OFFICE OF THE COMMISSIONER OF CUSTOMS, AIRPORT SPECIAL CARGO COMMISSIONERATE, SAHAR, ANDHERI (EAST), MUMBAI-400 099

F. No: APSC/CUS/50/CC/275/2010 Pt. File-II Dated: 20/08/2018

PUBLIC NOTICE NO. 16 /2018

Sub: Clarification regarding courier import consignments cleared under CBE-XII – reg.

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Kind attention of the Trade, Courier Companies and Custom Brokers is invited to Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 (as amended), the CBEC Notification No. 154/94 - Custom dated 13.07.1994 (as amended) and CBEC Notification No. 77/2017 - Customs dated 13.10.2017 regarding exemption to samples, price lists, commercial samples or prototypes imported as baggage or by post, air or courier service and prototypes of engineering goods imported as samples for executing or securing export orders and Public Notice No. 25/2016 dated 23.12.2016 on implementation of Express Cargo Clearance System (ECCS) at Courier Terminal, Sahar, Mumbai.

2. In reference to the notifications mentioned above, goods as described below are exempted from whole of the duty of Customs leviable thereon subject to fulfilment of the conditions mentioned in column (3) of the table below:

TABLE

S. No.	Description of goods	Conditions
(1)	(2)	(3)
1.	Samples	The samples are exempt from import duties under and in accordance with the International Convention to facilitate the importation of Commercial Samples and Advertising material drawn up at Geneva and dated the 7th day of November, 1952.
2.	Price lists	The price lists are supplied free of charge and are exempt from import duties under and in accordance with the Convention mentioned against S. No. 1 above.
3.	Commercial samples	(i) The said goods have been imported as personal baggage by bona fide commercial travellers or businessmen or imported by post or by air; (ii) The importer produces his Import Export Code Number at the time of importation; (iii) The said goods are clearly marked as samples; (iv) The import of the said goods does not exceed Rs.3,00,000 (Three lakh) in value or 50 units in number, within a period of twelve months; and

		provided that where the samples relating to gem and jewellery industry are imported by exporters of gem and jewelry, the import of said sample shall not exceed value of Rs. 3,00,000 (Three lakhs) or 0.25% of average value of three immediately preceding years exports whichever is lower, and such samples shall not exceed 50 units in number, within a period of twelve months subject to the condition that the importer produces a certificate from the Gem and Jewelry Export Promotion Council certifying the value of export made during three immediately preceding years and also the value and quantity of goods already imported under this notification during the last twelve months. (v) The importer at the time of importation - (A) declares that - (a) the samples have been imported into India solely for the purpose of being shown in India for the guidance of exporters or for securing or executing an export order; (b) the total import value of sample does not exceed Rs 3,00,000 (Three lakhs) or 0.25% of average value of three immediately preceding years exports whichever is lower, in the case the sample is related to gem and jewelry industry imported by exporter of gem and jewelry, as the case may be and Rs.1,00,000 (one lakh) in case of any other import of commercial samples and such sample shall not exceed 15 units in number, within a period of last twelve months; and (b) the total import value of samples does not exceed Rs. 1,00,000 or 50 units in number, within the period of the last twelve months; and] (B) produces an undertaking to the Assistant Commissioner of Customs or Deputy Commissioner of Customs to pay the duty leviable on the said goods but for the exemption contained herein, if the declaration under clause (A) is found to be false.
4.	Prototypes of engineering goods imported as samples for executing or for use in connection with securing export orders	(i) The importer produces a certificate from the Export Promotion Council concerned with the particular export or the Trade Development Authority to the effect that the samples are required for executing or for use in connection with securing export orders; (ii) where the value of a sample does not exceed

		Rupees ten thousand the same shall be rendered useless as merchandise by any suitable process and where this is not possible they are re-exported within a period of nine months of import or such extended period as may be allowed by the Assistant Commissioner of Customs or Deputy Commissioner of Customs; (iii) where the value of a sample exceeds Rupees ten thousand the same shall be re-exported within a period of nine months of import or such extended period as may be allowed by the Assistant Commissioner of Customs or Deputy Commissioner of Customs; and (iv) the importer shall execute a bond in such form and for such sum and with such surety as may be prescribed by the Assistant Commissioner of Customs, for the purpose of enforcing conditions (ii) and (iii), as the case may be.
5.	Bona fide commercial samples and prototypes	(i) The said goods have been imported by post or in an aircraft, or by courier service; (ii) the value of the said samples or prototypes does not exceed rupees ten thousand; and (iii) the said goods have been supplied free of charge. **Explanation.** - For the purpose of condition (ii), postal charges or the air-freight shall not be taken into account for determining the value limit of rupees ten thousand.

3. As per para 5.4.2 of the Public Notice No. 25/2016 (as amended) dated 23.12.2016, CBE-XII shall be filed by Courier Companies for the clearance of non-document shipments comprising of only free samples and gifts. This would be filed in cases where the value of sample is less than Rs. 10,000/- and that of gift is less than Rs. 5,000/-. This CBE can be filed prior to arrival of shipment (Pre-filing) or after arrival of shipment (Post-filing). An example of CBE-XII No. is CBE-XII_MUM_2015-2016_01_01.

4. From the concurrent reading of above mentioned provisions, it emerges that CBE-XII can only and only be filed by the Courier Companies for the clearance of shipments comprising of bona fide commercial samples and prototypes of goods supplied free of cost and having value not exceeding Rs. 10,000/- and bona fide gifts of articles for personal use not exceeding the value of Rs. 5,000/- per import consignment. It is further clarified that CBEC Notification No. 154/94-Custom dated 13.07.1994 clearly

differentiated between 'commercial samples' and 'bona fide commercial samples'. For 'commercial samples', all the conditions mentioned in column (03) of table referred in para (2) needs to be fulfilled by the importer at the time of importation. It is reiterated that the import of commercial samples must not exceed Rs. 3,00,000/- in value or 50 units in number within a period of last twelve months and subject to declaration given at the time of importation as contemplated in column (3) of the table above. Thereafter, import consignments of 'commercial samples' must be cleared under CBE-XIII.

5. This Public Notice shall be operational with immediate effect. Any difficulty faced in implementation of this Public Notice should be reported to Addl. Commissioner of Customs, Airport Special Cargo Commissionerate, Mumbai Zone III.

(V. RAMA ~~MATHEW~~)
COMMISSIONER OF CUSTOMS
APSC, MUMBAI - III

Copy to:-

1. The Chief Commissioner of Customs, Mumbai Zone III
2. The Commissioner of Customs, APSC, Mumbai Zone III
3. The ADG Systems, Mumbai
4. The RMD, Mumbai
5. The Addl. Commissioner of Customs, APSC, Mumbai Zone III
6. The Dy. Commissioner of Customs (General), Courier Cell, Mumbai.
7. The Dy. Commissioner of Customs, Courier Cell, Delhi/Banglore/Ahmedabad/Cochin/Chennai
8. DC's Incharge, Courier Batch, Mumbai.
9. The EICI, Mumbai for information and circulation amongst its trade partners and members.
10. The BCHAA, Mumbai
11. Notice Board/EICI
12. Office copy