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मुख्य सीमाशुल्क आयुक्त कार्यालय, मुंबई अंचल-II

Office of the Chief Commissioner of Customs

Mumbai Customs Zone-II

जवाहरलाल नेहरू सीमाशुल्क भवन /JAWAHARLAL NEHRU CUSTOM HOUSE

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MINUTES OF CUSTOMS CLEARANCE FACILITATION COMMITTEE (CCFC)
MEETING HELD ON 24.05.2022 AT 11.30 AM

The Customs Clearance Facilitation Committee (CCFC) Meeting was held on 24.05.2023 in hybrid mode i.e. virtual and physical. Shri Rajesh Pandey, Chief Commissioner of Customs, Mumbai Customs Zone-II, Nhava Sheva presided over the meeting. The list of participants in the meeting is attached as per Annexure-I. The meeting was convened by Shri Mohit Jangid, Dy. Commissioner of Customs, CCO, JNCH.

At the outset the Chairman welcomed all the participants who were present physically or virtually. He requested the participants to adhere to the agenda points and indulge in solution-oriented discussion, leading to solutions to the issues raised in the agenda points.

With this the floor was opened for discussion of agenda points.

2 . 0 Discussion on open Actionable Points carried forward from previous Meeting held on 03.02.2023:

2.1 Uniform Implementation of PN No.76/2020 pertaining to Liquid Bulk Imports and Procedures issued by Mumbai Customs Zone-I. (Para 2.1 of the minutes of CCFC Meeting dated 03.02.2023).

Response: It was informed that the matter was taken up in the last NAC meeting dated 03.04.2023. The Chief Commissioner of Customs, Bhubaneswar Zone (Co-Convener) had directed all Nodal Commissioners to give views / opinions / suggestions on this issue to adopt a uniform approach across all NACs. Till date, no response has been received from any Zone. In light of this, before the CCFC meeting, the issue was discussed between Chief Commissioner, JNCH and the Commissioner, NS-I, and it has been decided to issue a Public Notice with suitable modification in Public Notice No. 76/2020 issued by Mumbai, Zone-I.

(Action: NS-I)

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2.2 Containers on hold in CFS & Ports for several months for CIU examination. (Para 2.4 of the Minutes of Meeting dated 03.02.2023).

Response: It was informed that in the last CCFC meeting, the CSLA was requested to provide list of all such cases. The same was not provided. Further, it was informed by the Additional Commissioner of Customs, CCO, JNCH that all the containers pending with CIU have been examined, and some of the consignments which are yet to be released are pending due to ongoing investigation.

(Point Closed)

2.3 Long Standing Containers. (Para 2.5 of the Minutes of Meeting dated 03.02.2023).

Response: The Commissioner of Customs (NS-General) informed that considerable measures have been taken to dispose of the long-standing containers. Further, it was informed that Quarterly targets have been fixed for disposal of long-standing containers, and over the last three quarters considerable progress has been made. 601 containers have been disposed against the target for disposal of 600 containers in the last quarter. Further, progress will be made in the coming months.

In respect of long-standing containers pending due to investigation by investigating agencies, the Commissioner of Customs (NS-General) informed that SIIB (Import) has come up with Standard Operating Procedure (SOP) which has been issued recently to minimize the pendency of long-standing containers. Further, the Commissioner of Customs (NS-General) sought co-operation from the importers and stakeholders to come forward for the examination of the goods, and in case where importer is not available than co-operation of the stakeholders was sought for the examination of the goods as per 'Standard Operating Procedure'. In respect of other investigating agencies co-ordination is being done through a task force.

The Additional Commissioner of Customs (CCO, Zone-II) opined that age-wise segregation of long-standing containers should be done to prioritize the disposal of long-standing containers. Mr. Samir Vasvani (CSLA) informed that age-wise bifurcation of long-standing containers has been submitted. The Chair also requested CFSAI to provide the CFS wise list of long-standing containers with age-wise breakup of such containers so that there is no mismatch with the list provided by CSLA.

(Action: CFSAI and NS-General)

2.4 Issues related to Out of Charge of Ex-Bond Bill of Entry. (Para 2.12 of the Minutes of Meeting dated 03.02.2023).

Response: It was discussed that Ex-Bond Bill of Entry comes in the system in a sequential and automated manner and 'Out of Charge' is given sequentially. Therefore, there is neither any need of presenting hard copies of documents for getting Out Of Charge of ex-bond Bills of Entry, nor is it helpful in any manner.

(Point Closed)

2.5 Standardized examination orders are being issued by System : Trade may give their feedback on the same. (Para 4.4 of the Minutes of Meeting dated 03.02.2023).

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Response: Bills of Entry are invariably assessed with System Generated Standard Examination Orders. The Chair requested BCBA to provide sample Bills of Entry where examination order other than system generated standard examination order has been given, so that the same can be examined, and if needed, suitable instruction can be issued. The Chair also suggested that regular feedback should be given, and anomaly noticed in examination order, if any, should be brought to the notice of senior officers for systemic improvement. The BCBA raised concern about getting approval of sample withdrawal from competent authority in the cases where supplementary order for sample withdrawn has been given. The Additional Commissioner of Customs, CCO, Zone-II requested the BCBA to forward the details of such cases and assured to examine such cases.

(Action: BCBA)

2.6 Port Clearance permission to be issued electronically as per JNCH PN 67/2020. (Para 6.4 of the Minutes of Meeting dated 03.02.2023).

Response: The committee was informed by CSLA that after verifying all the physical documents by the marine in charge of port terminal, vessel allotment letter is given; that the Customs authorities can directly access all the documents through the port authority and the Shipping agent need not submit hard copies of the documents again to Customs for issuing Port Clearance permission. Commissioner (General) assured to have a specific meeting with all the stakeholders and examine the issue. The Chair appreciated the idea and assured the stakeholders that the matter will be examined for possible implementation.

(Action: NS-General)

2.7 Issues related to NOC issued for similar products. (Para 7.3 of the Minutes of the Meeting dated 03.02.2023).

Response: The FSSAI officer informed that they could not feed report against two different serial number having the similar goods in a Bill of Entry, where sample is drawn against one item. After discussion among the members, it has been decided that suitable comments/reports in respect of FSSAI NOC should be fed by the FSSAI Officer as they are the proper officer and had taken a call of drawing a single sample in case of multiple similar items in the Bill of Entry. In case of any difficulty related to System, the same should be discussed with officers of EDI Section.

(Action: FSSAI)

2.8 Standard Operating Procedure for granting Plant Quarantine (PQ) NOC for home consumption of unclaimed/uncleared goods under section 48 of the Customs Act, 1962. (Para 8.4 of the Minutes of Meeting dated 03.02.2023).

Response: The Deputy Commissioner, CCO informed that CFSAI has not furnished the requisite details; that once the CFSAI furnishes the details, the matter will be taken up with Ministry of Agriculture and Farmers welfare. The Chair suggested that the point may be closed and may be taken up again once the CFSAI is ready with the details.

(Point Closed)

2.9 Facility for AEO Exporters. (Para 9.2 of the Minutes of Meeting dated

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03.02.2023).

Response: The Committee was informed that despite the AEO status of an IEC being available in the database, the System does not show the exporter being an AEO at any stage of the Shipping Bill passing through Customs clearance, and this requires necessary modification in the System. Thus, it was agreed that the matter needs to be taken up with the Directorate General of Systems.

(Action: NS-II)**2.10 Heavy congestion at the BMCTPL Gate leading to delay in clearance of Export Consignments. (Para 9.3 of the Minutes of Meeting dated 03.02.2023).**

Response: The steps to reduce the congestion at the BMCTPL have already been taken & the situation has improved.

(Point Closed)**2.11 Automation of System Generated Prints of Bill of Entry in Cases where Provisional to Final has taken place. (Para 9.4 of the Minutes of Meeting dated 03.02.2023).**

Response: In this regard, the problem faced by trade has been communicated to the Directorate General of Systems and their response is awaited. It was requested that the Directorate General of Systems may be invited to attend CCFC meeting, as majority of issues pertain to Directorate General of Systems. The Chair assured that Directorate General of Systems will be requested to join the next CCFC virtually. However, it was pointed out that Directorate General of Systems may find it difficult to attend all such meeting.

(Action: NS-I)**2.12 Creation of Appropriate Seating Facilities for Representatives of Trade and Industry who are required to visit Custom House for any matter. (Para 9.5 of the Minutes of Meeting dated 03.02.2023).**

Response: It was informed by the Deputy Commissioner, CCO that some initiative has been taken in this regard to create adequate seating arrangements in the waiting area on the 5th, 6th & 7th floor in the JNCH building. The Chair informed that the said matter had been suo-moto taken in Infrastructure Committee meetings, wherein, it was decided to make seating arrangements in the waiting area on the 5th, 6th & 7th floor in the JNCH building, and additional steps will be taken to create a basic comfort and ambience for visitors to the Jawaharlal Nehru Custom House.

(Action: NS-General)**2.13 Regarding doing away with Manual Procedure for Amendments in Case of Seal Mismatch. (Para 9.7 of the Minutes of Meeting dated 03.02.2023).**

Response: It was submitted by the Trade that there is a manual procedure to amend the seal no. in the IGM as per Public Notice No. 99/2021 dated 06.12.2021 issued by the Commissioner of Customs, NS-General, JNCH and Public Notice No.

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101/2021 dated 09.12.2021 issued by the Deputy Commissioner of Customs, Import Noting, JNCH; that however, there is no provision in the System to amend seal no. in the System, which makes all the procedure manual. The Commissioner of Customs, NS-General enquired about the volume and reason of such seal mismatch. The Chair requested the Stakeholders (CSLA and BCBA) to come up with the number of amendments made in the last quarter to understand the enormity of the problem. The Committee members concluded after discussion that the matter needs examination and it was decided that a considered decision will be taken keeping in mind all the risks involved.

(Action: NS-General)

2.14 Difficulties being faced with regards to Textile Shipments. (Para 9.8 of the Minutes of Meeting dated 03.02.2023).

Response: Trade has raised concern about the examination order requiring to forward samples even in cases where issue of Azo dyes or duty difference is not associated with the imported fabrics consignment. The Additional Commissioner of Customs (CCO, Zone-II) enquired whether the issue is with System generated examination order or supplementary examination order given by the assessing group, as both the issues should be dealt separately. It was informed that testing is not only required for verification of declared description to confirm the duty calculation, but also to ascertain correctness of the declared value. Even in cases where the duty has been assessed at correct rate for the declared description, however, the value may be under-stated. Value of the subject goods depends on GSM, thickness, type of coating, constituent material etc. Testing is required to ascertain the classification, valuation, applicability of anti-dumping duty and other parameters. The Commissioner of Customs, NS-III sensitized the Trade through BCBA association that the proper reply of the queries and uploading the Previous Test Report (PTR) would help in mitigating the problem. The Trade informed that many a time Test Report of load Port / PTR is being uploaded in e-sanchit, which apparently is not visible in the System and needs to be uploaded again through CMC. The Committee agreed to examine the issue.

The Textile Committee representative informed that sometimes the test memo does not contain precise queries for which the sample is required to be tested. The Chair informed that training session of officers of the concerned appraising Group by Textile Committee will be conducted to guide the officers to write the test memo properly with all necessary and relevant tests by standardising the parameters of testing. The same was agreed to by the Textile Committee, and it was agreed to have the said training in the coming week.

(Action: NS-III and Textile Committee)

2.15 Delays in Cancellation of Bonds and Bank Guarantees under Advance Licences. (Para 9.9 of the Minutes of Meeting dated 03.02.2023).

Response: The Commissioner of Customs, NS-II informed that DGFT shifted to a new System, owing to which the facility of uploading / printing the Export Obligation Discharge Certificate (EODC) by the stakeholders was not functional earlier; that however, now it is operational. BCBA also confirmed the same.

(Point Closed)

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2.16 Delay in scanning process of Import ICD Containers. (Para 10.1 of the Minutes of Meeting dated 03.02.2023).

Response: The representative of MANSA informed that though the situation has improved, however, there is no substantial improvement in time taken for scanning of Import ICD containers. BMCT informed that in past only few consignments were selected for scanning which were managed through a manual process, and IT infrastructure is yet to come up. For the time being, software-based container tracking has been introduced as a workaround solution. The Chair asked the MANSA to give feedback in this regard. Also, it was suggested to explore the possibility of using new stationery scanner inaugurated in January for the containers arriving at BMCT, which may further lower the waiting time for scanning the ICD Containers.

(Action: NS-III, BMCT)

2.17 Permission for movement of Shipping lines representatives having port entry pass through inter terminal express BMCT gate for performing Customs boarding & vessel husbandry activities. (Para 10.2 of the Minutes of Meeting dated 03.02.2023).

Response: The Deputy Commissioner, CCO communicated that BMCT has no objection to the said request subject to NOC from Customs, CISF and JNPA. Commissioner of Customs, NS-General enquired about the impact on the existing traffic, if representatives of Shipping lines are allowed port entry and pass-through inter terminal express BMCT gate. In this regard, it was informed by the concerned port terminal, i.e. BMCT that there are hardly 2-3 vessels in a day. The representative of JNPA informed that they have communicated to MANSA that they have no objection to use the internal road (it is called TP3 Road) for immigration, sign on, sign off and vessel handling purpose.

(Point Closed)

2.18 Sailing report document to be accepted by boarding department in email message as per PN No. 15/2022. (Para 10.2 of the Minutes of Meeting dated 03.02.2023).

Response: The Commissioner of Customs, NS-General informed that the procedures laid down vide PN No.15/2022 are being followed by the Boarding Office, JNCH. The Sailing Report documents sent by the concerned Shipping Line through e-mail messages, are being processed invariably by the Boarding Office.

(Point Closed)

3.0 Agenda points sponsored by Western India Shipper's Association (WISA):**3.1 IDPMS/EDPMS not reflecting BE and SB details:**

Due to ICEGATE issues Bills of Entry are not reflecting on RBI's IDPMS portal, resulting in hardship to trade in remitting forex and suppliers refusing to ship further material. It was suggested to issue a Circular to all banks to accept OOC Bill of Entry copy containing QR code as proof of import for making foreign remittance till ICEGATE issue persists.

Response: It was informed that the matter has already been taken up with

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Directorate General of Systems. It was assured that in view of the continuing problem, the matter will be followed up.

(Action: NS-I)

3.2 All new initiatives be taken up after due consultation with the trade:

It has been observed in recent past that major changes are being made by Directorate General of Systems without proper consultation with the Trade. This is also creating unnecessary hardship, delays, demurrage, container detention, increase in dwell time and transaction costs. Couple of recent examples are mandatory re-assessment of already assessed / facilitated advance Bills of Entry requiring amendment in IGM related fields and implementation of ECL for payment of customs duty introduced from 1st April, 2023

Response:

A. The Chair informed that all the changes are usually implemented in the System after sufficient preparation and after due consultation with all the stakeholders. Every major progressive initiative takes time to stabilise, as multiple Systems of various organisations are involved. The issues faced in the transition period of rolling out the ECL have now been resolved, after marathon efforts by the team of Directorate General of Systems. Also, the Officers of JNCH had been proactively working to facilitate clearance of cargo during the transition period.

B. It was pointed out that every time while crediting the ECL, Virtual Account Number is required to be generated for every challan and for the first-time payee. Different banks have time limit constraints to approve first-time payee which is resulting in delay in processing each transaction, as fresh Virtual Account Number is being generated. The Chair assured that the issue will be taken up with the Directorate General of Systems.

C. It was pointed out that for the payment which was not linked to the Bill of Entry through ECL in its transitional period, the Trade had to pay again for the same Bill of Entry, that the System had calculated interest on the late payment, and the Trade is concerned about the refund of the said interest paid. Further, it was pointed out that still there are Bills of Entry which are not integrated in system. The Chair requested BCBA to provide a list of all such cases for reconciliation, and to take up the matter with the Directorate General of Systems.

D. Further, it was pointed out that only 12 banks are integrated with the new System presently, for processing of payment, compared to 29 banks integrated with ICES earlier. The Committee agreed to examine the issue for escalating the same to Directorate General of Systems, if required.

(Action: NS-I and BCBA)

3.3 Container scanning for LCL cargo:

It was pointed out that when LCL container is picked up for scanning, it is invariably marked as suspicious since there are several consignments of different commodities having different packaging of multiple importers. For such container upon arrival, CFS approaches DC Docks for permission to de-stuff, which is granted subject to 100% examination under DC Docks supervision of all the LCL consignments

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(including facilitated ones) as nobody is able to identify suspicious cargo in the shed. Given this, to make every single importer's goods undergo 100% examination under DC Docks supervision is only delaying clearance and increasing dwell time without any detection of mis-declared cargo ever. It was suggested that LCL containers should not be selected for scanning. If the same cannot be waived, the same be examined by officers in the shed without DC Docks supervision.

Response:

A. It was informed that as per the procedure any container marked suspicious by CSD, is required to be examined 100% under supervision of DC/Docks. The Chair asked about the quantum of containers carrying LCL cargo marked suspicious by CSD compared to the total volume.

B. ADC, CCO suggested that seal of every CSD hold container carrying LCL consignments should be cut in presence of DC/Docks invariably and DC/Docks may inspect the consignments with respect to the scanning hold image and identify the consignments suspicious, which is lying at that part of container. The consignment/s identified as suspicious by DC/Docks may be examined following due procedure and examination order for other consignments may be followed as given by the System/Appraising Group, as the case may be.

(Action: NS-I, III & V)

3.4 Denial of deferred duty payment to AEO T2/T3 without any intimation & no remedy to restore:

Many AEO T2/T3 importers having deferred duty payment facility are getting barred for defaults which may not be in their control. Further, the reason for such stoppage or recourse to restoring the facility is not known. Trade may please be guided for redressal in such cases. Also, those AEO who defaulted recently post introduction of new duty payment module, such defaults, if occurred, should be ignored and facility of deferred duty payment need not be withdrawn.

Response: It was informed that after three defaults by the AEO status holder, the facility of deferred duty payment is withdrawn automatically by the system, and when the payment is made, the sanction is revoked by the system itself. In cases, where despite payment the facility of deferred duty payment is not restored, the same may be taken up with the Directorate General of Systems.

(Action: NS-I)

4.0 Agenda points sponsored by Container Shipping Lines Association (CSLA):

4.1 Online IGM Amendment Process:

Presently IGM amendment process is a complete manual process. The type of documents required for each amendment has been very clearly defined in CBEC circular 14/2017. These documents can be digitally signed and uploaded on e-sanchit in amendment type, if provision for online amendment is made. JNCH is humbly requested to take up this matter with the CBIC & the Directorate General of Systems to make the IGM amendment process online.

Response: It is informed that this point is noteworthy and that the same will be taken up with the EDI/Directorate General of Systems for examination of the issue and creation of such online module.

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(Action: NS-General)**4.2 Inconsistent Performance of ICEGATE System :**

Slow working of ICEGATE while filing of IGM/EGM is resulting non-generation of output files. The matter was taken up with ADG, ICEGATE by CSLA as well as by JNCH. However, the issue of slow working of ICEGATE and non-generation of output file persist. It was requested to take up the matter with ICEGATE and arrange any alternative option to file IGM/EGM to facilitate smooth functioning of vessel berthing.

Response: It was informed that the problem faced has been communicated to Directorate General of Systems for redressal. The Chair requested the stakeholder to come to Custom House and test file IGM with the officers of EDI to identify the exact cause to help find a viable solution of the same.

(Action: CSLA)**4.3 DPD CFS Storage Charges:**

The DPD CFS is nominated by DPD Importer as their logistics partner to shift containers from port to the nominated DPD CFS. The contract of movement of DPD Containers from port to CFS is between the CFS & DPD Importer. There is no role of Shipping Line in movement of containers from port to CFS. This concern was understood and a PN No. 77/2017 was issued by JNCH, wherein, it is mentioned that storage charges incurring in DPD CFS shipments should not be billed to Shipping Lines. Recently the Commissioner General had arranged a meeting on this matter and it was decided that JNCH PN No. 77/2017 should be strictly followed by all the terminals. This process was implemented for 2-3 days by DP World terminal and suddenly DP World had withdrawn their advisory and stopped following this billing process. BMCT has not complied with PN No. 77/2017 since beginning; they are billing storage charges to Shipping Lines. It is requested to implement PN 77/2017 by all the terminals.

Response: It was informed by the representative of BMCT that wherever the CFSs has a PD account registered with BMCT (currently 20 CFSs), the tax invoices are being raised to the CFS, and in other cases tax invoices are being raised to Shipping Line. CSLA through their representative expressed disagreement and informed that BMCT is raising invoices to Shipping Lines for all DPD-CFS containers cases.

The Chair noted that the claim of both the stakeholders are different, and the matter needs to be examined for correctness of submission made by representative of BMCT. The Chair requested both the stakeholders to meet Commissioner (NS-General) with tax invoices for understanding the factual position to resolve the issue.

(Action: BMCT & CSLA)**5.0 Agenda points sponsored by Federation of Indian Export Organization (FIEO-WR):****5.1 Issues faced by Pharma Merchant:**

Pharma Merchant Exporters are facing queries regarding irrelevant documents after ADC clearance causing delay. It is requested, in case of any doubt's samples may be drawn and shipment may be allowed. We had represented the matter to the Chief Commissioner of Customs at JNCH, and due to his timely help, many cases were resolved. But still, the new officers keep on insisting on the documents and holding the shipments. It is requested to sensitize the officials.

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Response: It was informed that a joint meeting of association and department took place, wherein, the officers and association shared their concerns and viewpoints. The Commissioner of Customs (NS-II) informed that the field formations have been sensitized about the issue, and in case, the problem persists, the exporter can approach the ADC/Export Docks.

(Point closed)

5.2 IGST refund Scroll No. 46703/2023 dated 29/03/2023 has been rejected at PFMS, and no new scroll has been generated causing a huge financial blockage.

Response: The Commissioner of Customs (NS-II) informed that the matter has already been forwarded to ICEGATE for cancellation of IGST refund Scroll, and after the cancellation only, a new Scroll can be generated in System. The ADC, CCO informed that the issue arises due to change of account number by a few exporters. The Chair directed to resolve the matter promptly.

(Point closed)

5.3 Pilferage / Damage of Export Cargo:

Cargoes undergo heavy and unqualified handling leading to damage of packets, products, and pilferage of cargo during the inspection and post clearance. The buyer at the other end complain of the same after arrival and debit amount. It is requested to hold the Port Authorities and Shipping Lines accountable for cargoes that are handed over to them by the Customs. There is a need for a systemic endorsement of cargoes that are certified by the customs, port authorities and shipping lines who are the accountable members of the supply chain to ensure the cargo is not rejected by the importer at the other end, and any damage against this certification claimed by the importer is to be borne by the respective supply chain member. The exporter should not be made to bear the losses once the cargo is handed over to the customs for examination, out of charge and subsequently to the Port authorities, Shipping Line, or Airline as the case may be.

Response: It was informed that incidents of pilferage/damage of export cargo due to negligence of concerned stakeholder must be brought to the notice of CCSP Cell.

(Point closed)

6.0 Agenda points sponsored by Food Safety and Standards Authority of India (FSSAI):

6.1 Issues related to NOC issued for similar products :

In case of Fresh Apples & similar products, comments given by FSSAI are not reflected at ICEGATE & issue may be taken up with the ICEGATE team.

Response: As discussed at Para 2.7 supra.

(Action: FSSAI)

7 . 0 Agenda points sponsored by Container Freight Station Association of India (CFSAI):

7 . 1 Restriction on handling of buffer (self-sealed) containers at Container Freight Station:

Allowing CFSs also to handle the Buffer (self- sealed) export containers, currently

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solely handled by Centralized Parking Plaza.

Response: The Chair informed that the demand is not acceptable as it is regressive for trade and will increase the tariff and dwell time. The Centralized Parking Plaza is a dedicated facility created by JNPA for export facilitation, and it has a buffer yard with sufficient capacity. Currently, there is no congestion or any other issue noticed in the functioning of Centralized Parking Plaza (CPP) which is handling the self-sealed export containers. The CPP is cost effective and convenient to the exporter, as all the operations are completed under a single roof. Further, the Commissioner of Customs, NS-II informed that top 20 exporters (number of container wise) availing facility of self-sealing were asked whether they are interested in using the CFSs for their self-sealed export containers, to which all the exporters unanimously preferred CPP over CFSs for their self-sealed export containers. The Chair informed that this point was closed for the time being till any further development.

(Point closed)

7 . 2 Guidelines issued for the requirement of Customs approval for the vendors hired by CFSs appointed as a Custodian:

This issue was taken up with CC, JNCH and CBIC, and no decision has been conveyed. Nowhere in CBIC Circular No. 45/2013-Cus dated 31.12.2013 it is stipulated or given any reference of earlier Circular No. 13/2009-Customs dated 23.03.2009, that it supersedes the earlier guidelines. The Circular No. 45/2013-Cus is specific only to restrict the leasing, gifting, selling or subletting or transfer of any of the premises in a Customs area or subcontract or outsource the primary functions permitted or required to be carried out by Custodian by making any SAMO without the approval of the jurisdictional Commissioner of Customs.

Response: It was informed that the matter has already referred to Board. Any decision taken in this regard will be communicated to all the concerned.

(Action: NS-General)

7 . 3 Permission for handling, storing of hazardous cargo at CFS should be incorporated in main CFS license with same validity:

This issue was taken up in 2 CCFC meetings held on 11th Nov 2022 & 3rd Feb 2023, as on date Member CFSs are still awaiting necessary guidelines/directions from Customs. A brief submission was once again made.

Response: The Commissioner of Customs, NS-General informed that as communicated in the previous CCFC meeting dated 03 Feb., 2023, the handling of hazardous cargo in the Customs area is a very sensitive issue as the safety of not only the hazardous cargo, the general cargo but also that of the people discharging their duties in the CFS is at stake. Further, in many a cases, CFSs have crossed the threshold limit for storing of hazardous chemicals as prescribed under MSIHC Rules, 1989. Thus, it felt mandatory to regularly monitor and to review all the parameters every two years as prescribed in the JNCH Public Notice No. 08/2011 dated 04.02.2011 & JNCH Public Notice No. 129/2020 dated 07.10.2020. Further, it was informed that the matter has been referred to Member Secretary/CPCB and also to the MPCB authorities for comments, and the reply is still awaited. Also, the matter has already been referred to Board. The Chair stated that response from CPCB/MPCB and from Board is awaited and once the replies are received, the issue will be revisited.

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(Action: NS-General)**8.0 Agenda points sponsored by Brihanmumbai Custom Brokers Association (BCBA):****8.1 Difficulties faced with ICEGATE Systems:**

Difficulties faced with ICEGATE System such as delay in E-Sanchit & generation of Shipping bill numbers resulting in missing the cutoff for vessels, delay in receiving OTP-emails. It is requested to allow carting of goods without shipping bill number for docks stuffed cargo, to allow to move containers from factory without updation of RFID Seals. Further, it is requested to address the issues with Directorate General of Systems for smooth functioning of the ICEGATE System in larger interest of EXIM trade. Further, it was requested by the association that verification of COO certificate may be done online, instead of verifying manually at TSK. Further, the association added that there is no mechanism in the ICEGATE to track the Bill of Entry which has been pushed to PAG.

Response: It was informed that the problem faced by the trade with ICEGATE has been communicated to Directorate General of systems. The Chair assured to follow up the issues. The ADC, CCO informed that certain points including the one raised by the association have been taken up during Time Release Study (TRS), where specific recommendations will be made on merit of the issue.

(Action: NS-I)**8.2 CFS Related Matters:**

Charges pertaining to Conex/DRT CFS are being collected by 3rd Party, despite directions from the Customs department to all the CFSs that charges pertaining to Custodian should be collected by Custodian only. The issue of non-compliance by Conex CFS and DRT CFS was brought to notice for violation of the directions and appropriate action.

Response: After discussion, the Chair directed that the issue needs examination and both the stakeholdera were requested to submit relevant documents to CCSP cell.

(Action: NS-General, DRT CFS, Conex CFS & BCBA)**8.3 Handling of Hazardous Cargo at CFS:**

Guidelines for handling hazardous cargo issued by JNCH vide Public Notice No.129/2020 dated 07.10.2020 are not being followed by CFS authorities which is dangerous for all individuals working at CFS. It was informed by the association that there is no expert person to handle/draw a sample of hazardous cargo at CFSs. It is requested to issue necessary guidelines.

Response:The Chair suggested that the issue is highly technical and needs views of the experts to resolve it. The Chair assured to review JNCH PN No 129/2020 dated 07.10.2020.

(Action: NS-General)**8.4 Insistence of Non-Deduction of TDS by CFPS:**

Certain CFS's are insisting that TDS should not be deducted on payments made to them. This is gross violation and a practice that is bad in law, as per Section 194C of Income Tax Act, it is mandatory to deduct TDS on all payments, however CFS's are insisting not to deduct TDS. This practice can invite a lot of hardship from Income Tax.

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Response: The Chair requested the association to inform the name of the CFSs to CCSP Cell for examination of the issue.

(Action: NS-General)

8.5 AEO Scheme Related:

AEO scheme was introduced vide Board's Circular No. 33/2016 to facilitate trade and reduce dwell time. However, it has been observed that there is delay in processing files, deficiencies are being issued & SOPs are not accepted. CRM has been appointed at every Zone for approval of AEO in-case of show-cause or any other issues to approve and allow AEO to importers/Exporters. It was requested that no Deficiency Memo to be issued without approval of CRM. This will expedite AEO approvals and facilitate trade for clearances.

Response: The Commissioner of Customs NS-General informed that after the review meeting taken by the Chief Commissioner of Customs, Zone-II, the pendency of AEO application has been brought down to reasonable extent. Further, it was informed that no deficiency memo is being issued without the approval of Commissioner NS-General. Also, it was informed that the AEO Cell deals only with the processing of applications for AEO accreditation and after due verification, applications are forwarded to DIC, New Delhi with recommendation for grant or rejection of AEO accreditation. Further, it was pointed out by the association that that fresh query is being raised by DIC, and the time taken in granting AEO is quite slow. The Chair assured that the matter will also be brought to the notice of DIC, New Delhi.

(Action: NS-General)

9. The Trade unanimously thanked the Chair for remarkable work done by the Customs department, Mumbai Zone-II in implementation of Customs Electronic Cash Ledger by working tirelessly on all days including holidays. Timely issuance of instruction, guidelines, public notices & standing orders to facilitate the trade.

10. Closing remarks by the Chair:

(a) The Chair requested all the stakeholder to give their feedback on the following issue -

in the cases where name of the consignee in the IGM is to be amended, an NOC from the first consignee is currently required to be submitted to the Customs as per the existing procedure.

(b) The Chair informed that lot of complaints from importers are being received regarding overcharging by CFSs and Shipping Lines. In this regard, the Chair suggested Associations of both the stakeholders to form **Internal Oversight Committees** for redressal of such grievances of the trade. The details of such **Internal Oversight Committees** when formed, may be shared with JNCH for publishing on the JNCH website.

(c) The Chair informed that JNCH has revived the initiative of collection of information of keeping track on the number of containers moving in and moving out of the CFSs. The Chair requested all the CFSs through their association to co-operate and provide requisite data and improving quality of the said data.

11. The Chairman thanked all the participants and members of the Committee, and

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the meeting ended with vote of thanks to the Chair.

(RAHUL DHINGRA)
DEPUTY COMMISSIONER
DC/AC-O/o Chief Commissioner-Customs-Zone-II-Nhava Sheva

Copy to:

1. PS to Zonal Member/ Member (Customs), CBIC, New Delhi.
2. All Pr. Commissioners/Commissioners, Nhava Sheva.
3. All members of CCFC.
4. DC/EDI (for uploading on website)
5. Office copy.

Annexure-I**List of Participants**

Sr. No.	Name of the Participants	Name of the PGAs/ Stakeholders	Mode of Attendance
1	Shri Kiran Rambhia	BCBA	Attended physically
2	Shri Maruti R. Gadge	BCBA	Attended physically
3	Shri Kishore Kumar Saini	BCBA	Attended physically
4	Shri Hiren Ruparel	BCBA	Attended physically
5	Shri Harsh Lapasia	BCBA	Attended physically
6	Shri Victor Fernandes	MANSA	Attended physically
7	Shri Manish Kumar	MANSA	Attended Online
8	Shri Ravi Kumar G.	CSLA	Attended physically
9	Shri Sunil Vaswani	CSLA	Attended Online
10	Shri Daniel	CSLA	Attended Online
11	Ms.Rekha	CSLA	Attended Online
12	Shri Shailendra R. Penkar	CSLA	Attended Online
13	Shri Amit Singh	DP World	Attended physically
14	Shri Sachin Mhatre	DP World	Attended physically
15	Shri S. Srinivas	CFSAI	Attended physically
16	Shri Umesh Grover	CFSAI	Attended physically
17	Shri Jacob Thomas	CFSAI	Attended physically
18	Shri Anamel Bhole	HMM	Attended physically
19	Ms. Harpreet Makol	FIEO	Attended physically
20	Dr. Rashmi Pandey	R.P.Q.S.	Attended physically
21	Dr. Brajesh Mishra, DD	RPQS	Attended Online
22	Ms Sheetal Ahluwalia	AIWCBA	Attended physically
23	Mrs. Ganguly	AIWCBA	Attended physically
24	Shri Nimish Desai	WISA	Attended physically
25	Shri Karunakar S. Shetty	MACCIA	Attended physically

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26	Shri Omprakash Agrawal	MSWA	Attended physically
27	Shri Prashant Thakar	NSFT	Attended physically
28	Shri Rajendra Coimbatore	NSFT	Attended physically
29	Shri Ashwajit Patil	NSFT	Attended physically
30	Shri M Subramanian	BMCT	Attended physically
31	Shri Navneet M. Kadam	BMCT	Attended physically
32	Shri Gururaj Kulkarni	CONCOR	Attended physically
33	Sh Chika Meena	CONCOR -DRT	Attended physically
34	Ms.Chetna B. Bhisle	FSSAI	Attended physically
35	Shri Prasenjit Khandare	Textiles Committee	Attended Online
36	Shri Shrikant Kulkarni	JNPA	Attended Online
37	TSSVP		Attended Online
38	ADCI, CDSCO	CDSCO	Attended Online
39	Shri Vijay Kalantri		Attended Online
40	Shri Shyamli Banerjee		Attended Online
41	Shri Prashant Mhatre		Attended Online
42	Shri Nilesh Datir		Attended Online
43	Shri Kabbur Sanjeev		Attended Online
44	Dr.Karuna Dhale		Attended Online
45	Shri Ram Iyer		Attended Online

Departmental Officers:

1. Shri Dharendra Singh Garbyal, Commissioner of Customs, NS-General & NS-III.
2. Shri Dipak Kumar Gupta, Commissioner of Customs, NS-I & NS-IV.
3. Shri Sanjeev Kumar Singh, Commissioner of Customs, NS-II.
4. Shri Sonal Bajaj, Commissioner of Customs, NS-V.
5. Shri Sushil Chandra, Additional Commissioner of Customs.
6. Shri Mohit Jangid, Deputy Commissioner of Customs.