

Public Notice No.6 /2007

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
OFFICE OF THE COMMISSIONER OF CUSTOMS
CUSTOM HOUSE, NEW HARBOUR ESTATE, TUTICORIN – 628 004
PUBLIC NOTICE NO. 06/2007

The following Circular issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Excise & Customs is enclosed herewith for guidance of the Officers / Importers / Exporters / Clearing Agents and Trading Public.

Sl. No	Circular No./ Date/File No	Subject
1	CBEC Circular 13/2007-Cus dated 02.03.2007	Clearance of livestock and livestock products – regarding
2	CBEC Circular 14/2007-Cus dated 16.03.2007	International transshipment of LCL containers at Indian Ports – regarding
3	CBEC Circular 15/2007-Cus dated 20.03.2007	Administrative control over Export Oriented Units (EOUs) which are large tax payer - regarding

(Issued from file C.No.VIII/48/05/07- Cus. Pol)

Dated: 23.03.2007 (M.N. DHAR)

Custom House, Tuticorin ADDITIONAL COMMISSIONER

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Circular No. 13/ 2007-Customs

F.No.450/122/2005-CUS-IV
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

New Delhi, dated the 02nd March, 2007

Subject:-Clearance of livestock and livestock products- regarding.-

The undersigned is directed to inform that the import of certain livestock and livestock products have been prohibited by the Ministry of Agriculture, Department of Animal Husbandry, Dairying & Fisheries in view of outbreak of Avian Influenza disease in number of countries. Department of Animal Husbandry, Dairying & Fisheries have issued a notification S.O. (102)(E) dated 02.02.2007 prohibiting import of three items from all countries and import of nine items from countries reporting Avian Influenza. A copy of the notification is enclosed. List of countries affected with Avian Influenza is not mentioned in the notification. During a meeting with Department of Animal Husbandry, Dairying & Fisheries, it was informed that the list of countries affected with Avian Influenza is continuously changing as new countries are reporting Avian Influenza and certain other countries are declaring themselves free from Avian Influenza. It was desired that Customs field formations need to be alerted in this regard.

2. The issue of possibility of import of livestock & livestock products by Diplomats without requisite quarantine check was also discussed. Ministry of External Affairs informed that they only issue Customs duty exemption certificates for duty free import of goods by Diplomats.

3. The Department of Animal Husbandry, Dairying & Fisheries also expressed concerns about the necessary referral to Quarantine authorities before permitting the Customs clearance of livestock/ livestock products. It was informed that no such referral has been received by them in case of import of Diplomatic cargo containing livestock and livestock products.

4. The matter has been examined by the Board. It is seen that Board has issued Circular

No.43/2001-Cus, dated 6.8.2001 and Circular No.48/2005-Cus, dated 28.11.2005 to regulate the import of livestock and livestock products. Board has further issued instructions vide F.No.450/132/2004-Cus.IV, dated 4.01.2005 and F.No.450/122/2005-CUS-IV dated 13.10.2005 reiterating the provisions for import of these products and to ensure that clearance of livestock and livestock products is done after proper quarantine check and necessary no objection certificate by animal quarantine officer.

5. In view of recent concerns over spreading of Avian Influenza, field formations should take abundant precaution while clearing livestock and livestock products. In view of the concerns of the Department of Animal Husbandry, Dairying & Fisheries in respect of changing status of various countries affected with Avian Influenza, it would be advisable that all consignments of livestock and livestock products are referred to Quarantine Authorities before Customs clearance of goods, regardless of any Sanitary Import Permits (SIPs) that may have been issued and clearance should be allowed only after no objection is received from Quarantine authorities. If Quarantine officers are of the view that the consignment needs to be destroyed or re-exported in view of Avian Influenza or any other disease threat, the action taken may subsequently be informed to Quarantine officer.

Further, in view of spreading of Avian Influenza, the consignment of products as mentioned in existing notification of Department of Animal Husbandry, Dairying & Fisheries may remain uncleared and Custodian may like to initiate the process of auction for such consignments. In view of above, it may be ensured that in such cases of auction of livestock and livestock products mentioned in existing notification of Department of Animal Husbandry, Dairying & Fisheries, NOC should be given to Custodian based on 'no objection' obtained from quarantine officers.

6. As per existing provisions in respect of clearance of Diplomatic baggage and cargo, it is once again reiterated that the import of goods which is prohibited by the law or regulated by the quarantine provisions, inspection can be conducted only in the presence of the diplomatic agent or of his authorized representative. However any such inspection should be undertaken only after prior consultation or authorization of the protocol division of Ministry of External Affairs (MEA). A representative of MEA should invariably be present at the time of inspection. Further, Inspection should be based on prior intelligence and with the approval of the Commissioner of Customs.

In cases where declaration itself contains presence of livestock and livestock products in the cargo, the standard procedure of referral to Quarantine authorities need to be adhered to. MEA has informed that such requirement of quarantine authorities in respect of Diplomatic cargo need to be informed to all Diplomatic Missions before the procedure is put in place. Accordingly, it is decided that such referral by Customs should commence only after MEA has briefed all Diplomatic Missions about these requirements. In view of this, Customs should follow procedure of referral to quarantine authorities only after further direction of the Board. Meanwhile, clearance of such items by Diplomatic Missions may continue unhindered. Where any difficulty is being faced in clearance of Diplomatic cargo the same should be immediately referred to the Board.

7. The above instructions may be brought to the notice of all concerned immediately through appropriate Public Notice.

(Anupam Prakash)

Under Secretary to the Government of India

Phone No.23094182

CIRCULAR NO. 14/2007-CUS

F.No.450/99/2005-CUS-IV
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

New Delhi, dated the 16th March, 2007.

Subject:- International transshipment of LCL containers at Indian Ports- regarding.-

The Board has received references from the trade and industry on the issue of introducing a procedure for transshipment of goods meant for ports outside India. The Consolidators Association

of India has also made certain suggestions and have projected the benefits in terms of earnings in foreign exchange, attraction to foreign investment, employment opportunities, freight benefits to Exim Trade, low transshipment cost etc.

2. The issue has been examined by the Board. As per sub-section (2) of section 54 of the Customs Act, 1962 transshipment of imported goods to any place outside India, shortly referred as 'International transshipment' is allowed. However, such transshipment facility is not allowed in respect of prohibited goods under section 11 of the Customs Act, 1962. Presently, international transshipment of imported goods in Full Container Load (FCL) is being permitted by the field formations. Board has decided to introduce transshipment facility for imported goods in Less than full Container Load (LCL) also at approved places under the jurisdiction of identified Custom Houses. To begin with, such facility would be provided at Cochin, Chennai, Tuticorin and Nhava Sheva. This additional facility would also be a measure of trade facilitation and is expected to provide transshipment facility to international shipping lines and enable ports to act as Transshipment Hub in the Indian Ocean region.

3. The following procedure shall be adopted on arrival of the international transshipment (ITP) containers of Less than Container Load (LCL) cargo,-

(i) The application for international transshipment of FCL cargo can be made by master of the vessel or his authorized agent, Non-Vessel Operating Common Carrier (NVOCC) or any other person duly authorized in this behalf by the foreign supplier.

(ii) No goods for international transshipment should be unloaded from the vessel until the permission for the same has been given by the AC/DC authorized in this behalf by the Commissioner of Customs, on the basis of manifested details in IGM.

(iii) The ITP container details such as Container Number, broad description of goods etc. shall be mentioned in the Import General Manifest. In the electronic manifest, there are fields for specifying (a) Port of destination, and (b) 'cargo movement' code. For cargo movement, there are three codes which need to be filled correctly with proper port of destination. These are explained in details as follows:

(1) 'LC' – Local Cargo: This refers to the port code where cargo is delivered. It is the same as the port of arrival.

(2) 'TC' – Transshipment Cargo: It refers to international cargo and the port of destination shall be the port code where transshipment cargo is destined to or delivered.

(3) 'TI' – Transshipment to ICD: This is the local cargo where the cargo meant for transshipment to hinterland port i.e. ICD. The port of destination is the port code of the ICD.

As regards the electronic manifest message, there is a field to specify that whether the cargo is FCL or LCL or 'EMPTY'. This field is called 'Container Status'. The line and the sub-line numbers provide the inter-linkage between the cargo details and the container details. Therefore, the existing EDI System in ICES can be used for Customs documentation and processing.

(iv) The unloading of such ITP containers at gateway port would be in presence of Customs Officers. The containers would be taken to approved place / premises under Customs escort. Custodian of such premises would provide a segregated secure space for ITP containers.

(v) Customs Officers would examine the Seal of the ITP Containers. In case of tampering of the Seal, such Container should be immediately resealed with the Customs Seal in the presence of the Custodian / Shipping agent and same should be recorded. Such containers will be examined 100% by the Customs Officers and findings recorded thereof. Such cases will be put up to the AC / DC in charge for further action.

(vi) LCL Cargo meant for a foreign port (any port outside India) would be de-stuffed in the presence of Customs Officer and stored in a secured area as provided by Custodian. LCL Cargo may contain consignments meant for transshipment to any port outside India (Foreign Port) as well as consignments for home consumption or transshipment to Inland Container Depot (ICD). This would necessitate segregation of the two types of cargo at the time of de-stuffing and moving them to respective storage areas under customs escort. Till such time, sufficient precaution should be taken to avoid duplication / mixing up or manipulation of cargo meant for Transshipment / Home-consumption.

(vii) Whenever the LCL cargo are required to be exported to foreign destination, The re-stuffing of such LCL Cargo meant for the foreign port along with the export cargo would be done under the supervision of a Customs officer. Further Container would be sealed in presence of a Customs

Officer.

(viii) The details of LCL cargo would be entered in Export General Manifest.

(ix) Custodian would maintain the record of ITP LCL cargo, both loaded and unloaded, and submit a monthly summary to Customs. He shall execute a general bond for an amount equal to the approximate value of goods expected to be imported in 30 days for the purpose of international transshipment. In such bond, custodian should undertake to export transshipment cargo within 30 days or within extended period as Commissioner may allow and follow all the relevant Acts, Rules & Regulations in force.

(x) Custodian would be responsible for safe handling of the LCL cargo and ensure that there is no intermixing of ITP LCL cargo with other cargo lying with the custodian.

4. International transshipment of cargo needs to be effected within 30 days of Entry Inward of the importing ship. The permission for transshipment would not be given to cargo having arms, ammunition, explosives and other cargo considered as constituting a threat to the security/safety and integrity of the country and other goods attracting prohibition under section 11 of the Customs Act, 1962. However goods which are 'restricted' as per the Foreign Trade Policy may be permitted for transshipment to destination abroad. Further, transshipment shall not be allowed to any port / destination, in respect of which any order or prohibition is in force for the time being. Commissioners may also prescribe any additional safeguard for securing safe transshipment. The provisions of Section 48 relating to the procedure in case of goods not transshipped within 30 days after unloading shall apply to the goods meant for transshipment as these are covered under the scope of "imported goods".

5. In order to introduce international transshipment of LCL containers, the Custom Houses need to identify suitable premises within the approved place under their jurisdiction for the purpose of safe custody of imported goods and for such other authorized operations. Commissioners should adopt consultative approach with the stakeholders / operators to identify particular premises for such international transshipment. Following factors may be considered by the Commissioner for identification of the premises,-

(i) Location of the premises.

(ii) Availability of adequate infrastructure - modern handling equipment for loading, unloading of containers from rail flats, chassis, their stacking, movement, cargo handling, stuffing/de-stuffing, refrigerated storage facility for perishable cargo etc.

(iii) Availability of sufficient secured area for segregation/ consolidation of cargo and for its safe handling.

(iv) The premises need to be connected with Custom House on EDI to handle the transshipment in ICES.

(v) Experience of Custodian in handling import export matters and working knowledge of Customs Act, rules and regulations.

(vi) Logistics arrangements including constraints, if any, in movement of containers between approved place / premises and port.

6. The above instructions may be brought to the notice of the Trade immediately through appropriate Public Notice. Jurisdictional Commissioners may also indicate detailed operational procedure, taking into account the requirements, physical movement involved in carrying goods to the approved place / premises etc. at individual Customs stations, keeping in view of the Board's instructions.

7. Receipt of this Circular may kindly be acknowledged.

(Anupam Prakash)

Under Secretary to the Government of India

Phone No.23094182

Circular No. 15/ 2007-Customs

F.No.: DGEP/EOU/25/2007
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

Directorate General of Export Promotion
New Delhi, the 20th March, 2007

Sub: Administrative Control over Export Oriented Units (EOUs) which are large tax payer-reg

Large Taxpayer Units (LTUs) have been created to service large taxpayers paying excise duty, corporate tax/income tax and service tax under a single window vide Board's Circular No. 834/11/2006-CX and 833/10/2006-CX both dated 05.10.2006. The jurisdiction of EOUs which satisfy the conditions of large taxpayer under notification No. 20/2006-CE (NT) dated 30.09.2006 has been examined.

2. It is viewed that all large taxpayer-EOUs should be under the control of LTUs. The EOUs situated in locations other than in the port cities fall under administrative control of Commissioner of Central Excise and would migrate to administrative control of LTUs.
3. Similarly, large taxpayer-EOUs situated in port cities and falling under the administrative control of the Commissioner of Customs will also be transferred to LTUs. This will apply to the large taxpayer-EOUs in Bangalore as well.
4. In respect of these large taxpayer-EOUs, specific function requiring physical presence of the officers for the purposes as warehousing, sealing or any other work as assigned by LTUs will be dealt with by the Commissioner of Customs or Central Excise, as the case may be, who has concurrent jurisdiction over these large taxpayer-EOUs in terms of Board's circular No. 31/2003-Cus dated 07.04.2003 as amended from time to time.
5. Board's Circular Nos. 31/2003-Customs, dated 07.04.2003 stands amended to the above extent.
6. Wide publicity may please be given to these instructions by way of issuance of Public Notice. Difficulties, if any, in implementation of these instructions, may be brought to the notice of the Directorate General of Export Promotion, New Delhi.
7. This issues with the approval of CBEC.
8. Receipt of this circular may kindly be acknowledged.

(Pawan Kumar Jain)
Addl. Director General (EP)