Circular No.22/2001-CUS.

17th, April 2001

F.No.450/118/99-CUS.IV

Government of India

Ministry of Finance

(Department of Revenue)

Central Board of Excise & Customs

Sub: Consolidation of cargo at the gateway port-procedure-regarding.

The undersigned is directed to refer to Circular No.55/2000-Cus., dated 30.6.2000 as amended by Circular No.67/2000-Cus., dated 17.8.2000 regarding consolidation of LCL cargo at the gateway ports. In the said Circular, it has been provided in para 3(x) that containers carrying the LCL cargoes from the ICDs/CFSs to gateway ports may be used to bring back LCL import cargo from the gateway ports to ICDs/CFSs. In this connection, doubts have been raised as to whether the said Circular is applicable for consolidation of imported LCL cargo and its subsequent transhipment from the gateway ports to ICDs/CFSs in view of the fact that the Circular does not provide a procedure for the same. It has also been pointed out that the said Circular does not provide a procedure for filing of EGM in respect of consolidation of export cargo in terms of the said Circular.

2. The matter has been examined by the Board. The Goods Imported(Conditions of Transhipment) Regulations, 1995 allow transhipment of import cargo from gateway ports to ICDs/CFSs. It does not debar the further movement of cargo even if it is brought in and de-stuffed from LCL containers after landing and re-stuffed in other containers for particular ICDs/CFSs. What is essential is that suitable procedure must be followed for transhipment of each such consignment and there is proper accountal of each consignment moved in such re-stuffed containers from Gateway ports and their receipt at ICDs, etc. It has therefore been decided that the LCL cargo, received for various destinations at Gateway ports, after de-stuffing and consolidation at the gateway ports (or at a CFS near gateway port), for each destination shall be allowed to be transhipped from the gateway ports to particular ICDs/CFSs in the same manner as other cargo, if all the formalities of the said Regulations have been complied with. For sake of uniformity a procedure for consolidation of LCL cargo at the gateway port or a CFS near gateway port and subsequent transhipment to inland ICDs/CFSs has also been drawn out and para (x) of the said Circular shall be substituted as follows:

" (x) Custodians may, thereafter, use the same containers to bring back LCL imports to various ICDs/CFSs. As regards consolidation of imported LCL cargo at the gateway port (or a CFS near gateway port) and subsequent transhipment to inland ICDs/CFSs, following procedure shall be followed-

a) On arrival of the LCL (Imports) cargo (meant for ICDs/CFSs) at the Gateway Port the concerned shipping line shall file the I.G.M. with the Customs as in vogue;

b) The de-stuffing and consolidation of the LCL (Import) cargo ICD/CFS wise will be done at the earmarked space under supervision of the Customs and surveyors of the custodians;

c) After consolidation of LCL cargo (ICD/CFS wise), the custodian at the Gateway Port will prepare a tally list showing details of the import consignments, the previous container number, IGM No. and the details of the new container and the shipping line will file sub-IGMs for all LCL (Import) cargo IGM wise. Wherever the packages/goods are found to be damaged during de-stuffing, storing and consolidating a suitable remark to this effect should be recorded on the tally list, which then should be signed by the Customs, Surveyor, Custodian and the shipping line;

d) After acceptance of sub-IGM by the Customs, the LCL (Import) cargo ICD/CFS wise will be re-stuffed in empty containers in the presence of custodian at the Gateway Port and the shipping line. The containers so re-stuffed will be sealed by the custodian as per procedure in vogue. The sub-IGM should mention the details of the new bottle seal and should also be accompanied with the Surveyor"s report;

e) For transhipment of re-stuffed LCL (Import) cargo in new containers for different destinations, the concerned shipping line shall follow procedure in vogue in terms of the Goods Imported (Conditions of Transhipment) Regulations, 1995. After completion of Customs formalities and clearance of LCL (Import) cargo at the respective ICDs/CFSs, a copy of the sub-IGM will be sent back to the Customs authorities at the Gateway Port for confirmation/closure of IGM."

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3. As regards filing of EGM for consolidation of export cargo in terms of circular No.55/2000-Cus., dated 30.6.2000, it is to be

noted that filing of EGM is a statutory requirement under the Customs Act, 1962. The EGM needs to be filed even if the said

Circular does not specifically provides for the same. For this purpose, the existing procedure for filing of EGM in respect of

FCL cargo originating from ICDs/CFSs may be followed in respect of LCL cargo.

4. These instructions may be brought to the notice of all concerned by way of issuance of suitable Public Notice/ Standing

orders.

5. Difficulties, if any, in implementation of these instructions, may be brought to the notice of the Board. Kindly acknowledge receipt of this Circular.

Rajendra Singh

Under Secretary to the Government of India