

MINUTES OF PTFC MEETING (IMPORT) HELD ON 14.08.2013

OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT),
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,
POST – URAN, DIST. RAIGAD, MAHARASHTRA-400 707

F.No. S/22-Gen-09/2013 AM (I) JNCH Â Â Â Â Â Â Â Â Date : 06.09.2013

MINUTES OF THE MEETING OF THE PERMANENT TRADE FACILITATION COMMITTEE HELD ON 14.08.2013

The PTFC meeting held on 14.08.2013 was chaired by Ms. Seema Jere Bisht, Commissioner of Customs (Import) and attended by the following members/participants and Officers from JNCH, Nhava Sheva :

Sr. No.	Names S/Shri	Organization/Association/Designation
01	Mohan Nihalani, President	All India Importer & Exporter Association
02	Sohel Kazani	M/s. Interport Impex
03	Mark S. Fernandes	Indian Merchantsâ€™ Chambers
04	Avinash Buge	JNPT
05	R. Rajasekhar	M/s. United Phosphorous Ltd.
06	Rajesh Gosalia	C.O.S.I.A.
07	Rama Krishnan	MANSA
08	Subhash Rajkumar	MANSA
09	Shailesh Bhatia	AMTOI / BCHAA
10	George Joseph, President	BCHAA
11	Ms. Philu Periera	BCHAA
12	S.K. Gupta	BCHAA
13	Subhash Bangar	All Cargo CFS
14	Jacob Thomas	CFS GDL / CFS Punjab Conware
15	Omprakash Agrawal	MACCIA
16	Ashish Pednekar	MACCIA
17	Pradyumn Sharma	Speedy CFS
18	Rajendra Comsatore	Hind Terminal/CWC Logistics Park
19	Kiran Rambhia	BCHAA
20	Umang Khosla	Dighi Port
21	Ms. Rajshri Kolekar	Dighi Port
22	D.L. Thakker	BCHAA
23	Ashraf Jahangir	Forbes CFS
24	Adesh Surve	Forbes CFS
25	Gyan Sarvar	Addl. Commissioner of Customs
26	Pankaj Bodkhe	Addl. Commissioner of Customs
27	Chetan Lama	Dy. Commissioner of Customs

28 Parag Singh
29 Surender Malik

Asst. Commissioner of Customs
Asst. Commissioner of Customs

2. The Chairperson welcomed all the members present at the meeting.

3. Thereafter, minutes of the PTFC meeting held on 27.06.2013 were discussed and accepted.

4. Points raised in PTFC meeting held on 27.06.2013 were discussed :

4.1 : Indian Merchants' Chambers, Mumbai raised point w.r.t. Recovery of Interest on Expired Bonded Cargo lying in the Bonded Warehouse, resulting in Double Recovery of interest, when Ex-Bond Bill of Entry is filed.

In the last PTFC Meeting, the members were informed that the issue had been taken up with DG/System and Jt. Secretary (Cus) with a request to make necessary changes in the ICES 1.5. Since no reply has been received, A.C./Bond is directed to pursue the matter and get the clarification.

(Action – AC/Bond)
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4.2 : The representatives of BCHAA raised point w.r.t. Sealing not allowed by Superintendents in CFSs for LCL consignments cleared under SEZ, EOU schemes. They suggested that the Superintendents may be directed to allow to seal each package instead of the vehicle.

In this regard, clarification was also sought from BCHAA as to whether they are referring to sealing of vehicle carrying import LCL cargo of one consignee or various units of one SEZ. The BCHAA, vide a letter dated 07.08.2013, clarified that the "sealing" on packages was required where (i) there are one or several consignments pertaining to a single EOU/SEZ, and (ii) there are one or several consignments pertaining to various Units in one SEZ.

Since no instructions have been issued to the Shed Superintendents so far, DC/P(G) is directed to ascertain the practice followed by various SEZs/EOUs and issue suitable directions for the Shed officers.

(Action – D.C./P(G))

4.3 : The representatives of BCHAA raised point w.r.t. Changes required in the EDI System, as Post Budget, many items under Chapter 27 are being assessed with duty, as per Notfn. No. 190/78 (which is meant only for Transformer Oil), by the system under RMS Scheme. In every such case the B/E has to be re-called and re-assessed which delays the clearance. Necessary changes may be made in EDI System.

The issue has been referred to TRU as well as to DG/Systems. A.C./E.D.I. is directed to pursue the same.

(Action – A.C./E.D.I.)

5.1 (A) Points submitted by Shri. V.K. Agarwal, GM, ONIDA through E-Mail :

5.1 In case of MRP based items, it is taking too much time to assess the Bs/E, sometimes it is taking even one month; it is requested assessment process may please be streamlined.

As Shri Agarwal was not present during the meeting; the matter was not taken up, as no other member brought any other incidences to notice.

(POINT CLOSED)

5.2. Payments against refund cases are being delayed for refund orders issued during March, 2013/April, 2013, all the requisite informations were furnished 2 months back but NEFT not received and on enquiry we came to know it is still pending.

The refund claims are being processed as per queue and process is ongoing.

(POINT CLOSED)

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(B) POINTS SUBMITTED BY BCHAA VIDE THEIR LETTER DTD. 20.07.2013:

5.3 Erratic functioning of the System : In CFSs while Registration of B/E for examination and thereafter Out of Charges are delayed due to this problem. In this regard, they suggested that P.N. No. 01/2008 dated 2.1.2008 is implemented as per the directions given therein and the shed officers should release the consignments by giving manual OOC without awaiting for any specific instructions from seniors.

The Chairperson informed the Members that the problem with the System has been almost fully resolved since 24.07.2013.

The Members agreed on the same and thanked the Department for the efforts taken in this regard. Shri. Gosalia, from BCHAA, however, pointed out that e-payment challans still take 2 to 3 days to reflect in the System, for which the Trade has to pay undue Interest.

AC/E.D.I. replied that in such cases, there is an option to get the B/E re-assessed from the Group and the problem can be resolved within 24 hours.

The Chairperson opined that considering that the Docks consist of around 30 CFSs, involving around 70 officers, granting Manual Out-of-Charge has to be done only on case-to-case basis with due permission from the Senior Officers, and no blanket permission can be given for the same. It has to be done on merits and as an exception.

(POINT CLOSED)

5.4 RMS assessed Bs/E : Many officers demand previous group assessed B/E at the time of giving Out of Charge to RMS Bs/E. Many times the same is not available or not possible to submit due to late request.

It was brought to the notice of the Members that in the case of RMS assessed Bs/E, the Docks Officers are doing job of Group Appraiser also; that the job becomes easier if these Bs/E are properly submitted along with (i) Catalogue in original, (ii) MSDS and Analysis Certificate in case of a Chemical, (iii) documentary evidences such as Bank Attested Invoice, LC, Manufacturer's Invoice, Purchase Order/Contract etc. to authenticate/sustain the value.

Since the concerned Group would have already perused and confirmed the value of identical goods, a copy of previous Group assessed B/E is insisted upon, as it helps to expedite the process. Moreover, referring to MULKOSH or NIDB data, every now & then, also proves time-consuming and may lead to delay.

However, if any undue delay is being caused, the same may be brought to the notice of the concerned AC/DC Docks, who will resolve the problem without any further delay.

(POINT CLOSED)

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5.5 UQC : It is often experienced that the UQC as mentioned in the Custom Tariff is in variance to the UQC used in common trade parlance. They are preparing the list of such products which shall be discussed at the time of meeting. They further suggested that such issues which are very obvious in nature should be released at the level of shed itself and the import deliveries should be permitted on the same day.

It was informed that a Standing Order on the issue had been issued empowering Group AC/DC and Docks AC/DC to waive the same in certain specific circumstances.

The Chairperson inquired whether specific instances of "absurd" UQCs can be highlighted. The representatives of BCHAA assured that a list of such instances will be submitted by them.

(Action – BCHAA)

5.6 Group Attested Invoice: After assessment of the Bs/E in the groups, many officers in the examination order insist to verify Group Attested Invoice at the time of examination. They suggested not to give such examination order since the Bs/E are assessed after verification of all the hard copies of documents.

The Chairperson informed the Members that insisting on Group-attested Invoices has now been stopped; however, any such instances may be brought to the notice of the concerned Group Asstt. Commissioner /Addl. Commissioner (Docks).

(POINT CLOSED)

5.7 CVD on imported goods : Oil paintings are specifically covered under CTH 9701 whereas CETH does not have chapter 97 at all. In one of the consignment, the appraising Group interpreted that Excise duty leviable on "Canvas" would be applicable in the absence of CETH for painting. They requested to clarify the issue as chapter 97 covered many other products.

The Chairperson advised that since the matter pertains to Group-VI, the same may be separately discussed with Asstt./Addl. Commissioner, Gr. VI.

(POINT CLOSED)

5.8 Vegetable Seeds : As per Notfn. No. 12/2012-Sr. No. 17 this product can be cleared only after giving declaration that "Such material for the purposes of sowing or planting only" but EDI System shows in the B/E that Bond conditions (EU) and Bond amount to be debited. Due to this problem now the dummy bond is debited which delay the clearance. They suggested to rectify the system accordingly.

AC/EDI was asked to look into the problem and resolve the same.

(POINT CLOSED)

5.9 SAD Refund : The scroll of SAD refunds are not sent to Banks for payment, since more than one month.

As discussed in para 5.2, the refund claims are being processed as per queue and process is ongoing.

(POINT CLOSED)

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(C) POINTS SUBMITTED BY INDIAN MERCHANTS' CHAMBERS VIDE THEIR LETTER DTD. 13.08.2013:

5.10 Affixing of MRP Labels in the Port CFS's:

The Members were informed that the instructions issued vide P.N. Nos.116/2011 and 33/2012 are very much in force. Any deviation from these instructions may be brought to the notice of the concerned authorities, so that the problem can be resolved without any further delay.

(POINT CLOSED)

5.11 Numerous objections are being raised by the Customs Examining Officers and Appraisers :

(a) Shri. Mark Fernandes informed the Meeting that this problem is being faced by them very recently, i.e. with the current batch of Docks officers. He was asked to bring specific instances to the notice of ADC/Docks. The Members were further informed that all A.C./D.C./Docks had been asked to examine the objections raised by EO/AO very carefully before approving them.

(b) The issue of cutting of seals in the presence of Docks Officers was raised by Shri. Fernandes. It was informed that this is necessitated in national interest in present scenario. Members raised the apprehension that this would cause further delays in clearance. It was agreed that this would be examined and the process would be streamlined.

(Action – A.D.C./DOCKS)

5.12 Assessment of Documents pending finalization of SVB/GATT Valuation :

Shri. Mark Fernandes pointed out that in view of the Board's instructions, even after expiry of the Validity of the SVB Order, payment of 1% R.D. should not be insisted upon until a fresh Order is issued, in cases where no transaction value was ordered to be accepted by the SVB Order.

The Chairperson observed that validity of the SVB Order is for 3 years, and hence the same Order cannot be applied in continuity. She directed ADC/SVB to examine the matter in detail vis-à-vis the Board's instructions and put up.

(Action – ADC/SVB)

(D) POINTS SUBMITTED BY SHRI MOHAN NIHALANI VIDE E-MAIL DATED 12.08.2013 :

5.13 Affixing of MRP Labels on Import Consignments before Clearance:

As discussed in Point 5.10, the instructions issued vide P.N. Nos.116/2011 and 33/2012 are very much in force. Any deviation from these instructions may be brought to the notice of the concerned authorities, so that the problem can be resolved without any further delay.

(POINT CLOSED)

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5.14 Import under DFIA and similar scrips :

The Chairperson pointed out that being a Chief Commissioner Conference Point, the matter is beyond the jurisdiction of this PTFC Meeting, which was immediately agreed upon by Shri. Mohan Nihalani.

(POINT CLOSED)

6. The members were informed that the next PTFC meeting is scheduled to be held on **12.09.2013 at 11.00 hrs** in the Conference Hall adjacent to the Office of the Commissioner of Customs (Import), 5th Floor, JNCH. The Chairperson requested all the Association Members to forward their agenda points, if any, well in advance i.e. **10 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.

7. The meeting ended with thanks to the Chair.

8. This issues with the approval of Commissioner of Customs (Import), JNCH.

Sd/-

(CHETAN LAMA)

**DEPUTY COMMISSIONER OF CUSTOMS
APPRAISING MAIN (IMPORT)
JNCH.**

To,

All the Members of PTFC

Copy to:

1. The Chief Commissioner of Customs, Mumbai Zone-II, JNCH, Sheva.
2. The Commissioner of Customs (Import/Export/Appeals), JNCH, Sheva.
3. All ADC/JC, DC/AC of Customs (Import), JNCH, Sheva.
4. The Jt. Director, DYCC, JNCH.
5. AC/EDI for uploading on JNCH website.
6. Office Copy.