

OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (IMPORT)

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F. No. S/3- Misc-PRO-516/2013 ACC (I) Part II

Date: .09.2016

MINUTES OF PERMANENT TRADE FACILITATION COMMITTEE MEETING

HELD ON 02.09.2016

The fortnightly meeting of the **Permanent Trade Facilitation Committee** was held on **02.09.2016 at 11.30 A.M.** and was presided over jointly by Shri. Anil Kumar Gupta, Commissioner of Customs (Export) and Shri J.P. Singh, Commissioner of Customs (General). The following officers and representatives from the stakeholder organizations participated in the meeting:

Name/ Designation of Departmental Attendees	Organization
Shri Atul Saxena, ADC(Export)	Customs, ACC
Dr. Satish S. Dhavale, ADC(Import)	Customs, ACC
Shri A. K. Goel, ADC(Import)	Customs, ACC
Dr. Deepak Sharma, DC(Import)	Customs, ACC
Shri Sachin Gusia, DC(Import)	Customs, ACC
Dr. SubhashYadav, DC(Import)	Customs, ACC
Shri Jitendra Patel, DC (Import)	Customs, ACC
Shri A.K. Jha (Export)	Customs, ACC
Shri Yudhast Kumar (Export)	Customs, ACC

Name of Attendees from other stakeholder organizations (Sh./ Ms.)	Organization
Cdr. Lokesh (Retd.), Mohamed Nasir, Nandan Kanchan, Ashok Satavase	MIAL (Custodian)
S.V. Menezes, S Pandit, Dr. Y.V. Rathod	Air India (Custodian)
Rajeev Desai, Sanjeev Harale	BCHAA
Loknath Raj	ACAAI
P.G. Gaikwad, V.K. Panchar	FSSAI
D.A. Kadam	BMC
Shashi Paul	ADC

Points from the previous PTFC meeting which were taken up for discussion:

1. There is an urgent requirement of additional printers at Import and Export Shed for timely printing of Bs/E and S/Bs after OOC and LEO.

It was informed by Dy. Commissioner of Customs (EDI) that the additional printers have been provided by both MIAL & Air India.

[Treated as closed]

2. Physical waiver from escort in bonded warehouse for 3rd country export.

In the last PTFC meeting it was requested by the representatives of BCHAA that the permission for the Shed to Shed transfer should not go upto the level of ADC and it should be done by AC/DCs.

Addl. Commissioner of Customs (Import) informed the representatives of BCHAA that after due deliberation on the issue it has been decided that due to the sensitivity of the issue the permission of shed to shed transfer will be done at ADC level only.

[Treated as closed]

3. Operation of MIAL Export Heavy & Bonded Cargo Terminal.

a. Regarding Operationalization of Terminal Export Heavy & Bonded Cargo

In the previous PTFC Meeting, it was informed by Addl. Commissioner (EDI) that all the requisite formalities for in principal approval of DG (Systems) for EDI Computers/ Nodes have been completed and said approval has been received. However the issue is pending with DG system and TCS for sanction of nodes and efforts are being made to resolve the issue.

Dy. Commissioner of Customs (EDI) informed the house that all necessary steps regarding the EDI Computers/Nodes Connectivity have been taken.

The representative of MIAL informed the house that the BCAS permission for new infrastructure is still awaited.

Commissioner of Customs (Export) directed MIAL to properly follow-up with BCAS for early approval, as the matter is already inordinately delayed.

b. Regarding Internet Connectivity and WiFi Facility

In the previous PTFC Meeting, Commissioner of Customs (General) and Commissioner of Customs (Export) had directed MIAL to improve connectivity and to try to solve issues regarding Wi-Fi. He further directed them to provide connectivity to all sections and increase the internet speed from 2 Mbps to 200 Mbps. It was impressed that it should be upgraded before 31/08/2016.

The representative of MIAL raised the security issue regarding the Wi-Fi Facility, to which, both the members of trade and Officers of Customs vehemently objected. However, considering the urgent need of internet connectivity at Air Cargo Complex, Commissioner of Customs (Export) directed MIAL and Dy. Commissioner of Customs (EDI) to discuss and work out the modalities for upgrading the internet connectivity and Wi-Fi facility for Officers and Staff members of Customs. As regarding the Wi-Fi facility for all members of the trade, he further directed MIAL to take necessary steps to provide such common Wi-Fi facility.

However, it has been found that the issue is still pending. The representative of MIAL informed the house that the up-gradation work is in progress and committed to complete it by the end of this month.

Shri Firdos Fanibanda, representative of BCHAA, has expressed their willingness to install Wi-Fi facility for the benefit of the all trade, provided MIAL gives permission for such installation. Commissioner of Customs (Export) directed MIAL to examine this voluntary offer for installation of Wi-Fi by BCHAA and take necessary action.

[ACTION: MIAL & BCHAA]

Agenda Points from BCHAA for PTFC Meeting held on 03.06.2016

1. **Online payment through ICEGATE has a verification process after duty payment, which takes 10 minutes; this timeline needs to be shortened. The matter has been discussed in previous meetings also.**

The representatives of BCHAA informed the house that after discussions with the SBI Officials this issue has been resolved and they have further apprised the trade and other stakeholders with the same.

[Treated as Closed]

2. **Incidence of packages found wet are on the increase. Request both the custodians to take adequate precautions.**

It has been informed in the house that after taking necessary steps and with the help of regular efforts of the Custodians the packages are now being secured from getting wet, even during transit. Further, as the rains are receding the incidence of the wet packages has reduced to minimal.

[Treated as Closed]

3. **It is mandatory for both custodians to accept THC and other charges after Tax deduction at the source in terms of Sec 194C of the Income Tax Act. Payments tendered by CB's after deducting TDS should be accepted. Similarly payments debited directly from P.D. account should be done only after deducting TDS liability.**

In the previous PTFC Meeting, Commissioner of Customs (Export) had directed BCHAA to take up this issue directly with MIAL. He had further instructed the representative of MIAL to resolve the issue in accordance with Income Tax Act. However, the representatives of BCHAA informed that the issue still persists with both custodian MIAL and Air India. Commissioner of Customs (General) directed MIAL to take up the issue with their finance head and resolve it in time bound manner.

[Treated as Closed]

Agenda Points from BCHAA for PTFC Meeting held on 09.08.2016

1. **Frequent breakdown of connectivity in Import shed. Require a backup option to avoid delays in clearance.**

In the previous PTFC Meeting it was found that the majority of the cases of breakdown of connectivity in Import Shed happened due to cable cutting by rodents. Commissioner of Customs (Export) directed MIAL to take requisite steps to check the rodent infestation.

The representative of MIAL informed the house that they have taken measures to check the infestation.

The representatives of BCHAA informed the house that considering the frequent breakdown of connectivity in Import Shed, there is a need of back-up option for connectivity in the form of a separate line.

Dy. Commissioner of Customs (EDI) informed the house that regarding the back-up option and its availability a detailed discussion will be held with MIAL and accordingly appropriate decision will be taken.

[ACTION: Customs & MIAL]

2. Request to upload the status of refund claims applications on the ACC website.

Commissioner of Customs (General) informed the house that SMS alert service has been started to update the claimant regarding the status of the SAD refund claims which will also cover other refunds in the future.

Dy. Commissioner of Customs (CRC) informed the house that the refund claims are being arranged in chronological order. Once it is completed they will be uploaded on the website.

[ACTION: Customs]

Agenda Points from ACAAI for PTFC Meeting held on 02.09.2016

1. WLRO officials not available in their office on 20,21,22 August and not available at their office in CBD Belapur office as well due to which air shipment was held for four days.

The representatives of ACAAI informed the house that they held discussion on the above issue with the WLRO officials, during which, they informed ACAAI representatives that they were busy with some urgent matters and therefore were not available. However, they committed to communicate their non-availability, in advance, to avoid any inconvenience in the future.

Addl. Commissioner of Customs (Import) assured the representatives of ACAAI that an official communication will be sent to the appropriate WLRO Authority to resolve this issue.

[ACTION: Customs]

2. MOT still being charged by MIAL on holidays even though customs working 24X7.

The representatives of ACAAI informed the house that MOT is being charged by MIAL on holidays whereas in other Air Cargo Complex like Delhi MOT is not being charged in the light of 24x7 working of Customs.

The representatives of MIAL were not able to give any immediate response on the issue.

Commissioner of Customs (Export) directed MIAL to examine this matter and practices followed in other ACCs, and further take necessary steps so that there is uniformity in the operations across ACCs.

[ACTION: MIAL]

3. While issuing circular about revised holiday or working day, specifications such as export working 24X7 and the circular is meant for import only should be made.

Commissioner of Customs (Export) has informed the house that Export always work 24x7. Further, any circular issued pertains to the issuing Commissionerate only unless otherwise mentioned in the circular. So, there should not be any confusion in respect of above point.

[Treated as Closed]

4. **At the time of assessment of the shipping bill, the A.O. gives order for examination of 20% to 30% of the packages for all the shipping bills including free shipping bills. The system standard is 2% and 10% package examination.**

Commissioner of Customs (Export) informed the house that such a practice is not followed in all cases but only in few cases of sensitive destination ports/countries viz. Sudan. He asked the representatives of trade to report immediately to Dy. Commissioner of Customs (Export) if this practice is followed for non-sensitive countries and get those cases resolved.

[Treated as Closed]

5. **In the export shed, whenever the drawback is Rs.50,000/- the EO checks the cargo, prepares a note sheet and mark it to superintendent, who further marks it to Assistant Commissioner. This causes a delay of more than 2 hours in getting LEO. The details are not fed in the system either.**

Commissioner of Customs (Export) informed the house that such a practice is not followed in all cases but only in few cases of sensitive destination ports/countries viz. Sudan. He asked the representatives of trade to report immediately to Dy. Commissioner of Customs (Export) if this practice is followed for non-sensitive countries and get those cases resolved.

[Treated as Closed]

Agenda Points from BCHAA for PTFC Meeting held on 02.09.2016

1. **After issuance of refund order, there is considerable time taken by the Refund Dept. for transmitting the amount online to the importers. Average time taken is between 3-4 weeks.**

The representative from BCHAA explained the house the issue in detail regarding the online transmission of refund amount.

Addl. Commissioner of Customs (Import) informed the house that an elaborate Public Notice has been issued by Import and General Commissionerates which specifically deals with the procedures to be followed by Importers/CHAs for such facility. It is observed that the Importers/CHAs follow these procedures only when refund is processed/sanctioned thereby taking time for online transmission of refund. He requested the representatives of BCHAA to apprise their Importers/CHAs of this information.

He further informed that SBI, Sahar is also taking some time for disbursement of the refund claim credited in their account. The representative of SBI, Sahar was requested to examine this issue and take necessary steps so that refund claim amount may be transferred quickly.

[Treated as Closed]

2. It is observed that for items which are covered under the Drugs and Cosmetics Act, the "No Objection" from ADC office is obtained. However, when we approach the Shed for out of charge we are given to understand that job will require FSSAI NOC, even though the product does not fall under the food category. We request that such jobs should not be routed through FSSAI if ADC NOC is obtained.

The representative of BCHAA explained the issue to the house in detail.

Upon deliberation, Dy. Commissioner of Customs (EDI) informed the house that during filing of Bill of Entry (BE), the End Use Code must be entered whether the consignment is for Human Consumption or Medicinal Use or Trading etc. Accordingly, the system decides which NOC(s) are required. Further, an Annexure is provided under "Single Window ICEGATE Quick References" listing the CTH, End Use Code and the corresponding NOC required. He requested the representatives of the trade to go through the said annexure and properly enter the details in BE.

[Treated as Closed]

3. Vide ACC F.No.18/2012 dated 22.05.2012 it was decided that High Sea Sales (HSS) Contract would require execution on stamp paper of Rs.100/-. As per current practice the section is insisting on Rs.500/- Stamp paper, whereas JNCH is accepting HSS agreements on Rs.100/- Stamp paper.

The representative of BCHAA explained the issue to the house in detail.

Addl. Commissioner of Customs (Import) informed the house that the said matter will be examined and necessary action will be taken accordingly.

[ACTION: Customs]

4. Accurate Service Tax details of address and Registration No. need to be reflected correctly on the invoices of both the custodians (MIAL & Air India).

The representative of BCHAA informed the house that still the accurate details are not being provided by the Custodians.

Commissioner of Customs (General) directed MIAL and Air India to examine and resolve the above issue in timely manner.

[ACTION: MIAL & Air India]

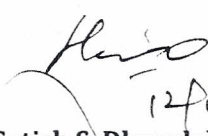
5. Alerts in case of BRC Defaulters.

The representative of BCHAA informed the house that there is a delay in removal of Alerts where the defaulters have submitted the proofs of BRC in cases of Drawback submission.

Commissioner of Customs (Export) informed the house that Alerts have been issued as a last resort measure where the exports, despite given many opportunities since December, 2015, have not responded and have not submitted the BRC. However, he assured BCHAA that when the exporter submit Complete BRCs, Alerts will be removed immediately without any delay.

[Treated as Closed]

This issues with the approval of Commissioner of Customs (General) and (Export).


12/09/2016.
(Dr. Satish S. Dhavale)

Addl. Commissioner of Customs (Import)
Air Cargo Complex, Mumbai

COPY TO :

1. Chief Commissioner of Customs, Mumbai Zone-III
2. Principal Commissioner of Custom (I), Air Cargo Complex, Mumbai
3. Commissioner of Custom (X), Air Cargo Complex, Mumbai
4. Commissioner of Custom (G), Air Cargo Complex, Mumbai
5. All Additional/Joint Commissioners, ACC, Mumbai
6. All Assistant/Deputy Commissioners of Customs, ACC, Mumbai
7. ASI/WLRO/ADC/PHO/PQ/AQ/BMC/Octroi
8. Authorized Officer, FSSAI
9. Asst. Drug Controller
10. Air India/MIAL
11. State Bank of India
12. ACAAI/BCHAA/BAR
13. All members of TFC
14. DG (Taxpayer Service Centre), Mumbai Zonal Office, New Custom House, Mumbai.
15. EDI Section - For uploading on ACC website.