Circular No. 22/2013 - Customs

F. No. 450 /120/2012-Cus-IV.
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
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New Delhi, Dated 24th May, 2013

To,

All Chief Commissioners of Customs / Customs (Prev).

All Chief Commissioners of Customs & Central Excise.

All Commissioners of Customs / Customs (Prev).

All Commissioners of Customs & Central Excise.

All Director Generals under CBEC.

Sir / Madam,

Subject: - Customs permission for transhipment of goods/containers from a Gateway Port to a Container Freight Station (CFS) of another Customs Station. - reg.

Attention is invited to Board's Circular 18/2009- Cus dated 08.06.2009 which disallows direct movement of consignments from Gateway Port to CFS of another Customs Station. It is only in exceptional circumstances on account of congestion etc, the jurisdictional Commissioners are empowered to allow the movement of consignments from Gateway Port directly to a CFS of another Customs Station. Therefore, when goods consigned for an Inland Container Depot (ICD) are imported at a Gateway Port, these are transported first to the ICD and then to the connected CFS for physical clearance (they may also be cleared from the ICD itself). Representations have been received highlighting that insisting that the goods should be received first in an ICD before being taken to one of its attached CFSs increases the dwell time and transaction cost for the importers. This is particularly true when the CFS is located en route to an ICD wherein the goods have to cross the CFS to go to the ICD and then return to the said CFS for warehousing and clearance.

2. Board has examined the matter. It is seen that the present restriction in not allowing direct movement of goods from a Gateway Port to a CFS of another Customs Station is chiefly on account of the fact that the Indian Custom EDI System (ICES) module at present does not allow generation of Sub Manifest Transhipment Permit (SMTP) to allow the goods move directly from a Gateway Port to CFS. It is, however, felt that in the interest of reducing transaction costs and dwell time there is justification to allow the direct movement of goods from a Gateway Port to a CFS and vice versa, while at the same time ensuring proper accountability of the goods to safeguard revenue. Accordingly, the Board is of the view that suitable modification in ICES may be carried out to implement the direct movement of goods from a Gateway Port to a CFS and vice versa. Till such time the electronic system is made operational the following procedure /interim methodology is prescribed for direct movement of containers from Gateway Port to a CFS: -

(i) At the Gateway Port, Customs shall prepare a consolidated list of all SMTP generated CFS-wise for consignments bound for an ICD. This list should be transmitted electronically by the gateway port to the receiving Customs station /(ICD).

(ii) The goods will move from the gateway port direct to the CFS under cover of a bond accepted by the Customs at the Gateway Port. The carrier will also carry the relevant SMTP in duplicate and hand over the same to the custodian at the CFS.

(iii) On arrival of the goods at the CFS attached to ICD, the custodian of the CFS shall prepare:

(a) A list of goods/container arrival, on daily basis. This list shall *inter alia* cover the detail of SMTP generated at the gateway port, a hard copy whereof is received along with the goods/containers. This list shall be signed by the custodians and shall be endorsed by Customs Officer in charge of the CFS. The custodian of the CFS shall forward the list of goods/container arrival, to ICD on daily basis.

(b) A Landing Certificate (LC) on the lines of a Container Arrival list signed by custodian.

(iv) The Custodian of CFS shall forward a copy of Landing Certificate duly endorsed by Customs at receiving end to the Customs at the Gateway Port for re-crediting the bond executed with Customs.

(v) On arrival of the goods/container inside the CFS, the Custodian along with the surveyor, if any, in presence of the Customs Officer shall verify the correctness of details of consignments and will make an endorsement in the SMTP. The endorsed SMTP shall be forwarded to concerned ICD. With receipt of endorsed SMTP and approval of Customs officer in charge at the ICD, local IGM shall be permitted to be filed at Service Center in case of LCL Cargo

(vi) The B/E will be filed at the ICD as usual and the goods will be examined and cleared at the CFS.

3. This facility shall be extended to that CFS that is at a considerable distance from the ICD, or en route to an ICD. Movement of consignments from the gateway ports to CFS adjacent to ICD shall continue to be permitted in the manner prescribed in Board Circular No 18/2009- Cus dated 08.06.2009. The furnishing of suitable bond by the custodian of the ICD/CFS with the Customs at the Gateway Port shall continue as at present.

4. Board Circular No 18/2009- Cus dated 08.06.2009 stands modified to the above extent.

5. Suitable Public Notices/Standing Order may be issued for guidance of trading public and staff. Difficulty faced if any may be brought to the notice of the Board immediately.

Yours faithfully,

(M.V.Vasudevan)

Under Secretary to the Government of India (Customs IV)

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