



सीमा शुल्क प्रधान आयुक्त का कार्यालय

OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS

सीमा शुल्क सदन :: पत्तन क्षेत्र :: विशाखपट्टनम & 530035

CUSTOM HOUSE:: PORT AREA :: VISAKHAPATNAM – 530035

फा. सं /F. No. P3/06/2017 – A.M. (Pt.1)

दिनांक/ Date: 16.02.2018

PUBLIC NOTICE NO. 8 / 2018

(Addendum to Public Notice No. 1/2018)

Sub:- Visakhapatnam Custom House – Extension of facility of Direct Port Delivery to AEO clients – reg.

Attention of Importers, Exporters and other Trading Public is invited to this office Public Notice No. 1/2018, dated 11.01.2018 on the above subject.

2. It has been represented by the trade that the scope of DPD facility be extended in the following instances where all containers covered by a particular Bill of Entry are not required to be opened and only the seals of some selected containers are required to be broken for the purpose of examination/ PGAs / NOC, etc., i.e. in respect of those

- (i) Non-facilitated BEs that warrant examination; and
- (ii) Consignments requiring NOCs from Participating Government Agencies (PGAs).

3.1 In order to strike a balance between trade facilitation, safety and security, it has been decided that the DPD importers can take delivery of the containers which are not selected for breaking of seals for the purpose of examination// PGAs / NOC/drawal of samples, etc., and store the same at their factory premises on execution of a "No Use Bond" as given in the Annexure to this Notice.

3.2 Accordingly, containers selected for examination / PGAs / NOC for category DPD importers shall be moved to any of the CFSSs while the other containers can be moved to importer's premises on execution of a "No Use Bond". If the containers selected on examination are found to be clean then the importer is at liberty to destuff the containers at their factory premises. In case of discrepancy being noticed during examination, the importer shall present the remaining containers for examination, at the approved place of storage of the containers.

3.3 For goods wherein provisional NOC is granted by FSSAI, such containers shall continue to be cleared as is being cleared now.

3.4 In all cases of containers involving testing of goods which do not pass the test parameters of the PGAs shall be subject to penal provisions as given in the relevant Act, Rules and Procedures in this regard.

3.5 The procedure for sampling is laid down in para 5 below.

4. **Procedure for RMS Bills of Entry having PGA interface:**

4.1 Advance filing with PGAs—The importer / Customs Broker on filing Advance / Prior Bill of Entry get to know the PGA to which the BE has been referred to. Immediately the importer / Customs Broker shall submit an advance application with necessary documents to PGAs for sampling procedures at the terminal (in case of direct delivery from Port to factory) as soon as the containers are unloaded at terminals and ensure test report / NOC / Provisional NOC at the earliest possible time so as to ensure that delivery of containers to the importer is done within the stipulated time line.

4.2 If the BE of a DPD importer requires clearance from PGAs/referred to PGAs, the said importer can exercise his option for filing a Warehouse BE or Home Consumption BE depending on his convenience.

(a) PGA clearance procedure through Warehouse BE

The importer / Customs Broker shall file an advance Warehouse Bill of Entry, by furnishing a one-time Bond in the Bond Section. The Warehouse BE shall then be registered in the DPD facilitation Wing to get OOC. Necessary mechanisms have been put in place so that at the time of ex-bond clearance, such consignments are not cleared without NOCs from PGAs. The importer may also avail the facility of clearance of goods from warehouse to their premises under "No Use Bond" without waiting for PGA NOC.

(b) PGA clearance procedure though Home Consumption BE

The DPD importer can file an advance Home Consumption Bill of Entry and clear the containers directly to the factory from the port or to the preferred CFS for storage. PGA sampling shall be done at the terminal if the importer wants to move the containers to factory or to the preferred CFS as the case may be under "No Use Bond". In cases of consignments, where mere documents are scrutinized for grant of NOC (like the majority of cases in ADC) such BEs may be cleared in Home Consumption mode as per the existing procedures and ADC shall furnish a report on the same day of furnishing of documents by the stakeholders.

5. **Sampling by PGAs**

For the Warehouse BE, sampling can be done at the Terminal / Bonded Warehouse and sampling of goods for Home Consumption can be done at the Terminal / preferred CFS. After drawal of sample in the terminal the container will be resealed with Customs one-time bottle seal and will be moved to the CFS under the same seal under "No Use Bond".

6. Procedure for NO USE BOND

In order to streamline the procedure of execution and monitoring of "No Use Bond" executed by DPD importers, the following procedure is prescribed and should be followed –

"No Use Bond" (which is an Undertaking given by the Importer for not breaking the container seal of the unopened containers / utilizing the goods, until they receive NOC from the respective PGA or Customs) shall be submitted to the concerned Group in the Custom House. No Use Bond can be executed under the following circumstances.

- (i) Pending NOC from the PGAs.
- (ii) Containers selected for examination.

The importer has the option to submit separate "No Use Bond" for each Bill of Entry or "Continuity No Use Bond" for recurring imports. The No Use Bond shall be akin to an undertaking whereby the importer undertakes not to use the goods pending receipt of positive test report / cause of action from the PGAs / Customs. The procedure for registration of "No Use Bond" shall be akin to the Undertaking that is being registered in the Groups. Marking of containers in the case of non-facilitated BEs shall be done by the officers of DPD Wing.

In the case of sampling by PGAs / Customs, sampling can be done at the Terminal. Till the receipt of the positive report of the said samples, the containers can either be moved to the importer's premises on execution of No Use Bond or to the CFS DPD area for storage.

In case of discrepancy being noticed, the containers moved to the importer's premises under No Use Bond shall be examined by the officers in importer's premises and for DPD CFS containers, examination at the DPD CFS area shall be done and penal action will be initiated as per law.

7. Procedure for verification of Customs Out of Charge (OOC)

(i) DPD Importer using own transport arrangement is as follows –

The verification process and the functional responsibilities of various stakeholders in the case of DPD Importer using their own transport arrangement is as follows:

Verification	Responsibility	Place / stage of verification
Verification of OOC	(i) Terminal Operator	Before release of Container to Importer
	(ii) Customs	By the Customs officer posted inside the Terminal before the exit of Container from Port Terminal.
Verification of Delivery Order	Terminal Operator	Before release of Container to Importer.
Verification of Container No. and Seal No.	Customs	By the Customs officer posted inside the Terminal before the exit of Container from Port Terminal.

(ii) **DPD Importer using CFS logistics and routing their containers through CFS DPD Area –**

It is the responsibility of the concerned CFS to ensure that the Customs Out of Charge (OOC) has been obtained before the container leaves the Port Terminal and enters the CFS DPD area. The Officer at the CFS Gate will verify the compliance (OOC obtained before the container leaves the Port Terminal and enters the CFS).

The verification process and the functional responsibilities of various stake holders in this mode are given below.

Verification	Responsibility	Place / stage of verification
Verification of OOC	(i) CFS	Before release of Container to Importer
	(ii) Customs	At the time of entry of container in CFS as well as at the time of exit from CFS DPD Area.
Verification of Delivery Order	CFS	Before release of Container to Importer.
Verification of Container No. and Seal No.	Customs	At the time of entry of container in CFS as well as at the time of exit from CFS DPD Area.

(iii) **DPD Importer opting DPD to their premises by using the CFS logistics –**

The verification process and the functional responsibilities of various stakeholders in this mode is as follows:

Verification	Responsibility	Place / stage of verification
Verification of OOC	(i) CFS	Before release of Container to Importer
	(ii) Customs	By the Customs officer posted inside the Terminal before the exit of Container from Port Terminal.
Verification of Delivery Order	CFS	Before release of Container to Importer.
Verification of Container No. and Seal No.	Customs	By the Customs officer posted inside the Terminal before the exit of Container from Port Terminal.

8. Containers held / detained by investigating agencies

In cases where OOC is given for RMS Bills of Entry and it is subsequently noticed that the said BE or any of the containers covered by the said BE are under hold/detained by investigating agencies like DRI, RI & I, SIIB, etc. prior to delivery from the Terminal Gate, then the said BE should be taken to the AC, DPD Wing by the concerned Customs Broker / Importer for cancellation of the Out of Charge and further examination of goods in the off-dock CFS as per procedure. DPD Wing will approve the transfer of those containers to an off-dock CFS nominated by the importer.

9. Examination based on interdiction of RMS Bills of Entry

Sometimes consignments are selected for examination either on random basis or based on intelligence. The number and percentage of such containers will be decided by the Additional Commissioner incharge of DPD Wing. The report of such containers selected for examination and results of such examination will be submitted by the Additional Commissioner of DPD Wing to the undersigned.

10. Monthly reports on DPD

(i) The Terminal Operator shall submit a monthly report with details of DPD to the Additional Commissioner giving details in the prescribed format set out in this office Public Notice No. 1/2018, dated 11.01.2018.

(ii) The Importer availing facility of DPD shall submit a monthly report in the prescribed format set out in this office Public Notice No. 1/2018, dated 11.01.2018.

11. Difficulties if any may be brought to the notice of the undersigned.

डी के श्री निवास

(डॉ. डी. के. श्रीनिवास /Dr.D.K.SRINIVAS)

(आयुक्त, सीमा शुल्क / COMMISSIONER OF CUSTOMS)

✓ Encl: Annexure as above.

To

All concerned.

EDI –

(for uploading to website)

ANNEXURE

NO USE BOND

Bond for not breaking seals of containers laden with imported goods / non use of imported goods pending NOC from Customs / PGAs

Know all by these presents that M/s hereinafter referred to as "IMPORTER" which expression shall unless excluded by or repugnant to the context include their heirs, executors, administrators, beneficiaries, successors and legal representatives, hereby firmly bind ourselves unto the President of India (hereinafter referred to as the Government) to pay on demand and without demur a sum of Rs. _____ (Rupees) (the assessable value of the goods) to the Commissioner of Customs, Custom House, Visakhapatnam (hereinafter called the "Commissioner" which expression shall include the person for the time being performing the duties of the Commissioner of Customs, Visakhapatnam Customs or any officer authorised by him in this regard.

Sealed with our Seal on this day of

The Deputy/Assistant Commissioner of Customs, DPD Wing, Visakhapatnam Commissionerate (hereinafter called the Proper Officer) has agreed to allow the Customs clearance of the goods imported by the importer and described in the Schedule mentioned below, pending submission of the mandatory *No Objection Certificate* on the basis of the declared/assessed Customs Tariff Heading (CTH), as the case may be, from the respective Participating Government Agencies i.e. FSSAI, Plant Quarantine / Animal Quarantine / Regional Fertiliser Control Board / CIPET / Textile Committee / Assistant Drug Controller / any other testing laboratory, as the case may be.

The importer declares that they are fully aware that based on the declared/assessed CTH, the goods require NOC from the respective PGAs/Docks Examination, as the case may be, before Customs clearance (*Out of Charge*) is permitted as per the existing rules/instructions. The importer further declares that they are also aware that as a trade facilitation measure i.e., to permit clearance of sealed containers laden with imported goods directly from Port/designated CFS so as to reduce the transaction time and cost for trade and industry (Ref. Public Notice No. 1/2018, dated 11.01.2018), the Customs clearance of goods under reference is permitted by the Proper Officer of Customs pending receipt of NOC from the respective PGA/Docks Examination subject to the importer binding himself to produce requisite post clearance NOC from the respective PGA/Docks Examination to the satisfaction of the Proper Officer and upon the importer agreeing to furnish such bond as is herein contained.

Now the conditions of the above written bond are such that:

1. The importer undertakes to observe the relevant rules concerning the respective PGAs and further undertakes not to tamper with Customs seal affixed on the FCL container(s) or alter any part of the container(s) and further undertakes to ensure that the goods contained therein are not unloaded from the container(s), sold, used, consumed, transferred, substituted or dealt with in any other manner without obtaining NOC from the respective PGA/Customs.
2. The importer undertakes to produce the NOC from the PGA/Examining Docks Officers concerned to the Proper Officer in respect of the goods mentioned in the schedule. The Proper Officer would grant permission to unload the goods from the containers for the use of the importer only after submission of the said NOC.
3. The importer undertakes to indemnify the Customs Department for any loss arising out of any dispute regarding the issue of obtaining NOC from PGA/Examining Docks.
4. The importer undertakes to store the goods at the place declared in the Schedule below. The importer further declares that in case they intend to shift the goods to any other place then they would first declare the complete address and telephone number of the new place and obtains prior permission of Customs and PGA authorities concerned before physical shifting of goods.
5. The importer undertakes to provide smooth and unhindered access to officers of Customs and PGAs concerned to verify at any time that the Customs seals have not been tampered with.
6. In the case of containers that have been moved to the importers premises on execution of this bond, pending test reports from PGAs/Examination, the said container(s) shall be examined by the officers of Customs if required and penal action shall be initiated if any violations are found.

Then the above written bond shall be void and of no effect otherwise the same shall remain in full force and virtue.

1. This bond is given under the orders of the Central Government for performance of an Act in which public interest is involved.

2. The President through the Deputy / Assistant Commissioner of Customs, Visakhapatnam or any other officer may recover the amount due in the manner laid down in Section 142 of the Customs Act, 1962, without prejudice to any other mode of recovery under the relevant Act, Rules and Regulations and the importer would be liable for penal action and the goods would be liable for confiscation under the Customs Act, 1962,

SCHEDULE OF GOODS

S.No.	Description	Details
1	Bill of Entry No. & Date	
2	Bill of Lading & IGM No.	
3	Container No.	
4	Name of the Vessel	
5	Description of goods	
6	Country of origin	
7	Assessable Value (Rs)	
8	Quantity	
8	Complete address & place of storage	

Witnesses:

1.

2.

Signature of importer