

वित्त मंत्रालय / Ministry of Finance राजस्व विभाग/ Department of Revenue

सीमा शुल्क आयुक्त कार्यालय/ Office of the Commissioner of Customs कस्टम हाउस नयी हारबर एस्टेट/ Custom House, New Harbour Estate तूत्त्वक्डी- 628 004 / Thoothukudi - 628004.

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FACILITY INTIMATION NO. 36 /2018

Attention of the importers/Exporters/ Custom Brokers and all concerned is invited to the Public Notice No. 26/2018 dated 08.10.2018 issued by this office in connection with the Board Circular No. 19/2018 dated 18.06.2018 for the use of RFID seal in the transport of goods for deposit in warehouse and removal there from.

- 2.1. In this Connection, representations have been received from the trade expressing concern over the use of RFID seals in the transport of liquid bulk cargo to deposit in warehouse.
- 2.2. During import of liquid bulk cargo, the same is transported from Port to Bonded tanks situated out side the port through tanker lorries. The average quantity of liquid cargo such as crude Palm oil /RBD Palmolein etc. imported per vessel is around 10000 MTS. The import of 10000 MTs of cargo arriving in a vessel is discharged through tanker lorry of 20 MTs capacity and it takes around 500 trips for the completion of discharge of entire cargo from the vessel to the bonded Tanks. Therefore, 500 RFID seals are required for the discharge of cargo from vessel into Bonded Storage Tank. Considering the costlier nature of RFID seals,

the importers are likely to incur an additional cost per vessel, which is having a telling effect on the cost of the production and consumption.

- 2.3. Also, it has been brought to the notice, the duration involved in the process of sealing by RFID seal as it takes 10 to 15 minutes for sealing a tanker lorry and for subsequent data feeding into the system. So a trip is delayed by 15 minutes on account of which, 500 trips are delayed by 10 to 12 hrs. Because of this delay, the vessel is delayed and hence the importer may have to incur additional charges to the port and vessel owners. In view of the above cost and time factors, the trade has sought permission to use the existing one time bottle seal instead of RFID seals in the discharge of liquid bulk cargo.
- 3. The issue was examined with reference to the provisions contained in the Board Circular No. 19/2018. The Board has prescribed RFID sealing for the transport of goods to deposit in a warehouse or removal there from, with effect from 1st November,2018. However, the practical issues expressed by the trade regarding cost and time factors involved in the transport of liquid bulk cargo to deposit in warehouse needs to be viewed in the light of Ease of Doing Business and in terms of Para 5 of the Board Circular 19/2018. The Para 5 of the said Circular is re-produced below:

"The principal Commissioner of Customs/Commissioner of Customs is duly empowered to permit the movement of goods without affixation of RFID OTLs, where the nature of goods or their manner of transport so warrant (e.g. liquid bulk cargo transported through pipe lines and over dimensional cargo)".

- 4. Therefore, considering the nature of goods and their manner of transport, it is decided to permit the movement of Liquid bulk cargo effected through tanker lorries as per the existing practice being followed without affixation of RFID OTLs.
- 5. Difficulty, if any, may be brought to the notice of this Office immediately.

(के.वी.वी.जी. दिवाकर/K.V.V.G. DIWAKAR)

आयुक्त /COMMISSIONER

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