Circular No.69/2002-Customs
25th October, 2002.

F.No.528/73/2002-CUS (TU)
Government of India
Ministry of Finance & Company Affairs
Department of Revenue
(Tariff Unit)

Sub: Eligibility of reusable plastic containers for duty free import under notification No.104/94-Cus. - Reg.

I am directed to invite your attention to the above mentioned subject and to say that a representation has been received in Board"s office, seeking clarification as to whether reusable plastic trays imported for packing export goods viz, electric motors can be allowed the benefit of duty free import under notification No.104/94-Cus., dated 16.03.94 which grants exemption to containers of durable nature. It has been stated that the overseas buyers insist that goods be packed in these trays instead of card board boxes so as to ensure their safe arrival.

2. Notification No.104/94-Cus., exempts containers which are of durable nature from the whole of the duty of customs and additional duty subject to the condition that such containers are re-exported within 6 months from the date of importation and documentary evidence is furnished to the satisfaction of the Assistant Commissioner. As per the meanings assigned to the words `durable" and `container" in various Dictionaries, it would appear that any goods (containers) used for packaging or transporting other goods, and capable of being used several times, would fall in the category of `containers of durable nature". It is not necessary that the `container" must be enclosed from all sides or capable of being locked or sealed. Accordingly, it is clarified that durable containers such as plastic trays for packaging electric motors can also be cleared duty free under the said notification subject to fulfillment of conditions stipulated therein. However, unlike the case of marine containers which have a distinctive number, name of shipping line etc. written on them, establishing identity of small containers, such as, small plastic trays, etc., which may have been imported in large quantities may be somewhat difficult. It may not be possible to examine, at the time of import, each tray in a large consignment and note down its details. It may also not be possible for the Customs to give local marking on each and every tray at the time of import for verification at the time of export. It is, therefore, advised that following simple and practical approach may be adopted for identification of plastic trays.

3. The importer may be asked to declare the following at the time of import, apart from colour of the tray,

(i) dimensions of each type of the plastic trays

(ii) weight of each type of the trays

(iii) Particular identification number engraved on the trays.

The importer may also be asked to get the consignment photographed, if required at the time of examination at his expense and get it attested from the Customs. The consignment may be examined at random for the above and other particulars as usual. Identity may be established at the time of export with the help of photograph and these parameters allowing a variation of + 10%

4. Any difficulty in following the above guidelines for extending the benefit of notification No.104/94-Cus., to the reusable plastic trays may kindly be brought to notice of the Board.

Please acknowledge receipt of this Circular.