

**OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-IV)**  
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F.No. S/12-Gen-40/2014-15 AM(X) Part-III

Date: 09.01.2017

**MINUTES OF PERMANENT TRADE FACILITATION COMMITTEE MEETING**

**(EXPORT) HELD ON 29.12.2016**

The monthly meeting of Permanent Trade Facilitation Committee (PTFC, Export) was held on 29.12.2016 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 Vijay Singh Chauhan, Commissioner of Customs, NS-V.

2. The following members of trade attended the meeting:

Sr. No.	Names (Smt./Shri/Ms.)	Organization/Association/Designation
1	Omparkash Agrawal	MSWA
2	Subash Rajkumar	MANSA
3	K.S. Shetty	BCHAA
4	Dushyant Mulani	BCHAA
5	Hiren Ruparel	BCHAA
6	Nimish Desai	WISA
7	Paresh Thakkar	BCHAA
8	Raghav Uchil	AMOTI
9	S. Srinivas	CFSAI
10	R. Rajasekhar	CROP CARE
11	Mohan Nilani	AIIEA
12	Neelesh Datir	ALLBIEA
13	Gaupat Korade	BCHAA
14	Vinayak Apsat	BCHAA
15	L.V. Shah	BCHAA
16	Paresh Shah	WISA
17	Nimesh Desai	WISA
18	K. K. Johnson	Balkrishna Industries
19	V. K. Agarwal	ONIDA
20	Shankar Shinde	RCCI
21	V.M. Thomas	CSLA
22	Subhash Bangae	CFSAI
23	Salim Shikalgar	APMT
24	Kiran Bhanushali	Jet Cargo

25	Santosh Shetty	ICT & IPL
26	P. S. Barawkar	MSWC

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

Sr. No.	Names (Smt./Shri/Ms.)	Designation
1	Vijay Rishi	Addl. Commissioner of Customs, JNCH
2	Dhirendra Lal	Addl. Commissioner of Customs, JNCH
3	Rahul Nagare	Addl. Commissioner of Customs, JNCH
4	Nikhil Meshram	Addl. Commissioner of Customs, JNCH
5	Akhilesh Pandey	Addl. Commissioner of Customs, JNCH
6	S. C. Ganger	Addl. Commissioner of Customs, JNCH
7	Pritee Chaudhary	Jt. Commissioner of Customs, JNCH
8	B.S. Mangat	Dy. Commissioner of Customs, JNCH
9	Dinbandhu Diwakar	Dy. Commissioner of Customs, JNCH
10	D.S. Rana	Dy. Commissioner of Customs, JNCH
11	Jambodkar S Kumar	Dy. Commissioner of Customs, JNCH
12	S. Nand Kumar	Dy. Commissioner of Customs, JNCH
13	Amit Kumar	Dy. 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: Charges pertaining to Custodians should be collected by the respective Custodians only:**

**Background:** The Association represented that they had received several instances where the charges pertaining to the CFSs were being collected by a separate 3<sup>rd</sup> party entity (NVOCC / Forwarders), thus, resulting in higher cost, lack of transparency in charging, multiple irrational heads for recovery of charges, delay in clearance of consignments. Trade further submitted that every CFS is accepting such payments through third party

**Status:** Public Notices No. 158/2016 dated 25.11.2016 and 169/2016 dated 05.12.2016 issued addressing the issues.

**(Issue closed)**

**Point No.2: LEO directly by Shed Supdtt. for RMS Facilitated Shipping Bills**

M/s BCHAA has raised the issue that as being done on the import side, LEO for export Shipping Bills facilitated under RMS should be provided by Shed Suptd./Shed AO directly. At present, after goods registration, one is required to approach the **Examining Officer** (EO) and thereafter approach the Shed AO/Supdt for LEO. This is defeating the purpose of RMS facilitation.

**Discussion:** DC/EDI has informed that in RMS facilitated Shipping Bills there are invariably RMS instructions for Inspection/Examination of the goods. Therefore, to follow the RMS instructions the export goods have to be inspected by Export Shed Officers. Therefore, without inspection of the export goods, LEO cannot be given. It was reported by the RMD officers, who visited JNCH recently, that this is happening due to some issues related to CCR instructions and they are working on it to resolve the same. Once this issue is resolved, suitable arrangement will be made. **(Issue closed)**

**Point No.3: 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. Same KYC norms applies to the import side. Trade requested to put the KYC compliance on the website so that any agency can view the same.

**Status :** Issue is under examination.

**[Attn: SIIB(Import)]**

**Point No.4 : Time of LEO generation should be reflected in the ICEGATE system**

M/s BCHAA has raised the issue that timing of LEO generation should be reflected in the ICEGATE, as being done in import side.

**Discussion:** Request made by the trade has been accepted by the department that time of LEO generation should be reflected in the ICEGATE system. E-mail has been forwarded to Directorate of System and Data Management, New Delhi for necessary action.

**(Issue closed)**

**Point No.5: To facilitate Export Trade, one time permission requested to self-sealing containers**

M/s BCHAA has requested to consider one time permission for sealing of export container's being done at Exporters premises. This will help the export trade considerably.

**Status:** Public Notice No. 159/2016 dated 28.11.2016 issued. **(Issue closed)**

**Point No. 6:** To effect timely clearance of export and import consignment, cheque payment should be accepted by the service centre for printout of BE and SB to avoid cash transaction. (BCHAA).

**Request-** In current situation faced on account of demonetization and engagement of bank staff for dispensing the currency note to general public, BCHAA has requested the Customs authority to issue a Facility Notice for acceptance of cheques by the service centre for printout of Bill of Entry and Shipping Bill to avoid cash transaction. They have also enclosed Facility Notice issued by ACC for reference.

**Status:** Public Notice No. 158/2016 issued dated 25.11.2016 has already been issued **addressing the issue.** In specific exceptional cases, wherein this PN is not followed, the same may be brought to the notice of Competent Authority. **(Issue closed.)**

**Point No. 7:** Verification of BG/Certificate on email instead of Fax

**Request:** BCHAA has requested that verification/confirmation of BG/Certificate issued with Bank/Central Excise/LTU should be done on the Emails as majority of the officers do not have fax facility.

**Status :-** Public Notice No.173/2016 dtd 13.12.2016 and Standing Order No. 78/2016 dtd. 13.12.2016 issued. **(Issue closed)**

**Point No. 8:** Acceptance of cheques and mitigation of labor problems for handling of containers.

**Request :** BCHAA has requested that their members are facing considerable difficulty in clearance of import/export consignments through various CFSs on account of

- Non acceptance of cheques.
- Cash amount being demanded by labour, Forklift operator, Crane operators for handling of containers.

Thus, they requested that such kind of unwarranted practices at all CFSs must **be stopped** immediately as this is having serious detrimental effects for clearance of import/export consignments also. Further, all CFSs must ensure the handling of containers in timely manner by effectively monitoring the situation.

**Status:** Public Notices No. 158/2016 dated 25.11.2016 and 169/2016 dated 05.12.2016 issued addressing the issues. **(Issue closed)**

**Point No. 9:** AIWCBA has requested to discuss issues relating to 24 X7 to get a clear guidelines.

**Request-** As JNPT Customs comes under 24X7, they would like to know does stuffing of Export cargo at CFS comes under the scope of 24 X 7 or do they need to pay overtime fees for stuffing export container at CFS after 6 pm and on Sundays.

**Discussion:** Representative of AIWCBA pointed out that CFS are asking to pay for Customs for stuffing of goods after 6 PM or on Sunday. In this regard, trade was informed that all the activities are not covered under 24 X 7 and the areas covered under 24 X 7 are to be decided by Board.

**Present Status:** Matter has already been referred to Board. Once **reply** is received from Board, necessary instruction will be issued. **(Issue closed)**

### **NEW POINTS**

**Point 1: Permission for goods registration and partial delivery.**

**Request :** After obtaining OOC at RMS facilitation Centre, in case of part delivery still do importer required to take permission from Customs? If yes, from whom?

**Background :** M/s Mirc Electronics Ltd has represented that as per PN 160/2016 dated 29.11.2016 importer can obtain out of charge at “RMS Facilitation Centre” for RMS facilitated Bills of Entry and approach for delivery at CFS where Preventive Officer of the CFS will check container No. and Seal No. at the time of passing the containers from the CFS.

On 21<sup>st</sup> Dec 2016, on obtaining OOC at “RMS facilitation Center ” for BE No. 7830869 dated 15.12.2016 which was containing 5 X40, when they approached CFS for delivery, it was informed that so far only 3 containers arrived and balance 2 containers are under movement. CFS informed the Importer to obtain permission from Docks AC for part delivery. AC Docks informed that since OOC is given by RMS Facilitation Centre, take permission from AC, Facilitation Centre only.

**Discussion :** DC/RMS Facilitation Centre informed that OOC is given at RMS Facilitation Centre, but RMS Facilitation center does not have any access or physical control over the CFS. Hence, the permission for part delivery of cargo has to be permitted by DC/Docks, in charge of the concerned CFS.

**Status :** Public Notice No. 187/2016 dated 02.01.2017 issued.

**(Issue closed)**

**Point 2 : Clarification sought regarding Editorial changes in the Harmonized System of Nomenclature (HSN) for certain chapters including chapter 40 to be effective from 01.01.2017.**

**Request :** M/s Balkrishna Industries Ltd has observed that there are no notification/guidelines from Nhava Sheva Customs on subject issue. They sought clarification on following points-

1. In the case where Imports are under- utilization, against the Advance Authorization and the exports are expected to start in January 2017, then how do we complete the EO with current HS code when the merger will happen in January 2017?
2. As regards to fresh Advance Authorizations should we import against the Current HS Code, when the EO discharge will happen after January 2017?
3. Since we have not imported against few Advance Authorizations, should we get it amended with New HS Code from DGFT or surrender and issue fresh AAS?

**Status :** PN 183/2016 dated 29.12.2016 issued addressing the issue. **(Issue closed)**

**Point 3 : 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 :** Matter referred to Board for guidelines. In the meantime, officers have been posted in CFS M/s Punjab Con. to undertake work of ARE-1 endorsement till further orders.

**Point 4: On-line registration of Annexure - 'C' for Export**

**Request:** As per practice, all Annexure 'C' for registration of goods for exports are done manually, which is resulting in to delay in terms of dwell time. M/s WISA has requested that online registration of Annexure 'C' for goods registration of export may be considered and implemented.

**Discussion:** Annexure C is a format required to be filled up by Examining Officers when export goods are brought for examination. It is a declaration which is required to be signed by the CHA/Exporter and further countersigned by Examining Officer with a

certificate that “verified goods arrived. Verified the number of packages and marks and number thereon and found to be as declared.” Also CFS endorses information like weight, package etc on this document. It acts as a summary sheet with help of which Shed Officer counterchecks online data fed against the Shipping Bill and corrects, if required.

At present there is practice of manual filing of Annexure C. However, it was informed that there is a provision in EDI system for registration of Annexure ‘C’ online. Trade requested to take up the matter with DG System to make the module for online registration of Annexure C functional.

**Status :** Issue under examination.

**(Attn : DC/EDI)**

**Point 5 : Facility of touch screen at all parking plaza. (M/s WISA)**

**Issue :** Trade is facing difficulty as there is no facility to check the status of the Shipping Bill submitted to customs for LEO.

**Request:** M/s WISA has requested to install touch screen facility for the trade to check the status of Shipping Bills at all the parking plaza.

**Discussion :** Trade was informed that prompt action would be taken up to set up touch screen facility at Parking Plaza.

**Status :** Issue under consideration

**(Attn : DC/EDI & DC/PG)**

**Point 6: Permission for export of Central Excise Stuffed container through CFS mode in place of Buffer yard. (M/s WISA)**

**Issue :** Since the facility of Parking Plaza of all terminals for export is started, all the facility of Buffer yard storage, examination / LEO and direct movement of export containers into the terminal from Buffer yard is withdrawn. Many exporters for various reasons example- having multiple container shipments handled at parking plaza has to keep the container vehicle waiting till all the container trailer entered into.

**Request:** To permit entry and storage of export container at CFS in lieu of buffer yard and once the entire lot of containers under S/Bill arrived, exporter can get LEO done at CFS as Central Excise stuffed /Sealed containers. Movement of such Containers is allowed directly from CFS in to the Port Terminals following procedure for movement as CFS stuffed container without insisting to be routed through parking plaza for LEO.

**Discussion –** Para 6 of the Public Notice No. 174/2016 dated 15.12.2016 addressing the subject matter speaks that Central Excise stuffed/Sealed containers routed through any of the CFS instead of Parking Plaza for export clearance will be treated as “Dock Stuffed Cargo”. As per prevalent practice “Docks Stuffed Cargo” are given LEO only after examining the consignment.

Trade represented that such Central Excise Stuffed/self-sealed containers routed through any of the CFSs should not be treated as “Docks Stuffed Cargo” and exemption from examination should be extended to these containers after verifying Central Excise seal/seal number.

**Status:** Issue under examination. Necessary clarification will be issued shortly.

(Attn : DC/AM(X))

**Point 7 : RMS B/E filed under multiple Advance Licence required to be recalled for correction of Bond value for each Licence. (M/s WISA)**

**Issue :** If B/E filed with two or more Advance license and assessed under RMS, system is debiting full Duty value against each license instead of pro-rata basis Bond value. Hence, all RMS B/Es are to be recalled and reassessed with correction in Bond value to be debited pro-rata basis of quantity debited in each license. ( Ref: B/E No. 7940685 dated 23/12/2016 gr 7D )

**Request:** Recall and re-assessment defeats the purpose of RMS. System fault if any, may please be looked into and rectified. We are also taking it up separately with system directorate for this issue.

**Discussion:** It was informed that in the case of more than one Advance Authorization utilized in single Bill of Entry for different quantity/items, licence amount for each item is debited correctly however, corresponding Bond value is not debited on pro-rata basis. In such cases, for each items, full Bond amount is debited instead of amount equal to licence utilized.

**Status :** This is a **system** issue. Matter to be taken up with DG System. (Attn : DC/EDI)

**Point 8. Suggestion for successful implementation of PN No 160/2016 for timely registration (M/s BCHAA)**

**Request:** M/s BCHAA has suggested following point for successful implementation of PN No. 160/2016-

- a) Need proper guidelines in case where examination is prescribed for Bill of Entry.  
At present, trade is facing issues where the container has not reached the CFS within 24 Hours.
- b) Trade should not be made to approach SIIB / Group Addl. Commissioner in such cases
- c) Infact it would be prudent to exclude the cases where examination has been prescribed to be exempted from the Office Order (Prescribing registration within 24 hours)

**Discussion:** These points don't directly relate to PN 160/2016. CBEC Circular No. 43/2005 dated 24.11.2005 has made provision of particular treatment for exceptional case and these provisions have also been incorporated in Para 6 of PN 160/2016.

(Issue Closed)

**5)** The members of the meeting were informed that the next PTFC meeting shall be held on **25.01.2017 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-II & NS-IV.

Sd/-

**(Jagdish Saran)**

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-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 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-I/III, IV/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.
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