



आयुक्त, सीमा शुल्क का कार्यालय, कांडला.
OFFICE OF THE COMMISSIONER OF CUSTOMS,
न्यू कस्टम हाउस, कांडला.

NEW CUSTOM HOUSE, KANDLA-370210.
Phone No: 02836-271468/469, Fax No. : 02836-271467

E-mail - commr-cuskandla@nic.in

F. No. S/20-44/PGRC/AG/17-18

Kandla, dated 24.9.2018

**MINUTES OF MEETING OF PUBLIC GRIEVANCE REDRESSAL
COMMITTEE (PGRC), HELD ON 11.9.2018**

A meeting of "Public Grievance Redressal Committee (PGRC)" was held at Custom House, Kandla, on 11.9.2018 at 15.00 hrs under the Chairmanship of Shri Sanjay Kumar Agarwal, Commissioner of Customs, Kandla. The representatives of following members were present during the meeting.

Sr. No.	Name of the representative (S /Shri)	Members
1.	Keyur Thakkar,	Secretary, Custom House Agent's Association, Kandla
2.	Ramindra Singh	Jt. Secretary, Custom House Agent's Association, Kandla
3.	Pramod D. Soneta	Mng. Committee Member, Custom House Agent's Association, Kandla
4	P.C. Agrawal	Member, Custom House Agent's Association, Kandla
5	T.V. Sujan	Member, Custom House Agent's Association, Kandla
6	Peter C.H	President, Kandla Port Steamship Agent Association, Kandla
7	Satish Nair	Secretary, Kandla Port Steamship Agent Association, Kandla
8.	R.A. Prasad	SIO, Central Warehousing Corporation, CFS, Kandla
9	Piyush Thacker	Representative Consultant, Federation of Kutch Industries Association
10	Chetan Jethwa	Executive, Federation of Kutch Industries Association

At the outset, the Chairman welcomed all the Officials / Members of the Trade Associations. The agenda points / grievance raised by the Trade Associations and the reply given by the Chairman are as under:-

(I) Agenda points raised by M/s Kandla Port Steamship Agents Association.

Point 1- Need to place CC TV at the baggage clearance: Apparently, the chair has given assurance in the last meeting that a feasibility of installing

CC TV & a scanner in Dock Preventive section for examination of crew baggage will be worked upon. We hereby request you to kindly advise us the status of the same which can prove that Customs are very transparent in arranging clearance of baggage

Reply:- The Chairman opined that the baggage of crew members may be opened for detailed examination by the Customs during sign In/ sign off, only if during scanning something suspicious is noticed. The Chairman directed to write a letter to DPT for installation of CCTV and scanning machine at the place of baggage examination.

[Action: AG Section]

Point 2- Government Notification No.38/2018 Sea IGM/EGM: We would request you to kindly advise on the status of registration formalities and implementation process of government Notification No. 38/2018 which is scheduled for implementation from 1st November, 2018. We would humbly, request your good self to kindly arrange to conduct a seminar for the vessel agents prior to implementation date in order to elaborate the modalities and technicalities will be encountered with the implementation of the said notification.

Reply: The Chairman replied that the Board is aware about the issues raised by the Association and some amendments may be issued by the Board in relation to Notification No. 38/2018. Once the amending notification is issued, the Kandla Customs will organize a seminar on the new regulations. The Chairman also suggested that the association may conduct seminar for their members and invite the Custom Officers from Kandla also.

Point 3- Issuance of Port Clearance: Earlier our members have to approach only Export section for issuance of Port clearance for their respective vessels but now one more department i.e. MCD section endorsement is also required for issuance of Port Clearance and it's causing further delay in completing the required formalities . As Customs always endorse the theme of "ease of doing business", we recommend as now, our members have to run pillar to port for completing this procedures. Likewise, at all other Indian Ports, the Customs issue Port clearance for ORDERS where in such case the vessel's next employment is yet to be fixed, but here at Kandla this practice is not follow, so request you to kindly arrange to implement the same at Kandla too.

Reply: The Chairman explained that the issuance of PC and prior IGM are two different actions. He also conveyed that now the Kandla Customs have aligned this work as per the practice at major ports such as Mundra Port.

EGM related formalities are to be carried out by MCD section and done as per the procedure prescribed under the Regulations. He also conveyed that the Port Clearance (PC) register will be maintained in R&I section and only the specified documents for PC would be examined by the R&I section for issuance of Port Clearance Certificate. As far as 'Port Clearance' of a vessel for which next employment is yet to be fixed is concerned, the practice followed at other ports would be implemented in Kandla port also.

[Action : R&I and MCD section]

Point 4- Notification No. 56/2016 (NT) dated 27.04.2016 relating to coastal goods and vessel carrying coastal goods- As per the above mentioned notification clearly exempt vessels carrying exclusively coastal goods filling from Bills of Coastal Goods (BCG-export), obtaining port clearance, filling of shipping bills for supply of ship's store etc. Informatively, Ports like Vishakhapatnam, New Mangalore had issued a circular in this aspect which our office has intimated to your good office on July 25, 2018. Therefore, we humbly request your good self to kindly arrange to issue a Standing Order thereby exempting above mentioned formalities for the vessels carrying exclusively coastal goods at the earliest.

Reply: The Chairman stated that no separate berths for costal and EXIM vessels are demarcated at Deen Dayal Port. Thus, the Arrival manifest and Departure manifest shall be submitted as per the provisions under Notification No. 57/2016-Cus (NT) dated 27.4.2016. He further stated that the instructions mentioned under Circular No. 14/2016-Cus dated 27.4.2016 should be meticulously followed by the Shipping line and informed the member that this office will issue a Public Notice in this regard shortly.

[Action: AG Section]

Point 5- Circulation of minutes of PGRC / Trade Facilitation meeting:
Regret to inform you that our office is not receiving the minutes of PGRC/TF meeting regularly, we hereby request you to kindly arrange to circulate the minutes of such meeting in time regularly

Reply:- The Chairman replied that the Minutes of Meeting has been dispatched regularly and it may be possible that the same may not be delivered due to change of address. He requested to Members to kindly update their detail address with the AG section for future correspondence.

[Action: AG Section]

(II) **Agenda points raised by M/s Kandla Custom House Agents' Association, Kandla.**

Point 1- 'Allowed for Shipment' is still asked by Officer during Let Export Order.

Reply:- The Chairman explained the provisions of Section 40 and Section 51 of the Customs Act, 1962 and stated that after the assessment and examination of goods meant for export, the Let Export Order (LEO) is granted by proper officer of Docks Examination Section. There is a possibility that LEO may be granted 5-10 days prior to the arrival of vessel. As there are so many lots of cargo stacked in the port area, the Customs should know which lot of goods are to be loaded on vessel. Thus, a permission/ intimation or 'Allowed for Shipment' is required from the proper officers of Dock Preventive Section before loading of export cargo. There is a legal requirement for 'Allowed for Shipment' and same can't be dispensed with.

[Action: DP Section]

Point 2 - Plant Protection and Quarantine office is working from Monday to Friday only, creating hurdles in 24 X 7. If it can be taken up from CBEC to write to Agricultural Ministry to Issue an order for the allied agencies match their holidays along with Principal agencies

Reply:- The Chairman directed the ADC (AG) to write a letter to PPQ requesting them to keep open their office on the days when the Custom House remain open for trade facilitation.

[Action: AG Section]

Point 3- DDP is not having an open bonded warehouse inside the port. Now a days due liquidity crunch the importers are facing a lot of issues of paying Customs duty/IGST of the complete consignments in a single go timely manner, if DDP can be asked to provide space of the Bonded warehouse where the importers can shift their cargo, this will help importers in avoiding lot of port demurrage and also facilitate them to pay part payments and release their cargo in multiple parts

Reply:- The chairman replied that this point is already discussed in last meeting of PGRC held on 1.5.2018 and stated that Port are not meant for storage and the importer should ensure to shift /move their cargos from port area at the earliest.

Point 4- G and H card holders of one Commissionerate to be allowed to work for the same employer in another Commiserate without need of additional card of the new Commissionerate.

Reply- The Chairman explained that the Custom Broker has to give intimation to the Custom House where they want to work and their

Licence is endorsed in that Custom House. Likewise separate 'G' and 'H' card are required for the employees of Custom Broker working at other Custom House.

[Action: CB Section]

Point 5- For some of our exporters the filled shipping bills, where declaration of intent (N) has been ticked inadvertently in the reward item box instead of (Y). After declaration of MEIS scheme by Govt. of India, the first public Notice No. 47/2015-20 dated 8th December, 2015 issued for the claiming of benefit under MEIS scheme for that exporter or Custom Agent have inadvertently marked (N) instead of (Y). After that one Trade Notice No. 24/2018 dated 21st February issued for the shipping bills which taken inadvertently N instead of Y. But this trade notice was from the period of 01.10.2015 to 31.03.2016. This is the fact that the MEIS scheme launched by Govt. of India to give incentive to exporters for the export, but because of typographical error when the declaration marked (N) instead of (Y), Customs is rejecting the amendment application under section 149 as per the current procedure opted by the Customs. Because of lack of clarity in policy/Rules/Regulations, exporters are also holding CB's responsible and holding the payments thereon.

Reply - The Chairman replied that Section 149 applies only to the amendments relating to data mentioned in prescribed format of Shipping Bill under the Regulations. The DGFT is the right forum to resolve the issue relating to claim of export incentives i.e. MEIS benefit. The Chairman advised that exporters may represent this issue before DGFT directly.

Point 6- There is frequent power failures in the Custom House and due to which the work is hampered and delayed. There is an urgent requirement of strong power back up system to avoid the delays.

Reply:- The Chairman ensure the members that DG set installed in Custom House for EDI system will be repaired shortly.

[Action: Admin. Section]

Point 7- It is also requested to conduct a 'G' card exam soon at Custom House-Kandla.

Reply:- The Chairman informed the members that Public Notice has already been issued for conducting written examination for 'G' card of Custom Broker Employee and said exam is likely to be held in the month of October/November, 2018.

[Action: CB Section]

(III) Other issues raised by Members during the meeting.

1. During the meeting the President of Kandla Port Steamship Agents Association submitted that the incidence of seizure of 'Satellite Phone' from vessels has been increased recently. He stated that being the basic necessity of communication the act of seizure of said Phones by the Customs felt harsh step against the vessel. The member requested that the 'Satellite Phone' may be released by department after imposition of Penalty and Fine.

Reply:- The Chairman stated that the unauthorised use of Thuraya, Iridium and other such satellite phones is banned in Indian territorial waters. The transmission from the banned 'Satellite Phone' is detected by the enforcement agencies and accordingly the Customs seize the said Satellite phones under the provisions of Customs Act read with Indian Wireless Telegraph Act and Indian Telegraph Act. The seizure of said phone is required for forensic examination and other aspects of communication by the enforcement agencies during their investigation. The Chairman advised that Shipping agents should mandatorily intimate their clients /Captain of vessel not to use the banned Satellite Phone in Indian territorial water.

[Action: R&I Section]

2. The representative of Federation of Kutch Industries Associations (FOKIA) stated that the factory stuffed containers are being e-sealed by exporters themselves, sometimes due to selection by Risk Management System, these containers are being picked up for examination at Customs port/ICDs. It not only adds to transaction cost but also affects timely export of these containers. The cost for the re-examination is Rs. 9000/- per (20ft) container and Rs. 13000/- per (40 ft) container. The fragile cargo damaged during the examination will also not cover under insurance resulting to loss to the parties. In the scenario, small units would not be able to survive. We would like to put forth our prayers as under:

- (i) Option of factory stuffing and sealing of fragile cargoes in the presence of Customs Officials to be allowed so that re-examination of containers can be avoided;
- (ii) Ratio of re-examination of fragile cargo should be reduced;
- (iii) Scanning of the cargo should be encouraged rather than physical examination by the Department.

Reply:- The Chairman replied that FOKIA encourage their members to get registered under AEO scheme. The check packet selection in case of AEO clients is much lower than non AEO clients. As such the selection percentage by RMS in exports is quite low.

The trade welcomed the positive attitude of the chair and assured to be co-operative at all times. The meeting ended with the vote of thanks to the chair.


(A.K. Moria)
Assistant Commissioner (AG)

F. No. S/20-44/PGRC/AG/17-18

Kandla, dated 24.9.2018

Copy to:

1. The Additional Commissioner of Customs, CCO, Gujarat Zone, Ahmedabad.
2. All the PGRC Members (as per mailing list).
3. All the Additional Commissioner, Custom House, Kandla.
4. All the Deputy/ Assistant Commissioner, Custom House, Kandla.
- ✓ 5. The EDI Section, for uploading on Commissionerate's website.



Handwritten notes:
2 (AD) ✓
279