Circular No. 73/95- Cus.
dated 26/6/95

F.No. 495/36/93- Cus. VI

Government of India
Ministry of Finance
Department of Revenue, New Delhi

Subject :- Imports by Airlines Crew - Clarification regarding

I am directed to invite your attention to Ministry's circular of even number dated 25.8.94 raising the free allowance of operating airlines crew members from Rs. 30 /- to Rs. 300/- and to say that it is very clearly mentioned in that circular that this free allowance is meant for bringing petty gifts like chocolates, cheese, cosmetic etc. for their personal or family use.

2. It has come to the notice of three Board that at some airports, airlines crew are being allowed to bring in costly gadgets like airconditioners, refrigerators, music system etc. on payment of Baggage Duty @ 80% *ad valorem* under Notification No. 136/90- Cus. (As amended) read with heading 98.03 of the First Schedule of the CTA, 1975. It is, however, observed by the Board that there is no ITC provision permitting operating airlines crew to import such consumer goods. As consumer goods are in the Negative List of Imports, the same cannot be imported without an import licence, except where such imports have been permitted specifically under the Exim Policy in force or under Public Notice/ Order issued by the DGFT.

3. As far as the passengers are concerned, so long as the goods brought by them are *bona fide* baggage, the same are exempt from ITC restrictions in view of para 34A of the current Exim Policy. But there is not such exemption for the members of the crew and members of the crew are not passengers. The Baggage Rules, 1994 also do not apply to them except Rule 18, which is applicable only to sea crew for importation of their baggage at the time of final pay off on termination of their engagement.

4. In view of the above position, the Board is of the view that such imports by the operating airlines crew are unauthorised and such goods are liable to confiscation under Section 111(d) of the Customs Act, 1962. You may issue suitable instructions to all concerned under your jurisdiction. The Airlines Management may be informed in writing suitably to advice their crew members of this position.

Sd/-
(T.R. Kapur)
Under Secretary (Cus. VI)