

**OFFICE OF THE COMMISSIONER OF CUSTOMS (NS I & III)
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA
DIST. -RAIGAD, MAHARASHTRA - 400 707**

F. No. S/22-Gen-01/2014-15 AM (I) NS-III

Date: 04.05.2016

**MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION
COMMITTEE MEETING FOR NS-I, III & V HELD ON 28.04.2016**

The PTFC meeting held on 28.04.2016 was chaired by Shri D.K.Srinivas, Commissioner of Customs, NS-I & III. Shri R.P. Raheja, Ombudsman (Indirect Tax) who was a special invitee, was also present in the said Meeting. The meeting was attended by the following Members/Participants of trade -

Sr. No.	Names (S/Shri)	Organization/Association/Designation
1	Shankar Shinde	RCCI
2.	Sarfaraz A. Khan	RCCI
3	Sachin C. Parab	DP World
4	Rahul R. Mahtre	DP World
5	R. Rajasekhar	
6	Mohan Nihalani	AIIEA
7	Suresh L Dalvi	Indian Seaways
8	Ganpat R. Karade	BCHAA
9	Raghav Uchil	AMTOI
10	Norman Fernandez,	CSLA
11	Umesh Grover	CFSAI
12	Paresh Shah	BCHAA
13	Subhash Bangae	
14	Virendra T. Deosthalee	All Cargo CFS
15	Paulami Banerjee	FIEO
16	Nimesh Desai	WISA
17	Jacob Thomas	GDL CFS
18	D.L. Thakker	BCHAA
19.	Manish Kumar	MANSA
20	Rajendra Coimbatore	Hind Terminal CFS
21	Raphael Sebastian	GTI
22	Milan Desai	BCHAA
23	Vinay Aparaj	
24	Laksha Tadadikar	Ameya CFS
25	Nana Zaware	Navkar CFS
26	Viraf M. Engineer	Indev CFS
27	V.K. Agarwal	Onida

Following officers from Department attended the meeting -

	Name (S/Shri)	Designation
01	Asir Tyagi	Addl. Commissioner of Customs, JNCH
02	Aseem Kumar	Addl. Commissioner of Customs, JNCH
03	Nilkanth Shelke,	Addl. Commissioner of Customs, JNCH
04	Akhilesh Pandey	Addl. Commissioner of Customs, JNCH
05	Shri A.K. Goel	Addl. Commissioner of Customs, JNCH
06	S.K. Vatsa	Jt. Commissioner of Customs, JNCH

07	Dilip Bhilegaonkar	Jt. Commissioner of Customs, JNCH
08	B.L. Reddy	Asst. Commissioner of Customs, JNCH
09	R.S. Narasimha MURthy	Jt. Director, CRCL

2. At the outset, the Chairperson welcomed all the members. Thereafter, the Chairperson introduced the Ombudsman Shri R.P. Raheja to the committee and requested him to explain the salient features of Ombudsman's office work.

3. Shri R.P. Raheja, Ombudsman informed that the Ombudsman Office is a new forum for redressal of grievance created outside the Department and narrated the functioning of the Ombudsman and the types of complaints which can be referred and requested the trade to utilize the same.

4. The Jt. Commissioner, Appg. (Main) (Import) announced the following facilitation measures for Ease of Doing Business during the last 1 month.

i). Public Notice No.61/2015-16 dated 11.4.2016 for simplification of procedure to be followed in case of registration of duty credit scrips issued under Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS).

ii). DPD permission for 6 ACP clients have been issued since the last PTFC Meeting held on 23.3.2016, thereby increasing the total number of DPD facility holders to 25 ACP clients so far and that there are 8 more applications under process. It was also informed that 6000 containers were cleared under DPD facility during the last month. .

Thereafter, the agenda points were taken up for discussion one by one

Old Points:

5. Difficulties in providing officers on OT basis and payment of O.T. Charges on the weekend/holidays:

It was informed that if there is any requirement for OT on the weekend/holidays, the Control Room Officer will provide the escorting officer on holidays as per the availability of floating officers. Further, it was informed that for payment of OT charges, the Department is exploring the possibility of posting a cashier on weekend and holidays to accept the OT payments, on trial basis, for a specified time and if required, the cashier will be made available on regular basis. Further, it was also informed that the entire warehousing procedures are being overhauled in the Finance Bill, 2016 and therefore, the escorting procedures will be reviewed after enactment of Finance Bill, 2016.

(Point Closed)

6) Bond/EOU/Gr.VII Digitization: Request for removal of manual registers at Bond Section/EOU/Gr.VII etc.

The comments received from the concerned groups were briefly explained and informed that letter dated 25.4.2016 has already been written to DG/Systems to take care of the digitization of the Bond details.

(Point Closed)

7) Shifting of imported goods to local containers:

The ADC/CFS Management stated that the procedure for shifting of imported goods to local containers have been prescribed vide P/N No.1/2013 dated 3.1.2013; that as far as shifting of goods other than those covered under Section 49 of the Customs Act, 1962 is concerned, not blanket permission for such shifting may be given as the same is prone to be mis-used by unscrupulous importers; that the permission for shifting of imported goods from import containers to domestic containers can be given only after examining the reasons for shifting in a case-specific manners by DC/Docks/Concerned Group/the seizing unit such as DRI, SIIB, CIU etc./Disposal Section, in case of long standing containers; that CFS have shown their willingness to provide domestic containers on specific orders by Customs; that CFS have informed that whenever such specific instructions for transfer of goods are received, they provide domestic containers.

From the Trade side it was stated that the CFSs are not providing the local containers to free the foreign containers to avoid demurrage/detention charges. From the CFS side, it was insisted that the trade has to bring the local containers for such activity and the necessary space will be provided by them. It was brought to the notice of the Chair that there exists Board's circular which states that the CFS has to provide the local containers. After discussion with Stakeholders, the Chairperson stated that there are two options available to sort out the problem. (1) Both the CFS and the Trade/Customs Broker sit together and sort out the problem among themselves (or) (2) the CFS Management Cell should take the representations from both the side and examine and recommend necessary action. The Chairperson also emphasized to implement the Public Notice/Circular in toto and in case if any lapse on any of the CFS side is noticed, the same may be brought to his notice.

Action: BCHAA/All CFS / CFS Management Cell.

8. Delay in testing of samples.

It was informed by the Jt. Director, CRCL that out of all the samples of import and export received in their laboratory, only samples requiring detailed analysis by instrumental methods are being received, registered and sent to other laboratories immediately without delay and the remaining samples will be tested in this laboratory within the limited time frame, Further the sample of live Bill of Entry like first check Bill of Entry are taken up for analysis on priority basis.

The Chairperson asked the Jt. Director, CRCL to furnish a weekly report of samples of imports and exports, which are pending for more than 7 days regularly so that the same can be monitored.

(Point Closed for PTFC)

Action: -Jt. Director(CRCL)

9. Printing of Bs/E with accessories details:

This issue requires change in the format/process of B/E by the Office of DG(Systems), New Delhi. Hence, it was informed that, vide letter dated 20.4.2016 the issue has been taken up with the Office of DG (System), New Delhi to look into the matter and make necessary changes in the system, so that accessory details/SAFTA certificate etc., could be printed in the final print out of the Bills of Entry or Shipping Bills.

(Point closed)

10. Single Window Clearance out of scope items for various allied Act Agencies.

Request to review list of Out of Scope of items for all Allied Act Agencies from time to time and to remove the same from the scope of CCR so that such items are not referred to respective Agencies.

The ADC/EDI stated that there was a meeting on 27.4.2016 at the Office of Commissioner (Single Window) and DG/System, with all PGAs such as FSSAI, ADC, AQ, PQ, Wild Life etc. He stated that the main Agenda from Customs side to PGA was to (a) introduce RMS in PGA (b) Further, 8 digit CTH wise mapping of items which should be referred to the Allied Agencies are available on the ICEGATE website. However, in every CTH, it is quite possible that some goods are liable to be checked with any PGA, while other goods in same CTH may not be liable to be checked with PGA. To redress this problem, the DG/System is creating PGA Exception Category (PEC) (c) Depending upon the end use of the item, the system will decide the PGA, where it should be referred to.

In this connection, he requested the trade and BCHAA representatives to compile and send the list of goods, with description and CTH, which are being wrongly referred to any PGA or which are not being referred to any PGA for further requirement of flow of bills to PGA.

Action: BCHAA (for sending list by e-mail) and ADC/EDI.

NEW POINTS: POINT SPONSORED BY BCHAA

11). Simplification of the EDD refunds arising after SVB finalization:

At present, after finalization of SVB, for refund of Extra Duty Deposit (EDD), procedure laid down in Section 27 is followed for refund which in their opinion, is not warranted for EDD refunds.

Request: Request for timely refund of the EDD amount without following Section 27 refund procedure.

The Jt. Commissioner (Refund) explained that with the recent revamping of SVB procedures contained in Board's Circular No.4 & 5 dated 9.2.2016, payment of 1% RD has been withdrawn for first 60 days and therefore, refund of EDD cases may reduce significantly. Since the matter of refund of Extra Duty Deposit does not fall within the ambit of Section 26A, provisions of Section 27 are to be followed.

From BCHAA side, it was informed that at Air Cargo Complex, the refund of EDD amounts are processed without following the procedures under Section 27 of the Customs Act, 1962 on the basis of a Public Notice issued in this regard and requested for the same practice at JNCH also. The Chairperson asked the JC/Refund to find out the factual position and obtain a copy of the Public Notice and examine the issue before the next PTFC.

(Action: JC/Refund)

In this connection, the Chairperson drew the attention of the trade and BCHAA to the Public Notice No.30/2016 dated 19.2.2016 regarding payment of refund amount electronically as in the case of Drawback payment to the exporter. The Chairperson informed that while reviewing the refund cases, he observed that the response from the trade to submit the Bank details for transmission of refund amount electronically is very poor and still manual cheques are being issued for distribution of refunds. He, therefore asked the BCHAA to once again circulate the Public Notice among their members/clients so that all refund payments can be transmitted electronically.

(Action: BCHAA)

12). Delay in shifting of containers from Port Terminals to CFSs:

Clearance of import containers are delayed due to delay in shifting of containers from Port Terminals to respective CFSs.

Request: Free day period for containers should start after arrival of containers at designated CFS.

From the trade side it was stated that in case of part arrival/movement of the containers to CFS by Terminal Operators, the CFSs are charging ground rent for all the containers, from the day of arrival of the first container of the lot, which increases the costing of the import consignments. The CFS side responded to this problem and stated that due to the delay in shifting the containers by the Terminal Operators, the Shipping lines are charging the ground rent from the CFS and as such they in turn have to pass it on and charge the trade. After a brief discussion, the Chairperson directed to escalate this point to CCFC.

(Point closed at PTFC)

During the discussion of this point, it was pointed out that the Department is getting several request from trade side to exempt the containers selected scanning. It was explained that scanning of containers is an issue relating to National Security and cannot be compromised. Therefore, the trade was asked to understand the issue and requested not to seek any exemption from scanning.

13. No requirement to challenge the assessment for claiming refund of Customs duty:

With changes made in the Customs Act, 1962, after rolling out of the self assessment in the year 2011, there is no requirement to challenge the assessment with Commissioner Appeals.

Request: The recent interpretation by the Court in the Suryalakshmi Cotton Mills Ltd. V/s CCE, Pune, case may kindly considered for issuance of suitable Public Notice to the trade.

It was informed that the Department did not accept the aforesaid orders of the Tribunal and an appeal has since been filed, the status quo is maintained. It was also informed that filing of refund application under Section 27 is being accepted, without re-assessment order, to avoid time bar.

(Point Closed)

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

Shipping Lines are demanding KYC from importers and Customs Brokers in terms of Public Notice No.17/2012 for issue of Delivery order with many supporting documents causing lot of hardship and delay. In case of imports, as per procedure, Customs Brokers have to submit all the documents which are already with Customs. Demanding KYC with supporting documents by shipping line for issue of import delivery order may not be required and dispensed with. Similarly they are also demanding KYC with other documents and copy of Customs Broker Licence from Custom Broker. All Custom Brokers are licenced by Customs and only licensed Custom Brokers are allowed to transact business.

Request: In view of above, it is requested to kindly clarify that, KYC requirement is only in case of Export by Shipping line/forwarder or otherwise. Both importer and Custom Broker are KYC compliant at Customs.

After deliberations, it was informed that the KYC requirement cannot be ignored. However, the representative of the Shipping Liner was directed to identity 3 vital documents which are essential for KYC and intimate the same It was requested from the trade side that the Shipping Lines should not insist the KYC documents each and every time and a validity period may be fixed.

Action: CSLA // Appg. Main (I)

15).Reconstitution of PTFC

It was informed that in lieu of Public Notice No.44/2016 dated 11.3.2016 inviting stakeholders for re-constituting the PTFC, only the following five members showed their willingness to be included in the PTFC.

- 1) CSLA (Norman Fernandes) (Already a member of PTFC)
- 2) M/s Bombay Metal Exchange Ltd. (Mr.Hermant K. Parekh, President)
- 3) Women Custom Brokers & Freight Forwarders (Ms.Philomena Pereira of M/s PV Agencies and Ms.Janet D'Souza of M/s Excel Exim Services)
- 4) All India Fresh Fruits Importers Association, Mumbai (Mr.Ambrish Karvat, Director)
- 5) Metal Recycling Association of India, Mumbai (Mr.Amar Singh, Secretary General).
- 6) Raigad Chamber of Commerce

From the trade side it was enquired as to whether the old members are also required to apply for inclusion in the PTFC. The Chairperson clarified that existing members should also apply for the same, if they wish to be included. Some of the Trade members requested that the time limit for submission may be extended. The Chairperson agreed for extension of time limit upto 15.5.2016.

Action: JC/Appg.(Main)(Import)

16. The members of the meeting were informed that the next PTFC meeting shall be held on **26.5.2016 at 11.30 am at Conference Hall, 5th Floor, JNCH, Nhava Sheva.** The Chairpersons requested all the Association Members to forward their agenda points, if any, at least **03 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 & III and Commissioners of Customs NS-IV & V.

--Sd--

(B.L. REDDY)

**ASST. COMMISSIONER OF CUSTOMS
CENTRALISED APPRAISING MAIN,
NS-I, III & V JNCH**

To
All the Members of PTFC

Copy to:

1. The Pr. Chief Commissioner of Customs, Mumbai Zone-II, JNCH, Sheva.
2. The Chief Commissioner, Directorate General of Taxpayer Services, New Delhi.
3. 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)
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