



आयुक्त, सीमा शुल्क का कार्यालय, कांडला
OFFICE OF THE COMMISSIONER OF CUSTOMS,
न्यु कस्टम हाउस, कांडला
NEW CUSTOM HOUSE, KANDLA-370 210
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F. No. S/20-249/AG/2016-17

Dated: 01/03/2017

PUBLIC NOTICE No. 15/2017

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

Attention of all Importers, Exporters, Customs Brokers, Custodian and members of Trade is invited to the Public notice No. 12/2012 dated 23.08.2012 issued by this Commissionerate.

2. The CBEC vide Circular No. 04/2017-Customs dated 16.02.2017 has decided to extend 24x7 customs clearance at Sea port and clarified of levy of MOT charges in CFSs attached to 24x7 ports.

3. 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 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.

4. 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. The 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

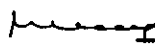
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verification of seals etc) rendered by customs officers at CFSs in respect of such containers.

(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.

5. If any difficulty is foreseen or arises out of the implementation of this notice, the same may be brought to the notice of the undersigned.


(P. V. R. Reddy),
Principal Commissioner,
Custom House, Kandla.

Copy to:

1. The Chief Commissioner of Customs, Gujarat Zone, Ahmedabad.
2. The Principal Commissioner of Customs, CH Mundra.
3. The Development Commissioner, KASEZ, Gandhidham.
4. All Additional / Joint Commissioners of Customs, CH Kandla.
5. All Deputy/ Assistant Commissioner of Customs, CH Kandla.
6. The President, Kandla Custom House Agents' Association, Gandhidham Chamber Of Commerce & Industry Building, Plot No.71, Sector No.8, 2Nd Floor, Room No.7, Gandhidham.
7. The President, Kandla Port Steamship Agents Association, No. 5, Chambers Bhawan, 2nd Floor, Sector 8, Plot No.71, Gandhidham.
8. The Gandhidham Chamber of Commerce & Industries, Plot No.71, Sector No.8, 2nd Floor, Gandhidham.
9. The Chairman, KPT, Business Development Cell, P.O. Box 50, Administrative Building, Gandhidham.
10. The President, Kandla Timber association, "Timber Bhavan" Plot No. - 47, Sector-8, Gandhidham
11. The President, Kandla Liquid Tank Terminal Association, Maitri Bhavan, Opp. Post Office, Plot No. 18, Sector- I, Gandhidham.
- ~~12.~~ The EDI Section, for uploading on Commissionerate's Website.
13. Notice Board