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OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS  
CUSTOM HOUSE, MUNDRA-370421  
Phone No.02838-271463; FAX-02838- 271169/271475

### **Minutes of Permanent Trade Facilitation Committee Meeting**

Minutes of the meeting of PTFC (Permanent Trade Facilitation Committee), Customs Mundra held on 03.02.2016 at 03:00 P.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 R. K. Chandan, Additional Commissioner (DP & DE), CH, Mundra
2. Shri R. M. Gautam, Additional Commissioner (AG), CH, Mundra
3. Shri Shri H. G. Mathew, Superintendent (AG), Mundra
4. Shri Ramesh Bansal, President, Kandla Customs Brokers Association
5. Shri Kaushik Joshi, APSEZ, Mundra.
6. Shri Manoj Kotak, Secretary, Mundra Customs Brokers Association
7. Shri Sandeep Trehan, Transworld CFS, Mundra
8. Shri Suresh Mutany, Honeycomb CFS, Mundra.
9. Shri Sandeep Rajwanshi, Honeycomb CFS, Mundra.
10. Shri Lalitendu Mohanty, Allcargo CFS, Mundra.
11. Shri Bhavin Davda, Allcargo CFS, Mundra.
12. Shri Prithvi Raj Singh Rathore, MSC Agency, (India) Pvt. Ltd.
13. Shri Shah, Adani port, Mundra.
14. Shri Sanjay Singh, AP& SEZ, Mundra.

1. At the outset, the chairman welcomed all the members present in the meeting.

2. The President of Mundra Customs Brokers Association had informed that the EDI System frequently breaks down at Custom due to non-availability of network connection. Therefore they have requested to that the Customs may direct the shipping lines to waive demurrage/detention charges occurred for the said period.

: - The chairman replied that such break down is not noticed for entire day time but it happens for few hours, therefore it is not practical to ask shipping line to waive demurrage/detention for that part of disruption. However he assured that if such disruption happens on Friday and assessment couldn't be done on that day and due to which the importer has to suffer demurrage/detention for Saturday/Sunday, it would be ensured that assessment officer completes work on Friday (weekend day) itself using VPN connectivity. He further directed the EDI section to keep a watch on such incidents and report the matter to him so that necessary action can be taken in consultation with D G System's office.

3. The President of Mundra Customs Brokers Association represented that the print generated at the Service Centre or CFS are not legible and sometimes the fonts are too small. Therefore they are not able to convince the Bank to accept the Bills submitted by them.

:- The Chairman had directed all the CFS to keep their printer functional and provide cartridges in time. This was conveyed through the representative of CFS Association present in the meeting. He further requested to CHAs to come with the copy of such illegible print to concerned authority so the matter could be resolved immediately.

4. The President of Mundra Customs Brokers Association requested to appoint different agencies like Animal Quarantine, CRCL Laboratory, Assistant drug Controller, Textile Committee to enable smoother clearance of cargo at Mundra port.

:- The chairman replied that the possibility of Single Window Facility will be explored for the Commissionerate after creation of web site for Mundra Custom House.

5. The President of Mundra Customs Brokers Association requested that once the sample is drawn and the said test report is received then the said test report should be valid for 1 year as per the Public Notice 14/2006 issued by Kandla Customs. Further, they have also requested to give directions to the CRCL, Kandla regarding faster disposal and give the test report on first in first out basis.

:- 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 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. He further informed that in all the cases the test sample received prior to 1<sup>st</sup> Dec, 2015 has been completed by the CRCL, Kandla and reports are already been sent. The Creation of Central Sample Cell (CSC) is under consideration to solve this issue with wholistic approvals including keeping data of the Test Reports electronically.

6. The President of Mundra Customs Brokers Association requested to empower the Superintendent to make amendment under section 149 of Customs Act, 1962 where no revenue angle is involved.

:- The chairman replied that as per Board's Notification No. 40/2012-Cus(N.T.) dated 02.05.2012 the proper officer for allowing any amendment under section 149 of Customs Act, 1962 is Joint / Additional Commissioner, hence it cannot be allowed by any officer below the rank of Joint/ Additional Commissioner.

7. The President of Mundra Customs Brokers Association requested that the time limit prescribed for supplementary claim for drawback need not to be applicable for the case where the department or by any means the drawback claim is reduced, but the most of the shipping bills are cleared denying the claimed rate of drawback only on the basis of non-submission of drawback declaration of non-availment of CENVAT credit. They have also submitted the copy Public Notice 04/2004 dated 12.01.2004 issued by Commissioner (Import) JNCH, Nhava Sheva, wherein the JNCH has clarified that in all such cases no time limit should apply as they were received with the rate which either denied or reduced by the department resulting in non / short payment of drawback. Accordingly they requested to give necessary direction in the matter.

:- The chairman replied that it is not necessary to file revised drawback claims where the claimed rate of drawback has been denied / reduced by the department only on the basis of non-submission of drawback declaration of non-availment of CENVAT credit.

8. The President of Mundra Customs Brokers Association have submitted the copy of Standing Order No. 08, 15 & 17 issued by Nhava Sheva Customs and stated that these are helpful to reduce the dwell time. The said Standing Orders are as under:-

I). Standing Order No. 8 regarding Monitoring of Bills of entry pending for more than 48 at group level reporting and Monitoring.

II). Standing Order No. 15 regarding posting of dedicated staff for making entries of test reports received from CRCL.

III). Standing Order No. 17 regarding Raising of query for valuation – To be Specific.

:- The Chairman replied that; (i) all the Bills of Entry more than 48 hours are being scrupulously monitored by the Senior Officers of this Customs House. Pending Bills of entry are properly monitored by Group officers. (ii) Posting of dedicated staff for making entries is under consideration. (iii) Instruction was already been issued to the Assessing Officer that any query for enhancing the value should be specific.

9. The President of Mundra Customs Brokers Association requested that the CFS authorities insist upon permission from the Dock preventive section, where the goods are brought into CFS in container or delivery of imported out of charged cargo is to be taken in container. Accordingly they have requested to give directions to CFS in this regard as the goods are brought for examination and while taking out the goods are already out of charged given by the proper officers of Dock Examination section. They further submitted that the requirement of such permission by the CFS increase the dwell time.

:- The chairman replied that export goods brought in containers in the CFS for carting would be de-stuffed for further examination by DE staff as per the examination order and therefore no separate permission is required to bring in the export cargo in containers. Similarly, once the imported goods are made out of charge, the importer can take delivery in any manner and no separate permission is required if delivery of the good is taken in containers. However, the Custodian shall ensure that the goods carted in for export are same as declared and goods allowed for delivery should be the very same goods which were made out of charge by the proper officer.

The Chairman further stated that there are sufficient numbers of Supdt./P.O.s are posted in the CFS for cargo examination and stuffing of the cargo. Any procedure resulting delay of process is due to non-implementation of proper procedure. Once the goods carted into the CFS, after examination and Let Export Order is accorded by the proper officer, the Preventive Officer posted in the CFS, will supervise stuffing and on completion of stuffing, the Preventive Officer will seal the container and endorse the completion certificate. On the basis of completion certificate, the Superintendent (DP) posted in CFS will feed stuffing report in the EDI system.

10. The President of Mundra Customs Brokers Association represented that there is no monitoring of proper filing of EGM by the shipping agents/ Liners. Accordingly they have requested to give necessary directions to MCD section to ensure that the EGM should be filed accurately, completely and timely by the Shipping Lines so that they can generate EP copies and drawback can be processed in time.

:- The chairman replied that the matter will be examined and if required a detailed Facility Notice will be issued after receiving proper representation from the Shipping Lines and other stake holders.

11. The President of Mundra Customs Brokers Association represented that the procedure adopted by Dock Examination officers for raising objection of excess weight merely on the basis of CFS weighment slip in RMS facilitation Bills of Entry is causing undue hardship. Where Bills of Entry are cleared through RMS, this practice should be discontinued since the Bill of Entry very clearly stated that assessment and examination is not prescribed for this bill of entry. Raising

objection of excess weight without examination of the cargo, merely on the basis of the CFS weighment slip of the container is found incorrect reporting of excess weight as it does not consider weight component of further packing material, pallets etc. used for the goods inside the container.

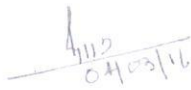
:- The chairman replied that there is no need to raise objection of excess weight in respect of Bills of Entry assessed through RMS merely on the basis of CFS weighment slip except in those cases wherein the cargo is in loose condition such as marble block and Brass scrap ....etc. wherein no further packing material used inside the container or in those cases where specific reasons / intelligence are there to do so.

12. The President of Mundra Customs Brokers Association represented that the system selects some shipping bills filed under self-sealing for check-package and the same are examined by the docks examination and are sealed by the Dock Preventive officers. In such containers the Superintendent of Dock Preventive insists that his permission is also required for re-sealing and requested to issue suitable directions in this regard.

:- The chairman replied that once the procedure as prescribed in para 10 will be in place, there will be no requirement of obtaining separate resealing permission from the Superintendent as any stuffing by Preventive Officer will be under the supervision of the Superintendents posted in the Dock Preventive section.

13. The President of Mundra Customs Brokers Association has informed that all the consignment of brass scrap are selected for assessment though the tariff value for Brass scrap has been fixed.

:- The chairman replied that this matter needs further examination in consultation with RMD. He had directed the Additional Commissioner (Import) to take up the issue with RMD.

  
(R. K. Chandan)  
Additional Commissioner  
Customs House, Mundra

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

Date: 04.03.2016

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