भारत सरकार GOVERNMENT OF INDIA वित्त मंत्रालय MINISTRY OF FINANCE राजस्व विभाग DEPARTMENT OF REVENUE

केन्द्रीय अप्रत्यक्ष कर और सीमा शुल्क बोर्ड

CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS सीमा शुल्क आयुक्त का कार्यालय

> OFFICE OF THE COMMISSIONER OF CUSTOMS सीमाशुल्क गृह, विल्लिंग्टन आईलेंड, कोच्चिन

CUSTOM HOUSE, WILLINGDON ISLAND, COCHIN-682009

Sevottam Compliant



An IS 15700 certified Custom House

Website: www.cochincustoms.gov.in E-mail: commr@cochincustoms.gov.in

Control Room: 0484-2666422 Fax: 0484-2668468

Ph: 0484-2666861-64/774/776

### CIRCULAR.No.07/2019

Sub: Permanent Trade Facilitation Committee- Minutes of the meeting held on 31.05.2019 - Reg.

\*\*\*\*\*\*

Meeting of the Permanent Trade Facilitation Committee was held at 11:00 am on 31.05.2019 in the Conference Hall of Custom House, Cochin. Shri. Sumit Kumar, IRS, Commissioner, chaired the meeting.

The following officers of Customs were present. S/Shri/Smt

- 1. B G Krishnan, IRS, Joint Commissioner
- 2. Mahendiravarmaa R A, IRS, Deputy Commissioner
- 3. Dr.Raji N S, IRS, Deputy Commissioner
- 4. E V Sivaraman, IRS. Assistant Commissioner
- 4. Sabu Sebastain, IRS, Assistant Commissioner
- 5. Phillip Sebastain, IRS, Assistant Commissioner
- 6. Joseph Sebastain, IRS, Assistant Commissioner
- 7. Bhuvanachandran P, Scientist E', NIC
- 8. Baiju Daniel, Appraising Officer
- 9. Prasanth K.C.S, Superintendent of Customs
- 10. Anand Kumar, Superintendent of Customs
- 11. N Ajithkumar, Appraising Officer

The Trade and other Govt. Organizations related to trade were represented by S/Shri:

- 1. Raj Vinod P, Cochin Port Trust
- 2. V D Dinesan, Coir Board
- 3. S S Sidhu, Plant Quarantine
- 4. Paul J Kocheril, Cochin International Airport
- 5. Abraham Phillip, Indian Chamber of Commerce & Industry
- 6. A K Vijayakumar, FIEO
- 7. N N Menon, Trade Track
- 8. Dhanya K N, FSSAI
- 9. Kuruvilla Varghese, IGTPL
- 10. Biju R, CFS, Pettah
- 11. Hari V S, CFS, Concor
- 12. Josemon M D, CFS, KSIE
- 13. Vinodh Immanuel, CFS, MIV
- 14. Alan Jose, Cochin Customs Brokers Association
- 15. Santhosh Kumar, Cochin Steamer Agents Association
- 16. M Krishnakumar, Cochin Steamer Agents Association
- 17. S Ramakrishnan, Sea Food Exporters Association of India
- 18. K Sreekumar, Reserve Bank of India
- 19. Viren K Khona, All India Spices Exporters Forum

The Chair welcomed the members to the meeting. The minutes of the previous meeting and the action taken in respect of points thereon was taken for consideration after which fresh points were taken up.

#### FRESH POINTS FOR DISCUSSION.

### Points raised by The Indian Chamber of Commerce And Industry

#### Point No.1 Online Insisting to nominate the CFS of their choice.

There are many CFS's operating in the Cochin Port Trust. Some of them are ownwd by private parties and some by Government under takings such as Cochin Port Trust CFS, Concor CFS and KSIE (Cochin International Container Freight Station). The steamer lines for reasons better known to them are having contracts only with the private CFS's whenever the Importers / Customs brokers request the steamer line to manifest any one of the above mentioned three CFS's they generally will not file the IGM as requested by the Importer / Customs Broker.

In order to ensure that the Importer/ Customs Broker nominates the CFS preferred by the Steamer line, all sorts of hurdles and inconveniences are created by demanding bonds signed by the Importer / CFS operator and also the Importer's Bank, Guarantee cheques etc so that the Importer/Customs Broker is forced to nominate and file the IGM mentioning the CFS of Steamer Agents choice in order to avoid the inconveniences and delays in the clearance of the import consignments.

Whenever the Importer / Customs Broker nominates the CFS preferred by the Steamer Line, all the above mentioned inconveniences and hurdles are miraculously "waived off.

The Importers / Custom Brokers are supposed to intimate the CFS of their choice to the Steamer line 72 hours prior to the arrival of the vessel, as per Trade Facility. No.006/2011. Even if the Importer I Custom Broker confirms the CFS of their choice to the Steamer line 10 days prior to the arrival of the vessel the Steamer line will file the IGM mentioning their nominated CFS. Due to this the Importers are forced to incur heavy losses. The CFS's charge exorbitantly by way of transportation, lift off, lift on and other incidental charges.

We seek your personal Intervention in this matter to ensure that the Importer 1 Customs Broker has the right to nominate the CFS of their choice and no coercive methods are used by the Steamer Lines to force the Importer/Customs Broker to nominate the CFS's preferred by the Steamer Line.

The Chair requested its member that we will have a meeting along with Government under taking CFS's like CPT, Concor and KSIE along with steamer agents and will visit all the CFS's where these practices are being taken place. It cannot be discriminated and if it is illegal then they will have to face the consequences alone.

The Chair informed that as per Customs Act whether they are breaking any rules so that action can be taken immediately.

[For Action: Asst.Commissioner (Docks)]

# Points raised by The Seafood Exporters Association of India

# Point No.2 Issues related to Stuffing and E-sealing of Frozen products.

There are some issues related to Stuffing and E Sealing of Frozen products, brought to our notice by one of our members. In the case of the same buyer, the members of the group company, with the permission from customs authorities, used to combine stuffing in 40 feet containers, if the order is not for a full container load from each group member. Now with the introduction of E-sealing, combined stuffing is not possible as two E-sealing cannot be done in a single container if the cargo belongs to two different shippers. If two or more companies in the same group have orders from the same buyer which is less than a full container load individually to the same buyer, the e-sealing system makes it impossible to combine the order in the same container. The member has been doing business to the regular and same buyer for years and they have orders still at hand, which if not executed as was done in earlier days, might result in cancellation of the order and future orders.

In view of the above, it is requested that such members be allowed to stuff the cargo at the premises of one of the group companies which is a custom notified area with necessary permission of Customs authorities for factory stuffing, along with other company's cargo as there is no custom bonded warehouse (Cold storage) available.

The Chair requested the member there cannot be a short cut method introduced if there is a law which legitimate then you have to follow it. We will examine it you revert back to us.

Shri Baiju Daniel, Appraiser appraised the Chair that the CBEC has vide Circular No 13/2018 Cus dated 30.5.2018 has permitted the house stuffing of Reefer Containers. Further as per the GST rules provisions and self sealing provisions in the self sealing trade facility issued by the Custom House, as per rule the self stuffing is to be done from the Exporter's own premises, the rule does not permit to stuff from others premises.

The Chair informed its members there must some law or logic for requesting for relaxations of the provisions of the law.

The Chair informed the members that to provide some legal basis to address the request before next meeting so that the issue can be sorted out.

## [For Action: Asst.Commissioner (Docks)]

## Point No.3 Cochin Customs Brokers Association

CCBA vide letter Ref.No.70/06/2019/M dated 29.05.2019 submitted a list containing 6 points along with annexures of documents consisting of about 50 pages on 31.05.2019 for discussion in the meeting (Not listed here).

Shri Baiju Daniel, Appraiser informed the Chair that the points on behalf of the Brokers Associations were submitted only on the day of the meeting, in the previous meeting it was requested to all the members of the meeting and especially the CCBA association to give the points at least two days before

the meeting so as to get the comments from the competent authorities. Shri Alan Jose concurred to the same and consented that the points submitted could be taken up in the next meeting.

Certain oral submissions were made by the CCBA members which pertained to the points in the written submissions. The Chair informed that that this would considered in the next meeting.

(For Action: Point Dropped)

Since no other points were raised by the members for discussion, the Chair declared the meeting closed with thanking the members. The date for next meeting of the Permanent Trade Facilitation Committee will be intimated through the Custom House website www.cochincustoms.nic.in. Points for discussion, if any, may be sent. Enquiries if any may be made at the telephone number 0484-2667040 or by email at ccu@cochincustoms.gov.in or ccucochin@gmail.com.

Sd/-(Sumit Kumar, IRS) Commissioner

F.No.S.65/17/2018-CCU-CUS Dated: 25.06.2019

//Attested//

(Baiju Daniel)
Appraising Officer

The Hindi version follows.

Submitted to:

The Chief Commissioner of Central Excise, Central Tax & Customs, Kerala Zone, Cochin.

The Additional Director General, Directorate of Tax Payer Service, Bangalore Zonal Unit, 4th Floor TTMC Building, Above BMTC Bus Stand, Domlur, Bangalore-560071.

Copy to:

Joint Commissioner All D.Cs & A.Cs All members