

भारत सरकार GOVERNMENT OF INDIA



वित्त मंत्रालय MINISTRY OF FINANCE
राजस्व विभाग DEPARTMENT OF REVENUE
केन्द्रीय अप्रत्यक्ष कर और सीमा शुल्क बोर्ड
CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS
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व्यापार सुविधा संख्या 23/2020

Trade Facility No. 23/2020

Subject: Availment of exemption on temporary import of Durable Containers in terms of Board Circular 51/2020 dt 20.11.2020 - Provisions in ICES

Kind attention is invited to Board Circular 51/2020 - Customs dt. 20.11.2020 (*copy attached below*) on availment of exemption on temporary import of durable containers. In line with para 5 of the Board's circular, following provisions have been added in ICES in respect of durable containers which do not conform to the standard marine container dimensions, but which are intended for temporary import and eventual re-export (hereinafter referred to as "such durable containers")

1. **Import of such durable containers:** When such durable containers are imported into India as per Notification No.104/94-Cus., dated 16.03.1994. these durable containers shall be required to be declared as an item in the Bill of Entry. To avail the benefit of duty exemption as per the above Notification, the importer shall have to execute a re-export (RE) bond.

2. **Export/Re-export of such durable containers:** At the time of export of such durable containers, the details of the containers shall be required to be declared in the SW_CTRL table of the same Shipping Bill as is filed for the export cargo in these containers (please refer part 28 of the electronic SB Message Format link

[https://icegate.gov.in/Download/ICES_1.5_CHA_Customs_Exports_Mesg_Format_Ver_2.8\(08Nov2020\).pdf](https://icegate.gov.in/Download/ICES_1.5_CHA_Customs_Exports_Mesg_Format_Ver_2.8(08Nov2020).pdf)). For export of such laden/empty durable container, following declarations will have to be made in the SW_CTRL table:

- Serial No = Serial no of the durable container from 1 to n associated with export cargo (*Multiple containers can be given for the same export item no using this field*)
 - Control type code = DUC
 - Control Location = Port Code where BE was filed to import the durable containers
 - Control Start Date = BE Date
 - Control End Date = SB Date (same as the Shipping Bill)
 - Control Result Code = BE No.||BE inv no||item no (There should be double pipe delimiters after BE No and BE Inv No). BE Inv No and Item no correspond to the serial number of the invoice and item pertaining to the container as indicated in the Bill of Entry at the time of import. If it is not a case of re-export and the durable containers are being originally exported from India, Control Result Code can just be **NORE**
 - Control Result Remarks = Container Identification Number

In case the durable container is directly being exported and is not a case of re-export, Control Result Code would be NORE and control location and Control Start Date can be left blank. The Shipping Bill message format published on ICEGATE website has been updated with the above details in part 28. (For reference use the link: [https://icegate.gov.in/Download/ICES_1.5_CHA_Customs_Exports_Mesg_Format_Ver_2.8\(08Nov2020\).pdf](https://icegate.gov.in/Download/ICES_1.5_CHA_Customs_Exports_Mesg_Format_Ver_2.8(08Nov2020).pdf))

Changes have also been made in the data entry module of the service centre to capture the above details.

Illustration:

BE No 1234567 dated 01.01.2021 is filed at INNSA1 with Durable containers numbered ABCD12435 and ABCD56789 (which do not conform to the standard marine container dimensions). The containers were declared against Import Invoice SI No 1 and Item SI No 1 in the BE.

These containers are re-exported with export cargo item X in both. The Shipping Bill is filed for Item X on 01.04.2021 with following details:

Export Invoice SI No 1, Item SI No 1: Item X

In the SW_CTRL table of the Shipping Bill, following declarations will have to be made to include the durable containers:

SB Invoice Serial No = 1	SB Invoice Serial No = 1
SB Item Serial No = 1	SB Item Serial No = 1
Serial No = 1	Serial No = 2
Control type code = DUC	Control type code = DUC
Control Location = INNSA1	Control Location = INNSA1
Control Start Date = 01012021	Control Start Date = 01012021
Control End Date = 01042021	Control End Date = 01042021
Control Result Code = 1234567 1 1	Control Result Code = 1234567 1 1
Control Result Remarks = ABCD12435	Control Result Remarks = ABCD56789

3. **Credit/partial credit of Re-export Bonds on export of durable containers:** To credit the Re-export Bonds after the export of durable containers, "Partial Credit of RE Bond" option already available in the REB and ACB roles may be used by the bond officers.

मो. यूसफ़ MOHD. YOUSAF
आयुक्त COMMISSIONER

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2. Official Language Unit for bilingual
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Copy Submitted to:

The Chief Commissioner of Central Tax, Central Excise and Customs

Circular No.51/2020-Customs

F. No. 450/41/2005-Cus IV
Government of India Ministry
of Finance Department of
Revenue
(Central Board of Indirect Taxes & Customs)

New Delhi, dated the 20th of November, 2020

Subject: **Clarifications regarding availment of exemption on temporary import of durable Containers** - reg.

Kind attention is invited to Notification No.104/94-Cus., dated 16.03.1994 (as amended) which grants exemption to import of containers of durable nature, from the whole of the duty of customs and the whole of the integrated tax leviable. The exemption is subject to the condition that such containers are re-exported within 6 months from the date of importation and that the importer executes a bond and furnishes documentary evidence to the satisfaction of the Assistant Commissioner/Deputy Commissioner to safeguard the duty in the event of non-compliance.

2. A representation has been received in Board regarding the eligibility of the exemption available under No.104/94-Cus. dated 16.03.1994, for durable containers which do not conform to the standard marine container dimensions, but which are intended for temporary import and eventual re-export. There is also a perceived ambiguity regarding procedural and system readiness regarding the import and re-export of such durable containers, which are not explicitly covered by the guidelines as provided under Circular No.31/2005-Cus., dated 25.07.2005.

3. The issue has been examined. Regarding the eligibility of the duty exemption, reference is invited to Board Circulars No.69/2002-Customs, dated 25.10.2002 and No.73/2002-Customs, dated 07.11.2002. These said circulars clarify that *"As per the meanings assigned to the words `durable` and `container` in various Dictionaries, it would appear that any goods (containers) used for packaging or transporting other goods, and capable of being used several times, would fall in the category of*

`containers of durable nature'". Further, `durable containers` covers within its ambit "any type of reusable packaging containers such as cases, boxes, cartons, trays, etc., made up of metals or plastics". Thus, it is hereby reiterated that containers that satisfy following conditions are eligible for the said duty exemption:

- a) that are durable,
- b) capable of being re-used multiple times,
- c) capable of being identified at the time of re-export viz. a viz. the imported containers, and
- d) satisfy all the other stipulated conditions in the notification.

4. The procedure to be followed for import and re-export of marine containers would continue to be governed by guidelines provided in Circular No. 31/2005-Cus., dated 25.07.2005.

5. For durable containers which do not conform to the standard marine container dimensions, but which are intended for temporary import and eventual re-export, the procedure to be followed is given below:-

- a) **When empty containers are imported into India** -The empty containers shall be required to be declared as an item in the bill of entry filed under section 46 of the Customs Act, 1962. The containers would be eligible for exemption from all the applicable customs duties as per Notification No.104/94-Cus.,dated 16.03.1994, as amended, subject to fulfilment of conditions therein. However, the bond for re-export and the security if applicable shall be required to be furnished at the time of import in the Customs System. Importers are advised to register the same as continuity bond for ease of compliance.
- b) **When empty containers are moved out of India by sea or air** - The empty containers shall be required to be declared as an item in the shipping bill filed under Section 50 of the Customs Act, 1962. The unique identifier for the containers would require to be verified at the time of the export by Customs.
- c) **When containers are imported laden with import cargo** - In addition to the declaration of items as per the invoice, such containers shall also be required to be declared as a separate item in the bill of entry filed under section 46 of the Customs Act, 1962. While applicable duties on the imported cargo shall be required to be duly discharged as per the applicable tariff rates under the Customs Tariff Act, 1975, the containers would be eligible for duty exemption as per Notification No.104/94-Cus., dated 16.03.1994, as amended, subject to fulfilment of conditions therein. After Customs clearance, the empty containers can be moved, subject to the conditions of the bond and the security if applicable.
- d) **When containers are exported with export cargo** - The durable container shall be required to be filed as separate item (either in the same invoice or in different invoice as per commercial agreement) in addition to the export laden cargo under Section 50 of the Customs Act, 1962, for the goods meant for export. The stuffing of the export cargo at the airport or the exporter`s premises would not be relevant to Customs, as long as the Unique Identifier for the container is verifiable at any time of the export by Customs. The export cargo and the declaration in the shipping bill will be subjected to assessment and examination as per instructions in the Customs Automated System.
- e) **Conditions of bond-** A continuity re-export bond and security, if applicable at the port of import shall be required to be furnished by the importer for the durable containers that are temporarily imported. The processes involved in imports of durable containers for re-export within the stipulated period including facility of partial crediting the bond after export are available in the Customs Automated System.

6. Directorate General of Systems would issue a detailed Systems Advisory in this regard, for guidance of the trade and departmental officers.

7. Any difficulties faced in the implementation of this circular may please be brought to the notice of the Board.

Yours faithfully,


(Eric.C.Lallawmpuia) OSD
(Customs-IV)