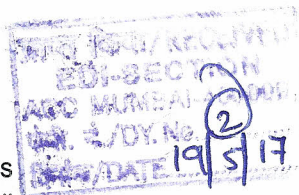


OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (IMPORT),
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F.No. S/3-MISC-PRO-516/2013 ACC(I) Part III

Date: 18.05.2017

MINUTES OF THE PERMANENT TRADE FACILITATION COMMITTEE MEETING
HELD ON 05.05.2017



The monthly meeting of the Permanent Trade Facilitation Committee (PTFC) was held on 05.05.2017 at 03.30 P.M. and was presided over by the Chairman, Shri Anil Kumar Gupta, Commissioner of Customs (Export), ACC, Sahar. The following officers and representatives from the stakeholder organizations participated in the meeting:

Name & designation of departmental attendees	Organization
Shri Atul Saxena, ADC (Gen. & Export)	Customs, ACC
Shri Sugriva Meena, ADC (Export)	Customs, ACC
Dr. Satish Dhavale, ADC (Import)	Customs, ACC
Shri A. K. Goel, ADC (Import)	Customs, ACC
Dr. Deepak Sharma, DC (Import)	Customs, ACC
Shri Jitendra Patel, DC (Import)	Customs, ACC
Shri Shashank Dwivedi, DC (General)	Customs, ACC
Shri M. R. Negi, AC (Import)	Customs, ACC
Shri Govind Chauhan, AC (General)	Customs, ACC

Name of attendees from stakeholder organizations (Sh./ Ms.)	Organization
V.A. Shinde, K.C. Meena	ADC
Ajit Sakhare	Controller of Stamps
D. Adimallaiah	WCCB
Manoj Singh, Cdr. Lokesh (Retd.), Nandan Kanchan, Mayilvanan T.	MIAL (Custodian)
S.V. Menzes, T.A. Pious,	Air India (Custodian)
S.K. Singh	State Bank of India
Dushyant Mulani, Sanjeev Harale, Ketan Desai, Kaushal Thakker, Paresh R. Sangani,	BCHAA
Bala Ayer	ACAAI
Agustinho G. Fernandes	Founder Member Customs Watchdog Committee (JMIE)
Vaishali Kulkarni	COSIA
Sanjay Patankar, Harish Zade, Aarti R. Singh, Amol Khaire	Airlines
B.N. Borkar	B.M.C.

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

A. Internet Connectivity and Wi-Fi Facility

In the previous PTFC Meeting, the representative of MIAL informed that their IT Team is working on the project to provide wired internet connectivity. The project is slightly delayed but the work is under process. He informed that in view of the size of Air Cargo Complex, the wired connectivity will work better and faster than the Wi-Fi network. However, he agreed to provide Wi-Fi facility in Sheds where the officers are constantly on move.

In the instant meeting, the representative of MIAL informed that the cabling work for the internet connectivity for the officers and staff is in progress and should be completed by the end of June, 2017.

The representatives of BCHAA requested for backup cable connectivity, in case the fiber optic cables are damaged by rodents.

ADC (Import) informed that a yearly audit is conducted by the DG (Systems) at Air Cargo Complex. Taking cognizance of the concern by trade, he suggested that this year an early comprehensive system audit could be conducted and further actions may be planned depending on the recommendations of the Audit.

The Chairman agreed to the suggestion, however, he expressed concern over the delay by MIAL in providing internet connectivity. He directed them to expedite the issue.

[ACTION : MIAL&DC(EDI)]

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

In the previous meeting, the Chairman had expressed concern over the inordinate delay and lack of amenities in Air India Shed. He directed the representatives of BCHAA to submit a comprehensive list of all their requirements so that the same can be taken up with the CMD of M/s Air India.

In the instant meeting, the representative of BCHAA submitted a comprehensive list of their requirements. The issues stated in the list are Use of Diesel Forklifts, Installation of Exhaust Fans and Lights, Shortage of forklift operators and loaders and Senior Air India staff required for monitoring.

The representative of Air India informed that the issue of Forklift and shortage of loaders will be sorted at the earliest, though no time limit can be provided. As regards Installation of Exhaust Fans and Lights, Air India has requested the trade to bear with the current installations for some time as the existing structure of Air India Shed is to undergo changes.

The Chairman informed that Customs is unaware of the structural changes specified by Air India. He directed Air India to share their plans with the ADC/DC P(G), along with the time frame of completion, so that the long pending issues can be finally resolved.

[ACTION: M/s Air India & DC/P(G)]

C. EGM Errors

In the previous PTFC meeting, the Chairman directed the EGM Coordination Unit to hold a meeting with the representatives of all the defaulting Airlines especially the Airlines having high number of errors and take necessary steps to clear the repeated errors.

In the instant meeting, the EGM Coordination Unit informed that the issue of repeated errors has been taken up with EDI section, however the same is taking time to resolve due to the system problems.

The Chairman directed EGM Coordination Cell to take up the issue with all the defaulting airlines on priority to expedite disposal.

[ACTION: DC/EGM Coordination Cell]

D. In view of CBEC Circular No.04/2017 dated 16.02.2017, MOT being charged by Custodians should be discontinued with immediate effect and recorded accordingly.

In the previous PTFC meeting, the Chairman assured that a Circular will be issued on the above issue. Further, as regards, MOT being charged by the Custodian, the Chairman informed that he will discuss the issue with M/s MIAL and a decision on the same will be taken soon.

In the instant meeting, the Chairman informed that Customs have already issued Public Notice no. 01/2017 dt. 18/04/2017, wherein it is informed that no MOT shall be collected in respect of the service provided by the Customs officers at Air Cargo Complex, Mumbai.

[Treated as Closed]

E. Clarification on non-printing of Exchange Control copy vide CBEC Circular 55/2016 dtd. 23.11.2016:

In the previous PTFC meeting, the Chairman informed that the issue of providing the Airlines with a gate pass duly signed by Customs officer confirming that the goods have been given LEO, needs further examination.

In the instant meeting, ADC(Export) informed that clear instructions of LEO is provided in the system by the Custodian. The said instructions can be assessed by the Airlines/IFO/EFO, thereby eliminating the need of gate pass duly signed by Customs officers. However, despite the above if the Exporter desires to provide the Airlines with a copy of the Examination report, Customs has no objection in the same. Though, this will defeat the very purpose of the CBEC Circular.

The Chairman directed that a Joint Meeting may be held amongst the Custodian, Airlines and Trade to resolve the issue. Further, he directed that an SOP maybe issued by MIAL on the subject issue within 10 days.

[ACTION: MIAL, BCHAA & ACAAI]

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

In the previous PTFC meeting, the Chairman assured that the issue of imports under personal IEC will be duly examined and thereafter suitable decision, keeping in view the concerns of trade, will be taken.

In the instant meeting, the Chairman informed that the subject issue has been deliberated upon and a Public Notice is being issued shortly.

[ACTION: ADC (Import)]

G. Printing of TR Memo:

In the previous PTFC Meeting, the representative of BCHAA informed about the difficulties faced by the Customs Brokers dealing with textile articles due to non-availability of printers in the import shed. The Chairman assured the house that a printer would be installed in the Import Shed on priority.

In the instant meeting, the ADC(Import) informed that the subject issue has been delayed on account of the certain reorganization at Import Shed. He assured that the matter would be dealt by DC(EDI) and CHS section and a printer would be installed in Import Shed without further delay.

[ACTION: DC/EDI, DC/CHS & AC/Shed]

H. Extension of forwarding time:

In the previous PTFC meeting, the representative of BCHAA requested that in view of the reduction in free period of Air Cargo, the forwarding time for examination of goods and the time of registration of B/E be extended.

The representatives of MIAL requested the trade to make proper use of the provision of online forwarding slips. The Chairman assured that the issue of extending time for registration of B/E will be examined and decision will be taken soon.

In the instant meeting, ADC(Import) informed that considering the above request and as a trade facilitation measure, Facility Notice No. 02/2017 dated 01.05.2017, extending the time for registration of B/E till 6:30 P.M., has been issued.

[Treated as Closed]

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

In the previous PTFC Meeting, the representative of BCHAA requested that MIAL may assign a separate area at the cold storage for fresh Meat, Fish, Frozen foods at a steady temperature of -18° Celsius. The representatives of MIAL informed that they are in talks with their engineering team to enhance this dedicated facility to -25°. However, this upgradation is likely to materialize only in 3 to 4 months. The Chairman directed MIAL to issue an advisory/SOP for importers and to expedite the issue of upgradation.

In the instant meeting, the representative of MIAL reiterated the position as intimated in the last meeting. The Chairman expressed his concern over the delay. He once again directed MIAL to expedite the issue of upgradation and informed the house that the subject issue would be reviewed in July' 2017.

[ACTION: MIAL]

J. Augmentation of import infrastructure:

In the previous PTFC Meeting, the Chairman directed MIAL to start the work on Block C at the earliest, so that it is operational by July, 2019. Further, he suggested conducting a reinforcement workshop for capitalization of the morning time in Import. In respect of Export, the Chairman called for an analysis of the percentage of Cargo that has moved in four 6 hour slots of the day in the last financial year (i.e. 6 a.m to 12 noon, 12 noon to 6 p.m., 6 p.m. to 12 midnight and 12 midnight to 6 a.m.) .

In the instant Meeting, the representative of MIAL informed that they have started the process of enhancing the infrastructure of Block C of the Import Terminal, however no time line of completion can be provided

The Chairman directed MIAL to provide a copy of the framework/master plan of their project for the Block 'C' at the initial stage itself. Further, he directed DC/P(G) to associate with MIAL in the process of enhancing the infrastructure.

In addition to the above, ADC(Import) explained the details of Swachhta Action Plan (SAP) and requested the members of the house to provide their suggestions/ plans for the implementation of the same at Air Cargo Complex. The Chairman directed ADC/P(G) and CHS Section to identify areas in need of improvement at Air Cargo Complex as suggested in SAP.

[ACTION: ADC/P(G), BCHAA & ACCAI]

K. Display of segregation time.

In the previous PTFC Meeting, the Chairman directed M/s MIAL and M/s Air India to ensure that the actual completion time of flight segregation is displayed on Custodian website as it has become very relevant for calculation of free period of 48 hours.

In the instant meeting, the Trade and Custodian confirmed that the details of date and time of flight segregation is being displayed on Custodian website.

[Treated as closed]

L. Pre-approval of query reply submission be permitted:

In the previous meeting, the Chairman assured the house that the issue of CMC centreaccepting reply of query memo based on submission made by Importer without insisting on approval by Customs Officer, will be examined and thereafter necessary action on the same will be taken.

In the instant meeting, the ADC(Import) informed that considering the above request and as a trade facilitation measure, Facility Notice No. 02/2017 dated 01.05.2017, has been issued.

[Treated as closed]

M. Difficulty in SVB Bond release during Second Saturday and week end Holiday.

In the previous Meeting, the Chairman assured the representatives of trade that the issue of an alternative arrangement for release of Bond in the event of cargo arriving or B/E being filed on a Second Saturday under RMS, will be examined and thereafter necessary action on the same will be taken.

In the instant meeting, the Chairman informed that after due deliberation it was decided that the need of an alternative arrangement for release of Bond is not necessary, as there is hardly any work on Second Saturday

[Treated as closed]

N. Airlines failing to file timely EGM online:

In the previous PTFC Meeting, the Chairman noted that the letter regarding enforcing a system by which airlines are made accountable for non-filing EGM in time, is general in nature and does not specify any particular airline. He directed DC/PRO to obtain complete details of the issue from Mr. Nambiar, so as to take further necessary action.

In the instant meeting, ADC (Import) informed the house that a message seeking complete details on the issue was forwarded to Mr. P.C. Nambiar, however no reply has been received till date.

[Treated as closed]

2. New agenda points from BCHAA for discussion in PTFC meeting

A. B/E assessments to be completed on the same day of filing:

The representatives of BCHAA requested that, in view of the demurrage free period being reduced from 72 Hrs to 48 Hrs, the B/E assessments be completed on the same day of filing in order to reduce the transaction cost.

ADC (Import) informed that the assessment of B/E depends on the nature of the Bill of Entry. However, as requested the necessary directions to the Officers on this issue are already issued.

[Treated as closed]

B. Amendment fee for B/E's filed in advance under Sec. 46(3) of CA 62 to be 'NIL':

The representatives of BCHAA informed that for the B/E's filed in advance under Sec. 46(3) of CA 62, the amendment fee is 'NIL' in terms of Notfn.36/2017 (NT). However, it is observed that on certain occasions, it is still being charged from trade. It has been requested that the necessary instruction be re-iterated for B/Es filled under Section 46(3)

The ADC(Import) informed that the subject issue has arisen on account of dichotomy in the provisions of the Notfn.No.36/2017 dt. 11/04/2017 and the CBEC Circular No.14/2017 dt.11/04/2017 which clarifies the said Notfn. To seek clarification, the matter has been referred to the Board.

Meanwhile, the issue has been discussed with the Pr. Commissioner of Customs (Import) and upon deliberation it has been directed by Pr. Commissioner (I) not to charge any fees as per Sr. No. (ix) (a) of the Notfn No.36/2017 dt.11/04/2017 for those prior Bills of Entry, till the appropriate reply is received from Board. Accordingly, all the Deputy./Asstt. Commissioners have been directed to follow Notfn. 36/2017 (NT) till clarification is received from the Board. However, whenever the trade faces any problem, they may immediately bring it to the notice of senior officers for resolution of the same.

[Treated as closed]

C. Online payment of Amendment fees:

The representatives of BCHAA intimated that the Amendment fees in terms of Notfn. 36/2017(NT), currently being paid manually, increases the dwell time. He has requested that this payment be made an online process.

Further, the representatives of Airlines requested that they may be provided with PD account facility for the payment of Amendment fees in advance.

The ADC(Import) informed that the offline procedure of paying amendment fees is being followed to avoid difficulty in cases where waiver is to be granted.

The Chairman informed that the issue needs further examination. He assured that if found feasible, suitable decision, keeping in view the concerns of trade, will be taken.

[ACTION: DC/EDI &DC/Cash]

D. Amendments arising out of system related issues should be excluded from amendment fee:

The representative of BCHAA intimated that the B/E's filed under provisional assessment for SVB registered at other port, are getting assessed with B.G. at ACC. Further, to remove B.G., the CB is required to request for re-assessment and pay amendment fee of Rs.1000/-. It has been requested that the amendments arising out of system related issued should be excluded from amendment fee.

The ADC(Import) assured that necessary inquiry in the subject issue has been made and no group/section was found to be charging such an amendment fees.

However, whenever the trade faces any problem, they may immediately bring it to the notice of higher officers for resolution of the same.

[Treated as closed]

E. Waivers on account of late filing of B/E's be granted within 2 Hrs of application submission:

The representative of BCHAA informed that the process of obtaining waiver on account of late filing of B/E's due to system issues, IGM amendments, etc takes approx. 2-3 days and shipment incurs demurrage. He requested that such waivers be granted within 2 Hrs after application submission by CB/Importer.

The ADC(Import) intimated that a separate Cell to process the applications of amendments, is being created in the EDI section. Thus, instead of approaching the respective groups all the amendment applications can be processed through this cell, thereby saving valuable time. Accordingly, Public Notice on the subject issue will be issued shortly.

[ACTION: DC/EDI]

F. Eliminating the requirements of signatures by the shed officers on final print out of B/E:

The representative of BCHAA informed that JN Customs have issued PN No 57/2017 dated 26.04.2017 eliminating the requirements of signatures by the shed officers on final print out of the bills of entries. Accordingly, he requested that for ease of doing business similar practice may be followed at ACC.

The ADC(Import) informed that the subject matter is under consideration and a Public Notice will be issued shortly in this regard.

[ACTION: DC/PRO]

G. Additional staff be deployed at Export Shed, to expedite the clearance:

The representative of BCHAA informed that due to system issues, handing over of cargo within 12 Hrs is getting difficult. Further, due to the renovation work carried out at the Export Shed, CB member staff are required to go back & forth from the new Heavy Bonded warehouse & to the export shed for registration/LEO etc. In view of the above, it has been requested that additional staff be deployed to expedite the clearance.

The Chairman directed MIAL to arrange for a temporary access between the Export Shed in the vicinity of ACC and the New Heavy Shed so as avoid inconvenience caused to staff and trade.

The representative of MIAL agreed to look into the matter and do the necessary at the earliest.

[ACTION: MIAL, DC/P(G)Admn]

3. New agenda points from ACAAI for discussion in PTFC meeting

A. Benefits under the ROSL scheme:

The representative of ACAAI informed that exporters of ACC have not received the benefits under the ROSL scheme whereas other Commissionerate have disbursed the amounts.

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The Chairman informed that ROSL is a scheme by the Ministry of Textile and the funds are disbursed by them as per availability. Further, Customs has already processed all the Shipping Bills and forwarded the same to the Ministry of Textile.

[Treated as closed]

4. New agenda points from MIAL for discussion in PTFC meeting

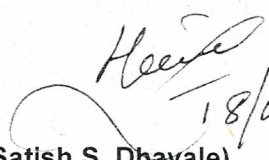
A. The representatives of MIAL informed that Online bank challan facility in imports is still not optimized by other stakeholders. Only 60% of bank challans are generated online and 40% are still being issued at the import billing counters. Further, for import deliveries the time period (10:00hrs – 16:00 hrs) is underutilized. Only 10% of deliveries are happening during this time. Deliveries during this time frame needs to be improved.

The Chairman reiterated his suggestion to M/s MIAL that they may use print and electronic media to publicise the incentives offered by them for taking deliveries in morning hours.

[Treated as 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.


(Dr. Satish S. Dhavale)

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. 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.