Circular No. 46/ 97
dated 6/10/97

F.No. 448//1/94-Cus. IV

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs, New Delhi

Subject : Detection of explosives and other war materials in imported consignments of heavy melting scrap - Procedure for disposal

I am directed to refer to the circular No. 43/ 95 dated 26.4.1995 (copy cnclosed)[1] issued on the above subject.

2. Inspite of all the precautions taken, recently a blast occurred at CFS, Ludhiana ia a consignment of steel scrap resulting in death of the labourers and injury to 3/4 persons. This particular consignment was imported from Kuwait in six containers and the blast took place when the goods were being loaded on truck. This consignment was originated from a place affected by rebelion or war. The blast shows that the examination was perfunctory.

3. In terms of Para 5.3 (c) of Chapter 5 of Handbook of Procedures Vol.I (1997-2002), in case of import of metal scrap originating from a country affected by rebellion or war, the exporter is required to furnish the following documents to the Customs at the time of clearance of goods :-

(i) Pre-shipment inspection certificate from any of the Inspection & Certification agencies given in Appendix-32A to the affect that the consignment does not contain any type of arms, ammunition, mines, shells, cartridges, radio active contaminated or any other explosive material in any form either used or otherwise;

(ii) A copy of the contract between the importer and the exporter stipulating that the consignment does not contain any type of arms, ammunition, mines or shells, cartridges, radio active contaminated, or any other explosive material in any form either used or otherwise.

4. In view of the above, all the field formations are instructed to follow the provision contained in Handbook of Procedures as mentioned above and to examine 100% all consignments of metal scrap originating from countries affected by rebellion and war. The instructions contained in Board's circular 43/ 95 dated 26.4.1995 should also be strictly followed.

5. Meanwhile, a reference has been made to Directorate General of Foreign Trade (DGFT) to delete the name of M/s Gulf Inspection Agencies, Kuwait from Appendix 32A of Handbook of Procedures. Clearance of consignment of metal scrap on the basis of certificates by above agency should be allowed only with 100% examination till their deletion from the list of Approved Inspection Agency.

6. It is desired that suitable instructions may be issued to all concerned so that the import of metal scrap is regulated in the manner prescribed and further that in case of detection of any explosives / war materials, the same are disposed of as per the procedure prescribed. In case of any difficulties, the Board may be immediately informed.

Sd /-
(Vijay Kumar)
Under Secretary to the Govt. of India