

सी मा शु ल् क आयु क् त (ए न ए स -I) का र्, या ल य
OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-I
मू ल् य न र्ि रू प ण मु ख् य (अ षा त) APPRAISING MAIN (IMPORT)
ज वा ह र लाल ने ह रू सी मा शु ल् क भ व न, न् हा वा शे वा ,
JAWAHAR LAL NEHRU CUSTOM HOUSE, NHAVA- SHEVA
ता . उ र ण,, TAL-URAN, ज ि ला रा य ग ड /RAIGAD -
400707, म ह ा रा ष् ट् र MAHARASHTRA
(e-mail: appraisingmain.jnch@gov.in Telephone No.022-27244979)

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

Date: 09.04.2019

MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION
COMMITTEE HELD ON 28.03.2019

The PTFC meeting held on 28.03.2019 was chaired by Shri M R Mohanty, Commissioner of Customs (NS-I & II), JNCH, Shri R K Mishra, Commissioner of Customs (NS-V) and Shri Utkarsh R. Tiwari, Commissioner of Customs (NS-G). The meeting was attended by the following members/participants of trade:-

Sr. No.	Names (S/Shri/Ms./Mrs.)	Organization/Association/Designation
01	Manish Kumar	MANSA
02	Ganpat P. Korade	BCBA
03	Shankar Shinde	BCBA
04	VinayakApparaj	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	HirenRuparel	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 Ram bhia	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:-

Sr. No.	Names (Shri/Smt./Ms.)	Designation
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 discussion related to the agenda points of the meeting.

Old Agenda Points

Point No. 01:- 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: - It was informed by the Chair that none other than the containers selected by RMCC are required to be sent for scanning.

(Point Closed)

Point No. 02:-Members of Trade pointed out that the sampling status report which indicates the date on which the Test report of the samples were submitted to the group by the DYCC is not 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 a request may be sent to the DG/System to incorporate a module wherein status of the test reports may be made available to importers also. Meanwhile, as a temporary measure status of test reports may be made available to importers locally.

(Point Closed)

Point No. 03:- Members of trade pointed out that in case of pharmacy consignments, B/Es are 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 pointed out that the pharmaceutical products falls under chapters 29 and 30 Customs Tariff Act, 1975. The BOE's of pharmaceutical products are not routed through Gr-I.

(Point Closed)

Point No. 04:- 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 the matter was discussed in the PTFC meeting dated 28.02.2019 wherein it was stated that a system is put in place such that a boarding officer along with terminal authorities and CISF releases a container for scanning without out-of-charge. This special procedure has been put in place in case of non-functioning of mobile scanner. Boarding officer is required to physically verify the container with the scanning list provided by CSD office. This procedure cannot be changed because port terminal and CSD fall under two disjointed customs areas.

As regards to the second part customs has allowed continuity bond to CONCOR and Navkar for the movement of scanning hold containers. In case of other importers the matter will be decided on case to case basis on receipt of their applications.

(Point Closed)

New Agenda Points

Agenda Points represented by BCBA

Point No. 01:- Prior to finalization of BOE:-

It has been represented by BCBA that prior to finalisation of IGM is a technical issue specific to Nhava Sheva only. IGM should be finalised automatically which is occurring only in six out of ten cases, hence members have to

approach EDI section for getting the BE regularised. Further it is to state that, members are facing problems in BE, which are filed in advance but are not being regularised in system and B/Es get purged in due course.

It is stated that BE which gets purged have to be filed again, which attracts late filing penalty for no fault of the CHA/importer. Directions to the boarding office may be issued to follow PN 84/2017 to avoid hardship faced by Trade. It is observed that point no. 3.vii of PN 84/2017 is not being diligently followed by officers due to which BE is left unregularized.

Facts on the matter: - The members of the trade informed that the problem of prior to finalization of IGM may be due to boarding officer not scrolling through the whole list of IGM in the system and/or due to network failure. It is informed that necessary instructions may be issued to the boarding officers and EDI System may also investigate the issue on priority and report the findings.

It was suggested by the trade that task of prior to finalisation of IGM may be handed over to trade through ICEGATE as there is no security issue involved. The Chair assured that the matter will be brought to the notice of DG/Systems. The Chair also requested the trade to submit a comprehensive note on the issues relating to prior to finalisation of IGM to AC/EDI.

(Action – AC/EDI & AC/Import Noting)

Point No. 02:- Release of Import delivery at JN Customs – for (Note and Show amendment):-

It has been represented by BCBA that during the PTFC dated 24.09.2018, it was discussed and necessary directives were issued for release of import cargo. Further, it was also decided that the LCL consignment which has no relevance with container number which are not affecting the revenue or any other legal compliance would be allowed without holding the same. The deliveries of Friday are being held by CFSs for such minor clerical mistakes/amendments. It is requested to issue necessary PN/SO in this regard to allow such delivery.

Facts on the matter: - It was pointed out by the trade that if container no. on the BOE mismatches with invoice, the LCL consignment is held back on holidays and weekends for amendment of BOE as the amendment can only be done on next working day. It was informed that if there is mismatch of container no. before out of charge is given, the amendment can be carried out by the concerned group but for amendment after out of charge, the EDI system has to cancel the out of charge before the Group can make amendments. It was also informed that in such cases manual out of charge is given so that LCL consignments are not held up in such cases although any specific case may be brought to the notice of customs.

(Point Closed)

Point No. 03:- Clearance of pendency of assessment in Groups I, IA, 2A, 2C, 2G, 2H, 4 & 5:- It is informed that there is considerable delay in assessment of BE in above said groups at JN Customs since last few days.

Facts on the matter: - The Chair informed that the issue has been resolved which was partly due to interruption in the system. There was a little pendency, which has been taken care by putting extra efforts and time by the officers and now BOEs are assessed on day to day basis. There are no pendency in the assessing groups as of now.

Trade raised the issue of the pendency of clearance of consignments. It was informed that the RMS documents have been prioritized based on the date of registration and consignments of AEO's are also prioritized by the system for examination. It was also informed that situation is monitored on day to day basis and steps are taken to maximize the clearance and in view of this the system of raising queries on scanning has been stopped. It was also informed that approximately 8000 BOE's pending for payment of duty and a request was made to all that all possible effort should be made by all stakeholders for payment of duty by 31st of March 2019.

(Point Closed)

Agenda points presented by MANSA

Point No. 04:- Requirement of scanning of import SMTP containers for ICD:-

It has been represented that the ICD containers selected for scanning are compulsorily scanned before railing out. This results in delays in railing the containers to respective ICD locations. Since, there is no scanner inside the Terminals at present and the existing one mobile scanner is defunct, the selected containers are required to be taken out of the Port to the scanner near PUB or outside CFS causing undue delays and additional cost to the trade. It is therefore, requested that the manual scanning may be waived introducing a directive for 100% examination at the respective ICD if, felt necessary on case to case basis. Till the time adequate scanning facilities are provided inside the Port for scanning the containers before railing out, this physical examination system at ICD may be introduced to avoid delays and incurrence of additional cost.

Facts on the matter: - The Chair informed that risk parameters for container meant for outstation ICD also includes national security apart from revenue. Containers of outstation ICD are scanned in CSD JNCH if in case scanners are not available at a particular ICD. It was informed that mobile scanners will be functional in all terminals by the end of next quarter. System has been modified so that container of outstation ICD's henceforth will not be selected for scanning except in exceptional case. When question of empty containers being scanned was raised by the trade it was informed that risk based

algorithm targets a particular container and if an empty container is considered to be risk, it is selected for scanning, as it may contain something which is considered as risk.

(Point Closed)

Point No. 05:- Requirement of Radiation Portal Scanner:-

It is understood that at some ports radiation portal scanner is installed in addition to the already available x-ray scanner in most of the ports. At present imports of un-shredded metallic scrap is allowed without radiation portal scanner. However, from 1st April 2019, it becomes compulsory for radiation portal scanner to be installed for scanning imports of un-shredded metallic scrap. The status of its procurement and installation may be taken up.

Facts on the matter: - It is informed that port terminals are required to install radiation scanner. CSD office is equipped with hand held radiation scanner, which is used as and when required for scanning of un-shredded metallic scrap containers. It was also informed that SOP for radiation scanner have already been issued and all the port terminals have been informed to install the radiation scanner at the terminal gates, their reply is still awaited.

(Point Closed)

Point No. 06:- EGM filing for ICD containers:-

This point was already taken up. Earlier for EGM hard copy, the shipping line had to get endorsement from the Preventive office on each S/Bill, by producing copy of mate receipt prepared for each container, compile and then enclose it with hard copy of EGM filed. This requirement of getting endorsement on S/Bill and attaching Mate receipt with EGM is stopped vide PN 150/11.2016. However, in the case of ICD containers, there is no clarity as the PN does not speak about ICD units. Getting endorsement from Boarding Office on the Shipping Bill still continues. Two TR copies of S/Bills are received from ICDs. One T/R copy with endorsement is submitted along with EGM in ECU, D'Node and one TR copy is handed over to the Preventive office for onward dispatch to the respective ICD locations. Since EDI EGM for ICD containers is also now filed online, and the S/Bills are available in the ICEGATE/Customs systems, the requirement of getting two TR copies and sending one back should be scrapped. Likewise, taking endorsement from boarding office on ICD SBs also should be done away with, in line with the system for local SBs as per PN 150/11.2016. This will help in avoiding lot of manual work and piling up of papers, and also will go with the policy of EODC.

Facts on the matter:- It is informed that the matter has already been taken up vide agenda point no. 02 "EGM filing procedure" of CCFC meeting was held

on 08th Mar 2019. As in case of port terminals/CFSs, the ICDs are also required to file advance EGM online, in view of this relevance of manual EGMs and TR copies is under examination and a view in the matter would be taken in due course.

(Point closed)

Agenda points presented by CSLA

Point No. 07:- SCMT registration related issue:-

JNCH can further take up this issue with CBIC team for clarification. Authorized Sea Carrier option is not available. Authorized sea carrier is very important in terms of SCMT regulation as most of the responsibilities have been conferred on the master of the vessel. Also there are some vessel operators (feeder operators for instance) who are just carriers and do not own any containers. They are unable to register themselves as authorized sea carrier. We need clarity on the issue of registration of authorized sea carrier.

- The application of the existing authorized users are getting rejected under the new registration option due to a mismatch in the name on the PAN card vis-a-vis that appearing on the digital signature certificate. Presently those users are able to file IGM/EGM with their digital signature certificate. In most of the cases short name have been mentioned in PAN number whereas it is full name on the digital signature certificate. Due to this problem shipping lines/agents are not able to register themselves as authorized ship agent. All authorized users of existing system should be allowed to register in the new system, the details should be verified as per the documents uploaded in the existing system (Either PAN or Digital Certificate).

- Presently some ICEGATE applications like Rotation number etc. are available to shipping agent only. Earlier shipping lines who were registered as shipping lines only were not able to obtain rotation number through online ICEGATE ROTATION option, they had to get themselves registered also as shipping agents for such ICEGATE applications. All ICEGATE related options pertaining to shipping lines/shipping agents should be available for all registered Shipping lines (Authorized sea carrier) & shipping agents (Authorized shipping agent), or else the shipping lines will face the same issue again in the new system too.

Facts on the matter: - Members of the trade pointed that no shipping lines are able to register in ICEGATE due of certain errors and for which they are not getting any assistances from the ICEGATE helpdesk registration team. Thus JNCH should have a single window for ICEGATE related grievances assistance.. It was also pointed out by the members of the trade that users registered in the system are not able to validate on the system and there is no option in ICEGATE 2 for the registration of Authorized Sea Carrier. The Chair informed that their grievance will be taken up at the appropriate level and for ICEGATE related issues trade may approach AC/EDI, who is the nodal officer for the same.

(Action – AC/EDI)

Point No. 08:- Requirement of scanning of Import TP containers for foreign/Indian Ports:- It was discussed with the Chief commissioner on the 11th of March 2019, and a stand was taken to give manual waiver on the requirement of scanning of TP containers selected by default by system upon filing IGM. This was done particularly in view of no scanning facility inside the Port/terminals, and the delays and costs considered. Request a suitable facility notice be issued for clarity and for good order's sake, so as to avoid ambiguity in dealing with the scanning department.

Facts on the matter: - It was informed by the Chair that selection of TP containers for Foreign/other Indian Port, necessary measure/amendment has already been done in scan selection profile of Container Scanning Module (CSM) so that no TP container (Foreign Ports/Other Indian Ports) is selected for scanning. Since 12.03.2019, no Foreign/Other India Ports container is being selected for scanning.

(Action – Point Closed)

Point No. 09:- EGM Error due to poor print quality of S/Bills: - This was discussed in last PTFC as point No. 7. Though it was said then that CFSs authorities have been directed to resolve the issue, and point mentioned as Closed in Minutes of Meeting, the problem still persists with S/Bill number dull/illegible.

Facts on the matter: - In this regard, an e-mail dated 25.03.2019 has been sent to all the CFS Authorities under the jurisdiction of JNCH directing to look into the matter and resolve the issue at the earliest. Till date, out of 34 CFSs, this office has received positive reply for the compliance of the same, from 10 CFSs which is as under:

1. M/s Navkar Corporation Ltd.,
2. M/s ICTPL (Erstwhile Glob icon),

3. M/s All Cargo Logistics,
4. M/s JWC LOGISTICS PARK PVT LTD,
5. M/s SPEEDY Multimode Ltd,
6. M/s VAISHNO LOGISTIC YARD,
7. M/s OCEAN GATE CONTAINER TERMINAL,
8. M/s SEABIRD MARINE SERVICE PVT LTD,
9. M/s SBW LOGISTICS PVT LTD,
10. M/s ASHTE LOGISTICS PVT LTD.

The reply from the rest of the CFSs is still awaited.

(Action – DC/AM(X))

Point No. 10:- Agenda Point from Sh. V K Agarwal (Mirc Electronics Ltd):-

If bonded consignment is under interest (after 90 days of bonding) and at the time of ex-bond, if we pay duty thru Scrip; the interest amount on duty appears on the first page of the BOE under heading “**XBE Duty FG Int.**” But we are unable to pay this amount as its challan doesn’t appear on ICEGATE unless we get it generated manually. But there is no such problem in case BCD is paid in cash.

To generate challan, we need to approach OOC Officer in Bond section and provide BE number& date. Based on this information Officer generates challan in the system. After generating challan, it takes more than two hours to reflect it on ICEGATE site for payment. It is suggested that once duty paid thru Scrip, challan for Interest if any on this amount need to be generated automatically thru system.

Facts on the matter: - It was pointed by the Sh. V K Agarwal that in Chennai Customs Bond Officers are being posted on Saturdays who apart from Bond related work are authorized to give OOC as well. The Chair informed that an email has been sent to DG System on 27.03.2019 for implementation of the same, reply is still awaited. He further stated that the procedure adopted by Chennai Customs will be studied and appropriate steps will be taken as a temporary measure till System is modified.

(Action – AC/EDI & AC/Bond)

Agenda points presented by CFSAI

Point No. 11:- Examination/Inspection of goods under import without Delivery Order:- CFSAI has made a submission that PN 65/2012 dtd 05.12.2012 had been reviewed vide JNCH standing order No. 02/2013 dtd 04.01.2013 after receipt of representation by various trade representative

which needs to be read in conjunction with PN 65/2012 dtd 05.12.2012 which inter-alia clarifies: - The seal cutting without insistence of D/O is allowed in case of duty paid goods called a **“second check examination”** wherein after payment of applicable duty, the Importer/CHA come forward for registration of BE along with duly self-attested copy of BL. However, if we allow the seal cutting without D/O in case of first check examination where importer have **not paid the applicable duty will increase the abandonment of the cargo, claims with respect to the contents of the goods etc.** A consignee of the cargo is identified by the shipping line only when an original BL is surrendered to the line. The current procedure requires that the consignee surrenders the original bill of lading to the line and seek the seal cutting permission which enables the line to discharge their liability with respect to contents and quantity of the goods as notified in the BL, this could give rise to cargo claims towards the wrong delivery, deficiency to the content, quantity, condition etc.

As per current procedure all legitimate charges of shipping line except for container demurrage is settled. If seal cutting is allowed without settling of shipping lines charges, any consignee not satisfied with the content and condition of the cargo, which he may notice on seal cutting, will start abandoning the goods, disputing the charges to the line including freight charges in case of FOB shipment. This is more prevalent in low value commodities like Timber, used clothing/rags and metal scrap/waste paper (CIF). The cargo claims, after seal cutting permission are also seen in reefer business (commodity apples) which is majority of the FOB business.

CFSAI has requested that the procedure revised vide S/O No. 02/2013 dated 04.01.2013 should continue.

Facts on the matter: - The Chair stated that relinquishing of title of the goods under the Customs Act, 1962 is allowed in certain specific cases thus no one can relinquish the title of the goods beyond the provision of the Customs Act, 1962. He further stated that the matter will be examined on the receipt of written grievance.

(Point Closed)

Point No. 12:- Agenda point from Deepak Gupta, Deputy Director, CHEMEXIL, Mumbai regarding high nominated CFS charges by Liners which adds to transaction cost: - It is informed that most of the shipping lines charge extra Rs 5000 to 7000 as either **Nomination CFS charges or Off Dock charges.** We don't see any logic in this extra levy by Liners in both cases whether movement of containers to Nominated CFS or other CFS. We request you to regulate & standardize the CFS charges and the Heads under which they collect the local charges.

Facts on the matter: - It was pointed out by the members of the trade that port terminals are charging additional amount for non-tie-up CFS. It was informed that charges levied by the port terminals should be transparent and

in public domain. It was directed to get the perspective of the shipping lines also.

(Action – DC/DPD and DC/CCSP)

3. The members of the meeting were informed that the next PTFC meeting shall be held on **25.04.2019 at 11:30 AM** at conference Hall, 7th 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 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)

Deputy 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).
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.