

OFFICE OF THE CHIEF COMMISSIONER OF CUSTOMS, MUMBAI ZONE-II,
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**MINUTES OF CUSTOMS CLEARANCE FACILITATION COMMITTEE MEETING
HELD ON 21.01.2016 AT JNCH**

The 8th Meeting of Customs Clearance Facilitation Committee was held on 21.01.2016 at Jawaharlal Nehru Custom House with the members of Committee and representatives of regulatory agencies and from Trade. Shri Sanjeev Behari, Pr. Chief Commissioner of Customs, Mumbai Zone-II chaired the meeting.

2. Following persons from regulatory agencies and various stakeholders attended the meeting.

Sr. No.	Name of the Organization	Name of the Representative & Designation (S/Shri)
1	RPQS, Mumbai	K. W. Deshkar, Dy. Director (E)
2	RPQS, Mumbai	Dr. C. S. Patni, Asstt. Director (PP)
3	Textile Committee	Kartikey Dhanda, Director (Lab.)
4	Textile Committee	S. K. Manjrekar, PRO
5	FSSAI	V. K. Pancham, Dy. Director
6	FSSAI	Dr. P. G. Gaikwad, Asstt. Director
7	FSSAI	Shailesh Nimbalkar, NISG
8	Drug Controller, JNPT	Gulshan Taneja, ADC
9	Drug Controller, JNPT	Arvind Hiwale, Drug Inspector
10	Animal Quarantine	Dr. Rajiv Khosla, Regional Officer
11	Animal Quarantine	V. Vignesh, Quarantine Inspector
12	Wildlife Crime Control Bureau	B. S. Khati, Inspector

13	Traffic Police	Kishor Jagtap, Police Inspector
14	CIDCO	Dr. P.T. Gedan, Sr. Planner
15	CIDCO	Pravin M. Sewatkar, EE (Drm-III)
16	JNPT	Neeraj Bansal, Dy. Chairman
17	JNPT	A.K. Bose, Chief Manager (Traffic)
18	JNPT	Jagdeesh R. Patil, Manager CM (R)
19	JNPT	Pradeep Kumar, Mger. CCL
20	JNPT	P. Sridhar, AM Traffic
21	NSICT	Abhijitsinh Jadeja,
22	NSICT	Indrajit Kanungo
23	APM Terminals	Salim Sikalgar
24	APM Terminals	Atul Jahagindar, AGM Operations
25	APM Terminals	Mrityunjay Dhawal, Head Operation
26	CSLA	Norman Fernandez, Secretary
27	CSLA	V. M. Thomas, Asstt. Gen. Manager
28	CFSAI	Jacob Thomas, Sr. V. P. (CFS GDL & Punjab)
29	CFSAI	Laksha Tadadikar, COO
30	CFSAI	Venkat Narayanan E.A.
31	MANSA	Subhash Rajkumar, Sub-committee Member
32	MANSA	Victor Fernandes
33	BCHAA	Ashish Pednekar, President
34	BCHAA	Paresh Shah, Hon. Secretary
35	BCHAA	Sorab P. Engineer
36	BCHAA	Paresh K. Thakker
37	MCCIA	Omprakash Agrawal
38	AMTOI	Raghav Uchil, Sr. Coordinator
39	AILBIEA	Neelesh Dalvi
40	INDEV CFS	Jude Fernandes, Sr. V. P.
41	CFS Seabird	Srinivas Subramanian
42	Trans Asia	Jimple Paul, Manager Services
43	NHAI- Represented by M/s. Stup Consultant	Kalpesh Patel

The Department was represented by the following officers.

Sr. No.	Name of the Organization	Name of the Representative & Designation (S/Shri)
1	Customs	Rajeev Tandon, Pr. Commissioner of Customs.
2	Customs	Subhash Agrawal, Commissioner of Customs
3	Customs	D K Srinivas, Commissioner of Customs
4	Customs	Aseem Kumar, Addl. Commissioner of Customs.
5	Customs	Nilkanth Shelke, Addl. Commissioner of Customs
6	Customs	Akhilesh Pandey, Addl. Commissioner of Customs
7	Customs	K. Raguram, Dy. Commissioner
8	Customs	Jomy Jacob, Dy. Commr, Gr. III
9	Customs	Shrikant G. Awachar, Dy. Commr., Group-I
10	Customs	Ravindra Kumar, Asstt. Commr. CCO
11	Customs	P. K. Patnaik, Asstt. Commr.

3. The Chair welcomed all the members and the Agenda points were taken up for discussions.

(i) **Agenda Point : Congestion in Port area and on approach roads**

The issue of congestion on the port approach roads and in the terminals was taken up. Sample traffic data for the period 23.12.15 – 08.01.2016 giving details of the queues of the truck trailers awaiting their turn to enter the terminals was placed before the members. It was observed that the GTI terminal consistently had the longest queue while the queue of the trailers destined for JNPCT was non-existent or very short. The persistent congestion in the port area was adversely affecting the performance of the Port, increasing dwell time, and turn-around time of trailers thereby resulting in increased costs. It was noted that GTI and NSICT had been allotted land by JNPT authorities for developing parking areas for truck trailer destined to their respective terminals, and though these parking areas were already operational but there was no positive impact on the congestion on approach roads.

In response, the NSICT representative informed that the data sample regarding the traffic congestion pertained to the morning time between 1000 hrs to 1130 hrs which are the peak traffic timings and suggested that the data for the afternoon or evening hours may also be taken and considered for more clarity and correct picture. He informed that said issue of congestion was being addressed by them and that they were utilizing the parking area given to them for movement of 600 trailers while the facility was designed for 500 units only. They had further streamlined that movement by demarcating separate area for the ODC cargo thereby reducing the load on the road.

The GTI representative informed that the congestion on their approach road was on account of spillover of containers of other terminals and due to the trailers carrying containers which had missed a particular vessel were awaiting the next vessel outside their gates. The members did not agree and pointed out that it is only after the *Form 13* is issued by the Terminal that the containers start moving towards the GTI terminal gate and as GTI had issued the *Form-13*, the GTI are duty bound to accept those containers in the same vessel which was not being done. It was taking upto 24 hrs to get out of the Parking area of GTI resulting in unwillingness on part of the trade to use the facility. The trade stressed that GTI should accept its responsibility in respect of the containers causing congestion between the Parking Plaza and their Terminal gates.

JNPT informed that they had provided 25 guards to assist Police in controlling the traffic at PUB, 'Y' junction, Karal junction and CFS junction in three shifts and also 18 security guards to monitor the traffic from 'Y' junction onwards. It was pointed out that certain traffic regulation was required in view of the ongoing construction work of various projects. The other operators needed to revisit their policy of the closing of gates and also share the responsibility of the traffic management outside the terminal gates as it impacted the overall efficiency of the Port. It was stated that the average time for a container inside the port was only about 1 ½ days as compared to over 9 days in the CFS and on road. The general tendency to shift all blame to JNPT was unwarranted and all stakeholders were required to be responsible to themselves, and ensure regulation of traffic not only inside their respective terminals but also at outside areas. Further, more transparency in the charges being levied by other stakeholders was required as the Terminal are accounting for only about 40% of the charges paid by the end-customer.

The consensus of the members was that the parking areas should contribute towards easy and smooth flow and the containers and once inside the parking area, should be deemed to be gated in.

The Chair requested the operators to streamline the movement at their parking areas and suggested that the Terminals may streamline the operations at the parking area and revamping their gate closure policy, and also consider to publicize the gate closure timings for trade facilitation. He directed that a joint survey may be conducted by a team comprising of all stakeholders, Traffic Police and Customs to study the traffic movement in the area to identify the factors adversely affecting the smooth movement of the vehicles.

Action : Terminal operators

(ii) Agenda point : Infrastructure at Jawaharlal Nehru Port area

(a) Status of projects being executed by NHAI/SPV

The representative of NHAI, in his presentation gave details of the projects being executed in the port area and the approach roads. It was informed that the project included widening of 43.9 kms length of NH-4B, SH-54 and Amra Marg linkages to 6/8 lanes along with 2 lane Service Roads at an estimated cost of Rs.2,936 crores, by SPV formed by JNPT, NHAI and CIDCO, i.e. Mumbai-JNPT Port Road Company Ltd. for which NHAI was the implementing agency. The project included construction of interchanges and grid separators at the Gavahanphata and Karalphata which would ensure smooth traffic movement. The project is to be implemented on EPC mode in 4 packages, and the all packages had been allotted at a total cost of Rs. 2051.17 crores. Work has already started on some of these projects and all the projects are expected to be completed by 2018.

(b) Status report of road widening projects by JNPT

The JNP informed that a lot of work had been done in respect of widening of various approach roads and 'Y' junction. The 'Y' junction was being concretized and wherever possible, widening of the roads was also being done. Environmental clearance

with regard to the mangroves had been obtained for separate road which is also expected to be completed in about two months and would cater to construction dumpers thereby easing traffic conditions on the road towards GTI Terminal.

Status of various ongoing projects : The JNPT informed that ongoing concretization and widening of 'Y' junction was expected to be completed by March 2016 and the widening of road from Karal to 'Y' junction was expected to be completed by May, 2016. The work of widening of other roads namely from 'Y' junction to CFS junction, CFS junction to SH54 and Karal to CFS junction was underway. Further, the 1st phase of Central Parking Plaza was complete, and filling for the Phase II was being done and the project was expected to be ready by December 2017 on a PPP basis. The Chair directed that Commissioner (General) may get in touch with the JNPT for providing specifications for the Customs Office to be set up in the Central Parking Plaza.

Action : Pr. Commissioner of Customs (Gen); JNPT

(iii) Agenda point : Phasing out of Manual documents in Cargo Clearance

- (a) EDI connectivity at Terminal Gates :** ADC (P)Gen stressed upon the need to have EDI connectivity at the terminal gates as this would go a long way in implementing paperless movement of containers through the port gates. The Terminals agreed to discuss the issue with the DC/EDI to work towards providing the same in a specified time frame.

Action : Terminal operators, DC(EDI) , DC P(G)

(b) Gate automation : Presentation by NSICT/DP World

The NSICT gave details of the gate automation process and the procedural changes made at their terminal and the parking area, and the resultant effect on the smooth flow of traffic. Their parking area measuring 6 hectares was capable of holding 500 trailers which was equivalent to 4 kms of queue. It was informed that now the factory stuffed containers were being diverted to the parking plaza for holding until their document clearance and awaiting gate opening (which now had staggered timings). This time was being utilized for scanning of seal nos., pre-advising, issue of BAT and the drivers could freshen up during this period. It was informed that the system enabled them to keep a tab

on the number of e-gate passes issued which ensured that only the designated trailers were on the roads resulting in controlled and smooth traffic flow. Further, the system facilitated in automated data capture and physical checks of containers/seals from inside the cabins only. These changes had resulted in efficiency at the terminal gates and de-congestion on approach roads.

The JNP informed that Gate automation was being considered by all operators and 31st March was their deadline to fully implement the same.

Action : JNPT, NSICT, GTI

(c) Dispensing with the physical copy of Form13

The JNP informed that they had made the proposal of doing away with the manual Form13 in Feb 2015 and the matter had not been decided by Customs till date and hard copy of the same was being insisted upon. Customs Commissioner informed that physical copy of Form 13 had been dispensed with and gate-in was allowed on the basis of CLP for containers from CFSs. The endorsement by the gate PO was given quickly and did not take much time and the containers were not held up at the gates on this account. However, it had been decided to do away with the physical copy of *form-13* and a PN in this regard was being issued.

Action : Pr. Commissioner of Customs

(iv) Agenda Point : Barriers to 24 x 7 clearance

(a) Implementation of e-do, e-invoicing and e-payments

e-Do: it was informed by the Trade members that a meeting of a working group of BCHAA, CFSAI , AMTOI was scheduled to meet on Monday next (25.01.2016) for discussions on the issue. It was suggested by the Chair that a representative from Customs may also attend the said meeting. The suggestion was welcomed by the members of the mentioned associations.

Action : CSLA, , AMTOI ,BCHAA, MANSA, CFSAI

(b) **e-invoicing and e-payment:** Some members informed that presently the e-invoice is not a document accepted by various authorities and the same required to be addressed. It was informed that e-Payment has not implemented by the various stakeholders in the true spirit and there were various issues like considerable time required for confirmation of the payment made by RTGS/ other electronic modes etc thereby defeating the very purpose of the e-payment. The Chair suggested that a separate Meeting on these issues may be held by Shri R K Tandon, Pr. Commissioner with all stakeholders and software vendors to address the issues being faced by users and operators. The Chair directed that the meeting may be held on 28.01.2016 or any other suitable date in consultation with the stakeholders.

Action: Pr. Commissioner of Customs (Gen)

(v) **Agenda point : Dwell time report in respect of various regulatory agencies**

The dwell time report of randomly selected BEs from the sample data pertaining to past 4 weeks provided by the Trade/assessing Groups in respect of FSSAI, ADC, AQ, PQ & TC was placed before the members. The sample data pertaining to the consignments of goods reflected that there were no inordinate delays in the issue of NoC by the TC, PQ and AQ. The members expressed satisfaction in respect of time taken by various regulatory authorities for grant of NoC/furnishing of Test Reports in respect of the sample data. However, the data in respect of FSSAI showed that in case of some consignments, the NoC/clearance had been granted after 15 or 21 days.

SR No	BE No.	DESCRIPTION	DATE OF SAMPLING	DATE OF PROV NOC	DATE OF FINAL NOC	NO. OF DAYS TAKEN
1	3531664	Sri Lanka Arecanut	15.12.15	-	05.01.16	21
2	3663729	Sri Lanka Arecanut	22.12.15	-	06.01.16	15
3	3694200	Cassia Whole	25.12.15	-	06.01.16	12
4	3679848	Cloves	24.12.15	-	02.01.16	09
5	3664149	Cloves	23.12.15	-	05.01.16	13
6	3725963	Fresh Apples	04.01.16	04.01.16	11.01.16	07
7	3773766	Fresh Apples	02.01.16	02.01.16	08.01.16	06
8	3773788	Fresh Apples	02.01.16	02.01.16	08.01.16	06
9	3757763	Fresh Apples	30.12.15	30.12.15	06.01.16	07
10	3639247	Fresh Apples	29.12.15	29.12.15	04.01.16	05

Best Case (Provisional) = 1 day

Worst Case= 21 days

AVERAGE = 9-10 Days

The FSSAI representative informed that they would give a detailed reply on the time taken for giving clearance/NoC in case of the each of the stated BEs.

Action : FSSAI

(vi) **Agenda point : Pending issues related to regulatory agencies from the earlier CCFC**

The representative of Textile Committee informed that the setting up of laboratory at JNPT had been approved and the funds for the same had also been sanctioned. The deadline for completion of the said 1000 sq ft facility was six months.

FSSAI informed that there was a proposal to make certain changes in the Act/Procedures, and the major changes envisaged included pre-arrival approval of goods/consignments, Labelling requirements and provision of Appellate mechanism which were not there in the existing structure of rules. It was informed Draft changes proposed in the Act and procedures were available on their website and the trade could visit the same and give inputs with their suggestions and objection, if any in respect of the proposed changes. The Additional Commissioner, CCO pointed out that active participation by the Trade was required in the matter so that any issue could be resolved at this nascent stage itself.

(vii) **Agenda Point : Traffic Management**

(a) The Chair enquired from the Inspector, Maharashtra Police (Traffic) about their assessment of the reasons of the traffic congestion on the port roads, the steps taken by them to address the same and details of their staff deployment.

(i) It was informed that the queue of trailers destined for GTI was very long and resulting in piling up of vehicles destined for other terminals thereby worsening the situation. He suggested that the GTI terminal should streamline their traffic movement at the gates and from their parking area

Action : Traffic Police , GTI

- (ii) The posts (*chowkis*) in the Port area are staffed with 25 + 20 officials. In addition, they had been promised to be provided with 25 traffic wardens each by the J N Port and the CIDCO, but no assistance in terms of manpower was given till date.

Action : Traffic Police , JNPT/CIDCO

(viii) Agenda Point : Other issues

- (a) It was pointed out by the members that as there was only a single customs scanner in the port for all three terminals, this was resulting into a chaotic situation as the containers from all three Terminals selected for scanning had to converge at the same point. The Chair informed that the issue had already been addressed in the meeting of CoS wherein it had been decided that the all Port/Terminal operators will be providing the scanners inside the ports. Further, Customs was also in the process of acquiring another scanner which would help in easing the load at other places. The JNP stated that the Ministry of Shipping had instructed for scanners to be provided by the Port authorities.

Action: JNPT, NSICT, GTI

This issues with the approval of Principal Chief Commissioner of Customs.



(K. Raguram)

Deputy Commissioner of Customs
Nhava-Sheva

Copy to:

1. Member (Customs), Member (Zone), CBEC, New Delhi
2. DC/EDI with a request to upload the minutes on website
3. All members of CCFC Meeting by e-mail
4. Officers concerned
5. Office Copy