

F. No.550/05/2011-LC(Pt)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes & Customs

Room No.49, North Block, New Delhi
Dated 09th September, 2022

To,

All Principal Chief Commissioners/Chief Commissioners of Customs
All Principal Chief Commissioners/Chief Commissioners of Customs (Preventive)
All Principal Chief Commissioners/Chief Commissioners of CGST & Customs
All Principal Director Generals/Directors General under CBIC

Subject: Customs procedure for export of cargo in closed containers from ICDs to Bangladesh using inland waterways– reg.

Madam/Sir,

References have been received from line Ministries as well as trade to allow export of goods in closed containers from an Inland Container Depot (ICD) to Bangladesh using inland waterways. It has been suggested that goods cleared at an ICD for export may be transported to the gateway port of Kolkata or Haldia by road or rail, and further from the gateway port to Bangladesh utilising the inland waterways route as agreed under the Protocol on Inland Water Transit and Trade (PIWTT) between India and Bangladesh. Recently, in the 'Waterways Conclave 2022' organised by the Inland Waterways Authority of India (IWA) in April 2022, several stakeholders had evinced interest in using the inland waterways for exports to Bangladesh.

2. Earlier, with a view to decongest border points, minimize interventions at the border and provide speedier clearance to exports to neighbouring countries, the Board had issued Circular No. 52/2017-Customs dated 22.12.2017, which was amended *vide* Circular No. 32/2018-Customs dated 17.09.2018 and further amended *vide* Circular No. 39/2020-Customs dated 04.09.2020. The said Circular 52/2017-Customs, as amended, lays down the procedure for off-border export clearance at an ICD/CFS and subsequent movement of cargo in containers or closed bodied trucks under ECTS seal from the said ICD/CFS to Bangladesh, Nepal or Bhutan through specified Land Customs Stations (LCS). The said Circular envisages movement of cargo by road or rail, but does not provide for use of inland waterways.

3. Therefore, to augment multi-modal connectivity approach and leverage the bilaterally agreed inland waterways routes between India and Bangladesh under the PIWTT (hereinafter referred as 'IBP routes'), the Board has now decided to extend the provision of off-border clearance at ICDs for containerised movement of export cargo under e-seal to Bangladesh using inland waterways, as an additional measure towards trade facilitation. The goods cleared at the ICDs shall be first brought by road or rail to the gateway ports of Kolkata or Haldia, from where the containers shall be loaded on a barge/vessel for further journey by riverine route to Bangladesh through Land Customs Station of Hemnagar.

3.1. This essentially entails two legs of journey:

- a) the first leg involves movement of customs cleared export cargo, after grant of the Let Export Order, from ICD to gateway port of Kolkata or Haldia by rail or road; and
- b) the second leg involves the unloading of cargo from train/truck and further loading on to a barge/vessel at the gateway port of Kolkata or Haldia for final exit/cross over to Bangladesh through LCS Hemnagar using the IBP route.

For ensuring secure movement, e-seals shall be used on the containers through the entire journey. Further modalities are explained in the subsequent paragraphs 3.2 and 3.3.

3.2 First leg of the movement from ICD to gateway port of Kolkata or Haldia by road or rail:

i) The exporters shall bring goods meant for export to an ICD, and file a Shipping Bill on EDI. For generation of ETP (Export Transshipment Permit), details of Kolkata Port or Haldia Port, as the case may be, shall be entered as the gateway port.

ii) The goods shall be stuffed in containers and each container shall be duly sealed with a tamper-proof RFID e-seal. In terms of Para 9(vii) of Circular No. 26/2017-Customs, the data such as name of the exporter, IEC code, GSTIN number, description of the goods, tax invoice number, name of the authorized signatory (for affixing the seal) and Shipping Bill number shall be fed in the e-seal, before sealing a container. The unique serial number of RFID e-seal shall be declared in the Shipping Bill.

(iii) The Shipping Bill shall be assessed and goods shall be examined as per EDI/RMS procedures. LEO shall be granted when all legal and regulatory requirements are met. The integrity of the RFID e-seals on the containers shall be verified with RFID e-seal reader by the Customs Officer before goods leave the ICD.

iv) The authorised carrier shall be responsible for the safe and secure transportation of the containerized cargo from the ICD till final exit from LCS Hemnagar. For this purpose, the authorised carrier shall also enter into a transshipment bond with the jurisdictional Pr. Commissioner of Customs / Commissioner of Customs of the ICD for an amount and in the manner as prescribed by the said Pr. Commissioner or Commissioner.

v) The above steps outlined, and any further procedure prescribed, for the movement of such export cargo from an ICD to the ports of Kolkata or Haldia, shall necessarily also follow the extant procedure prescribed for transshipment of export consignments from ICDs to gateway ports.

3.3 Second leg of the movement from gateway port to Bangladesh through LCS using IBP route:

vi) At the gateway port, e-Gatepass copy of Shipping Bill shall be presented by the authorised carrier to the Customs officer.

vii) Once the containers have been unloaded from the respective carrier (train or truck) for onward loading onto a barge/vessel at the gateway port, the Customs Officer at the port shall first verify the RFID e-seals on all containers, for tampering if any, through RFID reader and only if found in order, endorse the same on the eGatepass copy of the Shipping Bill presented by the authorised carrier. In case the RFID reader indicates the e-seal as tampered, such a container shall be subject to 100% examination. During the examination, if the goods are found in order, the consignment shall be allowed for further onward movement. However, if the goods are not found

as per the details presented in the Shipping Bill, the matter shall be brought to the notice of the Deputy Commissioner/Assistant Commissioner of the ICD from where the goods had been cleared for exports and further necessary action shall be initiated as per the extant provisions under the Customs Act, 1962.

viii) For loading onto the barge/vessel, the Master of Barge / Vessel shall submit loading / placement plan of the containers to the Customs Officer at the Kolkata or Haldia port, as the case may be, clearly describing the details of placement, container wise and hold wise, along with a schematic diagram showcasing the containers that are placed at each level on the Barge/Vessel. The Customs officer shall read the RFID e-seal on each container before allowing loading onto the Barge/Vessel, for verifying that each container is properly sealed and that the RFID e-seal corresponds to the details captured on the Shipping Bill. The placement of the containers shall be ensured by the Master of Barge/Vessel in such a manner that the sealed side, to the extent possible, is kept accessible for ease of checking at LCS Hemnagar by Customs. The Customs officer at Kolkata/Haldia port shall ensure that placement plan is tamper proof and only limited containers (if any) are inaccessible on account of the design/infrastructure limitation of a hold.

ix) Where possible after loading, each hold of the Barge/Vessel shall be covered with heavy-duty tarpaulin secured by rope and sealed with RFID seals, and one Electronic Cargo Tracking System (ECTS) seal shall also be affixed for real time tracking of the cargo. Where tarpaulin cover on a hold is not possible considering the nature of stacking, one container selected randomly by the Customs officer will be additionally sealed with ECTS seal. The Customs officer at the concerned gateway port (Kolkata / Haldia) shall regularly monitor the movement on ECTS web portal. The authorised carrier shall be responsible for obtaining e-seals (RFID and ECTS) from approved vendors.

x) The authorised carrier / Barge or Vessel Operator shall file EGM on EDI as per prescribed procedure.

xi) Once the Barge / Vessel sails for Hemnagar from Kolkata / Haldia port, the Customs Officer at the concerned port shall forward a detailed report consisting of the loading/placement plan of the containers on the Barge/Vessel, RFID and ECTS seal numbers with corresponding container details to the Customs officer at LCS Hemnagar through e-office. Scanned copy of the endorsed e-Gatepass Shipping Bill shall also be forwarded with this report.

xii) At LCS Hemnagar, the Customs Officer shall verify integrity of all RFID e-seals as well as the ECTS seal placed on tarpaulin cover and cross-verify the same with the report received from the officers of Kolkata/Haldia port on e-office. Where tarpaulin cover could not be placed on a hold at Kolkata/Haldia port, the Customs officer at Hemnagar shall verify integrity of RFID e-seals on all such containers that are accessible for checking, and of the ECTS seal.

xiii) If everything is found in order, the ECTS seals shall be removed and cross border movement of the barge for export to Bangladesh shall be allowed at LCS Hemnagar. The Customs Officer at LCS Hemnagar shall record border crossing report with sailing date and communicate the same through e-office to the Customs officer at the concerned gateway port (Kolkata/Haldia). However, if the seals are found tampered with or the consignment does not conform to the description in any manner, the Customs officer at Hemnagar shall promptly notify the concerned Customs officer at Kolkata or Haldia port of the discrepancy found and thereafter accompany the barge on its return movement to Kolkata or Haldia for further examination. On reaching Kolkata or Haldia

port, the containers of the said barge shall be unloaded and examined by the Customs officer of the concerned port.

xiv) Based on the border crossing report shared by Customs officer of LCS Hemnagar, the Customs officer at the gate way port (Kolkata / Haldia) shall enter the sailing date in the EDI system for reconciliation of the Export General Manifest (EGM), upon which the bond for safe movement from ICD till LCS Hemnagar shall be re-credited / discharged at the ICD.

4. Suitable Public Notice(s) delineating the finer procedural details shall be issued by the Kolkata Customs Zone. Difficulties, if any, faced in the implementation of this Circular should be brought to the notice of the Board.

5. The above procedure shall remain applicable till suitable changes are made in ICES by DG Systems, linking LCS Hemnagar with ICDs. Further, on full implementation of the Sea Cargo Manifest and Transshipment Regulations, 2018, relevant aspects, if any, prescribed under the said regulations, that have applicability to the movements dealt in the present Circular shall apply, and this procedure may undergo change for that purpose.

6. Hindi version follows.


(Komila Punia)
Deputy Secretary (ICD)