



सीमा शुल्क प्रधान आयुक्त का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
सीमा शुल्क सदन :: पत्तन क्षेत्र :: विशाखपट्टनम & 530035
CUSTOM HOUSE:: PORT AREA :: VISAKHAPATNAM – 530035

फा. सं/F No. S23/175/97-AP (Vol.V)

दिनांक/ Dated: 07.03.2018

MINUTES OF THE PERMANENT TRADE FACILITATION COMMITTEE (PTFC)
MEETING HELD ON 22.02.2018 AT 1600 HOURS IN CUSTOM HOUSE,
VISAKHAPATNAM

MEMBERS PRESENT

S/Shri

1	Dr. D.K. Srinivas	Commissioner	Chairman
2	Sudhakar Mishra	Additional Commissioner	Member
3	H.S.Naskar	Dy. Commissioner	Member
4	Dipak Zala	Dy. Commissioner	Member
5	P.V.S.S.Srinivas	Asst. Commissioner	Member
6	CH. Hari Krishna Reddy	Asst. Commissioner	Member
7	Varun Koundinya	Asst. Commissioner	Member
8	T.Ravi Varma	Asst. Commissioner	Member
9	P.Gopichand	Asst. Commissioner	Member
10	G.V.S.R. Sarma	Asst. Commissioner	Member
11	Joginder Singh Mor	Asst. Commissioner	Member
12	Parthasarathi Karmakar	Chemical Examiner (Gr.I)	Member
13	G.V.V.S. Kumar	Chemical Examiner (Gr.-II)	Member

The following Trade / Custodians attended the meeting:-

S/Shri/Smt

1	P. Babu Rao	President, CB Association
2	M. Venu Gopal	Secretary, CB Association
3	Sushil Mulchandani	COO, VCTPL
4	Anil Narayanan	Vice President, VCTPL
5	Rolland Williams	Managing Partner, Merilyn Shipping

6	K.V. Sampath Kumar	Managing Director, Rich Mark Shipping
7	Varanasi Sanyasi Rao	Director, Varanasi International Shipping
8	S.Sravan Kumar	Director, Sravan Shipping
9	A. Suryanarayana	Director, Sri Prasunamba Logistics
10	P.A.S. Srinivasa Rao	Hind Freight
11	Aashish Pakalapati	Gen. Manager, Merilyn Shipping
12	G.S. Reddy	SICAL
13	P.G.K.Patnaik	Seaways Shipping and Logistics Ltd.
14	M. Nageswara Rao	Manager, R & Y Logistics Pvt. Ltd.
15	Ch. Ravindra Kumar	Proprietor, S.S. Logistics
16	L. Srinivasa Rao	Harika Shipping & Logistics
17	B. Syamala Rao	Merilyn Shipping
18	G. Christopher	AGN, Mega Sea Shipping
19	J. Sarma	Shirdi Sai Shipping
20	G. Dasaradhi	R.E. Shipping
21	NVK Murthy	VCHAA

1. At the outset Chairman welcomed all the members.
2. Shri P.V.S.S. Srinivas, Assistant Commissioner of Customs made a power point presentation on *Time Release Study of Import Clearance and Export Clearance at Visakhapatnam Seaport*. The study was made for the three months period from November, 2017 to January, 2018. The analysis of all stages of import clearance and export clearance was presented.

The analysis reflected that the dwell time for most of the stages of import and export clearances was satisfactory. However, Chairman pointed out certain stages of import and export clearances where a considerable improvement is needed to reduce the time. On the import front, the stages / time being taken between *Payment of duty & Registration of BEs, Assessment of BEs & Registration* and *Registration of BEs & Out of charge* were pointed out. On the Export front, the stages / time being taken between *Let Export Order & Stuffing Report* and *Stuffing Report and Filing of IGM* were pointed out.

- Chairman urged the action owners concerned to strive for reduction of dwell time in the stages of import/export clearances pointed out as above.
- Chairman suggested to study the cargo profile while analyzing the dwell time data.

Action Owners : Customs Brokers / Customs

3. The Additional Commissioner took up the Minutes of the previous PTFC meeting held on 14.12.2017 and informed that –

- (i) Most of the points of the previous meeting were closed.
- (ii) The O/o The Assistant Drug Controller of India had started functioning at Visakhapatnam and a Drugs Inspector who is authorised to clear import/export consignments through Visakhapatnam port has also been posted.
- (iii) The point raised in the previous meeting regarding practice followed in case of seal mismatch of containers has been taken up and a letter was sent by this office to Director (Customs), CBEC. The issue would be sorted out as soon as the reply is received from Director (Customs).
- (iv) In regard to the point on *EGM Errors*, Chairman apprised the members that most of the errors were of the category *C-Error* and *N-Error* but a study of the last six months data revealed a vast improvement as the errors had reduced from a figure of around 8000 to 1200. However, Chairman advised to put a system in place to minimize errors.
 - In the above context, Chairman directed Assistant Commissioner (ITP) to conduct a joint meeting with the representatives of the Customs Brokers Association and the Liners Association and inform before the next meeting, the steps proposed to be implemented to reduce the EGM errors.

Action Owners : AC (ITP) / CB Assn. / Liners Assn.

- (v) The point raised by the Customs Brokers Association that VCTPL is charging direct loading charges for the entire lot of containers meant for shipment even though 1 or 2 containers of the lot enter the terminal after the cut-off time was put before the VCTPL authorities present in the meeting. The COO of VCTPL explained the system in place at VCTPL. However, Chairman informed the members that Customs would not interfere or take up points involving commercial angles.

4. NEW POINTS DISCUSSED IN THE MEETING

The Visakhapatnam Customs Brokers Association sponsored 7 points vide their letter dated 21.02.2018 and the same were taken up for discussion.

Point No. 1

The procedure of self-sealing of containers has been introduced by the Government to minimise cost and time for exporters in moving their cargoes to ports. This initiative has been affected because of penalties levied by the Traffic Police Department for trailers waiting for entry at the VCTPL Gate. VCTPL has also

directed members of trade that all trailers carrying self-sealed containers including those having all documents in order and online pre-advising done should stop at the Pre-Gate and pay a fee for parking and get the documents rechecked which is adding to the cost and time. The Customs Brokers Association requested to look into the matter and issue necessary orders to remove the unnecessary bottleneck.

Chairman asked the VCTPL authorities to respond to the point. The COO, VCTPL informed that VPT had created a *Parking Area* to facilitate trailers carrying containers and entering the port limits without complete documentation and a charge of Rs. 50/- per trailer for 8 hours is charged by VPT. Further, the pre-advise system put in place is of no monetary benefit to VCTPL but is facility to trade which is aimed at allowing only those trailers which are complete and ready in all respects to wait for entry at the VCTPL Entry Gate.

Chairman desired that VCTPL should keep the Customs Department in loop before taking any policy decision relating to cargo movement pertaining to imports and exports.

Point No. 2

As a consequence of implementation of self-sealing procedure, the volumes of export containers arriving directly at VCTPL have increased substantially and the requirement of officers of Customs, infrastructure and printers are to be provided in proportion. The Customs Brokers Association had therefore, requested for augmentation of officers of Customs posted to VCTPL and also provide heavy duty printers for smooth and faster completion of work.

- Chairman directed VCTPL authorities to approach EDI Section and seek a second SSO ID to operate a second printer at VCTPL and Assistant Commissioner (EDI) was directed to follow-up with VCTPL authorities to ensure quick installation of the second printer.

Action Owners : VCTPL / AC (EDI)

Point No. 3

The Customs Brokers Association requested for a Waiting Hall and work space at VCTPL because of the increase in volumes of containers arriving at VCTPL directly.

- Chairman apprised the VCTPL authorities regarding their obligations under the *Handling of Cargo in Customs Areas Regulations, 2009* with a specific reference to Regulation 5(c) of the said Regulations which spells out that the Service Provider should provide premises for user agencies with basic amenities and facilities.

- Chairman directed VCTPL authorities to comply with the condition stipulated in Regulation 5(c) of HCCAR, 2009 and provide necessary work space for the Customs Brokers and other agencies attending work at VCTPL.

Action Owners : VCTPL

Point No. 4

The Customs Brokers Association thanked the Chairman for the focus and importance given to closure of EGMs expeditiously and suggested that –

- a. Weekly reports be given to them so that they could coordinate with the authorities concerned and clear the errors such as stuffing reports, etc.
 - b. The Shipping Lines/Agents be cautioned to close the long pending EGM errors immediately.
- Chairman directed ITP Cell to provide weekly reports as sought for by the Customs Brokers Association.
 - Chairman reiterated the direction given to Assistant Commissioner (ITP) to conduct a joint meeting with the representatives of the Customs Brokers Association and the Liners Association and inform before the next meeting, the steps proposed to be implemented to reduce the EGM errors.

Action Owners : AC (ITP) / CB Assn. / Liners Assn.

Point No. 5

E-seals are still in shortage and the vendors are not able to fulfil orders. Approved seal vendors are promising deliveries but are not fulfilling the requirement of exporters.

- Chairman apprised the members that the number of vendors has now increased to 18 and the position would ease with sufficient e-seals being made available to exporters by the vendors.

Point No. 6

The importers (100% EOUs and SEZ Units) file Warehouse BEs and bond the cargo in PBWH. As per the requirement of cargo, the importers file the SEZ Ex-Bond BE and get the assessment done by the SEZ Customs / authority concerned. Thereafter, the quintuplicate copy of the SEZ BE is submitted by the Customs Broker in the Bond Department of Visakhapatnam Custom House for obtaining permission to move the bonded cargo from the PBWH to the SEZ Unit.

As per Public Notice No. 06/2018, dated 5.2.2018, Customs Brokers are to approach the Import Department to obtain the Transhipment Number and then the file is forwarded to Bond Department for grant of *Out of charge*.

The Customs Brokers Association requested that the Transhipment Number and Out of charge be given in one department i.e. Import Department or Bond Department, so as to avoid delay.

- Chairman stated that the issue will be examined and directed the Assistant Commissioners incharge of ITP and Bonds to come up with a solution.

Action Owners : AC (ITP) / AC (Bonds)

Point No. 7

The Customs Brokers Association have come to understand that there is abnormal delay in loading DPD containers from the terminal on account of ACP / SEZ / 100% EOU clients and VCTPL is also charging additional amount towards shifting of containers within the terminal for such containers.

- This office Public Notice No. 1/2018, dated 11.1.2018 specifically mentions that the Container Terminal is required to provide earmarked space in their yard to keep containers belonging to approved importers of DPD so as to facilitate logistics relating to expeditious clearance.

Action Owners : VCTPL

The meeting concluded with the Chairman thanking all the members.

This issues with the approval of Commissioner



(पी वी एस एस श्रीनिवास / P.V.S.S. SRINIVAS)

(सहायक आयुक्त, सीमा शुल्क / ASST. COMMISSIONER OF CUSTOMS)

To,

All Members, Permanent Trade Facilitation Committee

Custom House, Visakhapatnam - by E-mail

Copy submitted to:

The Chief Commissioner, Central Excise, Customs & Service Tax, Visakhapatnam
Zone - For information

: 7 :

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