



OFFICE OF THE COMMISSIONER OF CUSTOMS (NS I, III & V)
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F. No. S/22-Gen-44/2017-18 AM (I)

Date: 08.06.2017

**MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION
COMMITTEE HELD ON 26.05.2017.**

The PTFC meeting held on 26.05.2017 was chaired by Shri Shrawan Kumar, Commissioner of Customs, NS-III and Shri Subhash Agarwal, Commissioner of Customs, NS-G and NS-IV. The meeting was attended by the following Members/Participants of trade:-

Sr. No.	Names (Smt./Shri/Ms./Mrs.)	Organization/Association/Designation
1	Ganpat Korede	BCHAA
2	Hiren Ruparel	BCHAA
3	Paresh Shah	WISA
4	Nimish Desai	WISA
5	Omparkash Agrawal	MSWA
6	Mohan Nihalani	AIIEA
7	Shankar Shinde	RCCI
8	V. K. Agarwal	ONIDA
9	R. K. Rubin	AMTOI
10	Neelesh Datir	AILBIEA
11	Laksha Tadadikar	CFSAI
12	Umesh Grover	CFSAI
13	R. Rajasekhar	UPL Ltd.
14	Vinay Pathak	A V Global
15	Subhash Rajkumar	MANSA
16	P. S. Barawkar	MSWC

17	James Joseph	GDL
18	Chanderkant Gaikwad	Balmer Lawrie
19	Dinesh Ingle	Balmer Lawrie
20	Venkt Narayanan	CFSAI
21	Philomena Pereira	MACCIA
22	Sarfaraz Ahmed Khan	RCCI
23	Karunakar Shetty	BCHAA
24	Mark Fernandes	Sylvester & Co.
25	Roshan Irani	AIWCBA
26	Chetna Bhedeka	AIWCBA

Following Officers from department attended the meeting:-

Sr. No.	Names (Smt./Shri/Ms.)	Designation
1.	Dhirendra Lal	Addl. Commissioner of Customs, JNCH
2.	S. C. Gangar	Addl. Commissioner of Customs, JNCH
3.	Vijay Risi	Addl. Commissioner of Customs, JNCH
4.	Jagdish Sharan	Addl. Commissioner of Customs, JNCH
5.	Nikhil Meshram	Addl. Commissioner of Customs, JNCH
6.	C.P.S. Chauhan	Dy. Commissioner of Customs, JNCH
7.	D. S. Rana	Dy. Commissioner of Customs, JNCH
8.	Dinbandhu Diwakar	Dy. Commissioner of Customs, JNCH
9.	B. S. Mangat	Dy. Commissioner of Customs, JNCH
10.	O. P. Meena	Asst. Commissioner of Customs, JNCH

2) Deputy/Assistant Commissioners of Customs, Import Docks also attended the meeting.

3) At the outset, the Chairman welcomed all the members and informed initiatives taken by the JNCH to promote 'Ease of Doing Business' and to reduce dwell time of cargo.

4) The Addl. Commissioner of Customs, Appraising (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 27.04.2017.

- i) Public Notice No.59/2017 JNCH dated 28.04.2017 regarding 'Import of Calcium Carbide at Nhava Sheva'.
- ii) Public Notice No.60/2017 JNCH dated 11.05.2017 regarding 'Partial Modification in procedure of examination of waste paper consignments'.
- iii) Standing Order No.11/2017 JNCH dated 16.05.2017 regarding 'Partial Modification in procedure of examination of waste paper consignments'.
- iv) Standing Order No.12/2017 JNCH dated 16.05.2017 regarding 'Procedure to be followed in respect of objections raised in the DPD/RMS facilitation centre'.

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

New Points:

Point No.1:- Compliance of timely payment of Customs duty in terms of recent changes in Section 46 & 47 - Advance payment of Duty to be promoted.

If Customs duty paid in advance, due to short landing the importer is required to claim for refund when the actual shipment arrives in the next vessel.

Action Taken:-

The chairman informed the members of the trade that the Amendment in IGM for deletion of container number in system is allowed in Import noting section in case of short landing / part landing. In cases where Customs duty has been paid in advance and goods are short landed which are expected to arrive in the next vessel, amendment of vessel in B/E is carried out by the concerned group. Also, in cases wherein refund arises on account of advance payment of Customs duty, refund will be processed immediately as per provisions of the Customs Act, 1962. Further, there is option in ICES 1.5 for amendment of the same. The members of the trade stated that they will promote and circulate this option of amendment to other members as well.

(Point Closed)

Point No.2:- High Pendency in Appraising Group.

It is informed that there is high pendency in Groups, especially in Group 2 H - K and it was requested to clear the pendency on the same day.

Action Taken:-

The chairman informed the members of the trade that documents are being assessed in the assessing groups on the same day and as of now there is no pendency. Also, three appraisers have been posted to Group II H to K and group has been provided with one extra appraiser.

(Point Closed)

Point No. 3:-Difficulty faced by trade in CBEC Notification No.36/2017-NT for payment of Amendment fee.

It is brought to the notice that as per CBEC Notification No.36/2017-NT all fees are being collected on manual basis. The cash section does not accept cash after 3:30 PM.

Action Taken:-

The chairman informed the members of the trade that the cash section is accepting the above mentioned fees by way of Cheque, DD and cash up to 5:30 PM and in this regard a Public Notice will be issued shortly.

{{Action: ADC, Appraising Main (Export)}}

Point No. 4:-DPD permission be granted on the Same Day

DPD permission to be given on the same day and all 3 terminals should be present in PUB.

Action Taken:-

The chairman informed the members of the trade that DPD permissions are being given on the same day by Appraising Main (Import), DPD Cell in most of the cases and the port terminals are accepting documents online for DPD port registration.

(Point Closed)

Point No. 5:-Request presence of all Docks DCs in the PTFC meetings.

It was requested that all Docks DC/AC should be updated about any instructions in timely and uniform manner and should also be present in the PTFC meetings.

Action Taken:-

The chairman informed the members of the trade that all the instructions/orders are promptly being communicated to all the Docks officers.

(Point Closed)

Point No.6:-Availability of Textile Committee Report to concerned Assessment Group Immediately.

It is informed that Textile Committee report, once received is sent to DRT CFS instead of Assessing Group. It is requested that test report may be made available in the assessment group.

Action Taken:-

The chairman informed the members of the trade that presently Textile committee takes 9 to 10 days in giving test reports after receipt of the sample and the test report is produced to Group after 1-2 days of its issuance. Modalities will be looked into for transmission of the test reports online to assessing group which not only will reduce the dwell time but also will help in avoiding transmission delay.

(Action: ADC Group III)

Point No. 7:- Lack of Equipment and Manpower at Balmer Lawrie CFS.

It is informed that trade is facing tremendous problem for clearance of import cargo at Balmer Lawrie CFS due to lack of sufficient equipment such as Kalmars, Forklifts and also there is tremendous shortage of labour. Even their billing and payment counter have very less staff, causing tremendous delay.

Action Taken:-

Representative of Balmer Lawrie CFS was present in the meeting to address the issue who informed that Balmer Lawrie CFS is equipped with sufficient equipment and manpower to handle the business load and they have not received any complaints regarding lack of equipment and manpower by trade. He requested the members of the trade to bring their grievances to them for resolution of the same. The chairman informed the members of the trade that in case of any difficulty with CFS, management of CFS to be contacted first, and in case of non resolution, Deputy/Assistant Commissioner of Custom in charge of the CFS should be contacted.

(Point Closed)

Point No. 8:-Centralization of KYC.

The point was discussed at the last PTFC meeting held on 27.04.2017. It was brought to the notice that they objected to the requirement of the importer having to submit his Income tax papers; that this fact is missing from the minutes; that they have made a study of the KYC requirement of other agencies and have noticed that such Income Tax papers are not asked for; that they requested this requirement to be done away with.

Action Taken:-

The chairman informed the members of the trade that this issue has already been discussed and closed in the last PTFC meeting. Shri Mohan Nihalani objected that Income tax returns should not be asked for KYC. The Chairman informed that in the last PTFC meeting also in length discussion was done on the importance of taking Income tax return and balance sheet as KYC and other members of the trade agreed that the above mentioned documents are required for verifying the genuineness of the importer. It was further informed that these documents for previous two years are being requested only where firm was in existence during those years and these documents are in existence.

(Point Closed)

Point No. 9:- Soft skill training.

This is a very important aspect of 'Ease of doing business' parameters. The minutes have just glossed over the point. If JNC is really serious of

improving our EODB ranking, this matter should be taken up on priority basis. It is requested to spell out in detail what steps JN Customs intends to take up in this regard.

Action Taken:-

The Chairman informed the members of the trade that the issue has already been discussed and closed in the last PTFC meeting. However, in house training sessions for officers on soft skills will be conducted. Members of the trade were also requested to suggest good faculty who can be invited for giving training on 'Soft skills'.

(Point closed)

Point No. 10:- Minutes of Meetings.

It is brought to the notice that minutes of the meetings sometimes do not reflect the discussion which has taken place. The minutes drafted only denote the final stand of the Customs without enumerating the stand of the various other participants. These needs to be corrected and the minutes should bring on record the stand taken by other stakeholders also.

Action Taken:-

The Chairman informed the members of the trade that minutes of the meeting is drafted in such a way to incorporate gist of views/requests of all concerned and decision taken in the meeting in the precise manner. Views and suggestions of all stakeholders and members are appropriately incorporated in the minutes.

(Point Closed)

Point No. 11:- Opening of Bond department on Saturday for giving OOC.

It is informed that M/s. Mirc Electronics Ltd. is a private warehouse under Section 58 of the Customs Act and registered with JNCH. Their Bill of entry for debonding is getting assessed in RMS and after payment of duty they are not able to get OOC on Saturday as Bond department is closed on all

Saturday. It was requested that arrangements for obtaining OOC on Saturday may be made.

Action Taken:-

The Chairman informed the members of the trade that this issue will be examined.

(Action: ADC, Bond Section)

Point No. 12:- Shortage of Manpower at DPD/RMS facilitation centre and delay in OOC.

It is brought to the notice that there is shortage of manpower at DPD/RMS facilitation centre due to which OOC is taking more than 6 hours and in some cases 1 day.

Action Taken:-

The Chairman informed the members of the trade that all the documents are being cleared on the same day in DPD/RMS facilitation center. However, specific cases where time taken is more may be brought to the notice of Additional Commissioner of the Customs, DPD/RMS facilitation center.

(Point Closed)

Point No. 13:-Shipping Companies are issuing wrong invoices.

Shipping company are issuing wrong invoices, resulting in, delay in issuance of Delivery Orders and delay in delivery of DPD consignments. Action should be taken against such defaulting Shipping Companies and a Senior Nodal Custom officer should be appointed, to whom the trade and customs broker should directly intimate the difficulties faced. If desired, specific cases would be forwarded.

Action Taken:-

The Chairman informed the members of the trade that cases so far received in PSO section related to wrong invoices and delayed E-DO has been resolved by taking suitable action. Regarding nodal officer, it is to inform that

two sections in JNCH i.e. PSO and CFS management cell is already handling the issues, if required trade and customs broker may directly contact these sections.

(Point Closed)

Point No. 14:-Refund to SAD duties taking more than 2-3 months from the date of application.

It is brought to the notice that a large number of refunds of SAD duties have not been processed and is taking more time. It is requested, that the department kindly put on its website, a bullet point, as to till which date refund of all SAD duties have been cleared. This would enable the customs brokers and the importers directly to cross check the ground reality, as well as assist the Customs department be aware of the backlog.

Action Taken:-

The Chairman informed the members of the trade that the applications for claiming SAD refund received are processed in terms of the commitment made in the Citizen Charter i.e. the application is processed for sanction or otherwise on merit on the basis of the documents, as mandated by the Customs Notification No.102 of 2007-Cus dated 14.09.2007, as amended from time to time, within 90 days from the date of submission.

In view of a request to put bulleted points on the Custom House website as till which date the refund applications are cleared on the given date, it is to inform that no such cut-off date can be given in view of the difference in the number of documents each application contains, which varies with the number of invoices it contains against which local sales is effected. In addition, the period gets extended further, when a deficiency memo is issued in a particular file and the file can be processed only after receipt of the documents or clarification in the matter.

(Point Closed)

Point No. 15:- Repeated break-down in the EDI system.

Repeated break-down in the EDI system, prevents Bills of entry being noted in the EDI system, prior to arrival of the Vessel or within 24 hours of IGM being filed despite documents being filed online a day or two prior to vessel arrival. Bills of Entry which are noted after the EDI System is back online, results in importers being forced to pay a fine of Rs.5000/- per day, which is not the spirit of the Government of India, nor is it a source of revenue, but is the spirit to encourage the importers to file the Bill of Entry prior to arrival of the vessels.

It is requested that the Custom department's assistance in the said charges being waived, wherever it can be proved, that Customs EDI System did not accept the check list filed by custom broker under Advance Noting System or within 24 hours of IGM being filed. It is also requested that necessary instructions may be issued to avoid recovery and waiver of such penal charges and escalation of the transaction cost.

Action Taken:-

The Chairman informed the members of the trade that the importer/customs broker may approach Additional Commissioner of Customs of the concerned group for waiver of the above mentioned charges along with the documentary proof.

(Point Closed)

Point No.16:- In case of EPCG licence, Bills of entry cannot be submitted to Customs department, unless EPCG licence is registered.

In case of EPCG Licence, bills of entry cannot be submitted to customs department, unless EPCG Licence is registered. It takes 7-10 days to get the EPCG Licence registered, if it is a brand new Licence or at least 4-5 days to get TR if the EPCG Licence is registered in the Port other than that of Mumbai.

Bills of entry submitted online, mentioning the EPCG Licence does not get accepted and the bills of entry get rejected. Hence, despite filing the bill of entry, with all the data required prior to arrival of the Vessel or within 24 hours of IGM being filed, the same is not accepted, unless the EPCG Licence is duly registered and registration number is mentioned in the bill of entry. This procedural requirement is resulting in, almost every EDI Bill of entry being liable to pay Fine/Penalty.

It is requested that who are unable to file the documents in advance due to Customs EDI requirements penal charges may be waived.

Action Taken:-

The Chairman informed the members of the trade that the importer/customs broker may approach Additional Commissioner of Customs of the concerned group for waiver of the above mentioned charges along with the documentary proof. A public notice will also be issued to bring more clarity to procedure of waiver.

(Point Closed)

- 6) The members of the meeting were informed that the next PTFC meeting shall be held on **29.06.2017 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.
- 7) The meeting ended with thanks to the Chair.
- 8) This issues with the approval of the Commissioner of Customs, NS-III.

Sd/-

(C. P. S. Chauhan)

**Deputy Commissioner of Customs
Centralized Appraising main (Import)
NS-I, III & V JNCH
022-27244779**

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 Commissioners 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.