



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

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

Date: 02.02. 2016

MINUTES OF THE TRADE FACILITATION COMMITTEE MEETING HELD ON 20.01.2016 AT 1500 HOURS AT CUSTOM HOUSE, VISAKHAPATNAM

MEMBERS PRESENT

S/Shri/Smt

1	C.Rajendiran	Principal Commissioner	Chairman
2	Sudhakar Mishra	Additional Commissioner	Member
3	Rachna Tanwar	Deputy Commissioner	Member
4	Anupam Barua	Asst. Commissioner	Member
5	J.M.Kishore	Asst. Commissioner	Member
6	S.K.Dutta	Asst. Commissioner	Member
7	B.Narendra Kumar	Asst. Commissioner	Member
8	T.Ravi Varma	Asst. Commissioner	Member
9	P.Gopichand	Asst. Commissioner	Member
10	P.V.S.S.Srinivas	Asst.Commissioner	Member

The following Trade / Custodians attended the meeting:-

S/Shri/Smt

1	S. Mankad, Executive Director	Executive Director, Air Cargo Complex(GSEC Ltd)
2	R.Seshagiri Rao	Group General Manager, CONCOR CFS
3	G.Sambasiva Rao	Vice President, Andhra Pradesh Chamber of Commerce and Industry Federation
4	S. Nageswarao	President, Visakhapatnam Custom House Agents Association
5	V.Sanyasi Rao	Member, Visakhapatnam Custom House Agents Association
6	L.Srinu	Member, Visakhapatnam Custom House Agents Association
7	Rolland Williams	Managing Partner, Marline Shipping & Transports
8	G. Sravan Kumar	Director, Sravan CFS
9	G. Rambabu, Manager	Senior Manager, Gateway CFS
10	G.Rajesh	Managing Partner, Integral Trading Logistics
11	P.G.K.Patnaik	Sr. Manager, Visakhapatnam Container Liners Association

1. Shri C. Rajendiran, Chairman, welcomed all the members of the Committee and informed the trade that even if there is no agenda point, PTFC meeting will be held every month as per the directions of Chairman of CBEC in the recently concluded Chief Commissioners conference held in Mumbai on 8th and 9th of January 2016.

2. The Committee was further informed that no action taken report on part of Customs was pending with regard to the previous PTFC meeting.

3. The following agenda point sponsored by Visakhapatnam Custom House agents Association has been taken up for discussion in the meeting.

Issue : It was informed by the trade that they are unable to get the print of EP copies during the process of export/import work by the officers at VCTPL as only single login is being accepted by the system either for export/import or EP copy printing . Therefore, they are getting prints of EP copies only after Import/export work is over viz after 10 PM on every day.

Reply: The Additional Commissioner informed that terminal operator (VCTPL) will be instructed to apply for one more VPN in addition to existing one in order to solve the difficulty in getting the print of EP copies.

Action: Supdt (VCTPL)

4. Shri G. Sambasiva Rao, Managing Director of Sravan CFS informed the Committee that Cost Recovery Charges of Sravan CFS have been waived by the Chief Commissioner and in this regard, he expressed his sincere thanks to the officers of this Custom House and Chief Commissioner's office for their sincere efforts and speedy disposal of their claim .He further stated that such waiver of their cost recovery charges is the first of such kind in the country after Chief Commissioners are, as a onetime measure, authorized for consideration of issue of waiver from payment of cost recovery charges, by the Board vide DGHRD letter F.No:8/B/28/HRD(EMC)/CRB/2014 pt. dated 03.11.2015.

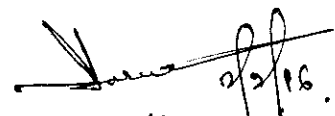
5. After discussion of sponsored Points by CHA Association, the Chairman cited CBEC letter F.No:450/25/2013-Cus IV (Pt) dated 01/10/2015 for discussion and comments from members on points raised in the proposals of the Board (Copy enclosed). In this regard, the Chairman and the members of the Committee expressed that the proposals are very useful and convenient for Customs , trade and industry and it will simplify the procedures of customs clearance and will make a radical change. The Chairman requested members to explore other areas in which printing of documents could be eliminated and to submit representations so that the matter will suitably be taken up with DG Systems and Board through Chief Commissioner's office.

6. Shri Kshitij Jain, Assistant Commissioner, made a presentation on Time Release Study (TRS), Pendency position of Drawback and Revenue Analysis; and explained a over view on the dwell time taken for Customs clearance at various stages. He requested all the stake holders to go through the Time Release Study which is available at the official website of Custom House (www.vizagcustoms.gov.in) Visakhapatnam taking note of observations and to extend their cooperation to achieve the main objective of TRS by complying with various provisions of Customs Act 1962 as applicable. He further stressed the importance of improvement in quality of documentation submitted by the trade for clearance of import/export cargos so that unnecessary delay can be avoided in clearance.

7. The Chairman informed the members that the pendency of Drawback Claims is at its lowest in this office and hoped that same trend will continue if trade quickly responds to EGM errors. The trade may contact Asst. Commissioner (Import/ Export) for early rectification of EGM errors, if any. In this regard, Chairman appreciated the efforts of Import & Export department and Drawback section for reducing the pendency of drawback claims as on date.
8. Assistant Commissioner (Import/Export) stated that short collection of duty on finalization of Ship stores is pending from some of the Steamer Agents and urged the concerned to pay the dues immediately so that that the assessments can be finalized at the earliest.
9. The Chairman once again advised the stockholders to fully equip themselves with Compulsory Compliance requirement (CCRs) for all major commodities imported/exported through this port which will result in speedy clearance and reduction in dwell time.
10. The Chairman shared some of the issues discussed in Chief Commissioners Conference recently held in Mumbai on 8th -9th of January 2016. He stressed that the stakeholder should review message exchange between port and CFS/Terminal and make all out efforts to get the software installed to get seamless flow of the messages from port/terminal. He stated that Single Window Programme will also be implemented by DG Systems, CBEC in co-ordination with other Regulatory Agencies like Drug Controller, Plant Quarantine and Textile Department.
11. Further, Chairman expressed his concern over the issue of enrolment as AEO/ACP status by the members of the trade as they are not coming forward in sufficient numbers to apply for the same. He stated that for promoting exports, it is a very effective channel as it moves the cargo faster across the international borders as AEO status is mutually recognized by all Customs administrations. Hence, there is a need to bring more and more importers /Exporters and others under AEO programme in order to boost our exports. The Chairman further informed that South Korea alone reported to have over 3000 AEOs. Therefore, he requested the trade to give wide publicity of this and also to apply for AEO status. He also sought suggestions from them to improve AEO Programme.

With the above discussion the meeting was concluded by thanking all the members who were present in the meeting.

This issues with the approval of the Principal Commissioner



(Anupam Barua)

Assistant Commissioner (App. Main)

To

1. All Members, Permanent Trade Facilitation Committee
Custom House, Visakhapatnam -by E-mail
2. The Chief Commissioner,
Central Excise, Customs & Service Tax,
Visakhapatnam Zone----*For information*
3. Supdt (EDI)-with a request to upload in the Website.
4. Master Copy.

Sub: Reducing/eliminating hardcopies/ printouts in Customs Clearance:

(i) **GAR 13 forms/ TR6 Challans:**

On completion of assessment of the BE, the ICES generates a Challan message, which is transmitted to the designated bank branches through ICEGATE. At the beginning of the day, a message is generated for those BEs, where duty payment is not done till the previous day. At specific intervals, this message will be generated for BEs assessed during the day. The importer, under e-Payment logs on to the e-Payment Gateway, selects the list of unpaid Challans, selects the bank in which to make the e-Payment. The system redirects the importer to his bank for completing the e-Payment transaction. The receipt, which is based on payment confirmation by the bank, is generated by application at ICEGATE- and transmitted onward to ICES application. At present, there are 3 copies of the TR6 Challans that are being generated and printed out along with the assessed copies of the Bill of Entry. Since 95% of the importers pay only through e-Payment, under which the Challan information and payment confirmation area received electronically, the printouts are not used by any party. Since ICEGATE, on its e-Payment Gateway provides a list of all unpaid Challans, they can also be viewed, printed out and can support – non-Payment transactions.

Proposal: *It is proposed that there is no need for a printout of any Challan to be routinely printed out. Should the importer require copies of receipts of payment, the same could be printed out from ICEGATE. If required by the importer, these copies can be attested at any time by the bank that receives the payment.*

(ii) **TP Copy :**

At present, in ICES, there is a module for processing transshipment cargo from a sea port to ICD/CFS or to another sea port. Such transshipment can be by rail, road or sea. The transshipment permit information is sent electronically to the carrier, the transporter undertaking the transshipment, custodian of the gateway port, and the ICES system at the destination ICD or Port. Transshipment permit can also be printed by the carrier in his office or in the custom house.

Proposal: *In view of the above, it is submitted that printing of TP copy is not essential once Transship Permit is approved by an officer.*

(iii) **Shipping Bill : :**

After the Appraiser grants LEO in the system, printouts of the Shipping Bill is generated by the system in triplicate i.e., (i) Customs copy, (ii) Exporter's copy, and (iii) Exchange Control Copy. [The fourth copy namely the Export Promotion Copy is generated after submission of EGM]. After obtaining the print out the Appraiser obtains the signatures of the Customs Officer on the examination report and the representative

of the CHA on both copies of the shipping bill and examination report. The Appraiser thereafter signs and stamps all copies of the Shipping Bill at the specified place.

Proposal: (a). *The detailed copy of the Shipping Bill is not required by the Authorized Dealer. It is enough if we can print a summary copy. We may therefore eliminate the printout of the full exchange control copy, and instead request the trader to provide a summary copy.*

(b). *since CBEC provides copies of digitally signed Shipping Bills to DGFT, it is proposed to discontinue the printing of the "Export Promotion Copy".*

(iv) **Hard copy of LEO :**

Under the system of message exchange between Customs and Custodians, the Custodian receives an electronic copy of the LEO, [and this is implemented in several ICES locations]. The Custodian also receives a signed hardcopy of the LEO gate pass in approximately one to two hours.

Proposal: *It is proposed that the Custodian may proceed with further process of taking over the Cargo based on the electronic LEO in absence of pending hard copies of LEO. Particularly in air cargo, where the environment is time-sensitive, the Custodian can move the cargo for security screening and building-up of pallets on the basis of electronic LEOs. It is proposed to conduct tests to send digitally signed LEOs to Custodians and to do away altogether with the hardcopy of the LEO gate pass.*

(Ref: CBEC Letter F.No:450/25/2013-Cus IV (Pt) dated 01/10/2015)