



सीमा शुल्क प्रधान आयुक्त का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
सीमा शुल्क सदन, पत्तन क्षेत्र, विशाखापट्टनम - 530 035
CUSTOMS HOUSE, PORT AREA, VISAKHAPATNAM - 530 035
www.vizagcustoms.gov.in

फैक्स / Fax: 0891-2562613

ईमेल आईडी / Email id: precomm1-cusvzga.gov.in

टेलीफोन / Tel: 0891-2564552

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

Date: 19.12.2023

MUNUTES OF THE PERMANENT TRADE FACILITATION COMMITTEE (PTFC)
MEETING HELD ON 13.12.2023 AT 12.00 NOON

The Permanent Trade Facilitation Committee (PTFC) for Customs House, Visakhapatnam was held on 13.12.2023 at 12:00 P.M. which was chaired by Shri N. Sridhar, Principal Commissioner of Customs.

The following officers from Visakhapatnam Custom House participated in the meeting:

S.No.	Name of the officer (Shri/Ms.)	Designation
1	N Sridhar	Principal Commissioner
2	R V Pradhamesh Bhanu	Additional Commissioner
3	Krishnenth Raja Mintoo P.S.	Joint Commissioner
4	G V S R Sarma	Deputy Commissioner
5	M Ravi Shankar	Deputy Commissioner
6	G Victor	Assistant Commissioner
7	K R Arun Kumar	Assistant Commissioner
8	Pradeep Kumar Goshal	Assistant Commissioner
9	G V V N Raju	Assistant Commissioner
10	L V R Sudhakar	Assistant Commissioner
11	Y Ramesam	Assistant Commissioner
12	Pradeep Maroo	Chemical Engineer Gr.I

The following representatives from PGA/Trade Members/Custodians participated in the meeting apart from other members of trade.

S.No.	Name of the representative (Shri/Ms.)
1	K R B Prakash, Director, KR & Sons CB
2	M Venugopal, President, VCBA
3	Aashish P, G.M, MST CB

4	V Gayatri, Director, Asthree Shipping Logistics CB
5	CH. Soumya, G.M, S S Logistics CB
6	Rohit Kancharla, CEO, KR & Sons CB
7	D Hari Krishna, M.D, Srikar Shipping
8	Dileshwar S Gonnade, Head, VCT CFS
9	G Rambabu, AGM, Gateway CFS
10	D V Raj Shekhar, A.M. Adani Gangavarm Port Ltd.,
11	K Santosh Kumar, Manager, JM Baxi
12	B V Suresh Babu, GM, Laxmi Enterprises
13	J V S N G Sarma, Manager, Shirdi Sai Shipping
14	CH Venu Babu, Manager, Sravan Shipping CB
15	M Nageswara Rao, A.M, VCT CFS
16	S Kumar Nanda, AGM, Orissa Stevedores CB
17	S Banerjee, Partner, International Shipping Corp.
18	Cap. Shyam N, GM (Ops.), VCTPL
19	M Subramanian, DGM (Ops.), VCTPL
20	M V Satyanarayana, GM (Ops), VCL
21	B Ramesh, Manager (Ops.), VCL
22	Dr. Sudhakaran, Asst. Director, PQS, Visakhapatnam
23	M Jayaram, APPO (PQ), Visakhapatnam

At the outset, the Principal Commissioner of Customs welcomed all the members attended the meeting and conveyed PTFC meetings will be held in the second Wednesday of the month on bi-monthly basis and the same was agreed by all the members.

Following on Chairman's introductory remarks, the following agenda points which were submitted prior to the meeting by the stakeholders were discussed.

POINT NO.1

"Allowed for shipment" endorsement from Gate Customs officer on physical print copy of Shipping Bill for loading of export cargo onboard the vessel.

In the case of Bulk and breakbulk export shipments, Port authority and Customs officers are asking the exporter / Customs Broker to obtain **"Allowed for Shipment"** endorsement on Hard copy of Shipping Bill from Gate Customs officer, even as the "Let Export Order (LEO)" is granted on the Shipping Bill. A similar requirement is also in case of export containers gated in at Terminal.

In the format of PDF S/Bill, there is no such column or provision for signature of Gate officer for "Allowed for Shipment". Also, who is the proper officer for assigned by Board for granting the said "Allowed for shipment" endorsement, as per CBIC notification No.26/2022-cus (NT) dated 31-3-2022. It may also be clarified what is the role of Gate Customs Officer while granting "Allowed for Shipment" when all aspects of assessment and examination are already scrutinized and satisfied by the Assessing officer before granting Let Export Order under section 51.

Reply: As per the Section 50 of Customs Act, 1962: Entry of Goods for exportation, a

Shipping Bill shall be presented to the proper officer "in such form and manner as may be prescribed". Accordingly, Shipping Bills and Bill of Export (Forms) Regulations, 2017 were issued under Notification No. 60/2017-Customs (NT). Regulation 2 mentions that a shipping bill is to be presented by an exporter of goods shall be in Form-SB I or Form-SB II, as the case may be, appended to these regulations. Form SB I pertain to the "Shipping Bill for Export of Goods" and the form contains a column "**ALLOWED FOR SHIPMENT**" and "**Signature of Officer of Customs**".

It is a part of preventive supervision to ensure that the sealed container at the CFS is arrived with the same seal and prevent any seal mismatch before boarding.

Further, as per Section 34 of the Custom Act, 1962, "Loading under Customs Supervision (i.e., Allowed for Shipment) is done under Customs (Preventive) Supervision. Board vide Notification 26/2022-Customs (NT) dated 31.03.2022, has notified that proper officer for exercising proviso to Section 34 as Customs (Preventive), in case of exercising jurisdiction related to Customs Station

(Point Closed)

POINT NO.2

Physical interface in RMS assessed Bill of Entry and re-assessment by Groups

There were 4 sub points in this agenda point and each of these points were taken up one by one.

Subpoint 1: Many times, RMS officers are forwarding RMS assessed B/E to Group for re-assessment without assigning any reason to the importer and bypassing the requirement of obtaining prior permission of Additional Commissioner, as per CBIC instructions.

Reply: It was explained by Joint Commissioner (Appraising Main (AM)) that, a BoE is being referred to the Groups only in cases where the reply to the query raised by the RMS officer is not satisfactory or when the importer is accepting the contentions raised by the RMS Officer. Once the RMS Officer is satisfied that reassessment is needed, then RMS Officer would forward the BoE to the Groups only after citing the reasons for reassessment. It was also clarified that the RMS officer is forwarding the bills only after discussing the same with DC/JC. Further, it was also communicated by the Principal Commissioner of Customs that from now onwards, permission of JC/ADC has to be taken in file with proper reasoning before sending a BoE to Groups for reassessment.

At this juncture member from CBA said that RMS is forwarding all Metal Scrap BoEs to Groups and this is delaying the clearance of the Metal Scarp bills.

The Principal Commissioner enquired about the time taken for movement of metal scrap containers from VCTPL to CFS and member representing VCTPL said the maximum dwell time at their end is 3 days and the containers are moved as soon as the trailer provided by the CFS/Custodian and if selected containers scanning is done on the same day.

The Principal Commissioner assessed the process and conveyed that since Metal

Scrap is sensitive and potentially hazardous to the environment, a balance is to be made taking into account the enforcement of allied acts such as the Environmental Protection Act, 1986. He also emphasized that as Customs Officers, the responsibility of officers lies not just in the faster clearance of cargo but also in balancing it with the enforcement of Customs Act, 1962 and allied acts.

However, The Principal Commissioner suggested three-pronged approach to mitigate the delay and they are,

- No. of BoEs getting referred to Groups may be restricted;
- Ensuring faster assessment by Groups on the same day
- Examination of the cargo on a priority basis at the CFS so as to expedite clearance.

(Point Closed)

Subpoint 2: For RMS BoE, OOC is granted only after physical interaction and submission of physical documents.

Reply: It was conveyed that no such instances were noticed except in the following cases

- Manual debit of legacy licences was required
- Where additional documents were requested from Importer/Agents when no proper reply was received for the query raised by the RMS officer during assessment for any additional documents
- For expediting OOC

However, the Principal Commissioner has directed that officer should not wait for the agent to approach to clear the bills.

(Point Closed)

Subpoint 3: Many times, RMS officer not granting OOC without physical examination of cargo, defeating the very purpose of RMS system developed by CBIC.

Reply: It was clarified that such instances are very rare. If the RMS assessing officers have a reasonable doubt, only then such examination orders are given and that too with the prior permission of the competent authority.

(Point Closed)

Subpoint 4: CFS not allowing delivery of RMS BoE OOC without signature of CFS docks Appraiser on physical print copy of OOC.

Reply: As soon as the OOC is granted by the proper officer, the copy of the order is mailed to the Importer/Agents. The same can be verified with the Custodian ICEGATE/EDI system and delivery is to be taken by the importer/his agents. Physical signature on the OOC was dispensed by Customs long ago. Further, Custodians also conveyed that cargo is released based on the OOC Copy and signatures of Docks Appraisers are not insisted for.

After the meeting, the provisions of Regulation 6(f) of the Handling of Cargo in Customs Area Regulations, 2009 were brought to the notice of the Chairman. It was decided to

discuss this point again in the next PTFC Meeting.

(Point Open)

Action: AC/DC (RMS Cell/Docks)

POINT NO.3

Delays in RMS facilitated containerised import clearances: Seal No. / Container No. mismatch/ broken in import containers.

Sometimes there is mismatch between Seal No. /container no. mentioned in BE / BL and actual Seal No. / Container no. landed at the Terminal, due to typo errors or lapse at load port or any other reason like theft, pilferage, etc. Sometimes, Docks / CFS officers ask for letter from Container Shipping Lines for NOC. After receiving such a letter, the file is moved up to JC/ Addl. Commissioner for allowing seal breaking. However, getting such a letter from S/Line involves payment of Fees to S/Line and further delays the process by 2-3 working days.

Due to seal mismatch cases, such RMS B/E is delayed more than non-RMS facilitated B/Es. The importer or his Customs Broker should not be penalized for lapses and fault of the Container line and Terminal operator.

It was requested that the Hon'ble Pr. Commissioner may review the entire matter of Container No. & Seal No. mismatched / broken / discrepancy in RMS facilitated B/E as well as Non-RMS facilitated B/E. Comprehensive Public Notice may be issued specifying the role and responsibility of Container line, Terminal operator, Terminal Customs officer and CFS customs officer so as to streamline the process and prioritize RMS import clearances in line with Board instructions.

Reply: As per the Board's Circular 14/2017-Customs dated 11.04.2017, IGM Amendments is the responsibility of the Shipping Liner. It is clear that the responsibility of amendment in the IGM rests solely with the Shipping Line/Agent as they file IGM/SAM with customs under Section 30 of the Customs Act, 1962 and it was clarified that the fine/penalty, if any, upon adjudication in such cases, shall be payable by the Shipping Liner only or such other person as specified.

Hence, the procedure prescribed in the Board's Circular No. 14/2017-Customs dated 11.04.2017 has to be followed without any deviations.

It was also decided that a suitable Public Notice would be issued in this matter by the end of December, 2023 after consultation with all stakeholders.

(Point Open)

Action: AC/DC (Import Section/VCTPL/Custodians/RMS Cell/Docks)

POINT NO.4

Container Shipping Liners are asking Importer/Customs Broker carry out IGM amendments

In case of any errors or amendment required in the IGM, the Shipping Agents and

Container carriers are asking Customs Brokers to carry out the amendment in Customs and incur costs for the same. Also, they are charging Fees from Customs Broker for granting NOC for such amendment.

Reply: This issue is similar to Point 3 and it was decided that a suitable Public Notice would be issued in this matter by the end of December, 2023 after consulting with all stakeholders.

(Point Open)

Action: AC/DC (Imports Section)

POINT NO.5

Difficulties faced by importers in availing benefit of FTA/Preferential Tariff due to misinterpretation origin rules by assessing officers

There are single use and multiple use COOs. In some FTA/Preferential Trade Agreements it would be specified whether COOs can be used for multiple consignments or not. But in many Trade Agreements this is not specified and in all those cases, the assessing officer by default is treating the COO as single use. But the members from the Custom Brokers fraternity were of the opinion that in those cases where it is not specifically mentioned whether the COO should be used once or multiple times, they should be allowed to use the COO for multiple times as there is not 'restriction' as such in the agreement to use it multiple times.

Reply: The Joint Commissioner (Appraising Main) conveyed that since most of the Assessment is taken up by FAG, this issue will have to be taken up with the Board and a clarification has to be sought in this regard.

Principal Commissioner has intervened and suggested that CB Association/trade may also escalate the issue with the Board for redressal and also directed them to submit a letter requesting the department to take up this issue.

(Point Open)

Action: DC (TSK), Custom Brokers Association

POINT NO.6

Third Country Invoicing imports under India-ASEAN PTA - Form-AI (CoO).

In cases of "THIRD COUNTRY INVOICING", even though the "Third Country Invoicing" in Box 13 is ticked and such information as name and country of the company issuing the invoice are indicated in Box 7, assessing officers at Vizag Customs are insisting on mentioning "Third country Invoice number and date". This is creating difficulty for importers even as Form-AI is issued as per prescribed requirements of Rule of Origin, i.e., mentioning name and country of the company issuing the invoice.

Reply: The Joint Commissioner (Appraising Main) clarified as per the India-ASEAN PTA, Box 10 has to be filled with details about Invoice Number and date. He also clarified that such cases are very less and most of the importers are complying with this. In order

to track the consignments, the invoice number and date of the third party to the importer is needed. In cases where the importer is not able to get these details in the COO, the importers have to submit the details of all the invoices raised in these transactions so that these invoices could be linked to the COO. This could be taken up on a case-to-case basis.

The chairman has directed that as far as possible the trade may upload invoices with invoice numbers and date of the third country invoice and where third country invoice no. and date is not available, supporting documents are to be submitted to correlate invoice to the COO submitted to the satisfaction of the AC/DC concerned.

(Point Closed)

POINT NO.7

6 months validity of Test Report of imported goods

Subpoint 1: The test report of imported goods regularly imported at Visakhapatnam by the same importer and from the same supplier, should be valid for 6 months. However, after faceless assessment, every consignment sample is drawn for Laboratory test. This repetitive exercise delays the clearance. It is requested that when the importer produces the previous test report of the same supplier, it should be valid for 6 months. No further sampling may be asked for.

Reply: The Principal Commissioner said that other Commissionerates would be consulted in this regard and matter would be studied in detail. If needed, a suitable Trade Notice/Public Notice would be issued in due course based on the in-principle agreed practice followed as per the other Custom Houses

Subpoint 2: Sodium Borohydride CTH 2850 0010 is regularly being imported as raw material by pharma manufacturers through Visakhapatnam Port. The samples drawn for testing purpose are being referred to CRCL Labs outside Visakhapatnam. The CBA requested to Map Sodium Borohydride samples testing to CRCL Lab at Visakhapatnam.

Reply: The Joint Commissioner (AM) clarified that all the samples are sent to CRCL Laboratory, Visakhapatnam for testing and are not being sent to any private labs. For this particular CTH while selecting the lab for testing, CRCL, Vizag is not available in the drop down. Because of this reason the drawn samples are forwarded manually to CRCL Laboratory Visakhapatnam after obtaining necessary permission from JC/ADC.

The Chemical Examiner Gr. I also intervened and said the testing facility for the commodity Sodium Borohydride is available in Visakhapatnam CRCL and reporting time for the said commodity is within 48 hours

The Principal Commissioner conveyed that such manual requests will be permitted by the Joint Commissioner/Additional Commissioner on case-to-case basis.

(Point Closed)

POINT NO.8

Additional documents uploaded in e-Sanchit for replying query of Export Assessing officer.

On various occasions, in the case of Shipping Bills additional documents are being asked by the Assessing Officer, the same needs to be uploaded in e-Sanchit on payment of challan of Rs.1000/- for such uploading. As Query Reply is NOT an amendment of the Shipping Bill, hence miscellaneous challan procedure for query reply should not be asked, unless the exporter has requested for "amendment" of Shipping Bill.

Reply: AC (Exports) clarified that a fee of Rs. 1000 is being levied only for amendment of Shipping Bill as per Levy of Fees (Customs Documents) Amendment Regulations, 2017 vide Notification No.36/2017-Customs (N.T) dated 11.04.2017. No payment is asked for query reply and there is no such provision for payment of fee in the system for query reply. Further, it was also conveyed that amendment at any stage whether it is before LEO or after LEO, requires the payment of Amendment Fee

(Point Closed)

POINT NO.9

EDI Service Centre available only in 2nd half of day

This problem has been repeatedly raised by the trade in previous PTFC meetings, that EDI service Centre executive is not available during the first half of the day. Also, it closes before 6 p.m. practically there is less than 03 hours of working time at EDI service Centre. To add to the misery of trade, EDI service Centre does not function on weekends. The trade is suffering severely due to absence of EDI service Centre manpower. The Hon. Pr. Commissioner may assign monitoring of EDI service Centre functioning at Additional Commissioner level to mitigate trade suffering. All the efforts of CBIC to reduce Dwell Time are simply washed away by such lapses at ground level. This issue may be accorded due priority by Custom House.

Reply: The service Center personnel was directed by the Principal Commissioner to be available during office hours. Still if the problem is not sorted out then Principal Commissioner directed the trade to submit a letter requesting more staff in EDI Service Center.

(Point Closed)

Agenda Point Sponsored by the Chairman:

POINT NO.1

While applying licence for a Public/Private/Special Bonded Warehouse u/s 57, 58 or 58(A) of the CA, 1962, the applicant is submitting the Solvency and Insurance documents, which are valid for one year. Further, the Warehouse Bond submitted by the Importer u/s 59 of CA, 1962 under which the goods shall be allowed to be kept in a Public/Private/Special Bonded Warehouse is also valid for a period of one year as per Section 61 (1)(c) of the CA, 1962.

However, it is observed that the document showing the ownership of the plot in the name of the applicant, allotted by M/s. Visakhapatnam Port Authority, Visakhapatnam is valid for shorter periods of 4 weeks, 16 weeks, etc. which is far less than the period mentioned in para above.

In view of the above, it was opined that while applying for a licence for Public/Private/Special Bonded Warehouse, it would be preferable to submit a lease/allotment/ document of a Plot from M/s. VPA, Visakhapatnam for a period of at least one year, initially by the licensees.

The Chairman has directed to form a team with the members from the Visakhapatnam Port (TM), Deputy Commissioner (Bonds) and Customs bonded warehouse operators in the VPT premises to brainstorm and finalize the modalities as per the Warehousing regulations before the next PTFC meeting.

(Point Open)

Action: AC/DC (Bonds) / Customs Brokers /TM(VPT)

POINT NO.2:

It is noticed that uncleared cargo/seized/confiscated is lying in the premises of various Custodians. Some of these are long pending and required immediate compliance. The Principal Commissioner has directed all the Custodians to give top priority to release uncleared cargo and also to submit a status report by January 2nd week.

The Principal Commissioner also instructed all CFS posted Customs Officers to monitor and update the status of respective CFS data on uncleared cargo.

The Principal Commissioner proposed a quarterly meeting with all the CFS/Port management to monitor the progress on the uncleared containers. The first meeting will be conducted in the month of January and date of the meeting will be intimated in due course.

(Point Open)

Action: All Custodians (CFS/Ports)

All AC/DC (Docks)

The meeting ended with thanks to the Chairman by M Venugopal, President, VCBA.

This issues with the approval of the Pr. Commissioner of Customs.


Krishnenthru Raja Mintoo P.S.
Joint Commissioner (AM)

Copy to:

1. All concerned.
2. EDI section for uploading in the website.