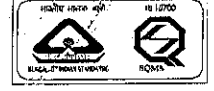




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वित्त मंत्रालय MINISTRY OF FINANCE

राजस्व विभाग DEPARTMENT OF REVENUE



आयुक्त सीमाशुल्क का कार्यालय, चेन्नई - II OFFICE OF THE COMMISSIONER OF CUSTOMS, CHENNAI-II  
सीमाशुल्क गृह, 60, राजाजी सालै, चेन्नई - 600001 CUSTOMS HOUSE, 60, RAJAJI SALAI, CHENNAI - 600001  
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सार्वजनिक सूचना सं. /2017

PUBLIC NOTICE NO. 52 /2017

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Sub : Expansion of 24x7 Customs clearance and clarification of levy of MOT charges in CFSs attached to 24x7 ports

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आयातक, निकासी अभिकर्ता तथा व्यापारियों के मार्ग दर्शन के लिए भारत सरकार, वित्त मंत्रालय, राजस्व विभाग, नई दिल्ली की पत्र फा.सं. F. No. 450/11/2003-Cus IV द्वारा दि 16-02-2017 को जारी परिपत्र सं. 04/2017-Customs को एतद्वारा संलग्न किया जाता है। यह वेबसाइट [www.cbec.gov.in](http://www.cbec.gov.in) में भी उपलब्ध है।

Government of India, Ministry of Finance, Department of Revenue, New Delhi, Circular No. 04/2017 -Customs dated 16.02.2017 issued from the File No. F. No. . 450/11/2003-Cus IV is enclosed herewith for the guidance of the Importers, Clearing Agents and the Trading Public. The same is also available in the website [www.cbec.gov.in](http://www.cbec.gov.in).

(वैदेही नेल्सन)

(VAIDEHI NELSON)

सहायक आयुक्त सीमा शुल्क (मूल्यांकन प्रमुख)

ASST. COMMISSIONER OF CUSTOMS (APPG. MAIN)

फा.सं.एस विविध.02/2017-मू.प्र.

F.NO.S.Misc.02/2017-Appg. Main

मूल्यांकन प्रमुख/Appraising Main,

सीमा शुल्क भवन, चेन्नै-1./Custom House, Chennai-1.

दिनांक/Dated: 17-03-2017

F. No.450/11/2003-CusIV  
Government of India  
Ministry of Finance  
Department of Revenue  
(Central Board of Excise & Customs)  
\*\*\*\*\*

Room No. 227B, North Block,  
New Delhi, the 16<sup>th</sup> February, 2017.

To

All Principal Chief Commissioners/Chief Commissioners of Customs /Customs(Preventive)  
All Principal Chief Commissioners / Chief Commissioners of Customs & Central Excise  
Principal Director General / Director General, DRI  
All Principal Commissioners / Commissioners of Customs / Customs (Preventive)  
All Principal Commissioners / Commissioners of Customs & Central Excise.

Sir/Madam,

**Subject: Expansion of 24x7 customs clearance and clarification of levy of MOT charges in CFSs attached to 24x7 ports-reg.**

CBEC had on a pilot basis introduced 24x7 customs clearance at 4 designated Air cargo complexes and 4 sea ports in respect of *facilitated Bills of Entry and factory stuffed containers and goods shipped under free shipping bills* [Circular No. 22/2012-Cus refers].

Subsequently, vide instruction from F. No. 450/25/2009-CusIV dated 31.5.13, the facility of 24x7 clearance [on pilot basis] was simultaneously extended to another 13 Air cargo complexes and to include *all shipping bills free or otherwise filed at the said Air cargo complexes*.

Since the clearances were run on pilot basis, therefore, on 31.12.14 [Circular 19/2014-Customs], CBEC allowed the facility of 24x7 customs clearance for goods covered by *facilitated Bills of Entry and specified exports i.e. factory stuffed containers and goods shipped under free shipping bills* on permanent basis at the designated 18 Sea Ports (including the 4 sea ports designated earlier). Currently, this facility is available at 19 Sea ports with Krishnapatnam having been added later. On the airside also this facility was made available on permanent basis for facilitated Bills of Entry and all shipping bills at the designated 17 Air Cargo Complex.

2. Providing logistics support like machinery/ cranes for container movement, labour etc is the primary responsibility of Custodian or the Customs broker/ importer. CBEC initially restricted the 24x7 to facilitated bills of entry only, keeping in view the time needed to be given to all the stakeholders to gear up for 24x7 clearance. More than two years have passed since CBEC has introduced 24x7 clearance. This much lead time should be enough for the all the stakeholders to put necessary arrangements in place to enable round the clock clearance of all import cargo and not just facilitated one. Customs is anyways operating 24x7 at designated

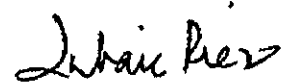
ports/ airports. Therefore, it has been decided to extend 24x7 customs clearance to all bills of entry and not just facilitated bills of entry.

3. Board has amended the Customs (Fees for Rendering Services by the Customs Officers) Regulations, 1998 to provide that at 24x7 customs ports and airports, no fee i.e. merchant overtime fee (MOT) shall be collected in lieu of the services rendered by the customs officers. **Thus, as on date no MOT charges are required to be collected in respect of the services provided by the customs officers at 24x7 customs ports and airports.** Reference has been received seeking clarification as to whether MOT charges are to be collected in respect of *stuffing of export goods at CFSs.*

- (a) The issue has been examined in the Board. It is observed that a designated 24x7 sea port can have a number of CFSs attached to it. While Board has already exempted MOT charges at 24x7 ports, the reference in essence seeks clarification as to whether MOT exemption can be extended to attached CFSs as well.
- (b) CFSs are an extension of the Port. In the overall ecosystem of Customs clearance, CFSs have played an important role in faster clearance of EXIM goods. As a result, bulk of regulatory activity other than appraising, has shifted to CFSs.
- (c) Factory stuffed containers are already covered under 24x7 operations, therefore, MOT charges are not required to be paid in lieu of services (like verification of seals etc) rendered by customs officers at CFSs in respect of such containers.
- (d) Other than at the manufacturing premises, stuffing can inter-alia also occur at CFSs for export against free shipping bills or otherwise. In the case of sea ports, free shipping bills are already covered under 24x 7 scheme while the goods exported against a claim to benefit are not. Considering that the customs work carried out in the CFSs is actually an extension of the clearance activity at the port, therefore, logically no MOT charges should be leviable in lieu of services rendered by customs officers within the CFS premises even in the case of export against a claim to benefit.
- (e) Accordingly, it is clarified that no MOT charges would be collected at CFSs attached *exclusively* to 24x7 ports in lieu of services rendered within the CFS. This will bring the MOT collection norms at par with the situation on the air side which cover all shipping bills free or otherwise.

4. Difficulty faced, if any, may be brought to the notice of the Board.

Yours faithfully,



(Zubair Riaz)

Director (Customs)