

**OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-IV)**  
**JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA**  
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F.No. S/12-Gen-40/2014-15 AM(X) Part-III

Date: .03.2017

**MINUTES OF PERMANENT TRADE FACILITATION COMMITTEE MEETING**

**(EXPORT) HELD ON 27.02.2017**

The monthly meeting of Permanent Trade Facilitation Committee (PTFC, Export) was held on 27.02.2017 at 11.30 AM in the Conference Hall at 7<sup>th</sup> Floor of the Jawaharlal Nehru Custom House. The meeting was chaired by Shri Shrawan Kumar, Commissioner of Customs, NS-III, Shri M.R. Mohanty, Commissioner of Customs, NS-II and Shri Subhash Agrawal, Commissioner of Customs, NS-G & NS-IV.

2. The following members of trade attended the meeting: -

Sr. No.	Names (Smt./Shri/Ms.)	Organization/ Association/Designation
1	Vinayak B. Aparaj	BCHAA
2	Kiran Rambhia	BCHAA
3	Ashish Pednekar	BCHAA
4	Hiren Ruparel	BCHAA
5	Mohan Nihalani	AIEA
6	K S Shetty	BCHAA
7	Kishore Parulekar	MSA
8	Shankar Shinde	RCCI
9	Ganpat Korede	BCHAA
10	V. K. Agarwal	ONIDA
11	R. Rajasekhar	UPL Ltd.
12	Nimish Desai	WISA
13	Milan Desai	WISA
14	Paresh Shah	WISA
15	Manish Kumar	MANSA
16	V. M. Thomas	CSLA
17	Arun Hegde	CSLA
18	Sumeet Tanwar	CFSAI
19	Neelesh Datir	AILBIEA
20	Venkt Narayan	CFSAI
21	Kaushal Thakker	BCHAA
22	Vinay Pathak	BCHAA

23	K. A. Agnihotri	MSWC
24	M. B. Mulik	BCHAA

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

Sr. No.	Names (Smt./Shri/Ms.)	Designation
1	Dhirendra Lal	Addl. Commissioner of Customs, JNCH
2	S. C. Ganger	Addl. Commissioner of Customs, JNCH
3	Vijay Rishi	Addl. Commissioner of Customs, JNCH
4	Rahul Nangare	Addl. Commissioner of Customs, JNCH
5	Nikhil Meshram	Addl. Commissioner of Customs, JNCH
6	Akhilesh Pandey	Addl. Commissioner of Customs, JNCH
7	Jagdish Sharan	Addl. Commissioner of Customs, JNCH
8	Pritee Chaudhary	Jt. Commissioner of Customs, JNCH
9	D.S. Rana	Dy. Commissioner of Customs, JNCH
10	C.P. Singh	Dy. Commissioner of Customs, JNCH
11	S. T. Badkar	Asst. Commissioner of Customs, JNCH
12	S. S. Chinchpure	Asst. Commissioner of Customs, JNCH

At the outset, the Chairperson welcomed all the members and directed to start the deliberations on the agenda of the meeting. The agenda relating to Import Commissionerates were discussed first, and then following agenda of the Export/General Commissionerates were deliberated upon.

4. The discussion & decision in respect of Agenda of NS-G, NS-II & NS-IV Commissionerates are as under.

#### OLD POINTS

##### **Point No.1: Centralization of KYC**

KYC is an important requirement to be fulfilled by all stakeholders. However, at present, it is observed that to fulfill the said compliances, each agency is asking for the same multiple times such as shipping lines / NVOCCs / Forwarders etc.

**Request:** - In order to bring uniformity and transparency for compliance of KYC norms trade suggested that KYC Compliance to be carried out in a uniform manner as being done by SEBI on a central system.

**Discussion:** It is clearly mentioned in the Public Notice No. 99/2016 that where transactions between Shipping lines / Containers lines / their agents/ sub agents and the exporters are of a recurring nature and documents collected from exporter / the production of such KYC documents will not be required for similar transactions by the said person/exporters for the succeeding six months. Trade requested to put the KYC compliance on the website so that any agency can view the same.

**Status :** Earlier it was decided that Centralized KYC will work under SIIB(Import), however, during discussion in meeting it was decided that Centralized KYC Cell will work under Appraising Main (Import) and SIIB(I) will help in verification mechanism. List of documents required, verification mechanism and process of uploading on website will be finalized shortly.

[Attn: ADC/Appraising Main (Import) & ADC/SIIB(Import)]

**Point 2 : Issue of endorsement on ARE-1 by Customs for submission to Central Excise. (Sponsored by M/s WISA)**

**Request :** As per Board Circular 55/2016 & PN 152/2016 of JNCH, Printing of Ex Control copy of S/Bills and EP copy of S/Bill are done away. However, Ex Control copy is still getting generated and at many locations it is not signed. Also ARE 1 which needs to be submitted as proof of exports to Central Excise office also needs to be signed and endorsed for shipment is not been done now.

**Suggestions:** (i) Requirement of endorsement by Customs may please be done away and necessary PN be issued for the benefit of Trade and C. Excise authorities.

**Discussion:** It was informed that Docks officers are not signing ARE-1 copy. Till date there is no any instruction not to sign the ARE-1. Also, one of the requirement of signed copies of ARE-1 is to tender it before Central Excise Authority for different reasons. Before taking any decision to do away the requirement of signature of Customs on ARE-1, issue required to be examined under consultation with Central Excise Authority.

**Status :** Trade members were informed that the matter has already been referred to Board for guidelines on ARE-1. In the meantime, vide Office Order No. 01/2017 dated 09.01.2017 officers have been posted in CFS M/s Punjab Conware to undertake work of ARE-1 endorsement till further orders. Further, Public Notice No. 17/2017 dated 09.02.2017 was issued making arrangement for endorsement of ARE-1 in all CFSs by any Superintendent responsible for granting LEO.

[Issue closed]

**Point 3 : EDI Charges (M/s BCHAA)**

**Request :** Currently the EDI Charges of Rs. 56/- are being collected. With the reduction of prints (EP Copy) the Charges for the same should also be reduced.

**Discussion :** The charges at EDI Service Centre, JNCH are being collected as per the Public Notice No. 25/2016 dated 12.02.2016. M/s BCHAA pointed out that recently Board has issued Circular No. 55/2016-Customs dated 23.11.2016 and subsequently JNCH issued Public Notice 152/2016 dated 24.11.2016 wherein printout copies of GAR7 forms, TR-6 Challans, TP Copy, Shipping Bill (Exchange Control Copy and EP copy), Bill of Entry (Exchange Control Copy) have been discontinued. As printout of these copies are no more required, the EDI charges fixed for printouts may be revised/reduced.

**Status :** The matter has been examined by DC/EDI. The Area Manager, XEAM Ventures Pvt Ltd., EDI Service Centre has informed that the rates for collection of EDI Documents

printing charges are as per DG System's directions and as per Public Notice No. 25/2016. Further, it is also informed that there is no collection of Rs. 56/-for any EDI document printing by XEAM Ventures (EDI Service Provider).

However, in view of Board Circular No. 55/2016 dtd. 23.11.2016, wherein certain printouts have been discontinued, the matter for reducing/revising the EDI charges are being examined and necessary action will be taken after communication with DG/Systems and Data Management, Customs & Central Excise, New Delhi.

(Attn : ADC/EDI Section)

**Point 4 : LEO Cell to be created at JNCH building.**

**Request :** With huge success on import side, we request that for giving LEO, a cell be created at JNCH Building to facilitate export trade.

**Discussion :** During discussion trade was informed that LEO Cell was already formed earlier in JNCH but it was not properly utilized by trade and later on it was dismantled. Further, LEO is already being granted in all CFSs and also in recently introduced Parking Plaza. In view of the same, issue was decided to be closed.

(Issue closed)

**NEW POINTS**

**Point 1. Inhuman working conditions at Parking Plaza (M/s BCHAA)**

**Issue/Request:** It may be noted that Parking Plaza was created to facilitate the export trade. However, at grass root level, the working conditions are poor and inhuman. Basic amenities need to be augmented on war footing:-

- \* Proper working operational area required with table chair and air conditioner.
- \* With onset of summer season, this is extremely important and we should be equipped with proper water cooler.
- \* Proper washroom facilities to be provided, at present there are none.

**Discussion :** It was informed that the issue has already been discussed in last CCFC Meeting.

(Issue closed)

**Point 2. In view of slow working of EDI system, request to keep assessment of export Shipping Bills till late working hours (M/s BCHAA)**

**Request :** We kindly request you to extend the time of assessment of export Shipping Bills. Still EDI system is functioning very erratically since the past one month. We enclose herewith letter no. BCHAA/AP/15/2017 dated 9.1.2017 addressed to Member System by BCHAA.

**Discussion :** It was informed that EDI System problem regarding slow speed is now over. Further, the concern of manual LEO in case of slow EDI has already been addressed in **Public Notice No. 13/2017 dated 31.01.2017**. In cases where there is delay in processing

of "shipping bills" due to system issues in such cases, in order to ensure that vessel is not missed, manual clearances were allowed on case to case basis after waiting for reasonable period of time. Also need for approval from Commissionerate each time is not required.

**Status :** In order to further facilitate, trade was requested to examine suitability of locations of some CFSs, which can be designated to work during extended hours subject to availability of manpower.

**(Attn : BCHAA/PG Section)**

**Point 3. Entry timing of containers at Parking Plaza to be considered for calculation vessel cut off time(M/s BCHAA)**

**Request :** In order to facilitate the timely processing of export consignments, the entry time of export containers in Parking Plaza should be considered for timely vessel connectivity. This point has been addressed by BCHAA vide letter no. BCHAA/KS/975/2016 dated 29<sup>th</sup> December 2016. Your kind consideration for the above is very essential to promote exports.

**Discussion :** It was informed that Public Notice 03/2017 dated 09.01.2017 may be referred to wherein the concern has already been address. Para 5 (b) of the PN is reproduced as under:

*"5 b. However, it is the responsibility of the Port Terminal Operator to ensure that once any container has entered the Parking Plaza within the prescribed time limit, the vessel is not missed. In this regard, if required, they may issue advisory prescribing the timelines so that if any container has entered the Parking Plaza within those time lines, its loading on the vessel has to be ensured subject to compliance of Customs Act or any other law."*

**Status :** In this regard, Port is supposed to issue advisory. It was decided to take up the matter during CCFC meeting.

**(Referred to CCFC/Issue closed)**

**Point 4. Request to resolve the issue of slow working of EDI system (M/s BCHAA)**

**Request:** Considerable export consignments have been affected due to slow working of EDI system and hence we request JNCH authorities to pursue the matter with Directorate Systems to resolve the issue.

**Status :** EDI has informed that the matter has already been communicated to DG (System) and reminders has been sent for resolving the issue. DG (System) in reply has sought contact details, ssid, lan/wan IP address along with screen shot to resolve the issues.

**Action :-** The issue already discussed in Point 2 above.

**(Issue closed)**

**Point 5. In cases where the compliance of negative statement/BRC has been complied yet alert is being raised by Drawback departments (M/s BCHAA)**

**Request :** To ensure that once the submission has been done by exports there should be no other alert raised by drawback department.

**Discussion :** In this context Drawback Section has informed that vide Public Notice 136/2016 dated 07.10.2016 alerts have been fed against 11353 IECs wherein exports

proceeds have not been realized and disbursed drawback is more than Rs. Five lakhs but less than Rs. Fifty lakhs in respect of shipments having LEO dates 01.04.2004 to 31.03.2014.

During feeding of alerts highest precaution and due care was taken so that compliant exporters should not be placed in the alert list again. However, due to involvement of huge nos of exporters' IEC it is observed that alerts were inserted against few IEC inspite of compliance of negative statement/BRCs in terms of Board's Circular No. 05/2009 dated 02.02.2009.

With regards to the repetition of alert, it is informed that on receipt of any such compliant/grievance by the exporter, the same is accorded highest priority and efforts are made to revoke such alerts immediately. Trade was informed that any grievance/complain noticed may be brought into the notice of Drawback Section for speedy disposal. **(Issue closed)**

**Point 6 . Due to parking in the lane leading to NSICT terminal Parking Plaza, which is creating a bottleneck hampering smooth flow of export containers to NSICT (M/s BCHAA)**

**Request :** Steps to be taken to resolve to realign the traffic situation to ensure smooth flow of vehicles to and from NSICT parking.

Status : Trade was informed that Departmental Officers met with Traffic Authority to examine the issue and to solve traffic problem. Further, the matter may be taken up with NSICT Parking Plaza Operator. **(Issue closed)**

**Point 7 Difficulty in routing of Factory Stuffing Containers through CFS for Direct Port Entry due to non-availability of options in ODEX Software.**

**Issue :** Most of the Shipping lines are issuing Form 13 on Odex platform. Option available to select are CFS Stuffed/Factory stuffed/Buffer movement.

As for Factory stuff containers only seal check is required, we have to select Factory Stuff which needs to be routed through parking plaza with OOC is done at CFS (CLP is prepared as Factory Stuff Containers). There are no option to select Factory Stuff Containers via CFS resulting in compulsory movement via parking plaza for gate entry in to the terminals.

**Request :** Some modalities to be worked out till the time option of Factory Stuff via CFS or such other field is activated to issue of Form 13 for direct port entry of CFS routed Factory stuff containers.

**Discussion :** ODEX is not maintained by Customs. The issue may be taken up with agency maintaining ODEX & concerned Shipping lines for making provisions in software and if still it is not resolved the issue may be raised in CCFC meeting.

**(Issue closed)**

5) The members of the meeting were informed that the next PTFC meeting shall be held on **30.03.2017 at 11.30hrs at Conference Hall, 7<sup>th</sup> Floor, JNCH**. The Chairpersons requested all the Association Members to forward their agenda points, if any, at least **05 working days in advance** on Fax No. 022-27241256 or by e-mail to Appraising Main (Exp) Section on [apmainexp@jawaharcustoms.gov.in](mailto:apmainexp@jawaharcustoms.gov.in) 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 the Commissioner of Customs NS-G & IV.

**(S. C. GANGER)**

Addl. Commissioner of Customs  
Appraising Main (Export)

**To,**

All the Members of PTFC by e-mail

**Copy to:-**

1. The Chief Commissioner of Customs, Mumbai Customs Zone-II, JNCH, Nhava Sheva.
2. The Principal Commissioner of Customs, NS-I, JNCH, Nhava Sheva
3. The Chief Commissioner of Customs, Directorate General of Taxpayer Services, CR Building, IP Estate, New Delhi 110 109.
4. The Pr. Addl. Director General, Directorate General of Tax Payers Services, Mumbai Zonal Unit, Room No. 138/139, New Custom House, Ballard Estate, Mumbai.
5. The Commissioner of Customs (NS-G & IV, II, III, V), JNCH, Nhava Sheva.
6. All ADC/JC, DC/AC of Customs (N.S.-Gen, II & IV), JNCH, Nhava Sheva.
7. DC/Appraising Main (Import), JNCH.
8. AC/EDI for uploading on JNCH website.
9. Office Copy.