MINUTES OF PTFC MEETING (EXPORT) HELD ON 24.09.2015

OFFICE OF THE COMMISSIONER OF CUSTOMS (N.S.-IV) JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA TAL: URAN, DIST-RAIGAD, MAHARASTRA-400707.

F. No. S/12-Gen-40/2014-15 AM(X) Part-I Date: 14.10.2015 MINUTES OF PTFC MEETING (EXPORT) HELD ON 24.09.2015

The monthly meeting of Permanent Trade Facilitation Committee (PTFC) (Export) was held on 24.09.2015 at 11.30 AM in the Conference Hall at the 7th floor of the Custom House. The meeting was chaired by Shri Subhash Agrawal, Commissioner of Customs (NS-IV), JNCH.

The following members of trade attended the meeting:

Sr. No.	Name and Designation	Sr. No	Name and Designation
01	Shri Mohan Nihlani, AIIEA	10	Shri Shridhar B. Ladane
02	Shri Milan Desai	11	Shri Vinayak B. Aparaj
03	Shri Suresh Dalvi, BCHAA	12	Shri Paresh Shah
04	Shri Subhash Rajkumar, MANSA.	13	Shri D.L. Thakkar, BCHAA
05	Shri V.K. Agarwal GM (Onida)	14	Shri Ganpat P. Korade, BCHAA
06.	Shri Manish Kumar, MANSA	15	Shri Victor Fernandes, MANSA
07.	Ms. Shyamali Banerjee, FIEO	16	Shri Nimish Desai, WISA
08	Shri Mark S. Fernandes	17	Shri K.S. Shetty
09	Shri Neelesh Datir, AILBIEA	18	Shri Vikrant More

2. The following officers of the Department attended the meeting:-

Sr. No.	Name and Designation
01	Shri Rakesh Goel, Additional Commissioner of Customs
02	Shri Neelkanth Shelke, Additional Commissioner of Customs
03	Shri Rajesh Kumar Agarwal, Additional Commissioner of Customs
04	Shri R.P. Singh, Deputy Commissioner of Customs.
05	Shri A.K. Sharma, Deputy Commissioner of Customs.
06	Shri Pankaj Kumar, Assistant Commissioner of Customs

3. The Commissioner welcomed all the members. The Minutes of the PTFC meeting held on 27.08.2015 were confirmed. Agenda points were circulated among the members.

4.1 The following points came up for discussion in the present PTFC meeting:

Point No.I. Installation of GPS on the Trailers of the CFSs-

Some of the representatives of the trade requested for the installation of the GPS tracking devices

on the trailers of the CFSs which are being used for transportation of the containers between the CFSs and Port as it will stop the pilferage of the cargo during the transit period.

In the PTFC meeting held by Appraising Main (Import) on 27.08.2015, the Chairperson directed the representatives of the CFSs to send reminders to those CFSs which are not part of their association for installation of GPS tracking devices on their trailers.

REPLY: In this regard, it has been intimated by the CFS Management Cell that e-mail has been forwarded to all the CFSs to do the needful in this matter.

The Chairperson agreed with the submission of the trade. He further directed the CFS Management Cell to monitor the progress made on installation of GPS system in trailers. The trade further suggested that a Public Notice/Standing Order may be issued stating that the trailers without GPS fittings will not be allowed entry in the port, giving 6 months time for preparation and compliance.

(Action by : CFS Management Cell)

Point No. II: Destruction of Cargo:

- i. The representatives of the trade raised the issue of destruction of various types of cargo as at present they are facing lot of difficulty in the procedural part.
- ii. Some of the members proposed taking services of various companies which have captive incinerator facility to address the problem.

In the PTFC meeting held by Appraising Main (Import) on 27.08.2015, the Chairperson agreed with the representatives that, at present, the method of destruction is complicated and it needs to be simplified. The Chairperson urged the representatives of the FSSAI to provide clarity on the methods of destruction as their Act is silent. The Chairperson also gave direction to send reference to the Board seeking clarity on the paths of destruction of various types of cargo like food, electronics, steel etc.

REPLY: It was informed that the destruction of the various types of cargos are done as per the guidelines laid down by the Ministry/CVC and other regulatory bodies.

At JNCH, the Custom department has given permission for destruction in 133 cases, but they are still pending for want of necessary permission by the various other agencies like MPCB/FASSAI/PQ/AQ etc. as the CFS/Importers have not approached with the necessary permission from the above agencies. Inspite of all the above mentioned difficulties, on an average, 2 to 3 destruction are carried out every week by the Disposal section.

In this regard, it is informed that the Customs has started permitting destruction at the Biodegradation centre of the BARC and in the last 03 months 07 destructions have been carried out at the Bio-degradation centre, BARC, Anushakti Nagar, Mumbai. Further, the permission to carry out destruction in the CFS itself in certain cases by way of Bio-degradation by BARC officials are being processed by the department.

It was further suggested that CFS Association may look into the possibility for setting up an **Incineration plant** as already discussed earlier.

(Action by : Disposal Section)

4.2 The following point was brought up for discussion by the Chairperson:

Point No. I: Increase in facilitation in RMS in respect of Bills of Entry:

The Chairperson informed that poor data quality particularly "description column" while filing electronic Bills of Entry, is one of the reasons hindering increasing facilitation level. He further stated that there are certain details like, Invoice Number, SVB Order No., LC No., Exhibition Goods, COO, C.Ex. Registration No., Brand Name etc are found mentioned in the "description column" of the Bills of Entry, instead of proper description of goods. The incorrect/improper/insufficient description often leads to increased queries resulting in increased dwell time. Therefore, it was emphasised that proper and appropriate description of goods in the Bill of Entry is essential requirement.

In response to the above the trade replied that there are certain reasons for mentioning these unwanted details in the description column.

- (i) Sometimes these details are not available on Assessing Officer's Screen. For ease of verification of assessment, these details are entered in the description column.
- (ii) Some Importers insist on the same as the final print of Bill of Entry does not contain these details, however, the importer need these details at various levels like before VAT authorities, C.Ex. etc.
- (iii) Sometimes UQC mentioned in import invoice are not similar as per the Indian Customs Tariff. Since system accepts the Bill of Entry when the UQC is mentioned as per Tariff, for correlation between quantity mentioned in import invoice and final Print of Bill of Entry, details of quantity mentioned in import invoice is being mentioned in the description column, while filing Bill of Entry.

Looking into the aforesaid requirement, it was directed by the Chairperson that EDI section will examine the feasibility for a specific place, may be in a window on last page of Bill of Entry where these details should be reflected on final printout of the Bill of Entry or in a separate "Remark" column.

(Action by : EDI Cell)

4.3 The following points were brought up for discussion by the Trade: Point No. 1: Reply of query raised by Assessment Group:

It is informed by the trade that EDI section doesn't receive, reply to the query raised by Groups in the process of assessment, without initials of Group AO and Group DC/AC, for updation in the system. Though it is done for submission of adequate reply to the query raised, it amounts to undue delay in assessment of live Bills of Entry.

The Chairperson directed EDI section to receive reply of query raised in the process of assessment from the Importer/CB of the Importer for updation in the system without insisting upon signature of Group AO and Group DC/AC. In case the reply is not adequate/query not satisfied, the Group may raise further queries.

(Action by : EDI Cell)

Point No. 2: Simplification of Customs procedures for shipping / Port Clearance as per Standing Order No. 11/2015:

This issue is raised by Shipping Companies/Agents operating at JNPT regarding instructions on port clearance as per Standing Order No 11/2015, which read as under :

"The port clearance requires submission of numerous documents on behalf of other agencies — Lighthouse Dues Certificate, NOC for Immigration, Port Health Certificate etc. At present, the port clearance is given on the strength of a bond and a guarantee which are given each time a vessel enters. As a measure of simplification, Board has decided to give an option to the steamer agent to (a) give a continuity bond and (b) merge the guarantee with the continuity bond. This would reduce the number of required documents from 2 (two) to 1 (one) and periodicity (of submission) would also get reduced drastically."

It was informed that the above directions are not being followed.

In his reply the Chairperson said that, the format of Continuity Bond is being finalised. Once the format of Continuity Bond is finalised, a Facility Notice/ Public Notice in this regard will be issued.

(Action by : ADC/Preventive General)

- 5. The next PTFC Meeting is scheduled to be held on **Thursday**, **29.10.2015** at **11.30 AM** in Conference Hall, 7th Floor, JNCH. The PTFC members/trade representatives are requested to forward their agenda points, if any, well in advance, latest by **Friday**, **23.10.2015** on Fax No. 022-27243245 or by e-mail to Appraising Main (Export) Section on amx24082012nhavasheva@gmail.com for taking up the issue in the upcoming PTFC Meeting.
- 6. The meeting ended with thanks to the Chair.
- 7. This issues with the approval of Commissioner of Customs (NS-IV), JNCH.

-Sd-

(R.K. AGARWAL) Addl.Commissioner of Customs Appraising Main (Export), JNCH

To,

All the Members of PTFC by e-mail

Copy to:-

- 1. The Chief Commissioner of Customs, Mumbai Zone-II, JNCH, Nhava Sheva.
- 2. The Principal Commissioner of Customs (NS-Gen & II), JNCH, Nhava Sheva
- 3. The Chief Commissioner of Customs, Directorate General of Taxpayer Services, CR Building, IP Estate, New Delhi 110 109.
- 4. The Commissioner of Customs (NS-IV), JNCH, Nhava Sheva.
- 5. All ADC/JC, DC/AC of Customs (N.S.-Gen, II & IV), JNCH, Nhava Sheva.
- 6. AC/EDI for uploading on JNCH website.
- 7. Office Copy.