

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: 28.06.2016

MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION
COMMITTEE MEETING FOR NS-I, III & V HELD ON 23.06.2016

The PTFC meeting held on 23.06.2016 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	Manish Kumar	MANSA
2	K B Bhandari	BCHAA
3	Vinayak Aparaj	BCHAA
4	V K Agarwal	MIRC ONIDA
5	Subhash Rajkumar	MANSA
6	Venkatram Narayanan	CFSAI
7	Paulami Banerjee	FIEO
8	Umesh Grover	CFSAI
9	Neelesh Datir	AILBIEA
10	Archana Roy	MIRC ONIDA
11	Mohan Nihalani	AIIEA
12	Chetna M Bhadeka	WCBFF
13	Roshan Irani	WCBFF
14	Javed Mahmood	MRAI
15	Amar Singh	MRAI
16	Nimish Desai	WISA
17	Paresh Shah	BCHAA
18	K S Shetty	MACCIA
19	Omprakash Agrawal	MSWA
20	Milan Desai	BCHAA
21	Suresh Dalvi	BCHAA
22	D.L.Thakker	BCHAA
23	Ganpat Karade	BCHAA
24	R K Rubin	AMTOI
25	Raghav Uchil	AMTOI
26	Norman Fernandez	CSLA
27	Shankar Shinde	RCCI
28	Mark Fernandez	IMC
29	Ashish Pednekar	BCHAA
30	L V Shah	BCHAA
31	Hemant Parekh	BME Ltd.
32	Rajiv B Khandelwal	BME Ltd.
33	Jacob Thomas	GDL CFS

Following officers from Department attended the meeting -

Sr. No.	Names (Smt./Shri/Ms.)	Designation
1	Vijay Risi	Addl. Commissioner of Customs, JNCH
2	Rahul R. Nangare	Addl. Commissioner of Customs, JNCH
3	Nikhil Meshram	Addl. Commissioner of Customs, JNCH
4	Sandeep GM Yadav	Dy. Commissioner of Customs, JNCH
5	Amit Kumar	Dy. Commissioner of Customs, JNCH
6	Arpita Naharya	Dy. Commissioner of Customs, JNCH
7	B.S. Mangat	Dy. Commissioner of Customs, JNCH
8	R P Singh	Dy. Commissioner of Customs, JNCH
9	Madoli Daso	Dy. Commissioner of Customs, JNCH
10	C J D'Silva	Asst. Commissioner of Customs, JNCH

2) At the outset, the Chairperson welcomed all the members. The Chairperson also informed about the re-constitution of the PTFC and extended warm welcome to all the new members joining the PTFC meeting for the first time. Thereafter, the Chairperson introduced the newly joined departmental Officers to 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 26.05.2016.

i) STANDING ORDER No.40/2016 dated 26.05.2016 regarding Dispute Resolution mechanism for resolving Trade disputes.

ii) STANDING ORDER NO. 41/2016 dated 31.05.2016:- For providing transparency and ease of doing business, it has been decided to upload the status of the refund claim applications on departmental website.

iii) STANDING ORDER No.42/2016 dated 03.06.2016 regarding Testing of imported Textile/Textile Articles for its composition and Hazardous Dyes vide which Australia, Canada, Japan and South Korea have been added in the list of countries exempted from testing of Textiles and Textile Articles for presence of Azo Dyes.

iv) STANDING ORDER No. 43/2016 dated: 25.05.2016 regarding Procedure for adjudication of Show Cause Notices subsequent to constitution of Centralized Adjudication Cell at JNCH.

v) FACILITY NOTICE No.77/2016 dated 03.06.2016 regarding Carriage of coastal cargo from one Indian port to another port in vessels carrying out coastal runs.

vi) FACILITY NOTICE No.78/2016 dated 03.06.2016 regarding Security under section 59 (3) of the Customs Act.

vii) FACILITY NOTICE No.79/2016 dated 03.06.2016 regarding Procedure for filing of ex-bond bill of entry.

viii) FACILITY NOTICE No.80/2016 dated 03.06.2016 regarding Manner of payment of interest on warehoused goods.

ix) PUBLIC NOTICE NO.82/2016 dated 06.06.2016 regarding Requirement of Solvency Certificate for the purpose of Private Warehouse Licensing Regulations, 2016.

x) PUBLIC NOTICE NO.83/2016 dated 10.06.2016 regarding Maintenance of records in relation to warehoused goods in electronic form, filing of Returns and acknowledgement of receipt of goods.

xi) PUBLIC NOTICE NO.84/2016 dated 13.06.2016 regarding Form of application for a Licence under Public Warehousing Licensing Regulations, 2016/ Private Warehousing Regulations, 2016/Special Warehousing Regulations, 2016.

xii) PUBLIC NOTICE NO.87/2016 dated 15.06.2016 regarding Procedure to be followed by nominated agencies importing gold/silver/platinum under the scheme for 'Export against supply by Nominated Agencies.

xiii) PUBLIC NOTICE NO.88/2016 dated 16.06.2016 regarding Single Window Project - Simplification of procedure in SWIFT for clearance of consignments related to drugs & cosmetics.

xiv) FACILITY NOTICE No.89/2016 dated 16.06.2016 regarding Re-constitution of Permanent Trade Facilitation Committee (PTFC) in Import Commissionerate, JNCH.

xv) PUBLIC NOTICE NO.94/2016 dated 21.06.2016 regarding Indirect Tax Dispute Resolution Scheme, 2016.

4) Thereafter, the Agenda points were taken up for discussion.

Old Points:

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's and the Trade/Customs Brokers and recommend the course of action.

Action taken:

The CFS Management Cell informed that as far as shifting of goods other than those covered under Section 49 of the Customs Act, 1962 was concerned, no blanket permission for such shifting may be given. The permission for shifting of imported goods from imported containers to local containers may be given by DC/Docks under Customs Supervision as per Public Notice No.64/2012 dated 27.11.2012 on case to case basis, after receipt of an application from the Importer giving reasons there for.

It was further informed that a meeting was held on 20.06.2016 with the Office bearers of M/s BCHAA and CFS Association wherein the CFS Association representative agreed to the proposal of M/s BCHAA representatives that certain CFS's who were willing to procure and supply the local containers, they may do so and the remaining CFS's will provide the details of the vendors of the local containers to the Importers, who will, thereafter, obtain the local containers from the vendors directly and the CFS's will provide the required space inside the CFS on payment of ground rent and other charges. It was also clarified in the meeting that the responsibility of the Custodian will remain with the CFS even after the shifting of the imported cargo to local container.

During the meeting, it was requested by M/s BCHAA that issues like payment of Merchant Overtime (MOT), rental charges for containers, etc. still needs to be examined.

The Chairperson 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: BCHAA/All CFS / CFS Management Cell

6) Simplification of the EDD refunds arising after SVB finalization:

It was informed that the issue was discussed in the last PTFC meeting. Further CRC-I section have informed that the matter have been taken up with the Chief Commissioners of Customs for having uniform practice in this regard in all the three Zones.

The Chairperson informed that matter is under consideration and the Chief Commissioner of Customs is seized with the issue and will be finalized in due course.

(Point closed)

7) 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: ADC (Prev.)(Gen)

8) 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.

Action taken:

The concerned Group-II-G stated the following:

- a) Only the Bills of Entry wherein the goods are covered under PLATT list and the value of the goods are lower than the PLATT price and the Importer/CHA seek to get variation upto 10% from PLATT rate, is being forwarded to the Additional/Joint Commissioner of Customs as per Standing Order No.7493/99 dated 03.12.1999.
- b) RMS Bills of Entry wherein value of the goods is lower than the PLATT price are being recalled suo motu by the CHA/Importer or on the basis of docks observation.
- c) For uniformity and ensuring collection of correct duty of Customs, procedure for valuation of plastic goods was laid down vide Standing Order No.7493/99 dated 03.12.1999 issued by the Office of the Commissioner of Customs (Import), New Custom House. Further vide Standing Order No.02/2010 dated 07.01.2010 issued by the Office of the Commissioner of Customs, JNCH, it was stated that in pursuance of the representation of the trade, the DG (Valuation) decided and conveyed for not to interfere with the Standing Order No. 7493/99 dated 03.12.1999.

d) This Standing Order guides the officers for assessment of these items on the basis of the PLATT rates applicable at the relevant time. The said S.O. also provides for giving various discounts on various items depending upon the composition of the imported goods and also depending on the nature of the transaction. The said S.O. also takes into account the goods being "Off-grade", "near prime" etc. and also regenerated polymers. It also takes into consideration the discount offered by the suppliers on the purchase of large quantity.

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 IIG 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: ADC (Group II G)

New Points: (Point Sponsored by M/s BCHAA)

9) 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.

c) Manual hard copy of BE folder should not be insisted by PGA for out of scope items.

d) All PGAs namely P&Q, ADC, FSSAI, WCCB, AQ should be requested to clear their pendency screen every hour for all types of BE, i.e. NOC, out of Scope or Objection.

It was informed that the issue relating to Point No.(a) and (b) has been forwarded to the Single Window Team, New Delhi for resolving the issue. 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.

The Chairperson further informed that issue related to Point No.(c) and (d) may be taken in CCFC as PTFC was not the correct forum to address the concerned issue.

**Action: ADC/EDI for Point No.(a) and (b)
Point No.(c) and (d) transferred to CCFC**

10) Regular Pendency of BE for Assessment in Group 2

We have been informed by our members that there is a huge pendency in Assessment particularly in Group 2A since last few days. As of today, it has been reported that many documents are pending in various group for assessment purpose, which may increase if the pendency is not cleared on war footing.

Request: To address the issue on top priority in larger interest of EXIM trade.

The Chairperson informed that they were aware of the issue and accordingly, additional Staff were deployed to address the issue and the pendency has been reduced significantly. It was also informed that efforts are always made to ensure that pendency does not build up.

(Point Closed)

11) 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: CFS Management Cell/All CFS

12) ADC and all allied act agencies:

Request them to keep open their office on Saturdays, we have observed that all allied act agencies complete their backlog on Friday. However, there are important work /deliveries required to get their NOC or otherwise.

We request them to keep open their office on Saturday or issue a Circular giving details of Phone no. to contact a person so that work can be complete anyhow.

The Chairperson informed that issue may be taken in CCFC as PTFC was not the correct forum to address the concerned issue.

Action: Point transferred to CCFC

13) 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: CFS Management Cell/All CFS

14) The members of the meeting were informed that the next PTFC meeting shall be held on **21.07.2016 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 **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.

15) The meeting ended with thanks to the Chair.

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

(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.