

सी मा शु ल् कअयु क् त (ए न ए स -I) का र्, या ल य  
**OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-I**  
मू ल् यनरि रू पणमु ख् य (अया त) APPRAISING MAIN (IMPORT)  
जवा हरला लने हरू सी मा शु ल् कभवन,न् हा वा शे वा ,  
**JAWAHAR LAL NEHRU CUSTOM HOUSE, NHAVA- SHEVA**  
ता . उरण,, TAL-URAN, जलला रा यगड /RAIGAD -  
400707,महा रा ष् ट्र MAHARASHTRA  
(e-mail:[appraisingmain.jnch@gov.in](mailto:appraisingmain.jnch@gov.in) Telephone No.022-27244979)

F.No. S/22-Gen-44/2017-18 AM (I) Pt. III

Date: 07.03.2019

**MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION**  
**COMMITTEE HELD ON 28.02.2019**

The PTFC meeting held on 28.02.2019 was chaired by Shri M R Mohanty, Commissioner of Customs (NS-I & II), JNCH, Shri Sunil Kumar Mall, Commissioner of Customs (NS-III & IV) and Shri Utkarsh R. Tiwari, Commissioner of Customs (NS-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	Manish Kumar	MANSA
02	Ganpat P. Korade	BCBA
03	Shankar Shinde	BCBA
04	Vinayak Apparaj	BCBA
05	Venkat Narayanan	CFSAI
06	Jude Fernandes	CFSAI
07	Rajshekhar R	UPL
08	Neelesh Datir	AICBIEA
09	Maruti R. Gadge	BCBA
10	Ashok Saini	BCBA
11	Sindhu Kunep	Trans Asia Line
12	Hiren Ruparel	BCBA
13	S C Mohanty	MSWC-CFS
14	Vinay Pathak	A V Global
15	Vinay Thandel	Speedy CFS
16	Salim Shikalgar	CFSAI
17	Om Prakash Agrawal	MSWA
18	Karunakar S. Shetty	BCBA
19	Kiran Rambhia	BCBA
20	Dushyant Mulani	BCBA
21	V M Thomas	CSLA
22	V K Agarwal	ONIDA
23	James Joseph	CFSAI
24	S. Srinivas	CFSAI
25	Sanjay Rai	Sarweshwar Logistics
26	Prashant Mhatre	APMT-GTI

27	Mark S Fernandes	INC
28	Philomena Pereria	MACCIA
29	Ashish Pednekar	ASCP

Following Officers from the department attended the meeting:-

<b>Sr. No.</b>	<b>Names (Shri/Smt./Ms.)</b>	<b>Designation</b>
1.	Sanjay Kumar	Addl. Commissioner of Customs, JNCH
2.	R. K. Singh	Addl. Commissioner of Customs, JNCH
3.	Kamlesh Kumar Gupta	Joint Commissioner of Customs, JNCH
4.	Alok Shrivastava	Joint Commissioner of Customs, JNCH
5.	Rajiv Shankar	Joint Commissioner of Customs, JNCH
6.	Kunal Kashyap	Joint Commissioner of Customs, JNCH
7.	Prashant Kumar Sinha	Deputy Commissioner of Customs, JNCH
8.	Jitendra Singh	Asst. Commissioner of Customs, JNCH

2) The Joint Commissioner of Customs, Appraising Main (Import), started the discussions related to the agenda points of the meeting.

### **OLD POINTS**

**Point No. 01:-** It was represented by BCBA that AQ and FSSAI have same tests for some products such as whey proteins. If FSSAI conducts same test, as required by AQ, the same should not be sent for test to AQ. This will save time and cost.

**Facts on the matter:** - Representative from FSSAI informed through email that recently FSSAI notified laboratory has already started testing of whey products on the prescribed comprehensive parameters. This office has already requested co-ordination between AQCS and FSSAI at respective HQ level. Members of the trade attending PTFC meeting informed that AQ is only testing the additional parameters, if required, which are not been tested by FSSAI if the FSSAI, test report can be verified from the system. Thus the issue is resolved.

**Action: Point Closed**

**Point No. 02:-** It was represented by CFSAI that presently there are no specified guidelines issued for the duration for which the old records lying at member CFSs are to be maintained. Each CFS is renting out space to preserve such documents and over the years, many of them are illegible and tracing the 7-10 year old records is not easy, Whilst in some meetings it has been stated that the records are required to be kept for 5 years, it is requested that if a PN or an advisory in this regard is issued.

**Facts on the matter:-** It was informed that an e-mail has already sent on 24.01.2019 to all CFSs to furnish their comments on subject matter. In this regard only 2 CFSs, i.e., M/s. Asthe Logistics Pvt. Ltd. & M/s. ICT & IPL sent their replies and no other CFS has submitted any details of any documents lying with them. As soon as CCSP Cell receives the complete information

necessary guidelines for dealing with the documents will be issued. The Chair directed that the matter should be pursued by AC/DC Docks with concerned CFS's and the matter may be resolved on priority.

**Action – Point Closed**

**Point No. 03:-** CSD officials are insisting on the CFS stamp to be endorsed on the EIR copy as a result the transporter has to reach the CFS and get the EIR copy stamped which is causing delay.

**Facts on the matter:-** It was informed that presently ICES is integrated with the Drive-through Container Scanner. Since scan data is readily available with CSD, CSD official don't insist upon stamped EIR. Members of the trade were satisfied with the procedure adopted by CSD officials.

**Action: Point Closed**

**Point No. 04:- Scanning of Containers/ 100% Examination:-**

It has been represented by BCBA that the containers moved to CFSs without scanning are subjected to 100% Examination or re-scanning. With the implementation of new drive through scanner there would be no cases of containers transported without scanning. However, some containers are still being transported to CFSs without scanning. A list of such containers is mentioned below:

<b>Job No</b>	<b>IGM/Item</b>	<b>Container No</b>	<b>CFS</b>
1580	2209702/57	GATU0638972	ULA
780	2210804/108	TTNU1910256	SPEEDY
1646	2211741/611/18	TEMU6652167	GDL
1596	2211927/65	ZCSU7110041	OCEANGATE

Further, the BCBA has requested to issue necessary directives to CFSs in this regard.

**Facts on the matter:** - It was informed by DC/CSD that out of the 04 containers the scan list of container no. GATU0638972 was generated very late but containers nos. TTNU1910256, TEMU6652167 and ZCSU7110041 were scanned on the same day. The Chair assured that any specific case brought to the notice will be resolved at earliest. It was also pointed out that a system is put in place for containers selected for scanning and unless there is unavoidable circumstances, the system cannot be circumvented. The selection of containers is based on risk parameters which is effective in dealing with risk associated with imports. In last one month there is no case of containers being sent to CFS without scanning. In case when there is technical breakdown of scanner, there is no option but to divert containers to CFS with the provision of

100% examination to avoid delay. Measures are being taken to keep the scanners up and running and reduce breakdowns.

**Action: Point Closed**

**Point No. 05:- Availability of Preventive Officers at terminal gate:-**

It was represented by BCBA that the Preventive Officers are posted inside port terminal administrative building which is difficult to obtain signature for deliveries. Non availability of POs at gate for DPD containers, trade has to report to terminal admin building for allows which is time consuming.

JNPT & BMCT - POs are not available at terminal gate (Approx. - 2 kms away from terminal gate)

GTI/NSICT/NSIGT - POs available at terminal gate.

**Facts on the matter:-** As per the direction given by the chair in the meeting, necessary instruction have already been issued to the Preventive Officers posted at terminal gates(JNPT/BMCT) to be present at the nominated place. It is further informed that at present, the cabin provided to the officers at JNPT is far from terminal gate and regarding availability of space/infrastructure for PO at JNPT Terminal gate, PSO/JNCH has already taken up the matter with JNPT authorities. The Chair directed to pursue the matter with appropriate authorities.

**Action: Point Closed**

**Point No. 06:- Display of custom officer contact details on notice board of CFSs:-**

It was represented by CFSAI that in the previous PTFC meetings BCBA had requested to display the contact details of officers posted in CFSs on the notice board of CFSs. This issue was discussed in BCBA-CFSAI bilateral meet and the BCBA / trade would like to have the contact details including cell phone numbers. However, contact details (cell phone numbers) of many officers are not made available.

**Facts on the matter:** It is informed that an e-mail has been sent to all CFSs directing to look into the matter and display the contact details of customs officers on the notice board of the respective CFSs at the earliest. Three CFSs, i.e., M/s Asthe, M/s JWR & M/s Continental have responded compliance. The reply from rest of the CFSs is still awaited.

Members of CFSAI were instructed to display contact details of all the officers posted in every CFS on the notice board of CFS. All officers at every level have been instructed to share their contact details with CFS management.

**Action: Point Closed**

**Point No. 07: System remarks generated for overvaluation/undervaluation cases**

It was represented by BCBA that the system is generating internal instructions regarding overvaluation/undervaluation directly without following the procedure laid down under Customs Valuation Rules 2007 and Section 14 of Customs Act 1962. This is likely to lead to delay in assessment and clearance of import consignment.

It has been suggested that under valuation or over valuation cannot be pre-judged without following the process of law and hence such instruction should not be auto generated in the system. This is likely to affect the trust based business practices and also affect measures of Ease of doing Business.

**Facts on the matter:** The matter has been brought to the notice of the Add. Director General, RMCC.

**Action: Point Closed**

**New Agenda Points**

**Agenda Points represented by BCBA**

**Point No. 01:- PN: 12/2019- Non-functioning of mobile scanner at port terminal; Revised procedure for scanning of DPD-DPD mode containers:-**

It has been represented by BCBA that presently members have to travel to terminal's boarding office of customs to obtain permission for customs endorsement on shipping line D/O, and later for gate in/gate out of vehicles for scanning and later for OOC.

It has been requested by the trade to provide facility of obtaining permission at DPD cell at PUB.

Further as per para 3(c) Trade has to provide shipment wise bond which is time consuming and delays the process and the BCBA/trade request for implementation of one time revolving bond to the extent of value of good as may be facility required by importer for movement of such scanning hold containers.

**Facts on the matter:** - It was informed that a system is put in place after due discussion with the representative of the port terminals wherein a boarding officer by making endorsement on D.O. releases a container for scanning without out-of-charge. This special procedure put in place in case of non-functioning of mobile scanner. Boarding officer is required to physically verify the container number, etc. and release container for scanning. This procedure cannot be changed because port terminal and CSD fall under two disjointed customs areas. Out-of-charge is endorsed in such cases at RMS center at JNCH on the basis of scan clean report of CSD and release given by boarding officer.

As regards to the second part customs has allowed furnishing of continuity bond by Container Corporation of India (CONCOR) for the movement of scanning hold containers. Requests will be examined for allowing Continuity Bond of other importer for the movement of scanning hold containers and suitable guidelines will be issued.

**Action: AC/DC DPD/RMS Facilitation Center**

**Point No. 02:- Import on re-export basis-physical movement of goods from imports shed to exports shed:-**

It has been represented by BCBA that the import consignments imported on re-export basis are examined at the time of imports, the same are insisted to complete import process with physical movement of cargo from import to export and re-examined for exports.

BCBA/trade requested to simplify the process which can be examined once for both import and exports and also the cost for movement.

**Facts on the matter:-** It was informed that as per para 4 of PN 11/2012, the examination of said goods at the time of re-export, since the goods have already been examined by the docks officer at the time of import and the said goods remain in bonded ware house under customs supervision within the same shed; there may not be any further need for examination at the time of re-export. The export shed Supdt/Appraiser posted in the shed or the one deputed by DC/AC (Export docks), shall follow the normal procedure with respect to inspecting lot, checking marks and no & description etc. in the bonded warehouse within the same CFS and re-export permission should be granted from the bonded premises itself, if everything is found in order. However, if the re-export is carried out from another CFS warehouse, the examination cannot be waived of because the identity of the goods can only be established through examination of goods if the location is changed.

**Action: Point Closed**

**Point No. 03:- Updation of DPD list on regular basis which is now updated till 25.11.2018**

**Facts on the matter:-** DPD list is updated on monthly basis. Recently the same has been updated on 22.2.2019.

**Action – Point Closed**

**Point No. 04:- Port terminal should not hold the DPD/preferred CFS containers for opening PD account and payment of dues from importers:-**

In cases wherein importer of the DPD container/containers, instead of taking delivery to its own premises, diverts those containers for storage to a particular CFS. Thus the authorized CFS is required to arrange for transport of those particular container/containers from port terminals to their respective CFSs. If

in case there is delay on part of CFS in transfer of those DPD container/containers, instead of CFS, the port authorities demands demurrage charges from importer. For this it is noticed that the terminal are holding containers insisting importers to open the PD account maintaining balance at port. Importers opting for DPD/preferred CFS have no role to make payments to port terminal/CFSs become their ultimate customer and port terminal should debit the CFSs account for the same.

**Facts on the matter:-** The BMCT in their reply has informed that in case of DPD containers, customers are directly billed and thus terminals ask DPD account holders to maintain PD account. Whereas in case of normal import containers the shipping line maintains the PD account as they are billed for these containers. The port terminal also added that they fail to understand why BCBA has raised this issue? This is practice followed in all terminals.

It was also informed that DPD clients are required to take direct delivery from the Port Terminal since the customs out-of-charge is given at the port terminal. It is the internal issue between the CFS and importer for facilitation of storage of DPD container/containers at the CFS for whatsoever reason. It was also informed that as per JNCH PN No. 53/2018 dt. 30.03.2018 as amended by 116/2018 dt. 02.08.2018, the DPD importers are required to open PD account at the port terminals at the time of registration. The Chair requested the trade to bring to his notice any specific case in this regard to further examine and simplify the procedure, if required.

**Action: Point Closed**

**Point No. 05:- Testing of import products-chemicals/oils (Gr-I & Gr-II):-**

It is observed that many of the import consignment are forwarded to DYCC/GEO Chem etc. for testing however the same are returned stating non availability of facilities. This delays the process and increases dwell time/transaction cost, delivery commitment.

The testing facilities for shipment clearance which are subjected to testing should be expedited. Further system providing any alerts/testing parameters should be pre-verified for the testing facilities provided by any agency and the same should reflect in system to follow directives.

Trade has to approach various testing agency, which are rejected later resulting in hardship/cost & delays on rejection of sampling facility.

**Facts on the matter:** - It was informed that HPLC and FTIR equipments in customs laboratory at JNCH are not functioning. To overcome pendency of test reports, suitable Instructions have been issued as a temporary measure authorizing two test houses for testing samples. Enhancement of the capacity of DYCC at JNCH is also in offing meanwhile the services of DYCC at New Custom House, Mumbai can also be utilized.

**Action: Point Closed**

## **Agenda points presented by CSLA**

### **Point No. 06:- SMTPs in respect of the cargo destined to ICDs by rail:-**

In case of system failure/any technical issues, the boarding officer through PN 167/2016 & Facility Notice 158/2018, was directed to release ICD containers without generation of SMTP and by following certain SOPs. However, this facility was extended to other customs authorized private rail operators also. Presently containers meant for private train operators are stuck at the terminal till the next working day or till the time SMTP is not generated.

**Facts on the matter:** - It was informed that after filing of IGM, entry inward is granted by the boarding office. Entry inwards is the constructive approval of IGM. Once the IGM is approved, the automated process generates SMTP and container goes to the designated place. In case the system is shut down for some reason, CHA/importer has to approach the boarding office with manual IGM. The boarding office will generate a manual permit in lieu of SMTP to move the containers which is mailed to the operators and AC/DC (PG). All stakeholders are eligible to avail facility of manual permit in lieu of SMTP in case system is down. Stakeholders may approach AC/DC (PG) on case to case basis in case of any difficulties. The Chair informed that though the Public Notice mentions CONCOR but all the private rail operators are also eligible for the same facility.

**Action: Point Closed**

### **Point No. 07:- EGM error due to poor printing quality of shipping bill documents:-**

It has been represented that the poor printing quality of shipping bill documents causes EGM error which are then rectified through the manual amendment process only. High grade of printers should therefore be deployed in CFSs for shipping bill printing and the process of regularizing EGMs should be simplified.

**Facts on the matter:** -It is informed that an email has been sent to all the CFSs authorities under the jurisdiction of JNCH directing to look into the matter and resolve the issue at the earliest.

**Action: Point Closed**

### **Point No. 08:- SCMT Updates:-**

As discussed in the meeting held at JNCH on 18<sup>th</sup> Jan which was chaired by JS (Customs), CBIC, the online registration window was supposed to be made available on ICEGATE by 23<sup>rd</sup> Jan 2019, besides another meeting was supposed to be arranged with the shipping lines association for clarification of all queries pertaining to technical guidelines. There has however been no progress on the online registration window & no responses provided to the



various emails sent by CSLA. The IT team of shipping lines requires basic information such as sample EDI format, clarification of data fields etc., for aligning their global & local system with those of SCMTs. These would take 3-4 months to happen. In view of this, the implementation date needs to be deferred at least by the next 3-4 months

**Facts on the matter:-** As per the CBIC notification no. 17/2019-Customs (N.T.) dated 27/02/2019, the implementation date of SCMT regulations, 2018 has been postponed to 01/08/2019.

**Action: Point Closed**

**Point No. 09:- Long standing containers:-**

This is an issue which still remains to be resolved. Customs needs to expedite the auctioning process, at least in the case of non-haz cargo, where destruction is not required. The CFSs too need to assist rather than give lack of space as a reason which only further aggravates the situation by adding on to the number of long standing containers.

**Facts on the matter:-** It was informed that customs is making all efforts to reduce the number of long standing containers. There are around 4400 containers awaiting disposal. Out of which 70% could not be disposed off due to pending litigation, investigation, etc. There are only 800 to 900 containers which are in process of disposal. A consignment has to go through different stages of scrutiny to become ripe for disposal like examination, group NOC, valuation, testing, auction etc.

In case of urgent release of containers by shipping lines, following are the two options available:

- a. Hire a domestic container and shift goods in that container.
- b. On case to case to basis, the containers may be de-stuffed in CFS's warehouse with the responsibility of safekeeping of the goods.

As a measure for liquidation of long standing containers Disposal Section has made following special efforts to minimize the pendency.

1. Mela were organized from 12.12.2018 to 17.12.2018 and from 18.02.2019 to 22.02.2019 to obtain clearance from groups.
2. A special drive was carried out from 07.01.2019 to 20.01.2019 to liquidate the docks examination pendency.
3. As per instruction, all the CFSs are conducting two auctions per month to minimize pendency.

The disposals of certain commodities are subject to compliance of statutory report conditions such as PQ, AQ, FSSAI NOC, Pollution Control Board registration, MOEF registration, SIL etc. Many times it has been observed that after the BID is allotted to the higher bidder, they are unable to obtain these statutory requirements, which leads to further delay.

**Action: Point Closed**

**Point No. 10:- Filing of EGM in the ICEGATE at ICDs:-**

The ICD operators need to file the EGM in the ICEGATE prior to the departure of the trains from ICDs. In absence of this EGM is rejected even though gateway EGM is filed by the shipping line. Despite the issue being taken up earlier, the situation still persists.

**Facts on the matter:** - It was informed that the matter relates to the cases in which IGST refund could not be finalized due to EGM error wherein the cargo is brought to JNPT through rail. Any rail operator before starting from the source point ICD, has to file a local EGM and that local EGM has to be in system when Shipping line file Master EGM and these two EGM's should match together.

As per para 2 of Circular No. 01/2019-Customs dated 02.01.2019 issued vide F.No. 450/119/2017-Cus-IV by CBIC:-

(i) The processing of IGST refund gets hampered either because the local EGM has not been filed online or has been filed late. There are instances where the cargo originating from the hinterland ICDs reached the gateway port without the local EGM having been filed online. Earlier vide circular No. 42/2017-Cus., dated 7.11.2017, it was explained that due to manual filing of EGM in respect of shipping bills originating from ICDs, system is unable to match the gateway EGM and the local EGM. Therefore, it was instructed that all the custodians / carriers / shipping lines operating at ICDs/ gateway ports should file EGM online. It is re-iterated that the first step would be that, the concerned stakeholders at the originating ICDs file the local EGMs online.

(ii) Where the export goods are directly moved by truck to the gateway port, in such cases, filing the local EGM timely should not pose any problem. At inland ICDs/CFSs connected by train, the local EGM shall be filed before the goods actually move out of ICD/CFS. In ICDs/CFSs not connected by train but where the movement of export goods begins from the nearest train-based ICD/CFS, it has been observed that local EGM is not being filed as the train number is not known to the custodian for the want of rail receipt. In such cases, it must be ensured that local EGM is filed by the custodian immediately after getting train details in which containers are moving to gateway port but in any case, before the train leaves for the gateway port. Officers at these stations shall constantly monitor to check the pendency and take necessary action.

(iii) Non-filing of EGM clearly hints at non-compliance by the custodian / person in charge of the conveyance carrying export goods. Section 41 of the Customs Act 1962, authorizes the customs officer to take action against such non-filers. However, more than invoking the penal sections, jurisdictional Commissioners need to constantly monitor the activity of timely filing of the EGM and take necessary steps to ensure the same.

**Action: Point Closed**

**Point No. 11:- Agenda point from V K Agarwal (Mirc Electronics Ltd):-** All B/Es are filed under self-assessment and facilitation for AEO holder is 90% or so. If duty is to be paid under protest, it is to be decided as to what methodology is to be adopted. A public notice may be issued in this regard.

**Facts on the matter:** - It was informed that in case where duty is paid under protest, the letter of protest can be uploaded in e-sanchit to have it as a permanent record. No separate procedure is required for this purpose.

**Action: Point Closed**

#### **Additional Points by BCBA**

**Point no. 11:** Members of the trade pointed out that few of the UB containers were not being sent to scanning before it lands in CFS. As it is mandatory for the entire UB containers to be sent for scanning before examination it was suggested that all such containers should be first routed to CSD.

**Facts on the matter:-** The Chair informed that the matter will be taken up at appropriate level.

**Action: Manager JNPT**

**Point No. 12:-** Members of the trade pointed out that the sampling status report which indicates the date on which the Test reports of the samples were submitted to the group by the DYCC is not made available online though it was available earlier. Thus, CHA/importers are not able to know the status of the test report. Secondly only group I has started to feed the manual test report in the system but other groups are still registering using manual mode.

**Facts on the matter:-** The Chair directed that the process to be streamlined.

**Action: AC/DC EDI & Groups**

**Point No. 13:-** Members of the trade pointed out that in case of pharmacy consignments, bills of entry are being forcefully assessed under chapter 13. ADD is forcefully levied even if the group is informed that the concerned consignment is of bulk drugs. After convincing the Assessment Officer, the bill of entry is assessed. After a week importer/CHA receives a query, as to why not action be taken against the importer/CHA for non-payment of ADD.

**Facts on the matter:-** The Chair assured that the assessment process in this regard will be streamlined.

**AC/DC Group I**

**Point No. 14:-** It was pointed by the trade that many bills of entry are pending for finalization

**Facts of the matter:** The Chair advised trade to approach EDI and correct all mismatches appearing on such document.

**Action: Point Closed**

3. The members of the meeting were informed that the next PTFC meeting shall be held on **28.03.2019 at 11:30 AM** 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.jnch@gov.in](mailto:appraisingmain.jnch@gov.in) 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/-**

**(SAHIL SETH) IRS**

Dy. 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.

