Circular No.46/2002-Cus.

29th July, 2002.

F.No.450/60/2001-Cus.IV

Government of India
Ministry of Finance
(Department of Revenue)
Central Board of Excise & Customs

Subject: Transhipment of containers to ICDs/CFSs - reg.

I am directed to refer to Board's Circular No.79/2001-Cus., dated 7.12.2001, prescribing a simplified procedure for issuance of transhipment permits. In this connection, a number of references have been received in Board's Office stating that there are delays in issuance of transhipment permits, resulting in increase in the transaction cost of imports. Complaints have also been received that transhipment permits are often denied without assigning any valid reasons.

2. The Board has taken serious view of the matter. As you are aware, in recent years a number of ICDs/CFSs have been set up to reduce congestion at the gateway ports/airports and to allow the importers to have their goods Customs cleared at their door steps. The objective of bringing the Customs facility to the door-step of importing community and decongesting the gateway ports/airports can be achieved only if the movement of cargo is allowed between a port/airport and other ports/airports, ICDs/CFSs, etc. without procedural hassles and delay. It has accordingly been decided that transhipment permits would not be denied if the goods imported at a customs station are manifested for being transhipped to any port/airport or any ICD/CFS, subject further to what is stated in para 3 below. The Commissioners may look into this aspect personally and ensure that such permits are issued smoothly and in a hassle-free manner.

3. A doubt has been raised as to whether the Customs at the gateway port are authorised to examine or detain the container in case of specific intelligence about mis-declaration of goods in the IGM or availability of contrabands in the container. It is clarified that the containers meant for transhipment can be examined only when there is a specific intelligence about mis-declaration of goods in the IGM or availability of contrabands in the container. However, even in such cases, before detaining any such container at the gateway port, permission from Joint/Additional Commissioner shall be obtained in writing.

4. Apart from these specific situations, it is reiterated that transhipment permits should not be refused under any circumstances and any complaints in this regard will be viewed seriously.

5. Kindly acknowledge receipt.