

**OFFICE OF THE COMMISSIONER OF CUSTOMS (NS I & III)
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA
DIST. -RAIGAD, MAHARASHTRA - 400 707**

F. No. S/22-Gen-01/2014-15 AM (I) NS-III

Date: 01.04.2016

**MINUTES OF MEETING OF THE PERMANENT TRADE FACILITATION
COMMITTEE MEETING FOR NS-I, III & V HELD ON 23.03.2016**

The PTFC meeting held on 23.03.2016 was co-chaired by Shri Rajeev Tandon, Principal Commissioner NS(G) & NS-II, Shri D.K.Srinivas, Commissioner of Customs, NS-I & III and Shri Subhash Agrawal, Commissioner of Customs, NS-IV & V and attended by the following Members/Participants of trade -

Sr. No.	Names (S/Shri)	Organization/Association/Designation
1	Ashish Pednekar	BCHAA
2	Shankar Shinde	RCCI
3	Milan Desai	BCHAA
4	Raghav Uchil	AMTOI
5	Norman Fernandes	CSLA
6	Nimish Dessai	WISA
7	Mohan Nehalani	AIIEA
8	Sailesh Bhatia	BCHAA
9	Ganpat Korade	BCHAA
10	V.K. Agarwal	ONIDA
11	P. Banerjee	Asst. Director, FIEO
12	Shailesh S. Parvez	FIEO
13	Manish Kumar	MANSA
14	D.L. Thakker	BCHAA
15	Paresh Shah	BCHAA
16	K.M. Tope	MSWC CFS
17	Subhash Rajkumar	MANSA
18	Victor Fernandes	MANSA

Following officers from Department attended the meeting -

	Name (S/Shri)	Designation
01	Aseem Kumar	Addl. Commissioner of Customs, JNCH
02	Asir Tyagi	Addl. Commissioner of Customs, JNCH
03	Dilip Goyal	Addl. Commissioner of Customs, JNCH
04	Nilkanth Shelke	Addl. Commissioner of Customs, JNCH
05	Rajesh Agarwal	Addl. Commissioner of Customs, JNCH
06	Shri A.K. Goel	Addl. Commissioner of Customs, JNCH
07	S.K. Vatsa	Jt. Commissioner of Customs, JNCH
08	Dilip Bhilegaonkar	Jt. Commissioner of Customs, JNCH
09	Shri B.L. Reddy	Asst. Commissioner of Customs, JNCH

2. At the outset, the Chairpersons welcomed all the members. Thereafter, the Chairpersons informed that the Department has issued a Public Notice for reconstitution of the PTFC which was reconstituted 6 years back in the year 2010 in order to include more non-participating Agencies into the PTFC. Thereafter, the Jt. Commissioner, Appg. (Main) (Import) started the meeting

with the announcement of the following facilitation measures for Ease of Doing Business during the last 1 month.

- 1) Permission for Direct Port Delivery to 08 ACP status holder Importers have been granted in the month of March, 2016 and another 08 applications are under process of granting DPD permission.

During the discussions on this issue, it was briefed that on receipt of application for DPD, NOC is obtained from the respective group and the DPD facility is granted within a week's time. On enquiry from the trade side, it was informed that as far as Customs is concerned, the only condition is the importer should be an ACP client and as far as the Port Trust is concerned, the condition of minimum volume of 300 TEUs imposed by them has been relaxed. However, all other conditions such as maximum time within which container are to be cleared from Port etc. remains unaltered (status-quo).

- 2) Standing Order No.18/2016 dated 25.2.2016 issued regarding Change in ICES to stop referring Ex-Bond Bs/E for NOC to participating Govt. Agencies.
 - 3) Standing Order No.21/2016 dated .03.2016 issued keeping all the Groups, Docks and EDI opened on all Saturdays till 31.3.2016.
 - 4) Facility Notice No.36/2016 dated 25.2.2016 issued regarding Posting of Officers in Import Noting Section on Saturdays/Sundays and Holidays for smooth SMTP Message.
 - 5) Public Notice No.39/2016 dated 3.3.2016 issued regarding Mobile App. For lodging of Public grievance
 - 6) Public Notice No.48/2016 dated 17.3.2016 issued for Simplification of Customs procedure for Port Clearance
 - 7) Facility Notice No.41/2016 issued regarding Ease of Doing Business - Creation of dedicated Drawback Facilitation Counter for resolution of queries
 - 8) Facility Notice No.44/2016 dated 11.3.2016 issued for Re-constitution of PTFC in Import Commissionerate.
 - 9) Facility Notice No.47/2016 dated 15.3.2016 issued for simplified procedure for the amendments in the IGM
 - 10) Public Notice No.50/2016 dated 17.3.2016 issued for discontinuation of manual debit of EPCG Licence.
 - 11) Public Notice No.51/2016 dated 17.3.2016 issued for discontinuance of manual debit of Advance Licence.
 - 12) Standing Order No.20/2016 dated 2.3.2016 regarding centralized BG Cell has been issued.
 - 13) Re-vamping of the procedure of sampling and forwarding it to Textile Committee within 24 hours (reducing it from 48 hours) and better coordination/liaison with the Textile Committee to test the sample and forward the report, has been issued.
3. The measures initiated by the Customs especially the DPD facility and the simplification of procedure for Port Clearance was welcomed and thanked by the members of the Trade. The Chairpersons observed that even though the

officers are available on holidays, the response from the trade is less than satisfactory and requested the trade to utilize the same in the light of 24 x 7 roll out.

4. Further, the Chairpersons informed that as a measure of trade facilitation, the Department has issued a Public Notice No.53/2016 dated 23.3.2016 for implementing integrated declaration under the Indian Customs Single Window. This project envisages that the importers and exporters would electronically lodge their Customs clearance documents at a single point only with the Customs. The required permission, if any, from Participant Government Agencies (PGAs) such as Animal Quarantine, Plant Quarantine, Drug Controller, Food Safety and Standards Authority of India, Textile Committee etc. would be obtained online without the importer/exporter having to separately approach these agencies. The Single Window would thus provide the importers/exporters a single point interface for clearance of import and export goods thereby reducing dwell time and cost of doing business. The Chairpersons requested the Trade to go through the same and give a feed-back, if any. It was also informed that integrated declaration has been available for testing since 15.3.2016. Thereafter, the Agenda points were taken up for discussion.

5. Physical Endorsement of SMTP:

One of the Trade member informed that Mundra Customs has issued a Public Notice in this regard. The Chairpersons requested to submit a copy of the same and directed the concerned Officers to study the Public Notice and issue a similar one after making necessary change, if required.

It was informed that the Facility Notice No.53/2015-16 issued by Mundra Customs was examined and found that the same is regarding migration from manual processing of SMTP to electronic processing and at JNCH, since we are already having 1.5 system, the SMTP messages are transmitted to Shipping line using bridge of ICEGATE. It was informed that for discontinuation of the physical endorsement of SMTP, Public Notice No.57/2016 dated 22.3.2016 has already been issued.

(Point closed)

6. Acceptance of IGM/EGM on Holidays:

It was informed that Facility Notice No.36/2016 dated 25.2.2016 has already been issued for accepting the filing of IGMs and EGMs on all Saturdays & Sundays.

(Point Closed)

7. Permission for bonding u/s 59 pending test reports:

Bonding under Section 59 may be allowed pending Test Reports, FSSAI NOC, Textile Committee report etc at the time of assessment of Into-Bond Bills of Entry and the same could be verified at the time of ex-bonding the goods to reduce the transaction cost/mounting demurrage/detention charges.

It was informed that comprehensive review/overhauling of Warehousing Procedure is under consideration by the Board and it was therefore, decided to defer the issue.

(Point closed)

8. Payment of Single Merchant Over Time in view of latest changes in the Customs Manual on MOT.

(i) Issue: In accordance with the para 3.2 of Chapter 12 of the Customs Manual, in case a Customs Broker handles more than one Bill of Entry/Shipping Bill of an importer/exporter, he need not pay separate set of fee for each such document. Similarly, if an exporter or importer has more than one activity to be supervised by Customs during the same block, he need not pay overtime fee for each activity separately. Hence, in view of the above, Custom Broker has to pay only a single MOT for multiple jobs even though there may be more Bs/E and Shipping Bills.

The ADC/Prev.(Gen.) briefly explained the situation/relevant provisions under which the MOTs are being collected. He quoted the explanation given to to Para 3.1, 3.2 and 3.3 of Customs Manual regarding Merchant Overtime as under:

"In case of Customs Broker handles more than one Bill of Entry/Shipping Bill of an importer/exporter, he need not pay separate set of fee for each such documents. However, it appears that it is applicable when the conditions set in para 3.1 is not violated i.e. A separate fee will be charged if either the Customs Broker, vessel, party (Importer/Exporter) changes. Therefore, in the context of para 3.1 the Customs Broker has to pay single MOT provided that Customs Brokers, vessel and importer/exporter are same. IN addition to this, supervision has to be done in single CFS/Place. IN case supervision work of an importer/exporter pertains to different CFS, then it seems overtime has to be paid for each CFS. Further, if an importer/exporter have more than one activity to be supervised by Customs during the same block, he need not pay overtime fee for each activity separately. In this regard also context of para 3.1 applies and it should be in same place".

The ADC/Prev. (Gen.) stated that in view of the above, the Import Bond Section of Mumbai Customs Zone-I has submitted a proposal to the Chief Commissioner of Customs, Zone-I to be forwarded to the Board and thus we may await for the outcome. It was therefore, decided to defer the issue.

(Point closed)

(ii) From the trade side it was informed that since the volume of exports have been increased they face certain difficulties in payment of O.T charges at late evening on Friday and on Saturdays as the Cash Section is not working on Saturdays. It was informed that in earlier days, they used to give an undertaking that the payment of Overtime charges will be made on the next working day and on that basis they used to get the Officers deputed on OT. However, this facility is not available presently. In this regard, they requested for a joint meeting to discuss the issue and sort out the same. The Chairpersons informed that if BCHAA is ready to back up the payment of OT charges by the

individuals, the reforming of the procedures will be done, if necessary by issuing a Public Notice in this regard before the next PTFC Meeting.

Action: ADC/Preventive (General)

9) Bond/EOU/Gr.VII Digitization: Request for removal of manual registers at Bond Section/EOU/Gr.VII etc.

Issue: From the BCHAA side, it was explained that in Bond Section, EOU and Gr.7, a lot of manual entries in the registers are being carried out and if that can be digitized, the time and paper work involved could be minimized.

It was informed that in the Finance Bill, 2016, there is a proposal of complete revamping/overhauling of Warehousing Procedures. Till such time the Finance Bill is enacted and the changes are made operational, any proposal for changes in the present format of ICES 1.5 version of the System will be a futile exercise and wastage of time. It was therefore, decided to defer the point till the enactment of Finance Bill, 2016.

With regard to Group-7, the issue will be examined.

Action: ADC I/c (Gr.7D,7U,7G)

10) Shifting of imported goods to local containers:

After brief discussions, the Chairpersons informed that though there exist a Public Notice No.1/2013 in this regard and it is an issue of non-adherence of the procedures by the CFSs and asked the CFS Management Cell to issue suitable instructions to all CFSs for implementation of the Public Notice. The ADC/CFS Management Cell informed that they have called for a Meeting of all the CFSs on 4th April, 2016 and the issue will be discussed and a solution will be arrived at.

Action: ADC/CFS Management Cell

11. Delay in testing of samples.

One of the trade member stated that in case of testing of samples, DYCC takes considerable time to inform that the facility to test such goods is not available with them and as a result the clearances are getting delayed and therefore requested that they be permitted to draw the sample on their own and send it to the Govt. approved Lab. for test.

It was informed that the Jt. Director, DY.CC has assured that in case the DyCC is not in a position to test any sample, the same would be informed at the stage of receipt/registration of the sample itself and that they will try to test the samples with the least minimum possible time without any delay even though they face acute shortage of staff strength.

From the trade side, it was informed that the problem of delay in testing is a long standing issue and requested that priority should be given for testing of samples of live Bill of Entry like first check Bill of Entry etc. to avoid heavy demurrage/detention charges and in case of work-load, sending of the samples to Govt. recognized Private Lab could be considered.

After a brief discussion, Shri B. Halshet, Chemical Examiner Gr.I, who was present in the meeting, was directed by the Chairpersons to make a chart for the last three months detailing number of samples received/number of samples returned without testing, the time taken to inform the inability of testing, time taken to test the samples etc. so that the issue can be analyzed and a permanent solution could be arrived at.

Action: Jt. Director, CRCL

12. Providing of ledger copy of Bond Details in SVB cases:

In this regard, attention of the Trade was invited to the Facility Notice No.29/2016 dated 22.2.2016, by which the practice of manual debit of SVB bond has been discontinued. Further, as per the Facility Notice, submission of Annexure D & E to the schedule to the Board Circular No.05/2016-Cus dated 9.2.2016 is mandatory and has to be submitted at the time of filing the Bs/E giving the details of amount available/debit/balance available etc. by the importer/Customs Broker and the Broker may keep a check on the debit made and balance available in the SVB Bond. However, in case of any other situation, "ledger copy of Bond details" will be provided by Group/SVB Cell on case to case basis.

(Point closed)

New Points:

13. Updation of JN Customs Website:

The website of JN Customs to be updated from time to time.

It was informed that due to frequent changes/transfer orders of the Officers, the updating was delayed. However, the same has now been taken care and updated. In this regard, the Chairpersons asked the EDI officers to update the changes immediately on relief of the officers from the concerned Sections/Departments.

(Point Closed)

14. Name and contact details of DCs and ADCs to be displayed in CFSs.

It was observed that the contact details of DCs and ADCs are not being displayed at some of the CFSs. Request to display the contact details of DCs and ADCs in all the CFSs.

It was informed that the Addl. Commissioners in-charge of the Docks are regularly visiting their concerned CFS on all Saturdays and the details of names of the officers of DCs and ADCs/SIIBs are found to be displayed at all the CFSs. However, in case of any specific instances of non-displaying, the same should be brought to the notice of the CFS Management Cell and it will be taken care. The Chairpersons asked the ADC, CFS Management Cell to ensure displaying the Officers details in all the CFSs.

(Point closed)

15. Platt/LME copies not available in JN Customs

In the past, this issue was discussed. LME copy/Platt Copy/ICIS Bulletin copies are not available in the group from time to time which leads to delay in assessment. JNCH to subscribe for the same or otherwise arrangement may be made for timely availability of the same.

It was informed by the Chairpersons that the concerned Group ACs/DCs have already been instructed to refer the LME/Platt prices available on DGOV website which now can be accessed without closing their regular assessment screen.

(Point Closed)

16. Bond digitization/Bond formality simplification:

This issue was discussed in the past. Request to expedite the process of the same.

Same as per point No.10 above.

(Point Closed)

17. Printing of Bs/E with accessories details:

Accessory details provided in Import and Export Declaration are not being displayed in the screen and are not getting printed in the Final B/E or S/B which leads to non communication of details given under the Accessories box to respective agencies, namely Central Excise, DGFT etc. Request to take up this message with RMD and Systems Directorate.

It was informed that feedback from Docks officer and CHAs have been taken and it has been stated that accessories details in the Annexure of Import of Import and Export Declaration is getting printed in the final B/E and S/Bs. In case the accessories details are not getting printed in the B/E or S/B, the same may be forwarded to EDI Section so that the matter can be taken up with the Directorate of Systems, New Delhi.

In addition to the above problem of non-appearance of the accessories details such as part number, model no. , from the trade side, it was stated that through there exist many features/amendments menu in the system, the same are not activated and if activated, amendment procedures can be done online.

After a brief deliberations/discussion, the BCHAA was requested to provide the screen shots of the exact problem in which they are unable to see the accessory details such as model no., part no./catalogue part/composition/re-export details etc. and the ADC, EDI was asked to look into the matter and sort out, if necessary by referring it to DG Systems.

Action: ADC/EDI

18. Single Window Clearance out of scope items for various allied Act Agencies.

(i) Request to review list of Out of Scope of items for all Allied Act Agencies from time to time and to remove the same from the scope of CCR so that such items are not referred to respective Agencies.

It was also informed by the Trade/BCHAA that the issue was also raised before the Commissioner (Single Window) during the recent meeting held at Mumbai and was informed that out of scope CTHs have been de-mapped and accordingly they were bit facing such problems for a week's time and such issues are arising again.

It was explained that Single Window System is in initial stage and that in one CTH there would be many descriptions and the system is unable to distinguish which are the items to be referred to Allied Agencies and which are not to be referred. The BCHAA and the Trade were requested to provide list of items, Agency-wise (ADC/FSSAI/AQ/PQ etc.) which are (i) wrongly been referred to and (ii) items, which are not being referred, so that corrective measures/de-mapping of "Out of Scope" items can be carried out.

Action: BCHAA // ADC(EDI)

(ii) The representative of M/s Onida informed that they are an ACP Client and all their Bills of Entry are RMS facilitated one. In case of import of MRP items, though the Bill of Entry is RMS facilitated, sometimes at the bottom of the RMS Bs/E, they get the CCR instructions to verify the correctness of the MRP declared. Accordingly, the Docks officers are insisting them to open the RMS facilitated containers. The Chairpersons asked the representative of M/s Onida to give sample copies of such Bills of Entry to examine the issue.

Action: M/s Onida // ADC/EDI

19. Refund of 3% duty Cess collected from importers:

Post Budget, all Bs/E were assessed with 3% duty cess and the duty was also paid by the importers. Request to refund the 3% duty cess and also the procedure for this refund has to be simple.

The Chairpersons informed that any refund arising out of excess payment has to be dealt with under Section 27 of the Customs Act, 1962 and asked the Jt. Commissioner (Refund) to personally monitor the pendency and expedite the refund of all such cases.

(Point Closed)

20. Part Delivery not allowed by Customs when any one container selected for scanning.

It has been informed by the members that Customs do not allow part delivery when any one container is being selected for scanning purpose. Request to allow part delivery of balance containers.

The Chairpersons informed that this problem crops up only during the strike period and since the strike period is over, no such problems are presently there.

(Point Closed)

21. The members of the meeting were informed that the next PTFC meeting shall be held on **28.04.2016 at 11.30 am at Conference Hall, 5th Floor, JNCH**. The Chairpersons requested all the Association Members to forward their agenda points, if any, at least **03 working days in advance** on Fax No. 022-27243245 or by e-mail to Appraising Main (Imp) Section on appraisingmain.jnchimp@gmail.com for taking up the issue in the upcoming PTFC meeting.

22. The meeting ended with thanks to the Chair.

23. This issues with the approval of the Commissioner of Customs NS-I & III and Commissioners of Customs NS-IV & V.

--Sd--

(B.L. REDDY)

**ASST. COMMISSIONER OF CUSTOMS
CENTRALISED APPRAISING MAIN,
NS-I, III & V JNCH**

To

All the Members of PTFC

Copy to:

1. The Pr. Chief Commissioner of Customs, Mumbai Zone-II, JNCH, Sheva.
2. The Chief Commissioner, Directorate General of Taxpayer Services, New Delhi.
3. 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)
4. The Pr. Commissioner/All Commissioner 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.