

OFFICE OF THE COMMISSIONER OF CUSTOMS
CUSTOM HOUSE :: PORT AREA :: VISAKHAPATNAM – 530 035

F.No.S23/175/97-AP (Vol.IV)

Date : 31.10.2017

**MINUTES OF THE PERMANENT TRADE FACILITATION COMMITTEE (PTFC) MEETING
HELD ON 13.10.2017 AT 1700 HOURS IN CONFERENCE HALL, CUSTOM HOUSE,
VISAKHAPATNAM**

MEMBERS PRESENT

S/Shri/Smt

1	Dr. DK Srinivas	Commissioner	Chairman
2	Sudhakar Mishra	Additional Commissioner	Member
3	H.S. Naskar	Deputy Commissioner	Member
4	Dipak C. Zala	Deputy Commissioner	Member
5	Ch. Hari Krishna Reddy	Assistant Commissioner	Member
6	P. Gopichand	Assistant Commissioner	Member
7	P.V.S.S. Srinivas	Assistant Commissioner	Member
8	T. Ravi Varma	Assistant Commissioner	Member
9	B. Narendra Kumar	Assistant Commissioner	Member
10	G.V.S.R. Sarma	Assistant Commissioner	Member
11	Joginder Singh Mor	Assistant Commissioner	Member

The following members from Trade attended the meeting:-

S/Shri/Smt

1	P. Babu Rao	President, Visakhapatnam Customs Brokers Association
2	K. Sampath Kumar	Vice President, Visakhapatnam Customs Brokers Association
3	M. Venu Gopal	Secretary, Visakhapatnam Customs Brokers Association
4	R. Williams	Merilyn Shipping & Transports
5	K. Balan	R.E. Shipping
6	G. Sravan Kumar	Sravan Shipping Services Pvt. Ltd.
7	Aashish Pakalapati	Gen. Manager, Merilyn Shipping & Transports

8	Varanasi Sanyasi Rao	Varanasi Shipping
9	K. Narasimha Rao	Seaways Shipping & Logistics :Ltd.
10	P.G.K. Patnaik	Seaways Shipping & Logistics Ltd.
11	P.A.S. Srinivas Rao	Hind Freight
12	G.S. Reddy	SICAL
13	R. Srinivasa Rao	Harika Shipping
14	V. Sagar	Merilyn Shipping & Transports
15	G.V.S. Ramakrishna	Chakiat Shipping
16	Bobby Lawrence	Secretary, VCLA, Visakhapatnam
17	M.K. Chaitanya	Shreyas
18	D. Murali Krishna	Shreyas
19	G. Rajesh Kumar	APL
20	M. Nageswara Rao	R & Y Logistics
21	S. Sagar	Sri Shirdi Sai Shipping Services
22	N. Abhi	Seaworld Shipping
23	S. Ramakrishna	GVR Enterprises
24	R. Biswas	NYK Line

2. At the outset Commissioner / Chairman welcomed all the participants.
3. Additional Commissioner brought out the agenda of the meeting. The following points were taken up for discussion, -

Point No. 1 (pending point of previous PTFC meeting)

Board had fixed amendment charges as Rs.1000/- but the local customs are imposing penalty along with Rs.1000/-.

The Additional Commissioner informed that the proper officers in Imports & Exports Section dealing with IGM amendments are strictly implementing Board's orders contained in Circular No. 14/2017.

Chairman asked the members of trade to express their opinion in this regard. They confirmed the statement made by Additional Commissioner and requested for closure of the point.

Point closed.

Point No. 2

Visakhapatnam Customs Brokers Association submitted a letter dated 25.9.2017 requesting to implement the procedure contained in Mumbai Customs PN No. 31/2017 at Visakhapatnam. As per this PN, the signature and stamp of the LEO officer is not required on the final printout of the Shipping Bill.

Additional Commissioner pointed out that many exporters want stamp and signature of the officer on the final printout of the Shipping Bill. The issue will be examined.

Action Owners : Customs

Point No. 3

An email was received from Bothra Group stating that various Customs Commissionerates have granted facilitation to the importer by allowing *examination of import cargo* without insisting for Delivery Order of Shipping Line but the DO is required to be submitted to CFS/Custodian before taking delivery of cargo after Customs clearance. This has helped in expediting the import clearance process and saved importers from paying huge Detention Charges in foreign currency to Container Lines. Copies of PNs/SO issued by Customs Commissionerates of Bangalore, Kolkata, Mumbai and Mundra were enclosed to the email.

Chairman assured that a PN on the above lines would be issued by Visakhapatnam Custom House by 18.10.2017..

Action Owners : Appraising Main Section

The points contained in the letter dated 13.10.2017 of the Visakhapatnam Customs Brokers Association and discussed in the meeting are as under:

Chairman requested the members to send their points at least 3 days before the date of PTFC meeting, so that the same can be examined and proper replies can be made.

Point No. 4

Provision of a *Touch Screen System* in EDI Service Centre to facilitate trade in knowing the status of BEs, Bond Debits, etc.

Chairman sought time for providing the *Touch Screen System* in EDI Service Centre as the required budgetary provision needs to be made first and also the procedure of purchase prescribed by Government needs to be followed.

Action Owners : EDI

Point No. 5

In the cases of clearance of imported paper products, cess is being paid manually after implementation of GST. The importers concerned are insisting for inclusion of cess in the BE itself and make full payment of duty and cess online to avoid inconvenience on the GST front.

: 4 :

Chairman informed that the issue would be looked into and sorted out soon.

Action Owners : Group AC/AO

Point No. 6

In the case of clearance of Raw Cashew Nuts at Vizag, previously Customs was giving clearance after taking an undertaking from the importers and final clearance was accorded on receipt of test report from PHO office. Now clearances are being given only on receipt of PHO report which is taking a lot of time and it is for this reason that the importers are diverting their import consignments to other Ports. The Customs Brokers Association requested to accept the undertaking of importers and carry out provisional assessment pending receipt of the PHO report.

The Additional Commissioner informed that VCTPL submitted a similar point for discussion in the CCFC meeting. VCTPL requested not to insist for PHO report for clearance of *Raw Cashew Nuts* as is being followed in Tuticorin and also there being no mention in this regard in FSSAI Circular No. 3/2011, dated 6.1.2011.

The Additional Commissioner informed that FSSAI, Circular dated 2.8.2012 notifies the parameters and method of analysis for imported food samples as per Food Safety and Standards Regulations, 2011 and the list of such items include *Cashew Nuts / Raw Cashew Nuts* at S.No. 7. It is therefore mandatory to test imported Raw Cashew Nuts. Further, the instructions contained in Board's Circular No. 3/2011-Customs, dated 6.1.2011 are also to be followed for clearance of Raw Cashew Nuts.

Chairman informed that he had spoken to his counterparts at Tuticorin and Cochin to ascertain the procedure being followed there for clearance of imported Raw Cashew Nuts. Chairman assured that a uniform practice would be put in place to create a level playing field.

Action Owners : Group AC/AO

Point No. 7

The Visakhapatnam Customs Brokers Association requested for an amendment option for AD code.

The officers of EDI Section informed that this issue is not within the ambit of Customs and the trade are actually to approach the Banks in this regard.

Chairman directed the officers of EDI Section to look into the issue and give guidance to the Customs Brokers Association.

Action Owners : EDI

Point No. 8

Same as point no. 3 above.

Point No. 9

The Visakhapatnam Customs Brokers Association informed the practice followed earlier in the case of seal mismatch of containers where ADC's permission was obtained by the Examiner for conducting examination of cargo after breaking of seal. However, the Examiners are now insisting that the importers/Customs Brokers carry out amendment of seal number in the Bill of Entry. This can be done only after the IGM is amended first and the present procedure is badly delaying the import clearances. The VCB Association stated that the VCTPL authorities are informing Customs of any seal mismatch and in cases where containers are found without seal necessary permission of Customs is being taken to seal the containers with OTB seals. The VCB Association contends that permission is already being taken from Customs at the Terminal and the same permission need not be taken again at the CFS.

Chairman directed all the Assistant/Deputy Commissioners concerned with CFS' to meet on 17.10.2017 to discuss the issue and put in place a standard practice within the ambit of prescribed procedures/law.

Action Owners : All ACs/DCs of CFS'

Point No. 10

The VCB Association stated that they are frequently facing problems for closure of EGMs in the cases where the 'LEO Date' is greater than 'Vessel's Sailing Date' because of continuous holidays or problems with EDI system. They requested for a clear solution in this regard.

Chairman informed that the issue would be examined.

Action Owners : EDI

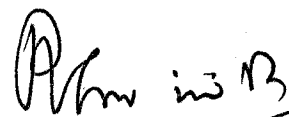
Point No. 11

The VCB Association requested for posting of an Assistant Commissioner on Saturdays, Sundays and Public Holidays for verification of *Certificate of Origin* so as to enable them to clear import cargoes at Visakhapatnam and Gangavaram Ports.

Chairman did not accede to the request of VCB Association as the Assistant Commissioners would not have access to the record of specimen signatures on holidays.

The meeting concluded with the Chairman thanking all the members.

This issues with the approval of the Commissioner


(P.V.S.S. Srinivas) 21.10.18

Assistant Commissioner (Appg. Main)

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*

Copy to :

1. Supdt(EDI) - with a request to upload in the Website
2. Master Copy.