

Minutes of Permanent Trade Facilitation Committee Meetting

Minutes of the meeting of PTFC (Permanent Trade Facilitation Committee), Customs Mundra held on 13.07.2016 at 11:00 A.M. at Mundra Custom House under the chairmanship of Shri P. V. R. Reddy, Principal Commissioner of Customs, Custom House, Mundra.

The meeting was attended by the following;-

- 1. Shri B. K. Singh, Additional Commissioner, CH, Mundra
- 2. Shri G. P. Meena, Joint Commissioner, CH, Mundra
- 3. Shri Nitin Jain, Deputy commissioner (AG), Mundra
- 4. Shri T Samaya Murali, Deputy commissioner, Mundra
- 5. Smt Shashi Panwar, Deputy commissioner, Mundra
- 6. Shri Jakir Hussain, Deputy commissioner, Mundra
- 7. Shri Rajesh Tripathi, Deputy commissioner, Mundra
- 8. Shri Naresh K. Saini, Deputy commissioner, Mundra
- 9. Shri Niranjan Godara, Deputy commissioner, Mundra
- 10.Shri H.C. Meena, Deputy commissioner, Mundra
- 11.Shri Sangam P. Shah, Superintendent, Mundra
- 12.Shri Bondi Kesav Rao, Seabird CFS, Mundra
- 13.Shri Gatikrushna Sutar, Allcargo CFS, Mundra
- 14.Shri Prithvi Raj Singh Rathore, MSC Agency, (India) Pvt. Ltd.
- 15.Shri Atul Kumar Rai, Shiv Shipping Clearing & Services
- 16.Shri Bhupat Gohil, Saurashtra CFS, Mundra
- 17.Shri R.P. Singh, Rishi International Logistics
- 18.Shri Hemchandra B. Yadav, Shivam Seatrans Pvt. Ltd.
- 19.Shri Manoj Kotak, Secretary, MCHAA
- 20.Shri Sanjay Dave, Prime Forwarders, MCHAA
- 21.Shri Kaushik Joshi, APSEZ, Mundra.
- 22.Shri C.R. Panda, Ashutosh CFS
- 23.Shri Sanjay Singh, APSEZ, Mundra.
- 24.Shri Sandeep Trehan, Transworld CFS/TG-Terminal, Mundra
- 25.Shri Sandeep Rajwanshi, Honeycomb CFS, Mundra.
- 26.Shri Vijay Ahir, Empezar Logistics
- 27.Shri Hiren Thakkar, Saurashtra CFS
- 28.Shri Kaushal Kumar Dubey, Insynergy SCS Pvt. Ltd.
- 29.Shri Sathiaw Paltimpully, MSC/MPSA
- 30.Shri Santhosh Zachariah, Transworld GLS/MPSAA
- 31.Shri Dinesh Gupta, MCHAA

At the outset, the chairman welcomed all the members present in the meeting. After that the Agenda Points were discussed in detail and the point-wise minutes of the PTFC meeting are as under:

 The operations carried out in CFS's are very lengthy resulting in delay and in many cases it exceeds delay of more than 2-3 days in both Export and Import shipments. Also, the tariff rates levied by Mundra CFSs are far higher in comparison to other ports in India. In this regard, P.N. No. 16/2011 dt. 20.01.2011 issued by Commissioner of Customs, Nhava Sheva regarding inordinate delay in delivery of goods due to malfunctioning of cargo handling equipment is submitted. : - The Chairman replied in consultation with all the Members of CFS present during the meeting that there should not be any inordinate delay in clearance except in rare cases. Further, the charges levied at Mundra Port are quite competitive comparing with other ports of India.

2. The CFS's have been granted waiver from payment of cost recovery charges but the same has not been returned/compensated to Importers and Exporters and the tariff is levied by all CFS at the same level. The CFS may kindly be questioned about how they have dealt with fund received against Cost recovery waiver.

: - The Chairman requested both the associations to mutually discuss the matter and solve the issue.

3. The financial matters related to CFS do not fall within purview of department. However, since the diesel price reduced considerably, CFSs may be directed to provide the details of Fuel Surcharge collected from date wherein it is incorporated in Bill till date.

: - The Chairman requested both the associations i.e. CHA and CFS to mutually discuss the matter and solve the issue.

4. Lease Line Connection/Thin Client is only available with TG-Terminals. None of the other CFS is equipped with such facility. In addition to that the printers installed at CFS's are not in accordance with the parameters of EDI system.

: - The Chairman replied that MPLS Connectivity/Lease Line Connection is now available at TG Terminal, Hind Mundra Terminal, Transworld Terminals Pvt. Ltd. In the remaining CFS, provisioning of MPLS is under progress and it is estimated that the same may be completed within 2-3 months in some of the CFS and so on.

5. 24*7 working is implemented at this port, however in absence of CMC staff for the required print all work gets automatically struck. Further suitable direction may be issued to DP Staff for implementing 24x7 working.

: - The Chairman replied that 24 * 7 is already working in the Commissionerate as per Board's Instruction. DP Staff is available 24*7 at Floating Gate. Usually CMC staff remains present till the final completion of print-out work or the last CB representative present for the print-out.

6. Till date amendments under Section 149 were allowed without imposing any penalty but nowadays the amendments under Section 149 are allowed imposing penalty.

: - The Chairman replied that the liberal view will be taken in the matter.

7. The percentage of RMS requires to be increased to reduce dwell time and transaction cost.

: - The Chairman replied that Local targets will be reviewed and the matter needs further examination in consultation with RMD.

8. The officers posted at Dock Examination Section are asking the trade for valuation on the basis of Zauba.com even though the Bill of Entry is assessed by Group. Also, the procedure of Seal Cutting is to be done after Goods Registration but nowadays the registration is done after physical examination which is against the procedure.

: - The Chairman asked the associations for the specific instances to be brought to his notice. However, the Chairman replied that the controlling officer will instruct their staff to follow the laid down procedure.

9. The officers posted in Docks are literally taking samples for their own use of Import and Export goods like open market. It results in destruction of Exporters image and has to suffer from loss of remittance. It also affects the image of India in the International market.

: - The Customs Broker's association members present during the meeting stated that they have enquired into the matter and stated that no such incidence noticed involving Customs Officials.

 The Bill of Entry/Shipping Bill may only be accepted if the same are submitted by proper Authorized Employee with valid I-Card issued by Mundra Customs of the Companies wherein the same are filed under Self clearance.

: - The Chairman replied that H Card/ G Card are being properly verified by the Officers.

11. The group may kindly be advised that while considering valuation at least to take note whether the importer is a trader or manufacturer.

: - The Chairman replied that the officers of Assessment Group are doing assessment on the basis of data available on NIDB and all parameters are considered while doing assessment.

12. There is improper filing of EGM which results in delay in generating EP copies and the incentives of the exporters. The MCD section may please be advised in this regard.

: - The Chairman replied that the Pendency has already been partially liquidated. Further the Chairman directed the Dy. Commissioner (Export Section), to take up the matter with Shipping Lines.

13. Most of the Drawback Shipping Bills are still pending just on the basis of Departmental comments that the samples were sent to CRCL Kandla, whereas on enquiry with the lab it was found that none of the samples were received.

: - The Chairman replied that he will personally look into the matter. However, in all the cases the test reports are being collected from CRCL, Kandla and the same will be entered into the system and the Drawback claims settled early. The Creation of Central Sample Cell (CSC) is under consideration to solve this issue including keeping data of the Test Reports electronically. 14. In all cases of Export where drawback amount is above Rs. 1 lakh, samples are sent for testing and even the PTR is not accepted. Whereas as per Kandla Customs P.N. 14/2006 the test result shall be valid for a period of one year.

: - The Chairman replied that once a sample is drawn and test report has been received, such report will be valid for one year in case of manufacturer supplier and 6 months, in case of imports made from traders, subject to provisions made in the PN No. 14/2006 of Kandla Custom House.

15. As a facilitation measure, it is requested to keep Export Assessment section working on Saturdays also.

: - The Chairman replied that Export Assessment Section will remain open atleast for a day if there are three continuous holidays.

16. Marble slabs are being brought into containers so that it may not get destroyed and for such goods the examination may kindly be done in the Container itself as the goods are clearly visible from start to end. The CFS authorities are not equipped with the equipments to de-stuff and re-stuff the goods.

: - The Chairman replied that he will look into the matter and necessary instructions will be issued to CFS/Dock officers.

17. It is requested not to issue/register new licence who is not having registration with this association. Before issue of H/G/F pass please verify NOC/Membership certificate of MCHAA.

: - The Chairman replied that the suggestion is being considered favourably.

 O/o Principal Commissioner of Customs (General) Mumbai Customs issued P.N. No. 40/2016 dt. 24.05.2016 regarding issue of H Card valid upto Five Years. It is requested to issue similar public notice for Mundra Customs also.

: - The Chairman replied that the same will be implemented in Mundra also.

19. Due to non- function of printers at all CFSs and non-availability of CMC staff at all CFSs, Exim trade is suffering and due to delay in final print-out Containers are getting shut-out and delay in import delivery. In this regard kindly issue necessary instructions to CMC Vendor for providing sufficient staff. We had already lodged a grievance in CPGRAM to which they had replied that the Commissioner of Customs can fix the timings of the Service Center.

: - The Chairman replied that as on 27.06.2016, only three printers were in operation at PUB only and as on 12.07.2016, six printers are working (i.e. PUB=2, TG Terminal=2 & Hind Terminal=1). Further, Printers at Seabird & Honeycomb CFS are also in operation. At present, 7 Printers are working at various CFSs.

20. Shifting of Customs Gate from Port to Rangoli Gate for Factory Stuffed/ Self Sealing Containers to reduce dwell time and transaction cost and facilitate the Exim trade.

- : The Chairman replied that the matter will be looked into.
- 21. To install Container Scanner at gate so that container can be scanned and examination risk can be reduced.

: - The Chairman replied that the matter is under progress and Directorate of Logistics is finalising the quotations in this regard.

The meeting ended with vote of thanks to the Chair.

(G. P. Meena) Joint Commissioner Customs House, Mundra

F. No. VIII/48-25/AG/CHM/2015-16

Date: 27.07.2016

Copy to:-

- 1. The Chief Commissioner, Directorate General of Taxpayer Services, C R, Building, IP Estate, New Delhi 110109.
- 2. The Chief Commissioner of Customs, Gujarat Zone, Ahmedabad.
- 3. PA to Principle Commissioner of Customs, Custom House, Mundra.
- 4. Additional Commissioner (Group) of Customs, Custom House, Mundra.
- 5. Additional Commissioner (DE/DP) of Customs, Custom House, Mundra.
- 6. All Deputy/Assistant Commissioners of Customs, Custom House, Mundra.
- 7. The Chamber of Commerce and Industry, Kutch/Gandhidham.
- 8. Mundra Customs House Broker's Association, Mundra.
- 9. Kandla Customs House Broker's Association. Gandhidham.
- 10. Mundra Shipping Agent Association.
- 11.M/s Adani Logistics Ltd. APSEZ, Mundra.
- 12.Container Freight Station Association, Mundra.
- 13.Notice Board