

OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (IMPORT)
AIR CARGO COMPLEX, SAHAR, ANDHERI (EAST), MUMBAI - 99
Phone: 022-26828898 / Fax: 022-26828187

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

Date: 12.08.2016

MINUTES OF PERMANENT TRADE FACILITATION COMMITTEE MEETING HELD
ON 09.08.2016

The fortnightly meeting of the **Permanent Trade Facilitation Committee** was held on **09.08.2016 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
Atul Saxena, ADC(Export)	Customs, ACC
Sugriva Meena, ADC(Export)	Customs, ACC
Dr. Satish S. Dhavale, ADC(Import)	Customs, ACC
A. K. Goel, ADC(Import)	Customs, ACC
Dr. Deepak Sharma, DC(Import)	Customs, ACC
Sachin Gusia, DC(Import)	Customs, ACC
Dr. SubhashYadav, DC(Import)	Customs, ACC

Name of Attendees from other stakeholder organizations (Sh./ Ms.)	Organization
Cdr.Lokesh (Retd.), Mohamed Nasir, NandanKanchan, Ashok Satavase	MIAL (Mumbai International Airport Ltd. – Custodian)
RomilaBedi, Naina P. Khandekar, Asha S. Kale	Air India
Sanjeev Harale, PareshSangani, C.A. Veeramani	BCHAA (Brihanmumbai Custom House Agents' Association)
Loknath Raj	ACAAI (Air Cargo Agents Association of India)
C. M. Kelkar	SBI
D. A. Kadam	BMC
Raghav Uchil	AMTOI

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 (EDI) that only one printer had been installed in the Heavy Export Shed by MIAL.As regards installation of remaining printers, progress was sought from the representative of MIAL. It was informed by the representative of MIAL that they have installed two more printers.However, this claim was contested by Dy. Commissioner and Supdt.(P) of EDI Section. Upon deliberation, it was decided that proper review of the position will be done and MIAL will inform the exact position regarding installation of printers. Further, the representative, of MIAL was directed by Commissioner of Customs (Export) to immediately procure remaining printers, if not already procured, and operationalize all the printers by the end of August, 2016.

[ACTION:MIAL]

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

In the last PTFC meeting, Commissioner of Customs (Export) had informed the house that considering the time sensitiveness of air cargo consignments and the past instances of mis-utilization of the facility of the Shed to Shed transfer, the decision has already been taken by the then Commissioner of Customs (Import), ACC, Mumbai, that request for Shed to Shed transfer will be accorded on the case to case basis.

It was requested by the representatives of BCHAA that the permission for the same should not go upto the level of ADC and it should be done by AC/DCs. Commissioner of Customs (Export) informed that this request will be examined and appropriate instructions / directions will be issued.

[ACTION: CUSTOMS]

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

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 the said approval has already been received.

Further, the issue of overall infrastructure, in general, and IT infrastructure, in specific, was discussed. The issue of internet connectivity and Wi-Fi were deliberated and it was observed that internet connectivity is not available in many Sections and even where it is available, its speed is very slow. It was pointed out by Customs officials that poor internet connectivity hampers smooth office working, resulting in avoidable delays. This ultimately affects the trade and acts as a hindrance in the Government's initiative of 'Ease of doing business' and eventually 'Dwell Time' is being increased. Representative of MIAL cited security related issues for not implementing the Wi-Fi connectivity.

Commissioner of Customs (General) and Commissioner of Customs (Export) directed representative of MIAL to provide internet connectivity to all Sections and its speed should be increased from 2 Mbps to 200 Mbps. Representative of MIAL assured to improve connectivity and to try to solve issues regarding Wi-Fi. It was impressed that it should be upgraded before 31/08/2016.

[ACTION: MIAL]

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.

It was informed by the representative of BCHAA that the change in the verification process at the time of payment of duty, initiated by SBI, is not informed to trade in advance. However, even now after verification, in case of payment made through SBI, message exchange with ICEGATE is taking about 10 minutes whereas in case of other banks it gets done quickly.

SBI official informed that the matter is not branch specific, but is related to server and that it will be taken up with their Headquarters to resolve the issue.

[ACTION: SBI]

4. **Issue of Public Notice for early disposal of Single Window items and need to clear the B/Es on the screen on hourly basis by PGAs.**

The house was informed by the Commissioner of Customs (Export) that the matter has been taken up with all the PGAs and they have been instructed to dispose Single Window items expeditiously on hourly basis and follow the guidelines in this regard.

[Treated as Closed]

3. **Furnishing of names of companies who have registered under IPR at present on ACC website.**

It was informed by Addl. Commissioner (Import) that the same has already been uploaded on ACC website.

[Treated as Closed]

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

The BCHAA representatives informed the house that packages get wet while off-loading the cargo from the aircraft and moving it to the shed.

Commissioner of Customs (General) directed the custodians to identify the root cause for the same and to further enhance their efforts in securing the cargo from getting wet.

The representative of MIAL stated that due to heavy rains, water percolates even through the double protective layer placed on cargo. They assured that they will co-ordinate with different airlines and authorities so that time of exposure can be reduced.

[ACTION: MIAL & Air India]

5. **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 I.T. 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.**

Commissioner of Customs (Export) had directed the BCHAA representative to take up this issue directly with MIAL. He had further instructed the representative of MIAL to resolve the issue in accordance with I.T. Act.

Commissioner of Customs (Export) once again directed representatives of MIAL & BCHAA to resolve the issue amicably in terms of IT Act.

[ACTION: MIAL & BCHAA]

6. **Public Notice regarding exemption from Textile Committee testing.**

It was informed by Addl. Commissioner (Import) that a Public Notice and Standing Order has already been issued in this regard.

[Treated as Closed]

7. Stamp Duty Collection (MIAL)

It was informed by the Commissioner of Customs (General) to the house that this issue is duly noted and is being vigorously pursued with DG (Systems) and CBEC for early resolution.

[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.

A detailed discussion was held on the issue of breakdown of EDI connectivity in Import shed. It was observed that in majority of the cases the reason is cutting of cables by rodents. Commissioner of Customs (Export) directed the representative of MIAL to undertake necessary steps, like pesticide treatment in the Shed, to resolve this frequent problem.

ADC(I) assured the house that whenever there is breakdown of connectivity due to some system issue, the same is being expeditiously taken up DG(Systems) for early resolution.

[ACTION: MIAL]

2. Insistence of SOLVENCY Certificate on each bond is creating hindrance for clearance. For SVB cases, central SVB cell at NCH is already taking care of the compliance issues and it was requested ACC should not insist on Solvency Certificate for SVB related documents.

Commissioner of Customs (General) informed that in case of submission of Bond, Solvency certificate has to be submitted. However, sufficient time can be given for the submission of the same and letter may be issued in specific cases for production of solvency certificates, if desired by party/CHA.

[Treated as Closed]

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

Commissioner of Customs (General) informed that in cases of SAD refund, SMS alert facility will be implemented very soon. As regards other refund claims, the same will be done subsequently.

Further, Addl. Commissioner (Import) informed that status of refund claims will be uploaded on ACC website shortly.

[ACTION: Customs]

4. Request to issue operational procedure for bonding of cargo interms of New Warehousing Regulations, 2016.

Commissioner of Customs (General) informed the house that necessary Public Notice and Sanding Order has already been issued and there is no further need to issue any separate Public Notice on operational procedure as the Public Notice is covering all the operational issues.

[Treated as Closed]

5. **Thanks to MIAL for launching the Online Cargo Entry Permit System effective from 1st Aug., 2016.**

Representative of MIAL informed the House that they have started an online registration facility under which any person who wants to visit Air Cargo Complex can generate the necessary entry permit online.

Trade appreciated the new initiative taken by the MIAL.

6. **Request for deployment of freeWi-Fi facility at ACC Sahar.**

As already mentioned above at point No. 3 of page No. 2 of these minutes, as regards the issue of internet connectivity and Wi-Fi Commissioner of Customs (General) and Commissioner of Customs (Export) directed the representative of MIAL to provide internet connectivity to all Sections and its speed should be increased from 2 Mbps to 200 Mbps. Representative of MIAL assured to improve connectivity and to try to solve issues regarding Wi-Fi before 31/08/2016.

[ACTION: MIAL]

Discussion initiated by the Commissioner of Customs (Export).

1. **Authorised Economic Operator (AEO) Programme**

It was informed to the house that Board has issue a detailed Circular No. 33/2016-Customs dated 22/07/2016 regarding the AEO programme. ADC(I) specifically emphasized on the benefits of AEO programme and requested all the stakeholders to register under AEO / AEO-LO status and further requested them to pursue their clients / customers to avail the benefit of AEO programme. Detailed Public Notice on the subject issue has also been issued for benefit of the trade.

Sh. Sanjeev Harale from BCHAA informed that they are very eager to join the programme and are taking all the initiative from their side to give wide publicity to the programme.

2. **Special drive regarding Drawback claims.**

Commissioner of Customs (Export) informed that as house is aware that they have launched a special drive for the disposal of drawback claims vide Public Notice No. 25/2016-17 dated 15/7/2016. In this regard, drawbacks held due to EGM errors were in 1000 cases out of which 600 have already been resolved and 400 are still pending at the level of 'EGM Error'. All the Airlines are requested to resolve the matter by the end of August, 2016.

3. **Introduction of New RBI-BRC module for monitoring of realization of Export proceeds in EDI for S/B with LEO dates from 1.4.2014 onwards.**

Commissioner of Customs (Export) informed that Public Notice 24/2016-17 dated 15/7/2016 has been issued regarding introduction of New RBI-BRC module for monitoring realization of export proceeds in EDI for S/B with LEO date from 1/4/2014 onwards. Commissioner impressed upon the CHA's to bring this to the notice of their clients i.e. exporters for compliance.

4. First Time Exporters

Commissioner of Custom (Export) informed the house that they have issued a Public Notice regarding the first time merchant exporter that they should the KYC norms, but it is coming to the notice that the said Public Notice is not being followed in its entirety. All the stakeholders were further instructed to follow the above Public Notice.

5. Overall status of infrastructure

It was informed that the physical infrastructure at Air Cargo Complex is not up to the mark. Various Sections of Customs office are not properly equipped and maintained. The Officers and Staff have complained of rodents and animals like cats and dogs being seen roaming freely at Air Cargo Complex creating hindrance and problem, in efficient and smooth functioning of office. Commissioner of Customs (Export) directed representative of MIAL to take necessary steps to improve infrastructure and resolve the above problems.

[ACTION: MIAL]

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

Handwritten signature
12/08/2016

(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.