

Circular No.01/2021-Customs

F.No.450/96/2020-Cus-IV
Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs

North Block, New Delhi
Dated the 14th of January, 2021

To

All Principal Chief Commissioners/Chief Commissioners of Customs/Customs (Preventive),
All Principal Chief Commissioners/Chief Commissioners of Customs & Central tax,
All Principal Commissioners/Commissioners of Customs/Customs (Preventive),
All Principal Commissioners/Commissioners of Customs & Central tax,
All Principal Director Generals/Director Generals under CBIC.

Madam/ Sir,

Subject: Transhipment of Import & Export Cargo via Sri Lanka and Bangladesh-Waiver of bank guarantee –reg.

Reference is invited to CBIC Circulars No.45/2005-Customs, dated 24.11.2005 and No.8/2019-Customs, dated 26.02.2019 dealing with transhipment of import and export cargo and carriage of coastal cargo.

2. In this regard, representations have been received that Customs authorities at some ports are insisting that ship owners provide Bank Guarantee for carriage of EXIM containers for transhipment from East Coast to West Coast ports, via Colombo.

3. The matter has been examined. It is seen that Circular No.45/2005, dated 24.11.2005 waives the requirement of execution of bank guarantee for the purpose of transhipment in respect of:

Carriers of containerized cargo, who are handling more than 1000 TEUs as import containers in a financial year. This waiver would apply not only to shipping lines but also to ICDs/CFSS/other carriers and for carriage in all modes of transhipment, irrespective of their movement by road, coastal shipping or rail. Further, jurisdictional Commissioners of Customs in deserving cases have been empowered to exempt the requirement of furnishing Bank Guarantee in respect of carriers having annual transhipment volume below the limit of 1000 TEUs, but having good track record.

4. Further vide Circular No.8/2019-Cus, dated 26.02.2019 movement of coastal goods through foreign territory of Sri Lanka and Bangladesh has been provided for, with a view to promote the movement of coastal goods through foreign territory.

5. In view of the above, Board has decided to extend the exemption from requirement of furnishing of Bank Guarantee by the carriers for carriage of EXIM cargo for transshipment through foreign territories of Sri Lanka and Bangladesh. This relaxation would apply, if the carrier fulfils the requirement of waiver of Bank Guarantee in a like manner, as provided for by Circular No. 45/2005-Customs, dated 24.11.2005.

6. These instructions may be brought to the notice of all concerned by way of issuance of suitable Public Notice/Standing Orders.

7. Difficulties, if any, in the implementation of this Circular, may be brought to the notice of the Board.

Yours faithfully,



(Ananth Rathakrishnan)
Deputy Secretary (Customs)