Circular No. 1/2002-Cus.
8th January, 2002.

F.No.450/21/98-Cus.IV(Vol.II)
Government of India
Ministry of Finance
(Department of Revenue)
Central Board of Excise & Customs

Subject: Application of PFA Act, 1954 for clearance of consignments of food articles - reg.-

I am directed to refer to Board's Circular No.58/2001-Cus., dated 25.10.2001 on the above mentioned subject. In the said Circular, it has been provided that all the consignments of imported food items are to be referred to Port Health Officers for testing under the PFA Act, 1954. A reference has been received from the trade stating that the food items imported by EOUs for subsequent export after processing should be exempted from the mandatory testing under the said Act.

2. The matter has been examined in consultation with the Ministry of Health & Family Welfare. It is observed that there is no provision in the PFA Act to exempt food items imported by EOUs or units in EPZ/SEZ from testing under the said Act. It has, however, been clarified by the Ministry of Health & Family Welfare that the PFA Act is not applicable for food meant for export. Therefore, in case the Commissioner of Customs is satisfied that imported food items, after their processing in EOUs or units in EPZ/SEZ, shall be exported and no part thereof shall be sold in India, he may allow clearance of such food items without mandatory testing under the said Act. The Commissioners may take an undertaking from the EOUs or units in EPZ/SEZ importing the food items to the effect that the imported food item or any product manufactured therefrom would not be sold in the Domestic Tariff Area under any circumstances.

3. These instructions may be brought to the notice of all concerned for compliance.

4. Difficulties, if any, faced in the implementation of above instructions may be brought to the notice of the Board. Kindly acknowledge receipt.

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