

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

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

Date: 28.03.2016

MINUTES OF THE PERMANENT TRADE FACILITATION COMMITTEE (PTFC) MEETING HELD ON 04.03.2016 AT 1600 HOURS AT CUSTOM HOUSE, VISAKHAPATNAM

MEMBERS PRESENT

S/Shri/Smt

| 1 | C.Rajendiran | Principal Commissioner | Chairman |
|----|------------------|------------------------|----------|
| 2 | Rachna Tanwar | Deputy Commissioner | Member |
| 3 | Kshitij Jain | Asst.Commissiooner | 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 | R.Seshagiri Rao | Group General Manager, CONCOR CFS | |
|---|------------------|---|--|
| 2 | R.Surendra Babu | Manager, Air Cargo Complex | |
| 3 | Rolland Williams | Managing Partner, Marline Shipping & Transports | |
| 4 | P.Babu Rao | Srivalli Shipping | |
| 5 | G.Rajesh | Vice President ,CHA Association | |
| 6 | L.Srinu | Member ,CHA Association | |
| 7 | B.V. Ramesh | Essar Shipping | |
| 8 | U.V.Raju | Synergy Shipping Services | |

- 1. Shri C. Rajendiran, Chairman, welcomed all the members of the Committee and informed that Smt.Rachna, Deputy Commissioner and Shri Kshitij Jain, Asst. Commissioner will give presentation on Time Release Study (TRS) and recent Budget changes respectively before taking the agenda points for discussion.
- 2. Smt.Rachna Tanwar, Deputy Commissioner, gave presentation on Time Release Study (TRS) and explained the overview on dwell time taken for various customs clearances.

3. Shri. Kshitij Jain, Asst. Commissioner, briefed the meeting about the recent tariff & legislative changes in Union Budget (2016-17) and particularly about the commodities imported through Visakhapatnam and Gangavaram ports like cashew nuts, Aluminum products, PP granules and wood chips, where a change in the BCD structure happened viz. increase in BCD on cashew Nuts (0% to 5%), Aluminum Products (7.5% to 10%) and similarly decrease in pp granules (7.5% to 0%), wood Chips (2.5% to 0%), wood pulp (5% to 2.5%) subject to actual user condition. He also explained about the increase in clean energy cess from Rs.200/- per MT to Rs.400/- per MT on coal which is one of the major revenue yielding commodities in the Jurisdiction of this Commissioenrate. With regard to the legislative changes, he stated that as a part of ease of doing business, Government of India made legislative changes in case of warehouses and warehousing stations and requested the trade to make use of these changes for development of business process.

4. POINTS RAISED IN PREVIOUS MEETING HELD ON 20.01.2016

4.1: During the previous meeting, it was brought to the notice of the Chairman that trade is unable to get the print of EP copies during the process of import/Export work by the officers at VCTPL as only single login is being allowed by the system either for Import/export or EP copy printing. Therefore, they are getting prints of EP copies only after Import/export work is over i.e., after 10 PM on every day and requested the chairman to facilitate the EP copies at any time.

Chairman informed that the issue has been examined and a report on pendency position of applications for EP copies was obtained from the Customs officers at VCTPL. Officers reported with statistical data that no application is pending for prints of EP copies. With regard to delay in prints of EP copies, Supdt(VCTPL) explained to the Chairman that Customs Brokers were informed to approach VCTPL Customs immediately after closure of the respective EGM for generation of EP copies several times. But, some Customs brokers are still approaching VCTPL customs for generation of EP copies (at one go) only when they are in substantial in number i.e. after accumulation of a number of E.P. copies pertaining to several vessels. He further clarified that even in such instances, the officers posted at VCTPL facilitated the Customs brokers promptly and emphasized that there would not be any scope of delay in getting the prints of EP copies if Customs Brokers approaches for the same regularly after closure of E.G.M of the vessel.

In view of the above discussion, Chairman observed that this problem is being faced only by some of the Customs Brokers and advised the trade to approach the Customs officials at VCTPL after closure of EGM immediately without waiting for accumulation of a number of E.P copies pertaining to several vessels to streamline the overall process. In case of any further difficulty, trade may approach the Additional Commissioner for further remedial action, if

necessary. Also, the Chairman reminded the members about the proposal of CBEC to discontinue the printing of Export Promotion Copy since CBEC provides copies of digitally signed Shipping Bills to DGFT which was discussed(CBEC letter No: F.No 450/25/2013-Cus IV(Pt) dated 01/10/2015) in the previous PTFC meeting held on 20.01.2016.

(Point closed)

5. The following fresh points received from the CHA Association were placed before the Committee for discussion.

5.1: It is brought to the notice of the Chairman that various cess amounts are paid manually in case of Bills of Entry for Manganese Ore, Chrome Ore etc. which are filed under licenses. Due to this, all such Bills of Entry facilitated through the RMS are to be recalled for re-assessment to pay the cess amount manually after deletion of cess payment particulars. This issue is to be taken up with the DG (Systems) for necessary modification.

Shri.Kshitij Jain, Asst. Commissioner (Group VII) explained that various cess amounts are to be collected on gross quantity whereas system takes net quantity into account for calculating the cess. This is the reason why RMS bills need to be recalled regularly. This Systems irregularity has already been highlighted to DG (Systems). Chairman stated that the issue will be taken up with DG (Systems) for suitable amendment/correction in the system and directed the Asst.Commissioner (Group VII) to pursue with DG (Systems).

[Action : AC (Group VII)]

- 5.2: CHA association informed the Chairman that the Shipping Bills are transmitted automatically to DGFT and in case of those Shipping Bills that are not transmitted to DGFT automatically, CHA/Exporter makes request to the examiner and gets the shipping bill retransmitted to DGFT. In most of the cases, even if the Shipping bills are re-transmitted, some SBs do not appear in DGFT site and again needs to be re-transmitted repeating the same work. In view of this, the CHA requested the chairman to take up the matter with the DG (Systems) to resolve the issue. They also requested to extend the relevant role in EDI to some more Officers.
- a) Chairman informed association members that he had spoken to the officers in DG (Systems) on the issue just before coming to the meeting and DG(Systems) assured that the same will be sorted out within 15 days. Further, Chairman directed the Asst.Commissioner (Docks) to maintain the record of such requests for re-transmission and monitor the issue with DG (Systems).
- b) Extending the roles for re-transmission of Shipping Bill to more officers will be looked into.

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5.3: It is informed that the letters/ Bond Transfer Files submitted through Sevottam are getting delayed abnormally to reach the concerned sections and requested the Chairman to allow the CHA to hand over the same to the concerned officer in the section after getting acknowledgement from the Sevottam in-charge.

Shri. J.M.Kishore, Asst. Commissioner (Sevottam) explained that the issue is relating to delay in communication from Sevottam to Bonds section for obtaining bond transfer permissions. Steps are being taken to give priority to such letters and for bond transfers. In this regard, he advised the trade that all such request letters for bond transfer may be submitted in Sevottam before 4 PM everyday so that they could be processed on the same day.

Chairman agreed with the above proposal and directed the Asst. Commissioner (Sevottam) to follow the above procedure for 15 days and submit a report for further course of action.

Further, the Chairman observed that some Sevottam letters which do not require the attention of the Principal Commissioner are also placed before the Principal Commissioner which may be avoided for speedy action. The Chairman directed the Asst. Commissioner (Sevottam) to take necessary steps to send the Sevottam letters directly to the concerned Asst./Deputy Commissioner(s).

[Action: AC(\$evottam)]

6. With the above discussions, 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)

Asst. Commissioner (App. 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.