



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 – 530 035**

फा. सं/F.No.S23/175/97 –AP(Vol.V)

दिनांक/ Date: 03.10.2018

### **MINUTES OF THE PERMANENT TRADE FACILITATION COMMITTEE (PTFC)** **MEETING HELD ON 25.09.2018 AT 16.00 HOURS** **IN CUSTOM HOUSE, VISAKHAPATNAM**

#### **MEMBERS PRESENT**

S/Shri/Smt

1	Dr.D.K.Srinivas	Commissioner	Chairman
2	Sudhakar Mishra	Additional Commissioner	Member
3	N. Varun Koundinya	Deputy Commissioner	Member
4	C. Damodaran	Assistant Commissioner	Member
5	G. Dharmaraj	Assistant Commissioner	Member
6	P. Madhuree	Assistant Commissioner	Member
7	G.V.S.R. Sarma	Assistant Commissioner	Member
8	T.E. Srikanth	Assistant Commissioner	Member
9	J.S. Mor	Assistant Commissioner	Member
10	A. K. Majumdar	Assistant Commissioner	Member
11	N.V. Ramdas	Assistant Commissioner	Member

The following Trade Members / Custodians attended the meeting:

S/Shri/Smt

1	M. Venu Gopal	Secretary, Visakhapatnam CB Association
2	G.Venkata Rao	VP(Commercial), Mylan Laboratories Ltd.
3	Dharmesh Kumar	AGM, Adani Enterprises Ltd.
4	Capt. Amarendra Mishra	DGM, VCTPL
5	R. Williams	Managing Partner, Merilyn Shipping
6	G. Rambabu	Manager, Gateway CFS

7	R. Desikan	Director, Visakha CFS
8	G.Venugopal	Managing Partner, G.V.R.Enterprises
9	E.Saravanan	Deputy Manager, Visakha CFS
10	Aashish Pakalapati	G.M., Merilyn Shipping
11	L. Srinivas Rao	Manager, Harika Shipping
12	K.V.Sampath Kumar	Managing Director, Rich Mark Shipping
13	J.Gangadhar Sarma	Sr. Executive, Shirdi Sai Shipping
14	G. Chistopher	AGM, Mega Sea Shipping & Logistics

1. At the outset Chairman welcomed all the members. As no points were sponsored by the trade associations, Chairman directed that the power point presentations on Time Release Study of Import / Export clearance be made.

2. Shri T.E.Srikanth, Assistant Commissioner made a power point presentation on Time Release Study on Import Clearance and Export Clearance at Visakhapatnam Seaport. The study was made for the three months period from June, 2018 to August, 2018. In addition to the analysis of all stages of import/export clearances, Dwell Time Report on BEs and SBs, and status report on DPD / Drawback/ Refunds/ IGST Refunds clearances were also presented.

3. The observations/directions made by the Chairman during the course of the presentation are as under:

### 3.1 IMPORT CLEARANCE

#### **STAGE A: Time taken from arrival of vessel to filing of BE**

During the period under study, 80% of the BEs were filed within 24 hrs of arrival of the vessel.

- Chairman remarked that same needs to be improved further and directed the importers/CBs to strive to further reduce the time taken for this stage and they may also use the facility to file prior BEs extensively.

*Action Owner : Importer/CB*

#### **STAGE D: Time taken for registration after payment of duty**

The average cumulative percentage of payment of duty within 24 hrs after registration of BE for the 03 months under study was 20% only and within 72 hrs was 48% only. Chairman remarked that there is scope for improvement in this stage.

- Chairman directed to conduct the time release study separately for DPD and Non-DPD, and Green channel as it would help to analyse in a better manner.

*Action Owner: DC (EDI)*

During the discussion, members from trade pointed out that there is delay in clearance of DPD containers from the container terminal M/s. VCTPL and also they are charging extra charges in respect of DPD containers.

- Chairman reiterated that there should not be any extra charges for DPD containers as mandated by the government of India and that M/s. VCTPL should not charge anything extra without the consent of the department as per the Custodian agreement. Chairman directed M/s. VCTPL to make note of it and instructed them not to charge anything extra in respect of DPD containers.

Action Owner: VCTPL

- Chairman also directed M/s. VCTPL to conduct a study on the average time taken month-wise for the last 3 months (June, July & August), i.e. time taken from landing of containers to clearance of DPD containers, and also time taken from handing over of the clearance documents by the importers/CB to the time of clearance. Chairman directed M/s. VCTPL to submit the report of the study within 15 days.

Action Owner: VCTPL

#### **DWELL TIME**

The dwell time from submission of BEs to registration for the month of August is 8-10 days.

- Chairman remarked that the dwell time needs to be improved. The main bottleneck is during assessment to registration stage wherein the time taken is around 06 days. As the action owner for this stage is the Customs Brokers/importers, Chairman requested them to take measures to reduce the dwell time for this stage.

Action Owner: Customs Brokers/Importers

#### **3.2 DRAWBACK**

The clearance of Drawback claims within 7 days has improved from 74.99% for the month of June 2018 to 82.18% for the month of August 2018.

- Chairman, while appreciating the improvement in the clearance of Drawback claims, directed AC (Dbk) to ensure that all claims are cleared / sanctioned within the stipulated time, i.e. within 7 days, as more than 17% are still not cleared within 7 days.

Action Owner: AC (Dbk)

4. After completion of the presentation of the TRS, Chairman informed the members about the issuance of a Public Notice No. 34/2018 dated 18.09.2018 wherein as a trade facilitation measure, it was decided that examination of DPD and DPE containers selected for examination by RMS will be done at the place earmarked by M/s. VCTPL and such containers need not be taken/moved to CFSs for examination anymore. Chairman expressed the hope that this measure would help the importers and exporters to a great extent.

5. Chairman also informed the members that it is observed there is a need to further liberalisation regarding amendments of IGMs/BEs and that small changes are being proposed in this regard. Shri N. Varun Koundinya, Deputy Commissioner (Imp) presented a powerpoint presentation on the proposals being made with regard to changes in amendment in respect of four types of seal mismatches viz. containers landed without seals, liquid tank container seals, interchange of seals and consignment selected for assessment. Members from trade expressed their appreciation for taking this initiative as it would be beneficial for the importers/exporters. **Chairman requested members from the trade to give their feedback/inputs on the proposals being made.**

6. Chairman invited the members to discuss/express any issues. Shri M. Venugopal, Secretary, Visakhapatnam Customs Broker Association pointed out the difficulties faced by the importers about Delivery Orders. He stated that liners are not issuing DOs on Saturdays, Sundays and Holidays as their offices are closed on those days and this impact the trade to a large extent. He also stated that inspite of having discussions/meetings with the liners on this issue, the situation does not improve and hence he requested the Chairman to look into the matter. **Chairman stated that the issue has to be properly examined and directed DC (Imp) to examine the issue and submit a report.**

7. Chairman, while concluding the meeting by thanking all the members, requested the members from trade to apply for AEO status and also urged the Customs Brokers to sensitize their clients about the benefits of AEO status and to motivate them to apply for AEO status.

8. This issues with the approval of the Commissioner.

- Sd -

(टी ई श्रीकांत / T.E. SRIKANTH)  
सहायक आयुक्त, सीमा शुल्क / Asst. Commissioner of Customs

**To**

All Members, Permanent Trade Facilitation Committee  
Custom House, Visakhapatnam – by E Mail.

**Copy submitted for information to:**

The Chief Commissioner of Central Tax & Customs, Visakhapatnam Zone.

**Copy to:**

1. Supdt (EDI) - with a request to upload in Custom House website.
2. Master Copy.