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मुख्य आयुक्त सीमाशुल्ककाकार्यालय OFFICE OF THE CHIEF COMMISSIONER OF CUSTOMS चेन्नैसीमाशुल्क क्षेत्र CHENNAI CUSTOMS ZONE सीमाशुल्कभवन, नं.60, राजाजीसालै, चेन्नै600 001. CUSTOM HOUSE, NO.60, RAJAJI SALAI, CHENNAI 600 001.

08-06-2023

फा.सं/.F.No.S2/109/2015-Prev.Tech

MINUTES OF THE MEETING

The 97^{t h} Customs Clearance Facilitation Committee (CCFC) meeting was held on 29.05.2023 (Monday) at 04.00 PM through Video Conference. Shri Mandalika Srinivas, Principal Chief Commissioner of Customs, Chennai Zone, chaired the meeting.

2. The following officials from Customs Department, PGAs and other Stakeholders attended the meeting:

S/Shri/Smt

- 1. M.Sreedhar Reddy, Principal Commissioner (Preventive)
- 2. Mathew Jolly, Principal Commissioner (ACC/Airport)
- 3. Ganta Ravindranath, Principal Commissioner (General)
- 4. R.Srinivasa Naik, Principal Commissioner (Audit)
- 5. K.S.V.V.Prasad, Commissioner of Customs (Import / Export)
- 6. S.Kesava Narayana Reddy, Addl. Commissioner (Import)
- 7. B.Senthilvelavan, Addl. Commissioner (General)
- 8. Manasa Gangotri Kata, Addl. Commissioner (Export)
- 9. R.Rajasekhar, Addl. Commissioner (CCO)
- 10. C.Thiyagarajan, Addl. Commissioner (ACC)
- 11. V.Pandiraja, Addl. Commissioner (Import)
- 12. R.Sri Balaji, Addl. Commissioner (Export)
- 13. Chan Basha, Addl. Commissioner (ACC)
- 14. Dr.S.Periyannan Addl. Commissioner (Prev.)
- 15. B.Loknatha Reddy, Addl. Commissioner (Import)
- 16. B.C.Srinivas, Joint Commissioner (Prev.)
- 17. RA Mahendiravarmaa, Joint Commissioner (ACC)

- 18. Thampula Rajiv, Joint Commissioner (Audit)
- 19. Anand Kumar Savalam, DC (Docks)
- 20. Bibash Sharan, AC(CCO)
- 21. S.Kirubanandasamy, Traffic Manager, Chennai Port Authority
- 22. Vimal B, Sr. Deputy Traffic Manager, Chennai Port Authority
- 23. A.Karuppiah, Chief Manager (Traffic), Kamarajar Port Ltd.
- 24. K.Thamizh Selvan, DGM, CONCOR
- 25. Ameer, Adani Kattupalli Port Ltd.
- 26. Kiran J Raja, Immigration Officer, Bureau Of Immigration
- 27. M.S.Shakul, Sr. Manager, DP World
- 28. T.G.Prasad, Sr.Manager, DP World
- 29. Jaisankar.E, Asst.Manager, PSA
- 30. Dr.M.Kannan, AO, FSSAI, Chennai
- 31. K. Poornima, AD, Textiles Committee
- 32. K.Bhaskaran, Quality Assurance Officer (Lab), Textiles Committee
- 33. Patturajan, Textiles Committee
- 34. G.Bhavani, BIS
- 35. K.Bhaskaran, Quality Assurance Officer (Lab), Textiles Committee
- 36. Nazeer AS Basha, JGM, AAICLAS
- 37. R.Rajakumari, Manager, CWC-TVT
- 38. S.Padmanabhan, Secretary, NACFS-National Chapter
- 39. R.N.Sekar, President, CCBA
- 40. R.Kumar, Vice President, CCBA
- 41. Divakaran P Nair, Vice President, CCBA
- 42. S.Nataraja, Secretary, CCBA
- 43. Y.Leeladharan, Chairman, Chennai & Ennore Ports Steamer Agents Association
- 44. Thomas Antony, Secretary, CHENSAA

3. Members of the following organizations did not participate in the Video Conference.

- 1. Joint Director, CRCL
- 2. Animal Quarantine & Certificate Services (AQCS)
- 3. Regional Plant Quarantine Station (RPQS)
- 4. Wildlife Crime Control Bureau (WCCB)
- 5. Central Leather Research Institute
- 6. Tamil Nadu Pollution Control Board
- 7. Fertiliser Control
- 8. Wireless Adviser

4. Shri R.Rajasekhar, Addl. Commissioner of Customs (CCO), welcomed all the participants and briefly outlined the schedule for the session and made a brief presentation on the latest Notifications, Circulars, Public Notices and Instructions issued during the last one month and welcomed the Chairman to deliver the opening remarks.

4.1 The Chairman of CCFC – Shri Mandalika Srinivas, Principal Chief Commissioner of Customs, welcomed all and expressed his happiness that the ECL module has stabilized and a day before there was a nice article in The Hindu on this. The Chairman further stated that Manual OOC was given

for 4495 Bs/E out of which for 3782 cases, the manual OOC was regularized and System reflects the duty payments. The Chairman further stated that 713 Manual OOCs are yet to be regularized, the details of which will be made available to the importers/CBs and this process of regularization should be completed by 10.06.2023.

[Action:Pr.Commissioner (Prev.) / Pr. Commissioner (ACC) /

Commissioner (Import/Export)]

5. With the permission of the Chairman, Shri R.Rajasekhar, Addl. Commissioner (CCO) invited Dr.M.Kannan, Authorised Officer, FSSAI, to make a presentation and accordingly Dr.M.Kannan made a detailed presentation on various provisions, procedures and applicability of FSSAI Regulations. The Chairman appreciated the presentation of Dr. M.Kannan, Joint Director, RPQS.

6. With the permission of the Chairman, pending points raised in the previous meeting were taken up for discussion first.

Point No.MAA210:- Delay in completing the sampling process at Kamarajar Port

7. Dr.M.Kannan, Authorised Officer, FSSAI, stated that as this is peak season for fruits import, they are receiving 40 to 50 samples per day at Kamarajar Port. Even if FSSAI staff reach by 2.00 PM, they are made to wait till 4.00 PM for the Open Order and it takes till 08.30 PM to complete the sampling process and they are returning to Office at 10.00 PM and as a result the Laboratory Staff are also waiting till 10.00 PM and then the samples are sent to Lab. He further stated that every season this problem continues and they are trying to resolve this issue by meeting the concerned authorities at Kamaraj Port & Customs but no permanent solution is found. He further stated that on 27.04.2023, he had a meeting with the concerned fruit importers & their CHAs and it was suggested that let Customs give Open Order in the evening hours also with the validity till next day morning and FSSAI is ready to send the staff for drawing sample on next day morning at 09.00 am also.

7.1 Shri R.Rajasekhar, Addl. Commissioner (CCO) stated that vide letter dt. 15.05.2023, as a trade facilitation measure, M/s. Kamarajar Port had been asked to allow FSSAI/PQ authorities to draw samples on the basis of Open Order given by the Customs on previous day without insisting for fresh Open Order.

7.2 The Chairman stated that the sampling process should be advanced during day time so that the same gets over in the evening instead of spilling over to the next day. The Chairman asked Commissioner (Export) to conduct

a meeting with the concerned stakeholders to sort out the issue.

[Action: Commissioner (Export)]

Point No.MAA211:- Providing contact details of Customs Main Gate Office

8. Shri B.Vimal, Sr.DTM, Chennai Port Authority, stated that Remote Entry Inward was introduced in Chennai in 2017. He further stated that Cargo operations are permitted only after Entry Inwards is given by the Inspector (PO). In the Remote Entry Inwards procedure, the last leg of communication that the vessel has arrived at Port anchorage has to go from Chennai Port Signal Station to Preventive Commissionerate. He requested that the receiving end (Preventive Commissionerate)'s email id or phone number be shared with the Chennai Port Authority.

8.1. Shri M.Sreedhar Reddy, Principal Commissioner (Preventive) stated that the Chennai Port Authority has to comply with the Public Notice No. 240/2017 dated 10.11.2017 issued by Customs and provide necessary infrastructure such as telephone connection, Systems with high speed internet connectivity at Customs Section Office (Gate no. 5) for effective message exchange.

8.2 The Chairman stated that infrastructure requirements may be reviewed through a separate correspondence and a bilateral meeting be held between Principal Commissioner (Preventive) and Port authorities to sort out the issue to the benefit of everyone and a report be submitted to the CCO.

[Action: Principal Commissioner(Preventive)]

Point No.MAA212:-Commencement of cargo operations simultaneously with Customs and Immigration procedures

9. Shri Y.Leeladharan, President, CHENSAA, stated that since the Entry Inward details are already shared with the Customs Main Gate Officer, the cargo operations can commence immediately while carrying out the Customs and Immigration procedures simultaneously which will help in reduction of dwell time.

9.1 Shri M.Sreedhar Reddy, Principal Commissioner (Preventive) stated that this issue had already been addressed through issuance of Public Notice No.240/2017 dated 10.11.2017 and further stated that Customs is facilitating simultaneous cargo operations and the issue has to be taken up with Bureau of Immigration.

9.2 On being asked by the Chairman for the views of Bureau of Immigration, Shri Kiran J.Raja, I.O, stated that the decision has to come from FRRO.

9.3 The Chairman asked the Principal Commissioner (Preventive) to

review the whole process by convening a meeting with the concerned stakeholders, come out with a Standard Operating Procedure and submit a report to CCO by 15.06.2023

[(Action: Pr.Commissioner (Preventive)]

Point No. MAA213:- Transhipment

10. Shri B.Vimal, Sr.DTM, Chennai Port Authority, stated that till 2014, Transhipment of DPD and ICD Containers were cleared electronically through connectivity from Customs to the two Terminals located inside the Chennai Port. He further stated that once the list of all the containers which are eligible for CFS movement is generated in EDI, the same is transmitted to the Terminals directly and the Terminals in turn upload the list and generate Form 13. He further stated that the present procedure is that the CFS Operator has to take the list of containers landed to the CMFC. He further informed that though there is no delay on the part of CMFC except when there are continuous holidays, which in turn reflects on dwell time also and requested for resorting to old system of electronic transmission of list.

10.1 The Chairman stated that this issue needs a review and can be included as Point of Reference in the Meeting to be convened by the Principal Commissioner (Preventive) with the concerned stakeholders by co-opting officers from EDI also (Para 9.3 above refers).

[Action: Pr. Commissioner (Preventive)]

Point No.MAA214:- Processing of Refunds arising out of Third Order on Waiver of Interest due to ECL issue

11. Shri R.N.Sekar, President, CCBA, stated that through Customs (Waiver of Interest) Order, 2023 issued on 6.4.2023 & 11.4.2023, waiver of interest granted for 13 days have been integrated in the System itself and no interest has been attracted, but in the case of Third Order issued on 17.4.2023, the waiver has not been integrated in the System and through refund mechanism only the importers can claim refund of interest. Shri Sekar further requested that these refund applications may be dealt with on priority by Sea Port Commissionerate and refund sanctioned immediately.

11.1 The Chairman stated that processing of refund applications shall be expedited.

(Point Closed)

12. With the permission of the Chairman, fresh points raised were taken up for discussion.

<u>Point No.MAA215:- Availing textile testing services from Laboratory</u> <u>of Textiles Committee, Chennai under PGA</u>

13. Ms.K.Poornima, Assistant Director, Textiles Committee stated that Textiles Committee under the jurisdiction of Ministry of Textiles is a PGA having full fledged Textile Testing laboratory with state of art equipments and instruments which is accredited by NABL. It is catering to the needs of the Industry as well as the Govt. bodies such as Customs, Railways etc. She further stated SSO IDs, VPN IDs have been created for the staff of Textiles Committee and a dedicated system has been allocated for uploading the Test Reports through single window software.

13.1 She further stated that Testing Facility of Textiles Committee had been utilized by Customs by sending samples for testing till 2019-20. However, samples received for testing for the past three years is very meagre. Assistant Director, Textiles Committee requested that the Testing facilities of Textiles Committee, Chennai, may be utilized parallel to CRCL facilities for textile samples drawn by sea customs both for imports and exports.

13.2 The Chairman stated that if a specific type of test could not be carried out by CRCL, then those samples may be referred to the Textile Committee. In all other cases, CRCL would cater to the testing requirements of Customs.

(Point Closed)

Point No. MAA216:- Difficulties in the amendment of BL

14. Shri R.N.Sekar, President, CCBA, stated that most of the importers and CBs do not prefer filing of advance Bill of Entries. The fact is that there are more unregistered Forwarders moving the cargo and issuing their HBL. However, they are unable to file the console manifest as they are not registered at Customs and they are using main line operators to file their HBL as master BL. When the advance Bill of Entry is filed with NMBL and HBL and if manifest filed HBL as master, there is no provision for amending this by DC resulting in lengthy amendment process followed by re assessment and even cancellation of bill of entry. Hence it is requested to provide suitable provision for amendment or change of BL by DC and simplify the process for clearance.

14.1 The Chairman asked the CCBA to give a detailed representation so that the same can be examined.

(Point Closed)

Point No.MAA217:- Separate Accreditation for CBs

15. Shri R.N.Sekar, President, CCBA, stated that AEO status is provided to importers in three categories namely Tier 1, Tier 2, and Tier 3. However, AEO LO is provided to all types of stake holders when the scope of work of each stake holder is different. Hence, it is requested to provide a separate accreditation to Custom Brokers and more facilitation has to be given. He further stated that Customs Brokers are integral part of Customs clearance process and their recognition must be at par with the importers and exporters.

15.1 The Chairman asked the CCBA to give a detailed representation so that the same can be examined.

(Point Closed)

Point No.MAA218:- Restoration of Deferred Duty Payment facility for

AEO-T2 Importers

16. Shri R.N.Sekar, President, CCBA, stated that AEO- T2 Importers who were enjoying deferred duty have been treated as defaulters and their facility disabled forcing them to pay duty immediately. The system treated the importers as defaulters due to the ECL issue of delay in integration of duty from 1st April to 15th and 16th till 30th April. This issue has to be taken up with DG System for restoration of this facility with immediate effect.

16.1 The Chairman stated that the issue had been brought to his notice on 17.04.2023 and Shri Mathew Jolly, Principal Commissioner (Air Cargo) had taken up the same with Pr.ADG (Systems) and it was informed that it had been resolved. However, if the issue still persists, the Chairman asked CCBA to come up with specific data like IE Code and Name of the Importer so that the same can be taken up with DG Systems.

(Point Closed)

Other Unlisted Issues discussed with the permission of the Chair

17. Shri S.Kirubanandasamy, Traffic Manager, Chennai Port Authority, stated that transshipment procedures were prescribed for movement of Export Cargo from Port/CFS to any other Sea Port (Gateway) vide Customs Public Notice No. 158/2016 dated 13.07.2016. The PN mandates Export Transhipment Permit, Let Export Order copy, and hard copy of Shipping Bill to be submitted and subsequently seal verification had to be done at the Terminal for the containers landed for transhipment at Chennai Port. He further stated that as these procedures are time consuming, many times the containers are missing vessel for transfer and requested for revisiting the issue of insistence of hard copy of the documents as the same are available in Export Transhipment Permit. He further stated that as Terminals being Custodian of the Cargo, are submitting Seal Intactness Certificate, the requirement of seal verification at the Terminal may also be revisited. He further stated that during 2021-22, the number of transshipment containers were 1,32,000 TEUs which has drastically come down to 52,000 TEUs during 2022-23 as the Liners are not accepting the transshipment boxes from the Feeder Port.

17.1 The Chairman stated that the averment that only due to the Customs procedures, the volume have come down is not acceptable. The Chairman further stated that aggressive marketing by the competitors by offering certain facilities might have attracted more transshipment to other Ports and Customs procedures alone might not have resulted in reduction of transshipment movement to this extent. The Chairman further stated that if the present procedures are different from others, then it needs a review. The Chairman further stated that if this issue is the cause for delay, then it will be examined by comparing the procedures followed at other Ports and an appropriate decision will be taken. The Chairman also asked Chennai Port Authority to review the procedures followed and facilitations extended by them.

(Point Closed)

18. The meeting ended with thanks to the Chair.

19. This issues with the approval of the Principal Chief Commissioner of Customs, Chennai Zone.

(आर. राजसेखर) (R. RAJASEKHAR) अपर आयुक्त सीमा शुल्क (मु.आ.का.) ADDL. COMMISSIONER OF CUSTOMS (CCO)

<u>Copy submitted to</u> The Joint Secretary (Customs) CBIC, North Block, New Delhi.

Copy to:

The Deputy/Assistant Commissioner (EDI), Custom House, Chennai (With a request to upload the minutes of the meeting in the Chennai Custom House website)