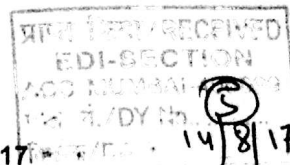


**OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (IMPORT),
AIR CARGO COMPLEX, SAHAR, ANDHERI (EAST), MUMBAI - 99**

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F. No. S/3-MISC-PRO-516/2013 ACC(I) Part III

Date: 08.08.2017

**MINUTES OF THE PERMANENT TRADE FACILITATION COMMITTEE MEETING HELD ON
04.08.2017**

The monthly meeting of the Permanent Trade Facilitation Committee (PTFC) was held on 04.08.2017 at 11.30 A.M. and was presided over by the Chairman, Shri S. Anantha Krishnan, Commissioner of Customs (Export), ACC, Sahar. Following officers and representatives from the stakeholder organizations participated in the meeting:

Name & designation of departmental attendees	Organization
Shri Sukhjit Kumar, Addl. Commissioner (Import)	Customs, ACC
Shri Raju Sakthivel, Addl. Commissioner (Export)	Customs, ACC
Shri P. K. Agrawal, Addl. Commissioner (General)	Customs, ACC
Shri Tapan Kumar, Jt. Commissioner (Export)	Customs, ACC
Shri Jitendra Patel, DC(Import)	Customs, ACC
Shri Parag Singh, DC(PG)	Customs, ACC
Shri Eshvāryesh Bhardwaj, AC (Import)	Customs, ACC
Shri Kailash Vinayak Karkhile, AC(Import)	Customs, ACC
Shri M. C. Shaik, AC(Import)	Customs, ACC

Name of attendees from stakeholder organizations (Sh./ Ms.)	Organization
Vikash A. Shinde	ADC
Mark Fernandese	VSNL
Mansi Singh, Cdr. Lokesh (Retd.), Mayilvanan T., Mohamed Nasir, Nandan Kanchan	MIAL (Custodian)
G. K. Kumar, Asha Kale, P. Raghuraman	Air India (Custodian)
S. K. Singh	State Bank of India
Sanjeev Harale, Kaushal Thakker, L. V. Shah, Paresh R. Sangani, Ketan Desai, Dushyant Mulani	BCBA (formerly known as BCHAA)
Agustinho G. Fernandes	Founder Member Customs Watchdog Committee (JMIE)
Deepak S. Kadam, Shantanu Choudhari	Newgen Software
Raghav Uchil	AMTOI
Bala Ayer Mohnish G. Charania	ACAAI
Jyotsna Patil, Avinash Samant	Jet Airways
Harish Zade	Lufthansa Cargo AG.
Zubin Daver	Cathay Pacific
Philomena Pereira	MACCIA

1. Points from the previous PTFC meetings which were taken up for discussion:

A. Use of diesel forklifts towards late evening is causing increase of pollution levels in Import Shed.

In the previous meeting, ADC(Import) informed the house that as an initiative to promote green customs, both the custodians were requested to replace the existing diesel operated forklifts with battery operated forklifts. He informed that MIAL has shown noteworthy enhancement by bringing in 58 battery operated forklifts. However, Air India is yet to bring about the much required change in the working conditions.

In the instant meeting, the representative of Air India informed the house that the Tender procedure has been initiated for battery operated forklifts and the existing diesel operated forklifts will be replaced with battery operated forklifts within couple of months.

The Chairman directed Air India to expedite the process of procurement of the much required battery operated forklifts.

[Action: Point dropped for 4 months i.e. Oct, 2017]

B. Import on personal IEC allowed only upto 50,000/-

In the previous meeting, ADC (Import) informed that a draft Public Notice on the issue has been forwarded to the Chief Commissioner's Office for approval. Final decision on the issue will be taken shortly.

In the instant meeting, the Jt. Commr.(Import) informed that the issue is under consideration with consultation of DGFT and the final decision will be taken in due course.

[ACTION: ADC/IMPORT]

C. Printing of TR Memo

In the previous meeting, DC(EDI) informed that the necessary specifications of the printer to be installed at Import Shed will be provided to MIAL. The representative of MIAL assured to install the requisite printer at the earliest.

In the instant meeting, the representative of MIAL informed that the installation will be done within one month's time.

The Chairman directed MIAL to install the printer as soon as possible.

[ACTION: MIAL]

D. Temperature controlled facility for Meat, Fish, Frozen foods:

In the previous meeting, the representative of MIAL intimated that the process of modifying an additional temperature control unit to -25°C is in progress. As the technical parts for this conversion needs to be imported, the whole process will take about 6-7 months time.

In the instant meeting, the representative of MIAL reiterated that the conversion needs to be imported and whole process will take 6-7 months time.

The Chairman took note of the development and directed that the facility may be made operational at the earliest and directed that the matter will again be discussed after two months

[ACTION: MIAL (Review after two months)i.e. upto Sept,2017]

E. Augmentation of import infrastructure:

In the previous meeting, the representative of MIAL informed that they are in the process of enhancement of import infrastructure in a phased manner. As for Block-C, the development plan is under process and the same will be shared within couple of months. Further, MIAL informed that as a part of Swachhta Action Plan (SAP) they had given contract to an outside agency to clear Air Cargo Complex of the stray animals and now there is marked improvement in the situation.

In the instant meeting, the DC(PG) informed that the plans are submitted to department. However, no progress has been noticed so far in the matter.

The Chairman felt that the action and output-result in the matter is time taking in nature. Hence, the matter may be dropped for 6 months time. Also directed to conduct a quarterly meeting with Customs and other stakeholders.

[ACTION: Dropped for 6 months i.e. upto Dec,2017]

F. DMS Coupons not pasted on SB and B/E files:

In the previous meeting, the representative of M/s Newgen Software Technologies Ltd. intimated that most often the importers/CHAs do not paste the mandatory DMS coupons on the Shipping Bill and Bills of Entry files. The DC(CHS) and BCHAA were updated about the issue. With the efforts of DC(CHS) approx. 8000 coupons were submitted. However, 50,000

documents are still pending for want of DMS coupons. It has been requested that the importers/CHAs may be directed to submit the pending DMS coupons at the earliest

The representative of BCBA intimated that many a time coupons are not available at the service center of Newgen and suggested that DMS coupons should be made available in advance so that the same could be pasted on each and every document. Alternatively booklets containing the coupons may be sold or digital payment system may be made available.

In the instant meeting the representative of M/s. Newgen stated that it is facilitated that Customs Broker may purchase booklets containing the coupons in advance as per their requirement.

[ACTION: M/S NEWGEN, BCBA & DC/CHS]

G. Weeding out old Dockets

The representative of M/s Newgen intimated that after scanning, the files/dockets are stored in the boxes and placed at the Pipeline Warehouse. However as the storage space at the warehouse is fully occupied, these dockets are lying in the Shed. The documents of 2011 are already available in soft copy, they may be permitted to weed out the documents of 2011, thus creating storage space for the documents of the current year.

The Chairman took cognizance and expressed his displeasure over the issue as no further progress have been informed to the house and directed the MCD sections of the Import and Export Commissionerate to coordinate with DC(PG) and together take up the matter of weeding out of dockets of 2011 and the same should be informed the house positively.

[ACTION:DC(PG), DC/MCD(I) & DC/MCD(X)]

H. Elimination of signature in final printout on SBs in line as per PN No. 14/2017-18 dated 12.05.2017 for import.

In the previous meeting, the representative of BCHAA requested that, as the requirements of signatures by the shed officers on final print out of the Bills of Entry has been eliminated vide PN No. 14/2017-18 dated 12.05.2017, accordingly, the same be made applicable for the S/Bs.

The representative of BCBA intimated that some of the Banks do not accept the Shipping Bills without sign of the Customs official on final printout.

In the instant meeting, the chairman stated that a public notice will be issued shortly.

[ACTION: JC/Export]

I. Timely flight checking and segregation of Cargo by Air India:

In the previous meeting, the representative of BCHAA informed that with the free period being reduced from 72 to 48 hrs, it is imperative that the binning of cargo in respective location is completed at the Import warehouse within 6 hrs of landing.

The representative of Air India informed that the matter is under consideration and suitable procedure will be introduced in a very short notice.

The chairman took cognizance over the issue and directed the representative of Air India to take necessary action in the spirit of 'Ease of doing Business'.

[Point Closed]

J. Point from MACCAI, Agricultural Committee for discussion in PTFC meeting

In the previous meeting the representative of MACCIA informed about instances when their consignment of perishable cargo was offloaded due to non availability of trolleys and insufficient man power (loader) at Air India, custodian for APEDA. This inadequacy has caused them loss of revenue, business and goodwill. It was requested that necessary action be initiated to avoid such losses in future.

The representative of Air India informed that he has just taken over the charge and is looking into the difficulties being faced by Trade. He assured the house that all the issues being faced by Trade will be addressed in a time bound manner.

The representative of Air India informed the house that they are working over the issue and the same will be resolved shortly.

[ACTION: M/s AIR INDIA]

K. No Storage and Testing Facility for Fresh Chilled Fish /Frozen Meat

For Perishable Cargo, when the drawback is more than Rs. 10,000/- sample is drawn for TEST purpose for items like FRESH CHILLED FISH /FROZEN MEAT. Customs Broker and shipper have no objection. But there is no chill facility to store at ACC to keep sample till it is sent for testing. Also the examiner insists that the drawback shipping bill be converted to Free shipping bill because there is no test facility available for such items.

In the instant meeting the representative of MIAL informed the house that space has been provided for setting-up of test lab within the premises of Air Cargo Complex.

The chairman directed the AC/Export Shed to instruct the officials not to insist on drawing samples till the lab is set-up. The Joint Commissioner of Customs(Export-Shed) is directed to look the space provided for Lab and to set-up the lab soon.

[Action: AC/Export Shed]

L. Problem for LEO while system is down

Representative of BCBA informed that when CUSTOMS system is down, the appraiser says he will give manual LEO for perishable items, only if we convert the scheme shipping to free shipping bill. The exporter stands to lose his benefit for no fault of his.

The chairman stated that system remains down due to Beginning of Day Operation from 11:50PM to 01:00 AM and for that period manual LEO will be allowed without changing the bill with the condition that it should be regularised once the system is up.

[Point Closed]

M. Points raised by Brihanmumbai Custom Brokers Association (Erstwhile BCHAA)

I. The representative of BCBA requested that all stakeholders i.e. Custodians, Airlines, Console Agents etc. to follow the guidelines given in GST for raising of invoice which mandates service providers to issue invoice and credit under GSTN in name of Importer/Exporter, who is recipient of the service directly even when payment is made by a custom broker. Custom Brokers fall within the category of PURE AGENT in terms of Notification 10/2017 Central Tax dated 28.06.2017.

The Commissioner of Customs stated that the Commissioner of Customs (Import), ACC have convened a separate meeting for compliance of GST Law and Procedure.

[Action: Point Closed]

II. The representative of BCBA informed that difficulties are being faced by their members in submission of letters/correspondences with MIAL and Air India. They require immediate acknowledgment of letters and correspondences should be done immediately. The chairman stated that suitable guidelines may be issued by the custodians to their staff to avoid such situations.

The representative of MIAL and Air India stated that the authority have directed the concerned staffs have been categorically advised to accept all letter under acknowledgment.

[Point closed]

III. The representative of BCBA drawn the attention of house towards the pathetic working condition in Air India Shed and shown the photographs of various places of Air India

Shed premises to the Chairman. There is lack of housekeeping leakage during monsoon, lighting is very poor. The shed is against the principle of 'Swachh Bharat' campaign by Hon'ble Prime Minister of India.

In the instant meeting the representative of Air India stated that As an interim measure 4 sweepers have been allotted to the Imports area for proper upkeep of the entire area. As such the cleanliness in the area has improved. Repairs to toilets and water coolers have already been done and a fresh coat of paint in certain areas has already been done. The issue of leakage remains daunting considering the huge area and old sheets and drainage system. However, as a preliminary around 14 sheets have been changed. Tarpaulin on the roof in certain critical areas has been placed. A tender is being floated for covering the entire area with tarpaulin as is done by MIAL. Certain civil work is being carried out in phase to stem water flow and divert it into conduits. An overview of the entire area is also being undertaken for major repairs in the near future.

[Point Closed]

N. New Point for discussion in PTFC Meeting from Western India Shippers' Association

DGFT, vide circular 3(RE-2001)/1997-2002 had stipulated mandatory testing for presence of Azo Dyes for all textile articles and Customs was only implementing authority for the same. Thereafter, DGFT exempted certain categories of imports such as samples, import for the purpose of export after processing / manufacturing, small quantities etc. from testing requirements. Now vide notification 19/2015-2020 dt.04/09/2015 they have exempted textiles and textile articles originating from certain countries from such tests.

At ACC, however, officers still insist on importer making a request for waiver of testing of goods imported from such notified countries and group AO and DC permitting the same on said request.

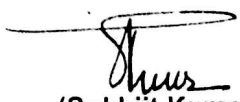
The point here is that Customs is only implementing authority for policy made by DGFT. So where DGFT itself is exempting certain categories, there is no need for customs to adopt a procedure, repeating the same. This procedure many a times is leading to delays and needs to be dispensed with immediately.

The Chairman stated that officers have been instructed and if the problem still persists the same may be brought to his notice.

[Point closed]

5. The meeting ended with thanks to the Chairman.

This issues with the approval of the Chairman of the PTFC, Commissioner of Customs (Export), Mumbai Customs Zone-III.


(Sukhjot Kumar) 14/5/17
Addl. Commissioner of Customs,
Air Cargo Complex, Mumbai

COPY TO:

1. Chief Commissioner of Customs, Zone-III, Mumbai - For kind information, please.
2. Pr. Commissioner / Commissioner of Customs, Import / Export / General, ACC.
3. All Addl./Jt./DC/AC Commissioner of Customs, Import / Export / General, ACC.
4. All members of PTFC meeting (via E-mail)
5. EDI Section- For uploading on ACC Website.
6. Office copy.