

OFFICE OF THE COMMISSIONER OF CUSTOMS (GENERAL)
DISPOSAL SECTION, JAWAHARLAL NEHRU CUSTOM HOUSE,
NHAVA SHEVA, URAN, DIST-RAIGAD, MAHARASTRA-400 707

F. No. S/JNCH-D-357/2014 DISP. (A)

Date: 31.01.2020

Minutes of the meeting of Core Committee of Container Task Force comprising Customs Officials and CFS/Shipping Lines Representatives, held at Conference Room, 7th Floor, Jawaharlal Nehru Custom House, Nhava Sheva on 08.01.2020 at 12.00 pm for reviewing the disposal of Longstanding Containers.

The meeting of Core Committee of Container Task Force, under the Chairmanship of the Commissioner of Customs (General), was held in the Conference Room at 7th floor, Jawaharlal Nehru Customs House, Nhava-Sheva, on **08.01.2020 at 12.00 pm** to discuss the problems related to disposal of longstanding containers (unclaimed/uncleared cargo and confiscated cargo as well) and to review the action taken on the agenda points of the last CTF Meeting.

2) The details of persons who had attended the meeting are given in Annexure-I to the Minutes.

3) The Commissioner of Customs (General), JNCH, Nhava-Sheva, welcomed all the participating members and requested them to present their suggestions so that the issues regarding pendency of longstanding containers could be deliberated upon in detail.

4) The copy of agenda points and the pendency report in respect of the longstanding containers at various stages were circulated amongst all the members before the discussion.

5) Commissioner (G) assured the members of regular meetings in the alternative month from now onwards.

6) The details of discussions held in connection with agenda points are given below:

7) **Agenda Point No. 01:- CFSs request that value + duty should not form reserve price (RP) in case of cargo where B/E has been filed.**

AC/Disposal had explained in the last CTF meeting that duty calculation in respect of auctioned goods are based on reverse calculation method and this method seems to be fair and transparent. However, Commissioner (Gen) had directed to check the practice followed by the other Customs House before taking a final decision on this issue. In this regard, AO of Zone-I was contacted and he informed that in Zone-I, the same practice is followed to form reserve price in the case of cargo where B/E has been filed for less than one year. Pricing Committee consists of Mumbai Port Trust Officials and Customs officials to decide the Reserve Price depending on the age of cargo. For cargo, less than one year AV + Duty form reserve price but cargo more than one year old some

depreciation is considered. The Commissioner (G) has further directed to inquire the practice followed by Mundra Customs, Chennai Customs and ICD Tughlakabad.

(Action: AC/Disposal)

8) Agenda Point No. 02:- Guidelines on export longstanding cargo/containers.

The Members of CFSAI informed that there are approx. 770 consignments of export cargo pending at various CFS which were uncleared /unclaimed.

CFSAI vide letter Ref No. CFSAI/Customs/45/2019-20 dated 10.12.2019 requested JNCH to kindly consider issuing necessary guidelines/PN.

In this regard, a public notice is being prepared. Commissioner (G) has assured to finalize the PN as soon as possible.

(Action: AC/Disposal)

9) Agenda Point No. 03:- Meeting with BARC staff for framing a SOP with regard to in-situ biodegradation.

SOP by BRAC has been issued and work of In-Situ-Biodegradation as per SOP has been started.

(Action: Closed)

10). Agenda Point No. 04:- Review on Red Sanders Cases.-

In this regard, a letter dated 05.10.2019 and reminder letter dated 03.12.2019 have been forwarded to the Principal Chief Conservator Office of Forest Head of the Forest Force, Guntur (AP) vide which it was requested to provide quota for disposal of Red Sanders lying in JNCH jurisdiction. CFSAI informed that prior to 2004 the seized Red Sander were handed over to Maharashtra Forest Department for disposal. Commissioner (G) has directed to get this in writing from AP Forest Department and then the matter will be further examined.

(Action: AC/Disposal)

11) Agenda Point No. 05:- Regularity in Customs auction – should be conduct on monthly basis to reduce the pendency of confiscated goods.

Disposal Section conducts auction every month. On 28.11.2019 & 19.12.2019 auctions were conducted. As requested, henceforth auction list may be shared with concerned CFSs through E-mails.

(Action: AC/Disposal)

12) Agenda Point No. 06:- Expediting the decision on Hold Containers withheld by DRI, SIIB ,CIU ,CBI ,AIU.

In this regard, Disposal Section is persistently following up with investigating agencies for update of hold containers. Reply from DRI and

CIU have been received, however reply letter from SIIB (I), SIIB(X), R & I, NSPU and M & P is still awaited. The matter is being followed by Disposal Section. Response received from DRI and CIU have been communicated to all the CFS through E-mail. Letters to all the investigating agencies were issued to be present in the CTF meeting held on 08.01.2020. JC/CIU was present in the meeting. Commissioner (G) has directed to obtain the present status of the agency hold containers from every investigating agency and also directed to forward the copy of Orders-in-Original to CFSAI & MANSA.

(Action: AC/Disposal, CFSs, CFSAI, MANSA)

13) Agenda Point No. 07:- No response from Plant Quarantine with respect to NOC for disposal of unclaimed/uncleared goods.

AC/Disposal informed that as per the present guidelines, the disposal section issues letter to the concerned agency (PGA) for issuance of NOC with a copy to the Custodian for follow up. It was reported by some CFSs that PQ is insisting on issuing NOC after successful bidding, as they issue the NOC only in favour of Bidder/importer and do not issue it to the CFSs. PQ authorities are of the opinion that the clearance should be given to the particular bidder. They have also taken stand that the case cannot be forwarded to competent authority for relaxation approval before completion of the process of auction. PQ has informed about provisions under para-14 under Chapter-VI of Plant Quarantine (Regulation of Import into India) Order'2003 and are not inclined to issue the NOC prior to conducting of auction. This office is of the view that NOC's can be obtained after auctioning of the goods but before actual delivery of the goods. With this view a letter dated 11.10.2019 has been sent to the Director Customs, CBIC, New Delhi for consideration. The matter may be pursued with CBIC.

(Action: AC/Disposal)

14) Agenda Point No. 08:- Customs auction – Re-listing of the goods not cleared by the successful bidder within the time stipulated by the Customs.

Goods not cleared by the successful bidder within stipulated time are relisted immediately in the next E-Auction.

(Action: AC/Disposal)

15) Other Points discussed:- CFSAI contended that there is pendency of long standing containers at various stages in appraising Groups.

Group Mela was conducted from 07.10.2019 to 11.10.2019, in which only 27 files out of 781 files for Group NOC were received in this section. All CFS were directed to submit the files for Group NOC but files were not submitted by all CFS. Commissioner (G) has directed to conduct Group Mela from 03rd February, 2020 to 28th February, 2020 to reduce pendency on account of Group NOC.

(Action: AC/Disposal, DC/Group, CFSs, CFSAI)

NEW POINTS:

- 16) **Agenda Point No. 09:- Undue advantage to importers under section 23 of Customs Act- there are so many cases where containers had been abandoned by the importers after filing B/E. It is noticed that certain importers were routinely abandoning cargo while continuing to import similar goods. There is no record of reasons available for which had led the importers to willfully abandon goods of any value. The imported items involved HMS, Wastepaper, Rubber Scrap, Re-imported medicines/Drugs, Plastic scrap, electronic waste, mis-declared goods etc. JNCH may review the provision so that abandoning of cargo is allowed only as a rarest of rare case. Importers taking shelter under section 23 of Customs Act, routinely abandoned the containers, most of the cased the importers are abandoned the goods after filing B/E, which remain uncleared.**

As it is the policy matter which pertains to Section 23 of Customs Act, 1962, the same cannot be reviewed at this level. Commissioner (G) has directed that cases wherein BE was filed and the importer relinquish the goods, after relinquishment of goods if the importer continue to import goods, details of such importers may be shared with SIIB(I) for consideration of putting an alert.

(Action: AC/Disposal)

- 17) **Agenda Point No. 10:- Listing of the goods in Customs Auction- Appraising group of customs have issued Disposal NOC for listing of goods (173 Containers) in Customs Auction to recovery of Govt. dues, which is not listed in Customs Auction.**

Disposal Section after receiving Disposal order immediately start auction processing. In the cases where only Order-in-Original is received, after verification from Review Cell regarding acceptance of the order, the goods are listed for auction. In the list provided by CFSAI, most of the goods are under auction process.

(Action: AC/Disposal, CFSAI)

- 18) **Agenda Point No. 11:- Disposal of goods for re-export- in many cases goods are lying uncleared in CFSs where Customs has confiscated the goods absolutely and ordered for re-export. Customs imposed penalty on the importers and ordered for re-export of containers to the country of origin. But no further follow-up action was initiated either by the importers or by the Customs to re-export the cargo. Most of the containers are lying undisposed for a long time period. Failure to lay down the procedure for re-export of such cargo to the originating country and the accountability of person(s) responsible for such dumping has led to widespread dumping of goods/waste in CFSs. Seeking JNCH intervention for necessary instruction to expeditious disposal of such type of goods.**

In such cases Order-in-Original/Disposal orders have not been forwarded to Disposal Section. As the concerned importer failed to re-export the goods, CFS may initiate the disposal proceedings after getting Group NOC. CFSAI has informed that 49 containers are pending for

disposal. Commissioner (G) observed that where the goods have been ordered for re-export, the goods are prohibited/restricted goods. For clearance of these goods some certificate/NOC is required. CFSAI suggested that the some goods can be sold as scrap after mutilation. Commissioner (G) has directed to examine the issue on case basis.

(Action: AC/Disposal, CFSAI)

19) Agenda Point No. 12:- Availability of minutes of CTF meeting on JNCH website.

As minutes of every CTF meeting are forwarded to all the stakeholders/CFSs through individual E-mail, in addition to that minutes will be uploaded on the JNCH website.

(Action: AC/Disposal)

20) Agenda Point No. 13:- Instruction to allocate the work to link officer.

Office order regarding link officer had already been issued and link officers are attending the work in the absence of the regular officer.

(Action: Closed)

21) Agenda Point No. 14:- Goods pending for examination at various CFS.

In this regard, earlier also letters were issued to AC/DC/Docks for action. If approved again we may write letters to all the AC/DC, Docks for examination of the goods to expedite the process of disposal. Commissioner (G) has directed that all docks examination should be completed by 29th February 2020.

(Action: AC/Disposal, CFSs, DC/Docks)

22) Agenda Point No. 15:- Functioning of CTF department- During 2011, in order to overcome the non-clearance of containers pending for various reason and to have better coordination, a task force department in the rank of Supdt. in the CTF department, who had act as coordinator between CFS, Disposal Section, Investigating Agencies and concerned appraising group. During that period the CFS had received all the NOC, SCN, Adjudicating Order, status letter from investigating agencies through CTF department on day to day basis. CFSAI requesting to post the superintendent having exclusive charges of CTF department.

Regarding CFSAI request for posting the Superintendent having exclusive charges of CTF department to expedite the process of disposal. It is submitted that the posting of officers is done according to availability of the staff. Since January 2015, the Superintendent/Disposal has been conducting the CTF meeting in addition to his regular disposal work. Due to shortage of staff, the same can't be considered.

(Action :- Closed)

- 23) **Agenda Point No. 16:- Disposal of time expired bonded goods- there are cases where goods are lying uncleared in Public Bonded Warehouse situated at the CFS. The goods remain in the warehouse beyond the permitted period or its permitted extension. The respective importer have failed to clear the goods for home consumption or to transfer the goods to another warehouse or to re-export or to remove as otherwise within permissible warehousing period as stipulated under section 61(1) (c) of the Customs Act, 1962.**

In this regard, it is submitted that as and when “Disposal Order” is received from ‘Bond Unit’ for the goods covered under ‘Time Expired Bond’ auction process is initiated. Matter may be discussed and sorted out with DC/Bond.

(Action : AC/Disposal, DC/Bond)

The meeting ended with a vote of thanks to the Chair.

This issues with the approval of the Commissioner of Customs (General).

(N. T. RANE)

Assistant Commissioner of Customs,
Disposal Section, JNCH

Encl.: Annexure-I

Copy to:

1. The Chief Commissioner of Customs, Zone-II, Mumbai.
2. The Commissioner of Customs, NS-Gen, Zone-II, Mumbai.
3. The Commissioner of Customs, NS-I, NS-II, NS-III, NS-IV, NS-V, Zone-II, Mumbai.
4. CFSAI, CSLA, MANSA, Concerned Shipping Lines.
5. DC/EDI (for uploading on the official website).
6. Office Copy.

ANNEXURE-I

The Container Task Force Meeting held on 08.01.2020 at the Conference Hall, 7th Floor, JNCH was attended by the following:-

Name of the Customs Officials:-

1. Shri Sanjay Mahendru, Commissioner of Customs, NS-Gen., JNCH.
2. Shri Rajiv Ranjan, Additional Commissioner of Customs, CIU Disposal Section, JNCH.
3. Shri Vijay J. Manvatkar, Joint Commissioner of Customs, Disposal Section, JNCH.
4. Shri N. T. Rane, Assistant Commissioner of Customs, Disposal Section, JNCH.
5. Shri Rakesh P. Gajwani, Supdt. of Customs, Disposal Section, JNCH.
6. Shri Sanjeev Kumar Chaudhary, Appraising Officer, Disposal Section, JNCH.
7. Shri Rakesh Kumar, Supdt. of Customs, Disposal Section, JNCH.
8. Shri Vishav Bandhu, Examining Officer, Disposal Section, JNCH.
9. Shri Ganesh Narayan Kumhar, Examining Officer, Disposal Section, JNCH.

Other Representative:-

1. Shri Rehan Sayyed, Ocean Gate CFS.
2. Shri Rajnarayan, Apollo CFS.
3. Shri Vinay Tandel, Speedy CFS.
4. Shri Vibhor, Punjab Conware.
5. Shri Nitin Gujar, Ashte CFS.
6. Shri Harshal Patil, CWC-D'node.
7. Shri Anurag Singh, Concor.
8. Shri Pramod D. Sawant, Take Care Logistics Park.
9. Shri Swapnil Naik, T G Terminals.
10. Shri Subhash Rajkumar, MANSA/Hapag Lloyd.
11. Shri Thomas Jackson, Hapag Lloyd.
12. Shri Prajakt Gaikwad, HTPL.
13. Shri Nilesh Dhanve, Take Care Logistics.
14. Shri Surendra Talkar, ONE.
15. Shri Omkar Dongre, ONE.
16. Shri Vinod V., ICT & IPL.
17. Shri Ramakrishnan, RCI Shipping/CSLA.
18. Shri Bakshi Md. Hanif, Samsara, MANSA.
19. Shri Manish Kumar, MANSA, MSC.
20. Shri Hemant Banerjee, MSC.
21. Shri Shivdas Tandel, EMIRATES.
22. Shri Nishant Sarang, ICTPL (Globicon).
23. Shri Chetan Koli, APMT-CFS.
24. Shri Ravi Pathak, Hyundai.
25. Shri Gururaj Shetty, Seabird-CFS.
26. Shri Kishor A. Dhoke, GDL-CFS.
27. Shri Sachin M. Patil, GDL-CFS.
28. Shri Bijayram Rout, OOCL Line.
29. Shri Venkatran Narayan, CFSAI.
30. Shri Shekhar C Koli, All Cargo CFS.

31. Shri Girish Mhatre, EFC CFS.
32. Shri Prashant Pole, Ameya CFS.
33. Shri Virat M Engineer, Kerry Indev CFS.
34. Shri Anil Rathod, Vaishno CFS.
35. Shri Jayesh Mokal, Indev CFS.
36. Shri Sanjeev Thakur, EFC Logistics.
37. Shri Rahul Acharekar, All Cargo CFS.
38. Shri Subhash Bangar, All Cargo CFS.
39. Shri Mobin Choudhari, Maersk.
40. Shri Shri Salim S., CFSAI.
41. Shri Laksha Todadikar, CFSAI.
42. Shri Umesh Grover, CFSAI.
43. Shri Manohar Acharekar, Continental CFS.
44. Shri Mahesh Koli, Continental CFS.
45. Shri C. H. Gaikwad, Balmer Lawrie CFS.
46. Shri Kalpesh Mire, DRT CFS.
47. Shri C. Mane, MSWC CFS.
48. Shri K. A, Agnihotri, MSWC CFS.
49. Shri Nana Zaware, Navkar CFS.