



**OFFICE OF THE ADDITIONAL 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/48/57/2016-Cus.Tech

Date :27.10.2018

**Minutes of Customs Clearance Facilitation Committee (CCFC) Meeting held on
05.10.2018 with all the Stake Holders of Krishnapatnam Port, by the
Chairperson Smt. Sudha Koka, I.R.S., Commissioner of Customs,
Customs Preventive Commissionerate, Vijayawada.**

Customs Clearance Facilitation Committee Meeting with the Stake Holders of Krishnapatnam Port was held on 05.10.2018 from 13.30hrs to 16.30hrs at Krishnapatnam Custom House as per CBEC Circular No. 13/2015- Cus dated 13/4/2015. The meeting was presided over by Smt. SudhaKoka, I.R.S., Commissioner of Customs, CPC, Vijayawada.

The following officers have attended the meeting.

1. Shri. M.Rama Mohan Rao, Additional Commissioner of Customs, KPCH
2. Shri. Y. BhaskaraRao, Deputy Commissioner of Customs, KPCH
3. Shri Mahipal Chandra, Deputy Commissioner of Customs, KPCH
4. Shri T. Dinesh, Assistant Commissioner of Customs, KPCH
5. Shri G. Chandrashekar, Assistant Commissioner of Customs, KPCH
6. Shri Dr. K. Ravi, Plant Protection Officer, Plant Quarantine Station, Krishnapatnam Port, Nellore
7. Shri VVSN Murthy, Chief Advisor – Customs,M/s KPCL Custodian,
8. Shri Nagi Reddy, AGM, Seabird CFS, Krishnapatnam Port.
9. Shri V. Satyanaraya, AGM, GDL CFS, Krishnapatnam Port
10. Shri M.Chandrasekhar Babu, A.G.M., M/s. KPCT, Krishnapatnam Port.

The Chairperson welcomed all the members of the CCFC.

**Point No.1: Risk based detection in respect of import consignments
requiring Plant Quarantine certificate and Treatment
Procedures:**

Reply: The Chairperson enquired with the Plant Quarantine Officer, Krishnapatnam PQ Station whether he is required to attend all import consignments of plant / plant products or only selected few consignments. He replied that he has to attend all import consignments of plant / plant products and further stated that RMS based selection is not in place still in Agriculture Department. Then chairperson had requested PQ officer to explore the possibility of Risk Based selection /detection of import consignments that require Plant Quarantine Certificate for clearance of imports by Customs and give a possible timeline for implementation of the same. The Plant Protection Officer of KrishnapatnamPQ Station Shri K. Ravi replied that, as per the Plant Quarantine Order, 2003, each and every import consignment of plant and plant products has to be mandatorily checked. Hence, no possible timeline for introducing Risk

Based detection and clearance can be given for implementation at Krishnapatnam Port. The Chairperson has enquired about the treatment procedure for plant products which are imported through the port. The Plant Protection Officer elaborated that, as per Plant Quarantine Order, 2003, there are about 850 to 900 commodities imported from various countries for which the treatment procedures are laid down and there are country specific regulations for imported plant products. Plant Quarantine enforces use of Methyl Bromide treatment in respect of Shea nuts imported by 3F Industries. Although 70% of the countries in the world have banned Methyl Bromide, India is still require Methyl Bromide treatment. There is also a country based treatment of imported plant products. Each commodity has a time limit and treatment dosage limit. In respect of Exports, fumigation treatment is done by accredited agencies authorized by the PQ authorities. For chilies, treatment is done at certified warehouses only.

(Action : DC, Import/Export Exam.)

Point No.2: Temperature Controlled Examination Area

Reply: The Chairperson had asked the KPCT authorities to create a temperature controlled examination area for Examination of Reefer Containers. Shri A. Chandrasekhar, AGM, Operations, KPCT replied that they will be developing a small cold storage examination area for containers by December, 2018 and would develop a full-fledged temperature controlled examination area by June 2019.

(Action: DC (Export Examination) and M/s KPCT)

Point No.3 : Scanning of Containers:

Reply : AGM, M/s. KPCT requested to minimise examination and use the scanner to scan more containers. He also requested to do the examination in case of suspicious / doubt in the images obtained during scanning. The chairperson replied that containers to be scanned are selected by RMD, whereas, selection for examination is as per RMS facilitation and every BE goes through RMS. The AC(Preventive) had clarified that scanning and examination are two different aspects. AGM, M/s KPCT had questioned that what is the use of scanner, when examination is also prescribed for scanned consignments. The ADC, KPCH stated that the purpose of scanning is to check contraband.

(Action: NIL)

Point No.4 : Uncleared Cargo:

Reply : There are 20 x 20' containers of calcite lumps and 6 containers of re-imported feldspar powder imported through Krishnapatnam port in the year 2014-15. It is informed by

M/s. KPCL that they had given 4 news paper advertisements in English and Vernacular Language for auction. However, no buyer had turned up. The Chairperson had earlier directed the custodian to conduct the auction through MSTC. Even MSTC had put these 26 uncleared containers for online auction twice. For this also, there was no response. Chairperson replied that they will examine further course of action.

(Action: M/s KPCL)

Point No.5: Handheld readers

Reply: AGM, M/s KPCT had requested for the modification of software for the fixed reader installed at the gate of KPCT, so that all the RFID seals of all the RFID vendors could be read by the fixed reader. The Custodian M/s KPCT came forward to provide person to handle hand held readers to read RFID seals at the gate of KPCT and the information will be forwarded to the Customs Officer alike fixed hand held reader, at the time of entry of RFID self sealed export containers into KPCT gate. The Chairperson directed M/s KPCT to submit a representation in this regard

(Action: M/s KPCT)

Point No6: Time gap between Entry Inward and receipt of E-mail and Integration of EDI software with Scanner software:

Reply: Selection of containers for scanning is done by RMD after grant of Entry Inwards by the proper officer. Due to the delay in granting of entry inwards in EDI, the receipt of email communicating the selected containers list for scanning is also delayed. Over and above, due to non availability of auto generation of emails at RMD, there is a delay in forwarding and subsequent receipt of emails from RMD. By the time, the containers list is made available, the unloading of containers from the vessel was almost complete and the containers selected for scanning are also already stacked in the container yard. When the containers are placed in the yard, the containers selected for scanning are to be taken out from the lot, which is proving to be laborious and leading to double handling by the custodian. M/s KPCT requested that the entry inwards may be granted in EDI 2 hours before vessel berthing. The chairperson replied that the entry inwards can be granted only after boarding of the vessel by the Customs Officers. M/s KPCT also requested for integration of Scanner software with EDI software by the DG Systems so that HML files can be obtained. The chairperson had directed M/s KPCT to give a representation in this regard.

(Action: M/s KPCT)

Point No 7: DPD and DPE

Reply: The Chairperson stated that the department is actively encouraging Direct Port Delivery for import containers and Direct Port Entry for self sealed / ICD / SEZ export containers and directed the port and other stakeholders to strive and support the Department.

(Action: M/s KPCT)


(M. RAMA MOHANA RAO)
ADDITIONAL COMMISSIONER

To

All Stakeholders of CCFC Meeting .

Copy submitted to the Commissioner of Customs, CPC, Vijayawada.
Website – www.apcustoms.gov.in Mail ID - commr.cpc.ap@nic.in

Copy to M/s KPCL Website – www.Krishnapatnamport.com
Mail ID – customs@krishnapatnamport.com

Copy to Notice Board.



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Date: 27.10.2018

**Minutes of the Open House Meeting held on 05.10.2018 with all the Stake
Holders of Krishnapatnam Port, under the Chairpersonship of
Smt. SudhaKoka, 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 05.10.2018 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:

The following officers have attended the meeting.

1. Shri. M.Rama Mohan Rao, Additional Commissioner of Customs, KPCH
2. Shri. Y. BhaskaraRao, Deputy Commissioner of Customs, KPCH
3. Shri Mahipal Chandra, Deputy Commissioner of Customs, KPCH
4. Shri G. Chandrashekar, Assistant Commissioner of Customs, KPCH
5. Shri T. Dinesh, Assistant Commissioner of Customs, KPCH

STAKE HOLDERS

1. Shri VVSN Murthy, Chief Advisor – Customs, Custodian, M/s KPCL
2. Shri Nagi Reddy, AGM, Seabird CFS, Krishnapatnam Port.
3. Shri A. Satyanaraya, AGM, Gateway CFS, Krishnapatnam Port
4. Shri M.Chandrasekhar Babu, A.G.M., M/s. KPCT, Krishnapatnam Port.
5. Shri N.Jitendra, Chief Operating Officer, M/s. KPCT, Krishnapatnam Port.

TRADE

As per list enclosed.

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

1. No Use Bond

M/s. McNally Bharat Engineering Company Limited have stated that they are importing Solar Modules under EPCG for AP GENCO projects and are unable to produce BIS certificates during the time of customs clearance. They have stated that the testing of samples by the agency is expected to be completed by

15th December, 2018 and requested for clearance of their consignment. The Chairperson stated that they could get their Cargo cleared on execution of No Use Bond.

(Action : DC, Import Exam.)

2. Self Sealing Issues

M/s NK Agro said that despite their willingness to opt for self sealing despite procuring over 200 self seals they are unable to do so due to lack of support by port authorities as the handling costs charged by M/s KPCT are high when compared to Katupalli Port. The Chairperson directed that the Custodian M/s KPCT who is the Customs Cargo Handlers must be transparent in this regard and their charges they impose must be prominently displayed online. The Chairperson also said that all the self sealing containers should go through DPE and a circular in this connection would be issued shortly.

(Action: M/s KPCT)

3. EDI Software Issues

Shri VVSN Murthy representing M/s KPCL has stated that due to non-updation of ICES software they are facing issues in filing Bill of Entry for fertilisers. Hence they requested blanket permission to permit to File Manual Bill of Entry for fertilisers. There are also problems in exchange rate due to e-sanchit delay and server problems is causing late filing of Bill of Entry due to which they are forced to pay penalty. The chairperson said that it is not possible to extend blanket permission to file Manual BE and observed that permission for MBE is being given on the same day on request being made by any Importer.

(Action: NIL)

4. Setting up of CRCL

Shri VVSN Murthy representing M/s KPCL requested for early setting of CRCL at Krishnapatnam Port. The Chairperson stated that the Office of the Commissioner of Customs(Preventive), Vijayawada is in constant pursuance of this issue.

(Action: at Hqrs)

5. Export Examination Issues:

RFID containers are also selected for examination by the EDI which is causing high costs to the exporters. M/s KPCL have requested that the EDI norms for examination may need to be revised for RFID containers and suggest RMS to reduce selection for examination. The chairperson asked to give a representation in this regard. The chairperson further directed to mark separate areas for DPD and DPE.

(Action: M/s KPCL)

6. UTL Cargo Auction

M/s KPCT have requested that the steamed coal and bituminous coal cargo lying uncleared since 2012 is causing pollution and huge difficulties in handling and delivery of 43000 MTs was not taken since 2012. If permitted they were ready to go for auction after October 20, 2018. The coal issue is pending de-novo adjudication. The chairperson directed M/s KPCT to give a representation along with BE wise details for taking up the issue by the adjudicating authority.

(Action: M/s KPCT)

7. Shipping Bill Amendment

Shri VVSN Murthy representing M/s KPCL requested for waiving of vessel name and rotation number in Shipping Bills. The Chairperson directed to submit a representation in this connection

(Action: M/s KPCL)

8. LEO Copy

Shri VVSN Murthy representing M/s KPCL requested to permit taking of both the Customs and Exporter copy by the CHA and submission of customs copy by the liner at the time of filing EGM. In this regard they requested to issue a public notice. The Chairperson directed to submit a representation in this connection

(Action: M/s KPCT)

9. Scanning of Self sealed containers, self sealing permission and Cut off issue for ICD containers

Shri Bhanu Prakash representing M/s LEAPP that the IB track is not properly reading the self sealed containers. The chairperson said that a solution needs to be found out. ICD containers are facing cut off problem. In respect of ICD containers Shipping Liners are taking well before Port Cut off time. The Chairperson directed that a

meeting be scheduled with Shipping Liners. M/s NK Agro asked for self sealing permission on open land. The chairperson stated that they could do self sealing in any registered premises.

(Action: DC, Exports)

10. M/s Penwar Products Duty Drawback

M/s Penwar Products submitted that their duty drawback scrolls are pending since 23rd May, 2018 and scroll amount not getting credited to the tune of Rs. 57 lakhs. The chairperson replied that the Principal Control General of Accounts issued instructions stating that each drawback scroll to be backed with a signed cheque and the DC/AC (Drawback) to attend with exporter and take up with the bank authorities.

(Action: DC/AC, Drawback)

11. Mapping of AEO with ICES and Warehouse amendment fee waiver

Shri VVSN Murthy representing M/s KPCL said that M/s Sri Kalahsati Pipes who is a Tier-II AEO status holder filed penalty for BE for deferred payment. Hence for AEO status holder preference may be given for deferred payment. The Chairperson directed to submit a representation in this connection. The Chairperson also stated that there is waiver of fee for warehouse amendment.

(Action: M/s KPCL)

The Chairperson in addition to the above reiterated that the department actively encourages DPD, DPE and AEO accreditation. In respect of DPD which was only given to AEO status holders will now be extended to all class of importers and CHA is to give the place of delivery and the duty needs to be paid within prescribed time limit as DPD is a fast track process to save time and costs. Direct Port Export is an extra facilitation measure. AEO facilitation comes after all annexures are filled along with solvency certificates. Circulars on DPD, DPE and AEO would be issued to streamline procedures.


M. RAMA MOHANA RAO
ADDITIONAL COMMISSIONER

To
All Stakeholders of CCFC Meeting.

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