

MINUTES OF PTFC MEETING (EXPORT) HELD ON 07.08.2013

OFFICE OF THE COMMISSIONER OF CUSTOMS (EXPORT)
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA
DISTRICT-RAIGAD, MAHARASHTRA

F. No. S/12-Gen-23/13-14 AM(X)

Date: 27.08.2013

MINUTES OF PTFC MEETING (EXPORT) HELD ON 07.08.2013

The monthly meeting of Permanent Trade Facilitation Committee (PTFC) (Export) was held on 07.08.2013 at 4.00 PM in the Conference Hall at the 7th floor of the Custom House. The meeting was conducted by Shri S.H. Hasan, Commissioner of Customs (Export), JNCH.

The following members of trade attended the meeting:

Sr. No.	Name and Designation	Sr. No.	Name and Designation
01	Shri Philu Pereira, BCHAA	15	Shri L.S. Tadadikar, AMEYA
02	Shri K.S. Shetty, BCHAA	16	Shri Pankaj Shah, V.P., BCHAA
03	Shri Mohan Nihalani, President AIIEA	17	Shri Om Prakash Agrawal, MACCIA
04	Shri Paresch Shah, BCHAA	18	Shri D. L. Thakker, BCHAA
05	Shri R. Rajasekhar, VP (Commercial), M/s. United Phosphorus	19	Shri S.K. Pareek, Technocraft Industries (India) Ltd.
06	Shri Subhash Rajkumar, MANSA	20	Shri Shankar Shinde, RCCI
07	Shri Ramakrishnan, MANSA	21	Shri Kiran Rambhia, BCHAA
08	Shri Jacob Thomas, GDL	22	Shri R.C. Subramanian, APMT CFS
09	Shri Prakash Veera, IOPEPC	23	Smt. Shyamali Banerjee, FIEO
10	Shri Satish Kubal, Technocraft	24	Shri T.S. Narayanan, GTN Industries
11	Shri Ketan K Kotak, Kotak Bros	25	Shri V.K. Agarwal, ONIDA
12	Shri Santosh Shetty, Hind Terminals	26	Ms. Archana Roy, ONIDA
13	Shri A. Ravi Kumar, TEXPROCIL	27	Ms. Saeeda Patel, AEPC
14	Smt. Seeta H. Iyer, Dy. Manager, SBI	28	Shri Bimlesh Rounak, SBI

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

Sr. No.	Name and Designation
01	Shri. V. Rajendran, Addl. Commissioner of Customs,

Appraising Main (Export)
02 Shri. Aseem Kumar,
Addl. Commissioner of Customs, (Export)
03 Shri Ashish Mishra,
Dy. Commissioner of Customs, Appraising Main (Export)

3. The Commissioner welcomed all the members and the meeting began with taking up the pending issues.

4. The following old points that were kept open in the last PTFC meeting held on 31.05.2013 were taken up for the discussion:-

4.1 Point: The members of the trade represented that few CFSs are not co-operating in implementing the said Facility Notice no 65/2012 dated 05.12.2012 and the matter has been brought to the notice of DC, CFS Management cell.

Reply: Asstt. Commissioner, CFS Management Cell informed that on receipt of complaints from trade the matter has been referred to concerned CFS and then explanation called for. BCHAA informed that still few CFSs are not co-operating in implementing the said Facility Notice. Commissioner (Export) assured that matter will be taken up with the CFSs as mentioned and will be resolved.

Point Closed (ADC/CFS Management Cell)

4.2. Point: Shri Mohan Nihalani, President, AIIEA informed that International Group of P & I club vide letter dated 05.02.2013 has not made any specific reference implying hesitation to insure such cargo which will be tendered for examination in terms of above said Facility Notice.

Reply: Shri Deepak Tewari of CSLA (Container Shipping Lines Association) in the PTFC meeting of 27.02.2013 had informed that they were requesting an addendum to the facility notice No. 65/2012 in terms of insurance which may be prejudicial to shipping lines and also they had gone through the department's reply vide letter dated 26.02.2013 on the issue and the same had also been forwarded to the insurance companies and as soon as they get a reply from the insurance companies they will submit it. Shri Mohan Nihalani informed that the matter has still not been resolved. As no proposals/replies were received from CSLA, Commissioner informed that the matter may be solved amicably between insurance companies & CSLA.

Point Closed (ADC/AM, CSLA)

4.3. Point: The Additional Commissioner of Customs (CCO) cited MANSA's letter dated 13.02.2013 regarding co-operation of shipping lines in 24X7 trade facilitation. In the said letter, it was not clarified by MANSA, as to whether they have been issuing Delivery Orders on 24X7 basis or will be doing so.

Reply: MANSA vide letter dated 11.06.2013 informed that the issue was being discussed and resolved amicably in meetings regularly held separately between MANSA, CSLA, BCHAA & AMTOI and hence there was no need to repeat it. However, Shri Mohan Nihalani, AIIEA informed that they were not aware of such meetings and the still Shipping Lines were not issuing Delivery Orders on 24 x 7 basis. Commissioner (Export) informed that the matter should be resolved amicably by MANSA and other stake holders. It was also stated that, since Customs is

working 24 x 7 other stake holders may extend their working hours so that trade is not adversely affected.

Point Closed (ADC/AM, MANSA)

4.4 Point: Shri Ravindra Kumar, Deputy Director, TEXPROCIL (The Cotton Textiles Export Promotion Council) represented regarding Settlement of claim by M/s Punjab Conware to M/s Lalit & Company.

Reply: Dy. Commissioner, CFS Management Cell vide letter dated 05.08.2013 informed that the details were called from M/s. Punjab Conware and they further informed that the delay had been due to additional documents sought by the surveyors and the claim will be settled soon. They have also informed that the party is in constant communication with them and has been apprised of the developments. However, Shri A. Ravi Kumar, TEXPROCIL informed that still they have not received the settlement claim. Since the matter is between the Custodian and the exporter, Commissioner (Export) informed that Deputy Commissioner of Customs, CFS Management Cell may be contacted for further assistance.

Point Closed (ADC/CFS Management Cell)

4.5 Point: Shri Ravindra Kumar, Deputy Director, TEXPROCIL (The Cotton Textiles Export Promotion Council) raised issues regarding problems faced by Exporters while transacting funds from bank in case of companies having special characters in their company name.

Reply: State Bank of India, JNCH has informed that the problem with regard to special characters had been resolved from 01.04.2013 and there were no more rejections due to this. BCHAA & other trade members also agreed to this.

Point Closed (ADC/Drawback& SBI)

4.6 Point: BCHAA informed that there was abnormal delay in getting Test Reports from Textile Committee. It was informed that the Test Reports are received only after 10-12 days of forwarding the samples and Textile Committee takes time to reply to all test queries marked by Customs. Therefore it was requested to issue instructions to Textile Committee to expedite in issuing Test Results. It was also suggested by BCHAA that if Customs specified the exact nature of test to be conducted instead of general practice of conducting all tests by Textile Committee, then it is felt that the reports may be received much earlier than the present time duration. BCHAA also requested that the authorities of Textile Committee may also be called for the PTFC meetings.

Reply: Commissioner (Export) informed that, Deputy Commissioner Export Docks (Admin) at Dronagiri has informed that they have sent a letter to Textile Committee on 27.06.2013 to expedite the issuing of Test Reports and All Shed Supdts has been informed to specify exact nature of test while sending the samples for Test. Further, Commissioner also agreed to the point related to calling of Textile Committee authorities for PTFC meetings.

Point Closed (ADC/Export Docks)

4.7. Point: Shri R. Rajasekhar, VP of United Phosphorous Ltd informed that at the time of processing export documents if the insecticide is a registered insecticide under Insecticides Act, 1968, no separate permission should be insisted upon and that the exporter may be permitted to give an annual declaration for the various products manufactured by him under Insecticides Act,

1982 which can be a master data to be updated from time to time. Also it was informed by them that in respect of products for export under tariff heading 29 & 38, there have been many products which have different tariff heading between Central Excise & Customs and the Drawback Schedule, making it difficult for the exporter to claim drawback. Hence, they requested for a policy directive in this regard so that exporters have no difficulty in claiming drawback.

Reply: Commissioner informed that the issue of submission of annual declaration of insecticides manufactured under Insecticides Act is difficult to implement. Further, the issue with respect to separate classification, it was advised that the exporter would submit the said issue in detail to the department, which will be examined and taken up with the Drawback Directorate.

Point Closed (ADC/Export Docks)

4.8. Point: Shri Yogendra Thakkar of M/s. Novas Impex raised the issue of destruction of Bio-degradables, wherein he mentioned that his re-import cargo of bio-degradables is lying for destruction for more than six months and no specific orders on the said subject is being issued by DC/Disposal, which has made the party to pay heavy detention/demurrage charges for the past six months.

BCHAA, CFSs representatives also informed that they want suitable instructions to be issued in respect of disposal of goods by way of destruction.

Reply: Commissioner informed that, the subject file of M/s. Novas Impex was received in the Disposal Section on 18.06.2013 from the Appraising Group and action for destruction has been initiated. With respect to instructions on destruction, Disposal Section has been directed to issue the same.

(Point Closed, ADC/Disposal)

4.9 Point : BCHAA informed that the Preventive Officer endorsing the certification of invoices of factory stuffed containers should be posted on 24×7 basis and the Preventive Officer shall not leave the Gate till he is relieved by the relieving Preventive Officer.

Reply : Commissioner informed that, officers are posted on 24 x 7 at the gates and Dy. Commissioner, Preventive (General) have issued circular on 27.06.2013 to all the gate officers directing them, not to leave the gates unless & until their reliever joins the duty.

(Point Closed, ADC/Preventive (G))

5. The following fresh points came up for discussion in the present PTFC meeting:

5.1 Point : MANSA vide letter dt. 11.06.2013 has mentioned about the issue of longstanding import containers and stated that no TASK FORCE meetings are held for a long time.

Reply : Commissioner informed that, as the issue is of import containers, matter may be taken up during PTFC (Import) meetings. With respect to export containers it was informed that a meeting of Export Container Task Force (CTF) will be held at the earliest. Addl. Commissioner (Disposal) would take the initiative and would also write to Import Commissionerate.

(Point Closed, ADC/Disposal/CTF (Export))

5.2 Point: BCHAA vide letter dated 20.07.2013 has mentioned about the frequent breakdown of EDI system due to which there is delay in assessment of Shipping Bills and LEO and many shipments are missing vessel cut-off resulting in shut out.

Reply: Commissioner informed that, this was a problem due to temporary breakdown in EDI system for one day. However, it was sorted out and now the system is smoothly working. The situation is being reviewed periodically so that no such failures cause inconvenience in future
(Point Closed, ADC/EDI)

5.3 Point : BCHAA vide letter dated 20.07.2013 has stated that work starts late at all CFS, especially at Punjab CFS, and members are facing difficulty as number of S/Bill filing is very high there. Examination under DC/Supervision for drawback beyond 3 lacs is a strenuous task for staff as they have to make several rounds with DC & Supdt before LEO is given which needs to be streamlined. There has to be two rounds of examination and first round LEO must be given by 3 p.m.

Reply: Commissioner informed that, recently, a Dy. Commissioner has been posted separately in CFS Punjab Conware and the situation at present has eased out. The suggestion to take two rounds for examination and to give first round LEO by 3PM or 4 PM shall be considered and necessary orders shall be issued. ADC/Export (Docks) at Punjab Conware was also directed to take stock of the situation and resolve the matter.
(Point Closed, ADC/Export Docks, Punjab Conware.)

5.4 Point : BCHAA vide letter dated 20.07.2013 has stated that they were informed by Chief Commissioner that a P.N is under finalisation for the dispensation of Mate's Receipt somewhere in February 2013. Hence, they have requested to dispense with requirement of Mate Receipt.

Reply : Commissioner stated that, Dy. Commissioner, EGM Cell has informed that it is a policy matter. However, in certain cases, such as where there is N error i.e – mis-match between the number of containers loaded on board the vessel and numbers of container fed in the system, the mate receipt is needed. There are also cases wherein the actual numbers of containers are correctly shown in the mate receipt but the numbers of containers fed at the time of filing EGM are wrongly fed in the system. But such cases are very rare. Hence, at this stage it is not possible to dispense with the requirement of Mate Receipt.

(Point Closed, ADC/EGM Cell)

5.5 Point : BCHAA vide letter dated 20.07.2013 has stated that their members have complained that system shows EP copy printed and they have not received the same. Hence, in all such cases reprint of EP copy may be allowed.

Reply : Commissioner informed that, cases of reprinting of EP copies, which falls within purview of Standing Order No. 13/2008 dt. 26.02.2008 is being attended by DC/Export Docks. As regards to EP copies lost/misplaced, trade are being asked to follow Standing Order No. 03/2009 & 57/2009 dated 26.11.2009 wherein procedure for reconstruction of E.P copy of S/Bs have been prescribed.

(Point Closed, ADC/EP Cell)

5.6 Point : AIIEA vide e-mail dated 29.07.2013 stated that EP copy of Shipping Bills are not printed even after giving the requisite command by Customs officers. Also when the exporter or his CHA approaches Customs for original or a certified copy they are directed to file a Police complaint against the document which was not printed. Further, also many a times EP copy printed is not legible.

Reply : Commissioner stated that, this is a case of System error wherein print is not generated due to interruption in server connectivity /power failure etc, wherein the data of such Shipping Bills gets flown in the History of ICES located at the focal points of various CFS. However, as mentioned in above point, cases of reprinting of EP copies, which falls within purview of Standing Order No. 13/2008 dt. 26.02.2008 is being attended by DC/Export Docks. The poor legibility of the EP copy may be due to the quality of ink in the cartridge/ ribbon. EP Cell has been advised to make necessary arrangements to change the same.

(Point Closed, ADC/EP Cell)

5.7 Point: AIIEA vide e-mail dated 29.07.2013 has stated that Exports beyond Rs.10/- lakhs, DBK beyond Rs 1 lakh, Exports under DEEC etc have to be cleared by Dy.Commr and there is shortage of such officers, which leads to delay in processing of Export Documents. Therefore postings of such officers may be issued.

Reply : Commissioner stated that, as pointed out earlier recently a Dy. Commissioner was exclusively posted at CFS Punjab Conware where the volume of exports is high. This must have eased the situation. The situation will be reviewed depending upon the workload.

(Point Closed, ADC/P&E)

5.8 Point : M/s. Mirc Electronics Ltd vide letter dated 30.07.2013 has stated that a PN may be issued for procedure to be adopted while filing S/B under Section 74 as well as issuance of Credit Note.

Reply : Commissioner informed that the provision of crediting the duty drawback paid through scrips is allowed in terms of P.N No. 137/2011 dt. 16.11.2012.

(Point closed, ADC Export Docks)

5.9 Point : FIEO vide letter dt. 30.07.2013 has made a reference of M/s. Balakrishna Industries Ltd with respect to verification and monitoring of DEEC/Advance Authorisation scrips – System of random selection.

Reply : Commissioner informed that as per para No. 5 of Public Notice No. 11/2011 dt. 10.02.2011 “in cases EODCs issued by DGFT do not bear the requirement of verification of exports by Customs, the DEEC Monitoring Cell may, however, verify details of exports and other related aspects on random basis”. Also as per para 5 of Standing Order No. 09/2011 dt. 10.02.2011 “DEEC Monitoring Cell may however, verify EODC on random basis in 5% cases where it is not bearing the requirement that the Customs department should carry out verification. Selection of 5% cases for random verification may be carried out on the criterion like sensitive items, high value exports by relatively unknown exporters, exporters whose addresses appear incomplete/suspicious, exporters appearing in the Denied Entity List of DGFT,

exports made through other ports etc". Hence, in view of the said criteria EODCs issued against Adv. Authorization of M/s. Balakrishna Industries Ltd., have been selected for random verification.

(Point Closed, ADC/DEEC Monitoring)

5.10 Point : FIEO vide e-mail dated 06.08.2013 raised an issue of exporter M/s. Kotak Bros, wherein they stated that an Alert was issued against their IEC in 2006 and subsequently after obtaining NOC from CIU the said alert was removed from EDI system in the year 2007. However, due to recent upgrade in the operating system of EDI the Alert has resurfaced in the system in July 2013.

Reply : DC/Drawback informed that the alert in the system is as per file No. of SIIB (X) and the non-removal of this may be due to some system error. However, the fresh NOC given by CIU & SIIB may be submitted to Drawback Section and the said alert will be removed, to which M/s. Kotak Bros agreed to.

(Point Closed, DC/Drawback)

5.11 Point : TEXPROCIL raised an issue of pending drawback claims of GTN Industries who had filed supplementary claims for increase in the duty drawback rates with retrospective effect.

Reply : DC/Drawback informed that the list of the supplementary claims may be submitted to Drawback Section and the same will be processed on merits.

(Point Closed, DC/Drawback)

5.12 Point : TEXPROCIL raised an issue of pending drawback claim of exporter M/s. Tavoy Workwear, M/s. Parmeshwari Fabrics Pvt. Ltd. and pending release of EP Copy of Shipping Bill of M/s. Parmeshwari Fabrics.

Reply : DC/Drawback informed that in respect of M/s. Tavoy Workwear the Scroll has been generated and drawback is disbursed and in the case of M/s. Parmeshwari Fabrics the said Shipping Bills is not under Drawback queue. With respect to non-generation of EP copy of M/s. Parmeshwari Fabrics, it was informed that the said topic has been discussed above in point No. 5.5. Hence, the exporter may follow the said Standing Order as mentioned in point No.5.5.

(Point Closed, DC/Drawback)

5.13 Point : TEXPROCIL raised an issue of problems faced by exporters in exporting to Houston port, USA through M/s. Safemarine.

Reply : Commissioner informed that since the problem is not directly relating to Customs, matter may be taken up with the concerned Shipping Line.

(Point Closed)

5.14 Point : TEXPROCIL mentioned about problems faced by exporters by way of frequent break-down with ICEGATE servers. Also through ICEGATE exporters are not getting pending claim list of Drawback, Shipping Bill No. wise with reasons for pendency.

Reply : Commissioner informed that the break-down of ICEGATE servers were temporary and it took place only on one or two occasions. However, the matter will be referred to DG (Systems) for resolving it. It was also informed that there is a provision on the ICEGATE to check the pending drawback claims Shipping Bill No. wise and the reasons for pendency are also reflected.
(Point Closed)

6. Trade representatives requested that the meeting may be scheduled on 11.30 hrs instead of 16.00 hrs. Commissioner agreed to it and the members were informed that the next PTFC meeting is scheduled to be held on 26.09.2013 at 11.30 hrs in Conference Hall, 7th Floor, JNCH. The PTFC members/trade representatives are requested to forward their agenda points, if any, well in advance i.e. 10 days in advance on Fax No. 022-27243245 or by E-mail to Appraising Main (Export) Section on amx24082012nhavasheva@gmail.com 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 Commissioner of Customs (Export), JNCH.

Sd/-27.08.2013

(V. Rajendran)

**Addl. Commissioner of Customs,
Appraising Main (Export), JNCH.**

To,

All the Members of PTFC by e-mail

Copy to:-

1. The Chief Commissioner of Customs, Mumbai Zone-II, JNCH, Sheva.
2. The Commissioner of Customs (Export), JNCH, Sheva
3. All ADC/JC, DC/AC of Customs (Export), JNCH, Sheva.
4. AC/EDI for uploading on JNCH website.
5. Office Copy.