

**OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-G
MUMBAI CUSTOMS ZONE-II
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,
TAL:- URAN, DIST : RAIGAD. PIN – 400 707.**

PUBLIC NOTICE NO. 01/2017

Sub: Compliance of Procedure for movement of import cargo in containers from Port to CFS as prescribed vide Facility Notice No 69/2011, dated 03.05.2011 and or Direct Port Delivery as prescribed vide Facility Notice No 161/2016, dated 28.11.2016 and provisions of "Handling of Cargo in Customs Areas Regulations, 2009" by, Shipping Lines / Shipping Agents etc: **reg.**

Attention of the Members of Trade and Industry, steamers/ Shipping Agents(SA), Port/Terminal Operators and CFS Operators including all other persons responsible for receipt, storage, **delivery**, dispatch or otherwise handling of imported goods and export goods in any capacity in a Customs area is invited to the Facility Notice No 21/2008 dated 26.2.2008 as amended by Facility Notice No 69/2011, dated 03.05.2011 & Public Notice No 161/2016, dated 28.11.2016 issued by JNCH and Handling of Cargo in Customs Areas Regulations, 2009 as amended by Notification No. 96/2010 dated 12.11.2010.

2. Importers / Exporters as well as Trade Associations in various Permanent Trade Facilitation Committee (PTFC) meetings and Customs Clearance Facilitation Committee (CCFC) Meetings have repeatedly raised their grievances / complaints about non compliance of Facility Notice No 21/2008 dated 26.2.2008 as amended by Facility Notice No 69/2011, dated 03.05.2011 by shipping lines and steamer agents

3. Facility Notice No 21/2008 dated 26.2.2008 as amended by Facility Notice No 69/2011, dated 03.05.2011 provided that *all Shipping Lines/Steamer Agents will be required to compulsorily indicate in the IGM against each line, the name/code of the Container Freight Station (the name/code will be as per Facility Notice No 45/2011 dtd.29.03.2011), opted for and intimated by the importers/CHAs for delivery of their imported cargo. For this purpose, the importers/CHAs were advised to intimate the shipping line/agents about their option of the destination CFS, atleast 72 hours prior to the arrival of the vessel(Entry inward).*

4. Thus, it can be seen that in order to get delivery of imported cargo to the *Container Freight Station* (CFS) opted by importer, only requirement prescribed vide aforesaid FN is 72 hours prior intimation to *Shipping Lines/Steamer Agents*. However, it has been represented by trade that *Shipping Lines/Steamer Agents are extra condition on the importer. These extra conditions includes:*

- i. Original Bill of Lading (BL) should be submitted to CFS 72 hours prior to vessel arrival;*
- ii. Security Deposits of the value of Container, which is normally Rs 1.25 Lakhs for 20' container and Rs 2.5 Lakhs for 40' container;*

- iii. *Raising invoice for collecting extra amount from such applicants in various names such as "nomination fees" etc (over and above the charges being collected by Shipping Lines, if cleared to Shipping Line nominated CFSs);*
- iv. *Requiring importers to submit number of additional documents / certificates (over and above the documents being collected by Shipping Lines, if cleared to Shipping Line nominated CFSs)*

The requirement to comply these extra conditions are resulting not only in delay of clearances but also increasing the compliance cost.

5. Further, facility of Direct Port Delivery has been extended by JNCH to various importers in terms of Public Notice No 66/2008, dated 11.09.2008 and recently extended to large no of importers vide Public Notice No 161/2016, dated 28.11.2016. Importers / Exporters as well as Trade Associations in various Permanent Trade Facilitation Committee (PTFC) meetings and Customs Clearance Facilitation Committee (CCFC) Meetings have repeatedly raised their grievances / complaints about similar extra conditions (deposits, documents, extra charges etc.) by shipping lines / shipping agents. *The requirement to comply these extra conditions are resulting not only in delay of clearances but also increasing the compliance cost.*

6. Attention of Shipping Lines / shipping Agents are also invited to **Regulation 5**, which provides that any person who is a Customs Cargo Service provider shall provide **Infrastructure**, equipment and adequate manpower for loading, unloading, stacking, handling stuffing and de-stuffing of containers, storage, dispatch and delivery of containers and cargo etc. **to the satisfaction of the Commissioner of Customs.**

7. Clause (n) of said Regulation 5 (1) also provides that Customs Cargo Service provider shall provide such other facilities as the Commissioner of Customs may specify having regard to the custody and handling of imported or export goods in a customs area;

8. Sub Regulation (4) of Regulation 5 provides that the "Customs Cargo Services provider" is bound to comply with the provisions and abide by all the provisions of the Act and the rules, regulations, notifications and orders issued thereunder.

9. Sub Regulation (2) of Regulation 7 empowers the Commissioner of Customs to regulate the entry of goods in a customs area for efficient handling of such goods.

10. With an aim to bring ease of doing business, transparency in transaction cost of EXIM Trade, increasing the volume of Direct Port Delivery and ensuring the compliance of the Facility Notice No 21/2008 dated 26.2.2008 as amended by Facility Notice No 69/2011, dated 03.05.2011 in letter and spirit, it has been decided that:

i. *Shipping Lines/Steamer Agents should not prescribe / put any extra condition on the importer opting to avail choice of CFS facility as provided under Facility Notice No 21/2008 dated 26.2.2008 as amended by Facility Notice No 69/2011, dated 03.05.2011 (other than what has been provided in the said Facility Notices);*

ii. *Shipping Lines/Steamer Agents should not prescribe / put any extra condition on the importer opting to avail Direct Port Delivery facility as provided under Public Notice*

No 66/2008, dated 11.09.2008 (recently extended to large no of importers vide Public Notice No 161/2016, dated 28.11.2016 and 180/2016 dated 19.12.2016) (other than what has been provided in the said Facility Notices);

11. Needless to say that all Shipping Lines, Shipping agents are bound to comply with Sub-Regulation (3) of said Regulation 6 and public Notices issued by JNCH with a aim to bring ease of doing business, transparency in transaction cost of EXIM Trade in terms of **Clause (n) of Regulation 5 (1) & Sub Regulation (4) of Regulation 5**, of Handling of Cargo in Customs Areas Regulations, 2009. In case of any violation of said legal requirement, suitable action would be taken under Handling of Cargo in Customs Areas Regulations, 2009.

12. Any difficulties experienced in this regard may be brought to the notice of undersigned immediately.

Sd/-

(SUBHASH AGRAWAL)

COMMISSIONER OF CUSTOMS-NS-G

F. No. S/5-Gen-32/2016-17 CFS M Cell

Dated: 04.01.2017

To:

1. The Chief Commissioner of Customs, Mumbai Zone-II, JNCH for information.
2. The Pr. Commissioner of Customs, NS-1, JNCH
3. The Commissioner of Customs, NS-G/ NS-II / NS-III/ NS-IV / NS-V, JNCH
4. All Additional / Joint Commissioner of Customs, JNCH
5. All Deputy / Assistant Commissioner of Customs, JNCH
6. All Sections / Groups of NS-G, NS-I, NS-II / NS-III/ NS-IV / NS-V, JNCH
7. AC/DC, EDI for uploading on JNCH website