.1. Efforts are made to simplify the procedure of refund claims. One of the progressive step in this regard is abolishing the earlier way of the allocation of refund files alphabetically. Now the work allocation is done on the basis of type of refund viz. Excess Duty paid before Out of charge, Double/Multiple Duty payments, RD/EDD, Remand Back cases from Appellate Authorities etc. This will help in uniformity and standardisation of refund process along with speedy disposal of refund claims.
- 1.2. Further, the double duty payments refund claims needs to be verified from e-PAO, New Delhi. The reply from e-PAO, New Delhi usually gets delayed. To expedite it, one officer from CRC section is currently deputed to visit e-PAO, New Delhi to follow up on every fortnight. The disposal rate of such claims has increased since then.
- 1.3. It has been observed that many refund applications are deficient in terms of required documents. Therefore, there is need to sensitize the Importers/Trade/CHA about the required documents for refund application. Refund claims such as RD/EDD are filed without finalization of Bills of Entry (BE) and others without any re-assessment. Such claims where BE are not finalized or re-assessed are premature for refund as per section 27 of the customs act, 1962.
- 1.4 Further, in view of recent Hon'ble Supreme Court Judgment in the case of ITC Ltd. Vs Commissioner of Central Excise whereby it has been held that order of self-assessment is an order of assessment as per Section 2 (2) of the Customs Act, 1962 and as such it is appealable in case any person is aggrieved by it. It was further held that in case any person is aggrieved by any order which would include self-assessment, he has to get the order modified under Section 128 or under other relevant provisions of the Act.
- 1.5 Therefore, it is stated that Section 27 can only be invoked subject to final outcome of Sec.17 (3), (4) and (5). After re-assessment, the consequential refund is to be granted by the Refund Section. In such cases, the claim of refund cannot be entertained without the outcome of the appellate order and consequent re-assessment.

In this regard it is informed that in Groups refund matters are taken on priority basis being time bound matter in nature.

The chair directed the stakeholders to impress upon the importers to submit requisite documents when asked. If any abnormal delay occurs it should be brought to the notice of the higher authority. [Point Closed]

3. The members of the meeting were informed that the next PTFC meeting shall be held on **27.02.2020 at 11:30 A.M.** at conference Hall, 7<sup>th</sup> Floor, JNCH. **All the Association members were requested to forward their agenda points, if any, at least 07 working days in advance by e-mail to Appraising Main (Import) Section on [appraisingmain.jnchimp@gmail.com](mailto:appraisingmain.jnchimp@gmail.com) for taking up the issue in the upcoming PTFC meeting.**

4. The meeting ended with vote of thanks to the Chair.

5. This issues with the approval of the Commissioner of Customs, NS-I.

6. Minutes are placed on JNCH website and also being sent through emails to the members.

**Sd/-**

**(Lalit Kumar Meher)**

Asstt. Commissioner of Customs  
Appraising Main (Import),  
JNCH, Nhava Sheva

**To,**

All the Members of PTFC (through email)

Copy to: (through email)

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](mailto:mzu-dgtps@gov.in)).
3. The Ombudsman, Indirect Taxes, Mumbai.
4. All Commissioners of Customs, Zone-II, JNCH, Sheva.
5. All ADC/JC, DC/AC of Customs, JNCH, Sheva.
6. DC/EDI for uploading on JNCH website.
7. Office Copy.