

**OFFICE OF THE COMMISSIONER OF CUSTOMS - II** 22 JUN 2018  
**(SPECIAL CARGO COMMISSIONERATE)** ①

**AWAS CORPORATE POINT, MAKWANA LANE, ANDHERI (EAST), MUMBAI-400099 SAHAR, MUMBAI-99.**

F.No. Air SCC/01-06/2018-19 Admn.

Date: 20.06.2018

**PUBLIC NOTICE NO.09/2018**

**Subject: Clarification on personal imports by Post -reg.**

Attention of the Importers, Custom Brokers and all concerned are invited to the Board Circular No. 14/2018-Customs dated 4<sup>th</sup> June, 2018 on the abovementioned subject.

2. In the budget of 2017, Chapter heading 9804 was amended to cover all types of personal imports, whether by post, courier, air or sea. Note 4 to chapter 98 was also amended to exclude from heading 9804, motor vehicles, alcoholic beverages and tobacco products.

3. Also, the Foreign Trade Amendment Order, 2017 dated 25.07.2017 has amended clause 3(1) (i) of the Foreign Trade (Exemption from application of rules in certain cases) Order, 1993, and now reads as under:

3. Exemption from the application of rules. -

(1) Nothing contained in the Rules shall apply to the import of any goods,

(i) by any person through the post or otherwise for his personal use subject to compliance of other Laws/Rules/ Orders/Regulations in force.

4. By issue of notification 16/2015-20 dated 12<sup>th</sup> July 2017, DGFT has removed the value cap of Rs 2000.00 w.r.t to personal imports, as well as, fully aligned the chapter notes in ITCHS with those enacted under Chapter 98 of the Customs Tariff. Personal imports would be considered as "free", except those items which are appearing in the list of "restricted" items or "prohibited" items or where they are regulated by any other law for the time being in force, subject to a de-minimus clause or a clause for personal imports provided in such law. (As regards definitions of the words "restricted" and "prohibited", Chapter 9 of the Foreign Trade Policy 2015-20 may be referred)

5. The net effect of all the above changes is that any personal import, whether by courier or post or by Air or Sea shall be classified under tariff heading 9804 of the Customs Tariff.

6. In this connection, clarification has been sought as to what constitutes personal import? Customs Act, 1962 does not define personal import. However, the Handbook of Procedures carries a definition of personal imports in para 2.07 (a) (iii), which is as follows: Persons importing or exporting goods for personal use not connected with trade or manufacture or agriculture.

7. Further, where an IEC code becomes necessary, such as for filing a Bill of Entry, the HBOP provides for using a default code (0100000053) for:

**Persons/Institutions/Hospitals importing or exporting goods for personal use, not connected with trade or manufacture or Agriculture.**

8. Accordingly, field formations are advised to rely upon the above definitions for the purposes of determining whether an import falls within the chapter heading 9804.

9. In so far as imports by post are concerned, it is recognized that Posts is a unique eco-system of clearance in comparison with other modes of clearance of imported goods. Unlike other ecosystems, imports by post are both trackable as well as non-trackable. Manifests, as available in other eco-systems, containing details of consignor/consignee, their addresses and value/description of goods are not being captured or exchanged universally between postal authorities. Data exchange between postal authorities, globally, is at very nascent stages / pilot stages. India Post is still in the process of joining data exchange systems, such as UPU-WCO's SECUREX and other systems which are being worked out bi-laterally with some other countries. In other words, the basic prerequisite of release of goods, namely, filing of declaration and deposit of duty, cannot be provided with any consistence in the current postal environment.

10. Keeping the above in view, chapter XI of the Customs Act was amended by deleting section 82, while section 84 was amended to provide for issue of regulations to provide a form and manner for making entry in respect of imports and exports by post. However, compliance to a system for filing of declaration for personal imports requires a robust electronic communication system between an importer and Customs/Post. Such a system requires added functionalities in postal tracking system, which are still underway, and therefore the traditional system of relying upon CN 22 and CN 23 will continue for the time being. It may be noted that under notification 50/2017 - Cus dated 1.7.2017 (Sl. No. 608A) bonafide gifts up to a CIF value of Rs 5000=00 (Rs. Five Thousand only) intended for personal use have been exempted from duty.

11. In view of the amendments carried out to heading 9804, it follows by principle of exclusion, that imports by a legal person (firms, companies, other forms of business entities) or which are for trade, manufacture or agriculture, cannot be regarded as personal imports and shall not fall within CTH 9804. Such imports by post shall be classified as per Customs Tariff and shall require an IEC, except as provided under para 207 of the HBOP 2015-20.

12. Since any import other than personal would be in furtherance of business, there is a requirement of filing a declaration, payment of customs duties & IGST, which is to be available as credit to the importer. Also, compliance of foreign exchange remittance for imported goods requires a customs declaration. All these requirements necessitate

filing of a bill of entry, which is not possible in the postal clearance eco-system. Accordingly, imports by legal persons or imports connected with trade or manufacture or agriculture would require that the importer file a bill of entry at a jurisdictional customs station with EDI facility for payment of duties provided that the CIF value exceeds Rs 1000 (Rupees One Thousand only) [notification 50/2017 Sl. No: 610 refers].

13. It may also be noted that import of commercial samples under notification 154/94-Cus dated 13.7.1994, as amended, warrants filing a Bill of Entry as it is limited to IEC holders and subject to various other conditions including value limits.

14. This Public Notice comes into effect from 21<sup>st</sup> June, 2018.

15. Difficulties, if any may also be brought to the notice of undersigned on Phone No: (022)-29202610 or on Fax No. 022-29202703 or on email ID admintechapsc@gmail.com or Deputy / Assistant Commissioner in charge of APSO through email apso.mumbai.custom@gov.in / on Phone No : 022-26156063.

  
VINAY BRIJ SINGH

COMMISSIONER OF CUSTOMS,  
APSC, MUMBAI

To :-

1. Chief Commissioner of Customs, Mumbai Zone- III.
2. Chief Post Master Generals (Chief PMG)/Post Master Generals(PMG) of Maharashtra Circle, Madhya Pradesh Circle, Chhattisgarh Circle, Hyderabad City, Belgaum, Hubli & Dharwad with a request to circulate this notice amongst general public & the postal field staff posted under you for compliance and necessary action at your end in respect of personal import parcels booked through the post offices under your jurisdiction so as to avoid public inconvenience with effect from 21<sup>st</sup> June, 2018.
3. All the Commissioner of Customs, Mumbai Zone-III.
4. All Addl./Joint Commissioners of Customs, Mumbai Zone- III.
5. Deputy/Asstt. Commissioners of Customs, APSC, Mumbai Zone- III.
6. DC/EDI, APSC for uploading on the APSC website for wider publicity
7. DC, APSO with a request to make necessary arrangements for wide publicity & paste in on Notice Board.
8. Trade Associations
9. Custom House Agent Association