



MINISTRY OF FINANCE :: DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER OF CUSTOMS

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PUBLIC NOTICE NO. 02/2012

Sub: Implementation of Bond module and Gate Module under ICES
Version 1.5 – Modification in IGM Filing and Partial modification of
the procedure for movement of containerized Import Cargo from Port /
Terminal to CFS / ICDs –reg.

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Attention of all Steamer Agents / Shipping Lines, Main Line Operators(MLO), Importers, Customs House Agents, CFS / ICD operators, PSA - SICAL, VOC Port Trust is drawn to computerized filing and processing of Import General Manifest under version 1.5 of ICES (Indian Customs EDI System) and movement of containerized import cargo from the Terminal/Port to various CFS/ ICD.

02. At Present, Import laden containers(ILCs) are transshipped from the Terminal to the CFS as per the importer / CHAs choice within 5 days of the landing of the container at PSA SICAL. If they are not moved within 5 days, the liners / container terminal operator is moving the ILCs to any CFSs / ICD of their choice from the 6th day. The liners / shipping agents / terminal operator are filing various type of applications such as form B1, B2, & B3 to bond section and getting permission from A.C.(Bonds) for transshipment to the designated CFSs. All the CFS operators are sending a weekly report for the safe receipt of the containers in CFS to bond section, who in turn tally and monitor the movement of ILC from PSA SICAL to various CFSs.

03. For the movement of Empty Containers from PSA SICAL to various Empty Container yards, the shipping agents / liners are executing a running bond with Import section. Shipping agents / liners file Transshipment Application (TSA)

for the clearance of containers vessel wise indicating the duty incidence on the container to the Superintendent (IG), who in turn debit the running bond of the respective shipping agent / liners account and the containers are being permitted to move out of the port area to various container yards. The amount debited is re-credited in the running bond account of the shipping agents / liners after submission of the proof of export within a period of 6 months by the shipping agents / liners.

04. In order to streamline the movement and monitoring of various aspects of containerized cargo movement, a number of enhancements and modifications in the ICES 1.5 version of E.D.I have been made. These include Registration of Container Bond and CFS Bond by MLOs / CFS / ICD for transshipment of containers under version 1.5 of ICES Bond Module, Bond Debit and re-crediting of Bond amount on receipt of containers at CFS / ICD in the Bond Module, Gate Module for the Gate officers at Terminal and CFS / ICD.

05. Accordingly, it has been decided to launch Transshipment Bond Module and the Gate Module under version 1.5 of ICES w.e.f. 2nd February 2012 and to implement certain procedural modifications to ensure efficient and seamless movement of containers from the Port/Terminal to CFS/ICD. With the launching of Transshipment Bond module under version 1.5 of ICES, the functions of existing Import Section and Bond section handling Transshipment Bonds and Container Bonds (laden and empty) respectively will be handled by Container Movement Facilitation Cell (CMFC).

06. Registration of fresh Transshipment Bond under ICES V 1.5 :

All the Shipping Lines/MLOs are required to register a fresh Bond (Container Bond) of sufficient value for multiple debits under ICES Version 1.5, and all the CFSs / ICD are required to register a fresh Transshipment Bond and furnish Bank Guarantee for sufficient value for movement of containers to CFS/ICD under Version 1.5 of ICES.As per Board's Circular No.45/2005-Cus. Dated 24.11.2005 (F.No.450 /66/2004-Cus.IV), the Shipping Lines/Carriers who are handling more than 1000

TEUs as import containers in a financial year are exempted from the execution of bank guarantee for transshipment.

Bond Type is 'TR' (Transit Bond – which is a continuity bond) for movement of container with cargo from Port to CFSs. Bond type 'GB' (General Bond) is also allowed.

There are two kinds of bonds for container movement to CFSs.

- a. 1st Party Bond : Given by applicant (MLO)
- b. 3rd Party Bond : Given by destination CFS / Custodians.

In case of 3rd party bond, necessary one time authority has to be given by the CFS to the applicant (MLO).

MLOs and CFS/ICD are advised to register a fresh Bond in ICES Bond Module at CMFC Bond Section and obtain TR/GB Bond number. The Bond registration number shall be mentioned in the IGM for electronic processing and auto debiting of Bond value.

The Bond value for Import laden container is calculated on the basis of the size of the Container, which is Rs.3,00,000/- for 20 feet container and Rs.5,00,000/- for 40 feet container. The Bond value is picked up and debited in the system with reference to the ISO codes declared in the IGM.

Rate of bond value for Empty containers is specified on the basis of type of container – like 20', 40', Plain, Reefer and tanker etc. System would maintain a directory of bond rates based on ISO code of the container. The Bond amount is debited with reference to the ISO codes declared in the IGM. The Bond rates for various types of containers are given in the following table:

a.

Type of container	Bond Rate (in Rupees)
20 Feet Plain	30,000/-
40 Feet Plain	60,000/-
45 Feet Plain	75,000/-
20 Feet Reefer	2,00,000/-
40 Feet Reefer	3,50,000/-
20 Feet Tanker	3,00,000/-
40 Feet Tanker	4,00,000/-

07. Destination CFS code to be mentioned in IGM:

The importers/CHAs/Shipping Agents/Shipping lines are advised to ensure that the code of the destination CFS(as per the Annexure I to this PN) at sl.no. 27 in Message no. SACH 101(Part II)(Annexure II) should be clearly mentioned in the IGM, so that the approval for movement of Import Containers from the Port/Terminal to the CFSs is granted by ICES. Further, the CFS operators/custodians, MLOs, Steamer Agents/Shipping Lines are advised to ensure that the following parameters are specified while submitting the IGM in ICES for container movement to CFSs in message SACH 101(Part II),

- (a) At sl.no. 24 nature of cargo should be 'C' or 'CP'
- (b) At sl.no. 26 cargo movement should be specified as 'LC'
- (c) At sl.no. 38 Transit Bond Registration Number should be mentioned
- (d) At sl.no. 41 MLO code must be specified.

The list of CFS under Tuticorin Customs(INTUT1) and their codes are appended to Annexure 1 of this Public Notice. The importers/CHAs are advised to intimate the Shipping Lines/Steamer Agents about their option of the destination CFS/ICD, at least 12 hours prior to the arrival of the vessel (Entry Inwards) at Tuticorin Port. Where intimation regarding the destination CFS/ICD were not received from the importers/CHAs, prior to 12 hours of the arrival of the vessel (Entry Inwards), the Shipping Lines/Steamer Agents shall indicate the name of any one CFS or ICD of their choice, to where such unlisted containers could be transported for delivery. In case, such a declaration is not forthcoming up to the point of Entry Inwards of the vessel by the Shipping Lines/Steamer Agents, after 48 hours if the containers are not moved by Shipping Lines/Steamer Agents, the terminal operator will be free to choose any of the CFS/ICD, where all such unlisted containers shall be moved, under intimation to the concerned Shipping Lines/Steamer Agents . Destination CFS can not be amended unless it is approved in writing by Deputy Commissioner (Docks).

08. Different kind of Authorizations under Bond / Gate Module:

(i) Vessel Application Permission by MLO/Shipping Line:

Under the new procedure, the Shipping Agent/MLO have to submit 2 sets of Vessel Application to the CMFC section. Based on the PAN number of MLO and the Bond details furnished, the list of containers are captured and a single authorization is granted and the Vessel Application(VA) number is generated. The CMFC section will retain one set of application for record and return the other set to the MLO/Shipping line for further processing of Transshipment/PNR movement permission. Vessel Application Permission (VA number) is for the purpose of accounting of import of containers and appropriate amount to be debited automatically from the MLO Bond for the list of containers imported by the Shipping Line. The Shipping Line/MLO can re-credit the Bond amount after furnishing the proof of export within 6 months at CMFC section.

(ii) Transshipment(TSA) permission by CFS:

The Terminal operator shall furnish the list of containers opted for a particular CFS and the application for Transshipment (TSA) is made by the CFS or ICD against the CFS/ICD Bond furnished by them. If the PAN number of Liner is indicated, the system will display the list of containers destined for a particular CFS and a single authorization is granted by the system after debiting Rs.3 lakhs for 20' and Rs.5 lakhs for 40' container, which is picked up with reference to the ISO codes furnished in the IGM. CMFC section shall maintain a register for the TSA/PNR numbers generated by the system along with a copy of Application and the other set will be handed over to the CFS/ICD to ensure timely receipt of containers and accounting. CFS or ICD operator can give one time authorization to MLO to move containers from terminal to CFS against their CFS bond.

(iii) Empty Container Movement:

No fresh procedure is laid down to handle the movement of empty containers through ICES except that the Empty Container Code (ECY) shall be mentioned with a common code " INTUT1A0" against "Port of Discharge". Shipping Agent/MLO shall apply for such movement in the IGM itself, just like CFS cargo. Empty Containers Movement shall be processed in the same way as the cargo Containers moving to

CFS/ICDs. The only difference is that, instead of CFS code, the ECY Code (Empty Container Yard Code) shall be specified in the IGM.

A new type of Bond type 'CB' which will be a continuous Bond can be used for multiple debits and re-credit till the value is exhausted. For loaded containers, this Container Bond (CB) is in addition to the TP (for Transshipment) or TR (for CFS Movement) bonds. The debited value for a container will be re-credited to the bond once the container is re-exported. The Containers must be re-exported within a period of 6 months and for further extension permission has to be obtained separately. The Superintendent (CMFC) will approve the same on verification of proof of export within approved time limit.

(iv). Gate Pass Authorization at Terminal Gate:

Based on the Import Container number fed by the Gate officer at Terminal Gate, the System will capture the details of destination CFS, IGM number, IGM date, Container Seal number etc. which were already furnished at the time of filing of IGM. Container Seal number could be amended by Gate officer, if necessary, whenever the import one time bottle seals have been found to be tampered with and a customs seal is to be affixed by the Customs. Whenever the import seals were found to be tampered with, the matter shall be reported to Deputy Commissioner(Docks) and 100% examination to be conducted at terminal or at CFS / ICD after escort by Customs Officer. The Officer at PSASICAL will enter the Truck number in the Gate Module and the system generates a Gate-Pass number along with Pass out Date and Time.

(v). Gate-In of Containers at CFS/ICD:

All the Custodians are hereby advised to provide a System with ICES connectivity at CFS/ICD. The Custodian(CFS/ICD) shall maintain a register indicating the Container number, Seal number, Truck number, Gate-In Date and Time. The Customs Inspector posted at the CFS/ICD will enter the details of import laden containers in the Gate Module. The Customs Superintendent posted at CFS/ICD shall tally the receipt of Containers with reference to the TSA permission granted by CMFC on a daily basis and if any container is not received within a reasonable time, the matter shall be reported to AC (Docks) or AC (ICD) who shall order 100% examination in such cases and order further investigation, if necessary. Once the

Gate officer at CFS/ICD enters the receipt of containers details in the "Gate Module", the System will automatically re-credit the Bond amount.

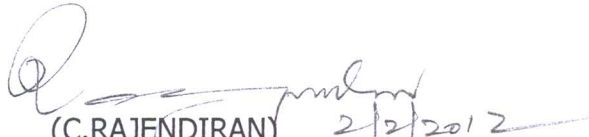
(iv) Gate-out Containers from CFS/ICD:

The officers posted at Blue Gate of V.O.C.Port shall verify manually whether the Containers gated out from CFS/ICD located in Tuticorin Customs area for exports are gated in within a reasonable time. If there is undue delay which could not be explained with genuine reasons, the Officers posted at Blue Gate shall bring it to the notice of Deputy Commissioner(Docks) who may order for 100% examination.

GENERAL:

The Changes introduced as above shall come into effect with effect from 02.02.2012. In case of Difficulties/problems, the same may be brought to the notice of the Deputy Commissioner (Docks).

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(C.RAJENDIRAN) 2/2/2012
COMMISSIONER OF CUSTOMS.

To

As per Mailing List 1 & II.

Copy submitted to : The Chief Commissioner of Customs, (Preventive)
Chennai.