



भारतसरकार GOVERNMENT OF INDIA
वित्तमंत्रालय MINISTRY OF FINANCE
राजस्व विभाग DEPARTMENT OF REVENUE
केन्द्रीय अप्रत्यक्षकर और सीमा शुल्क बोर्ड



CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS
सीमा शुल्क आयुक्त कार्यालय
OFFICE OF THE COMMISSIONER OF CUSTOMS
सीमा शुल्क गृह, विलिंग्टन आईलैंड, कोच्चिन-682009
CUSTOM HOUSE, WILLINGDON ISLAND, COCHIN-682009

Website: www.cochincustoms.gov.in Control Room: 0484-2666422 E-mail: commr@cochincustoms.gov.in Fax: 0484-2668468

Subject: Permanent Trade Facilitation Committee- Minutes of the meeting held on 24.01.2023-reg.-

The meeting of the Permanent Trade Facilitation Committee was held at 04.00 p.m. on 24.01.2023 at EDI Conference Hall in Custom House, which was presided over by Shri. P Jaideep IRS, Commissioner, Custom House, Cochin.

The following officers of Customs were present:

S/Shri/Smt.

1. Rajeswari R. Nair, IRS, Addl. Commissioner.
2. Rajesh Jacob, IRS, Dy. Commissioner.
3. Marykutty Chacko, IRS, Asst. Commissioner.
4. K.S.Bijumon, IRS, Asst. Commissioner
5. N.Ajith Kumar, Appraiser.
6. Arun K Chhari, Superintendent.
7. Anurag Sethia, Superintendent.
8. Gaurav Kumar Pandey, Superintendent.

The following representatives from trade/various stakeholder organizations were present:

S/Shri./Smt.

1. Dr C.Sarvanan, Central Drugs Standard Control Organisation.
2. C.S. Ranawat, Plant Quarantine.
3. Fairouz Jazack, FSSAI.
4. Mini Mary Sam, Kerala State Pollution Control Board.
5. Shahana M.A, Kerala State Pollution Control Board.
6. V. Veera Raghav, CFS GDKL.
7. Biju.R, Manager, CFS Petta.
8. Unni Krishnan V.S, CFS MIV.
9. K Suresh Babu, Cochin Port CFS.

I/1032138/2023

10. Girish Shekhar, D.P.World.
11. Anil V Simon, D.P.World.
12. P. Vaidyanatapan, Indian Chamber of Commerce & Industry.
13. Bijimon.P,MPEDA.
14. Rakesh K, KSIE.
15. Roy George, Cochin Customs Broker Association.
16. A A Fernandez, Cochin Customs Broker Association.
17. Prakash Iyer, KSAA.
18. Sijo George, KSAA.
19. Antony Kottaram, FICCI.

At the outset, the Additional Commissioner, Smt. Rajeshwari R. Nair welcomed all the members to the meeting. She read out points submitted by the trade, followed by verbal submission by the concerned trade representative as follows:

Points submitted by the Cochin Customs Brokers' Association:

Point 1: Recalling of Bill of Entries from FAG: The representative of CCBA raised the issue of inordinate delay in recalling Bills of Entry from the FAG for amendments, due to a delay in sending the file from CFS due to a heavy workload with CFS Officers. They submitted that it takes a minimum of two to three days time to process the same. The trade requested the chair to streamline the process.

AC (appraising) informed that when the request comes directly, it does not take more than a day for recall. However, in cases where recalls request move from multiple channels such as CFS- AC (Docks)- ADC- AC (Appraising), then it takes more than one day. The Commissioner took note of the delay and asked AC Docks to direct CFS officers to give more priority to such requests, which might be processed twice a day considering the workload of ADC at Custom House further whenever a file is routed through CFS, the concerned officer may inform the next officer in the channel about the sending of file in his/her e-office.

Point 2: Request for PQ clearance manually as well as through email: CCBA pointed out that the link with the PQ office is still not 100% functioning and some approvals are not reflected in the Customs System. The process of emailing the manual approval is a bit cumbersome for the PQ officer. Kindly permit both manual approvals and approval by e-mail in such cases.

The Commissioner requested the attendees who were also present in the CCFC meeting to recall that Chief Commissioner had already spoken on this issue. There have been instances of misuse of manual approvals in the past resulting in a lot of problems. Thus, seeking e-mail confirmation is a failsafe mechanism, to ensure that this facility is not misused by unscrupulous elements in the supply chain.

Point 3: ONE line is not accepting the Importers nominated CFS other than MIV and GDKL CFS: CCBA raised the issue of arbitrary demand by Ocean Network Express (ONE Line) as they are not accepting the importer nominated CFS other than MIV and GDKL CFS. This is a violation of Trade Facilities issued in this regard. ONE line is insisting on all OBLs to be surrendered to them with payment of all local charges for CFS nomination to be done as per the importer's request. This is practically impossible as the CFS nomination has to be done seven days prior to the arrival of the vessel.

The Commissioner pointed out that, instructions permitting choice of CFS to importers are already in place. Thus, the choice of CFS is the right of the importers and the same cannot be taken away. Since the One Line was not present in the meeting, the Commissioner requested the Steamer Agents Association to convey the concerns of the PTFC in this matter. The said ONE Line may be requested to confirm the facts in this regard. Non-compliance with Trade Facility 01/2022, may invite action in terms of Section 30 of the Customs Act, 1962.

Point 4: Waiver of fine on the filing of BEs in case of Part shipments: CCBA raised the issue of imports arriving in part containers, i.e. in the lot of five containers, only two containers are landing in the first vessel. Balance arriving late. In such cases, they requested for a clear-cut procedure for processing such Bills of entry. They sought to know, whether the bill of entry be amended or cancelled, and if amended, then how to do so in cases of EPCG licenses. If cancelled, there should be an automatic waiver on the file generated in the new bill of entry.

The Scientist (NIC) explained that there are two mechanisms to go about these cases:

- (i) If the consignment is expected within a short time, BEs can be amended to add multiple IGM against these consignments coming in different vessels and the same BEs can be processed further. No late fee will come in these cases as original BEs is retained.***
- (ii) In the cases, where the second part of the consignment is not coming immediately, BEs can be amended including the items and IGM details in the BEs, so that same can be processed. Any licenses like EPCGs used in the BEs will be debited accordingly on assessment.***

However, if the issue remains unresolved, the waiver of the fine can be considered on case to case basis for cancelling the existing BEs and filing afresh for the cargo arrival.

Point 5: 100% Examination for fruit Import from Iran: CCBA pointed out the issue of 100% examination for Perishable fruits Imports from Iran as per the examination order. They further put forth that in the absence of a reefer warehouse facility, the 100% examination cannot be conducted without

I/1032138/2023

compromising the quality of the product. They requested that such consignments should be cleared on the basis of scanning alone.

The Chair informed that the examination of the container is done as per specific RMS instructions. The concealment risks which have been exposed of late suggest that it is not advisable to dilute the RMS instructions locally.

Point 6: Export of Onion in open containers: CCBA requested that exports of onion require containers to be opened/ partially opened to ensure ventilation. They further informed that ports such as Navasheva / JNPT / Tuticorin permit such shipments. They requested that exporters from Cochin should also be permitted such facility of onion export in open/ partially open containers without sealing.

The Chair requested the sponsor to provide details on the practice being followed in other Ports if possible. Simultaneously the AC (Docks) is requested to ascertain how such a facility is being extended in Chennai Port.

Point 7: Late filing charges due to the non-functioning of ICEGATE: CCBA raised the issue of levying fines due to the erratic functioning of ICEGATE, even though they are not responsible for the delay. They also quoted Public Notice No. 03/2003 dated 20.1.2023 issued by Chennai Customs, waiving the late fees for the above reason. The trade requested for an extension of a similar waiver at Cochin too.

The Chair informed the trade that wherever they face the issue of ICEGATE-malfunction, they may report the same to this office. Based on which waiver of fine will be considered on case to case basis as done in Chennai Customs.

Point8: Physical verification of original documents: CCBA pointed out that even though the Customs documentation has been made paperless, the officers at the CFS and DP World are insisting on the original documents for physical verification. They requested that physical verification of Original documents be waived except in the case of FTA certificate of Origin.

The AC (Docks) responded and requested that any such instance may be brought to her notice.

Points raised by the Kerala Steamer Agents Association:

Point 9: Container Permit Extension: The KSAA requested the chair to liberally permit the extension of the validity of container permits on expiry. The KSAA put forth that due to the drop in purchasing power in the Western Countries and the spread of COVID in the Far East Countries, exports are going down resulting in the piling up of containers in India. In view of the

I/1032138/2023

above, the extension for container permits may be allowed liberally till normalcy is restored in international trade.

The Chair informed the trade that the requests for the extension of the container permit will be considered for genuine reasons on the production of sufficient evidentiary documents. The permission is being processed on the basis of Circular No. 83/98 dated 05.11.1998.

Point 10: The issue with the ICEGATE website on filing EGM: KSAA pointed out that while trying to file EGM on the new ICEGATE website from 17.01.2023, they have not been successful in uploading the EGM. They are getting out files continuously, without showing any error codes. They have escalated the issue to the ICEGATE helpdesk, but there is no response from the helpdesk in this regard.

The Chair requested to provide the details of the EGM to the system manager for escalation to the ICEGATE helpdesk for resolution.

Point 11: Longstanding containers lying in the Yard: KSAA submitted the detail of the containers TCLU9722846, and CAIU8787620 lying in the yard and raised the issue of inordinate delay in the destruction of cargo and the release of the empty containers.

The AC (UCC) updated the meeting about the status of the containers and assured of an early solution.

Other points raised:

Point 12: Generation of RODTEP Scrips without Consent of the exporter: The Seafood Exporter's Association on behalf of M/s Indian Aquatic Products raised the issue of the generation of 2 scrips in their ICEGATE ledger account without their consent and even without realization of the amount in some of the shipping bills. They are suspecting of the hacking of their ICEGATE account and the generated e-Scrips. They further requested to cancel the scrips for future utilization and take immediate action against the incident.

The AC (Drawback) invited the attention of the trade towards Para 4 of the Electronic Duty Credit Ledger Regulations 2021 which lays down the procedure of creation of e-scrips in the ledger account of an exporter. The Appraiser (Drawback) seconded that the scrips would be auto-generated by the ICEGATE system for the amounts lying in the ledger account for more than a year. In the instant case, it was verified that the System has automatically generated the e-scrips on completion of one year of the Scroll date and not hacked or generated in any other way. Further, on request to cancel the scrips for future utilization, the Scientist, NIC explained that there is no provision in the system to cancel the scrips once generated. However, the scrips can be suspended on request but cannot be revoked or utilized later.

The KPCB, which was requested to make a presentation on Non-compliance of Hazardous and Other waste (Management and Tran boundary Movement) Rules, 2016, as decided in CCFC meeting of 03.01.2023, was present. They requested for further time, assuring to make the representation in next PTFC.

KSAA also raised the Issue of high DPD charges levied by DP World, to which the Commissioner observed that, *“the purpose of DPD is to reduce the time and costs to trade, and higher charges will discourage the trade from opting this facility which may militate against the spirit of National Logistics Policy”*. Thus, the chair requested the representatives of DP World to convey the concerns of PTFC to their management in this regard. The Commissioner further advised that this issue may also be taken up during next CCFC where larger section of stakeholders is present.

Since no other points were raised by the members for discussion, the Chair invited the attention of the trade/stakeholders to this office's Public Notice No. 01/2023 dated 09.01.2023 on monitoring of realization of export sale proceeds and directed the BRC Action Owner to brief it. The Superintendent (BRC) seconded that as per the public notice, monitoring of realization is to be done through RBI Reports made available to this office in terms of the Board's instructions in this regard. Therefore exporters are requested to monitor realization in their ICEGATE portals. In cases where export sale proceeds are realized but not reflected in ICEGATE, exporters need to contact their respective AD Banks to get the realization data updated in the RBI EPDMS portal. There is no need for submission of separate proof of realization such as eBRC or negative statements. In cases where there is short realization or nil realization exporters need to repay proportionate drawbacks and other duty rebates.

Thereafter the Chair concluded the meeting by thanking the members. The date for the next meeting of the Permanent Trade Facilitation Committee will be intimated through the mail and also by publishing on the Custom House website **www.cochincustoms.nic.in**.

This is issued with the approval of the Commissioner of Customs (Chairman PTFC).

(Rajeswari R. Nair)
Additional Commissioner