Circular No. 17/95-Cus.
dated 1/3/95

F.No. 520/ 118/ 93-Cus. VI

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

Subject : Export of Commercial Goods as Baggage - Instructions reg.

The undersigned is directed by say that in terms of para 129 of the Exim Policy (1992-97), bonafide personal baggage of a passenger ins permitted to be exported as accompanied or unaccompanied baggage. Instances have, however, been brought to the notice or the Board where passengers, especially passengers leaving for CIS countries, Pakistan. Thailand etc., were exporting in their baggage commercial goods like leather goods, hosiery goods, betel leaves etc. in large quantities in gunny bags through chartered flights or by train from Delhi, Amritsar etc.

2. The matter has been examined by the Board in consulation with the Department of Economic Affairs and the Ministry of Commerce. If we go strictly by the Exim Policy, the quantities being taken by such passengers connot be said to be their bonafide baggage and hence their export could be objected. However, it has been reported that in most of these cases, the passengers are able to give some evidence or the other for exchange of the foreign currency to buy these goods in India. The Department of Economic Affairs has opined that there is nothing wrong in allowing export of such goods as passenger's baggage so long as the source of funds for buying these goods is established to be the foreign exchange brought by the passengers on their arrival in India.

3. In view of the facts stated above, the Board is or the view that in the interest of the expeditious passenger clearance and the current liberalisation scenario, such exports through passengers baggage may be allowed so long as proper proof of the goods having been procured against payment in foreign exchange is provided by the passengers. In case any large scale abuse in suspected, it may be brought to Board's notice immediately giving the details of such cases/ instances.

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