



OFFICE OF THE JOINT COMMISSIONER OF CUSTOMS ::
KRISHNAPATNAM CUSTOM HOUSE :: KAPS BUILDING, CVR COMPLEX;
KRISHNAPATNAM PORT AREA; GOPALAPURAM; MUTHUKUR-524344 SPSR
NELLORE DISTRICT. Ph.No. 0861-2377722-JC/2377144- FAX-0861-2377822

C.No.VIII/48/56/2016-Cus.Tech

Date: 26.09.2017

Minutes of the Open House Meeting held on 07.09.2017 with all the Stake Holders of Krishnapatnam Port, under the Chairmanship of Smt. Sudha Koka, I.R.S, Commissioner of Customs, Customs Preventive Commissionerate, Vijayawada.

Open House Meeting with the Importers, Exporters, CHAs, Steamer Agents, Stevedores and other Stakeholders of Krishnapatnam Port was held on 07.09.2017 at Krishnapatnam Customs House. The meeting was presided over by Smt. Sudha Koka, I.R.S., Commissioner of Customs (Preventive), Vijayawada.

The following Officers and stake holders have attended the meeting in addition to the representatives of the trade:

OFFICERS

1. Shri M. Rama Mohana Rao, Joint Commisisoner.
2. Shri. D. Satish, Deputy Commissioner.
3. Shri Y. Bhaskara Rao, Deputy Commissioner.
4. Shri G. Chandrasekhar, Assistant Commissioner
5. Shri M. Padmanabaiyah, Asst. Commissioner, Commercial Tax, AP.
6. Dr. K. Ravi, Plant Protection Officer, Plant Quarantine station, Nellore.

STAKE HOLDERS

1. Shri VVSN Murthy, Chief Advisor, Customs, M/s. KPCL
2. Shri M.Chandrasekhar babu, A.G.M., M/s. KPCT.
3. Shri. KM Giri, Operation Manager, Seabird CFS.
4. Shri Satyanarayana, AGM, Gateway distriparks CFS.

TRADE

As per list enclosed

The Chairperson welcomed all the members of the trade/stake holders.

1. Inclusion of Final invoice Column: Shri RSV Ramana Murthy , Manager, ITC Ltd., Guntur has raised the issue that in respect of Exporters, pre-shipment invoices are being raised for Plant Quarantine and Spice Board for filing applications on line to find out the suitability for export and quality. The pre-shipment invoice is reflecting in the Shipping Bill, while Final Invoice no is not reflecting in the Shipping Bill. Therefore, he requested for the modification in EDI system to include Final Invoice details.

Chairperson responded that this is a specific issue of one importer for which additional field to the Shipping Bill may not be considered.

2. Trade Request for clarity on LUT: The Customs is conducting outreach programmes on every Saturday and the Chairperson has instructed to continue the same to explain the various changes in Customs including the LUT matters.

(Action: JC, KPCH)

3. Request for DPD Facility: The Chairperson stated that the Department is eager to extend DPD facility to eligible importers and requested the CHAs to advise their importers to apply for the same.

(Action: JC, KPCH)

4. Waiver of Penalty under Section 46: The Chairperson directed the JC to consider the requests as per instructions.

(Action: JC, KPCH)

5. Non uniform classification: The Chairperson had said that it is a conscious policy to impose 5% IGST on cured tobacco leaves and the matter has already been taken up with the Chief Commissioner's Office, Vizag Zone.

(Action: At CCO, Vizag Zone)

6. Submission of e-BRCs : The chairperson observed that there are large number of BRCs pending. SCNs will be issued whenever e-BRCs are not received within stipulate time. All the cases of pending e-BRCs for the year 2014-15, 2015-16 shall be taken up for issuance of SCNs. CHAs were advised to have exporter database and monitor e-BRC submitted within the stipulated time. e-BRCs are to be generated for each shipping bill.

(Action: DC Drawback)

7. Delay in generation of Bills of Entry : The Chairperson stated that the Icegate and ICES are going through major revamp. This is also a transition time wherein ICES is being linked to GSTN. Hence the trade may bear for about a month or two months with the delays in EDI system.

(Action: NIL)

New Points:

1. First check Examination on request by the importer

Mr Raghunathan, Propreitor of M/s RC Freight forwarders, CHA had represented that in respect of M/s Krishnapatnam Oils and Fats Ltd. and M/s Louis Dreyfus ltd. for HBE in respect of Edible Oils, their request for 1st appraising is rejected. since the imported item is crude edible oil, it requires food analysis by FSSAI accredited food testing labs for confirming fitness for human consumption, which involves drawal of samples. Due to this, their Importers are forced to pay duty 5 days in advance and loosing interest and at the same time, if the test result fails they will face undue hard ship in claiming refund of duty paid.

The Chairperson directed that if specifically requested, the appraising officers may consider the first check

(Action: DC, Appraising)

2. Fly Ash Export to SEZ/ LUTs

M/s TPCIL stated that they are exporting fly ash and they are required to execute LUT along with BG for exporting flyash. As they are major importers, through Krishnapatnam Port, they may be exempted from Bond/BG. The chairperson replied that as they are not status holders, BG @ 15% is applicable. However they can give a representation, which will be examined by the Department.

(Action: JC, KPCH)

3. E- receipt not generated

Shri Venkat representing M/s Chandra Shipping CHA has said that due to delay in display and connected payment of duty and non-availability of e-receipt for coal imports, they requested for manual out of charge as their importer has already executed a BG for Rs. 5 crores with the department. They have requested to adjust the duty payment from the BGs. The chairperson replied that it is not permissible and if they wanted deferred payment, then they may apply for AEO status.

(Action:JC, KPCH)

4. Provisional Assessments for cases involving Change in Notification

Mr Raghunathan representing M/s RC Freight forwarders CHA said that many Provisional Assessments pertaining to M/s South India & Krishnapatnam Oils & Fats Ltd are pending for the change in notification. The Chairperson replied that Shri PC Shekar, Superintendent is specifically allotted for finalisation of Provisional Assessments and a provisional assessment cell is created at KPCH for speedy disposal of PD assessments.

(Action: DC (Import Assessment))

5. Exporters claiming Drawback

Shri RSV Ramana Murthy representing ITC has requested for permitting consolidated supplementary manual drawback claim for all Shipping Bills. The chairperson replied that manual supplementary claim may not be permissible. But in the system you could file supplementary claim but for each SB separate declaration is required. The chairperson has informed that in ICES module for supplementary claims would be rolled out along with a provision to recall and reassess the Shipping Bills.

(Action: DC, Drawback)

6. Before GST the CVD on Coal is 2.5% where as IGST is increased to 5%

The Thermal Power plants who are importing coal have raised that the increase in CV Duty of 2.5% due to roll out of GST in the form of IGST, which they will not be able to claim as ITC is a huge burden on them and it will escalate the power tariff which will effect the common man, in view of the quantum of their import being huge. The chairperson replied that they may directly represent to GST council/TRU.

(Action : NIL)

7. Value addition and Price Merging Provision

Mr. Raghunathan representing M/s RC Freight forwarders CHA said that after the GST introduction, there is no in-bond sale provision for value addition and price merging for into bond sale. They wanted to include this extra provision in ICES. The chairman requested for a representation in this regard.

(Action : NIL)

9. Export Facilitation Centres and Export Facilitation Divisions

In the new GST regime the GST Officers role would be excluded in exports. The same functions would be assigned to Customs. The chairperson has elaborated on self sealing procedures and given a detailed briefing of Public Notice 28/2017 dated 05.09.2017 and Trade Facilitation Circular 01/2017 dated 06.09.2017 both issued by the Commissioner of Customs (Preventive), Vijayawada consequent to CBEC Circulars 26/2017-Cus dated 07.07.2017 and 36/2017-Cus dated 28.07.2017. The copies of the same were distributed and the Trade is advised to actively encourage to use the new self sealing procedure and spread this message to all exporters. In this regard the Joint Commissioner, Krishnapatnam Custom House and his team would conduct outreach programmes on Saturdays for clarifications and the same may be utilised by the trade.

(Action: JC, KPCH)


(M. RAMA MOHANA RAO) 26/9/17
JOINT COMMISSIONER

To:

All Stakeholders of CCFC Meeting .

Copy submitted to The Commissioner of Customs, CPC, Vijayawada.

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Copy to Notice Board.
Copy to the Superintendent of Customs, CPC, Computers Section, Hqrs. Office,
Vijayawada for uploading on the website - www.apcustoms.gov.in Mail ID -
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