



OFFICE OF THE COMMISSIONER OF CUSTOMS, BENGALURU CITY:
C.R. BUILDING, P.B. No. 5400, QUEEN'S ROAD, BENGALURU- 560 001

C.No.VIII/48/20/2015 City.Cus.Tech.

Date: 03.06.2015

STANDING ORDER No. 12/2015 DATED 03.06.2015

Subject: Assessment of goods imported as Post Parcels/Packets
At Postal Appraising Section - reg.

The current practice of assessment of goods imported by Post as followed by the Postal Appraising Department has been reviewed, keeping in view the stakeholders feedback, provisions of the Customs Act, 1962, Foreign Trade Policy, notifications issued by the government, from time to time, instructions of the Board and practice followed at Mumbai Customs etc. Accordingly, following instructions are issued for guidance of the officers in respect of assessment and clearance of the various categories of articles imported by post.

1. Import of goods for personal use:

(i) As per CTH 9804-ITC (HS) of Foreign Trade Policy all dutiable articles intended for personal use are 'restricted' for import subject to a value limit of Rs.2000/- (CIF) and other conditions specified in clause 3(1)(i) of FTO, 1993.

(ii) Goods intended for personal use, imported by post, not prohibited and exempted from any prohibition in respect of the imports thereof under FTO, 1993 falling under CTH 9804 are chargeable to duty at 10% BCD (in terms of Notification No.12/2012 Cus dated 17.03.2012 (Sl.No.517) + 3% Cess + 4% SAD (14.712%).

Accordingly,

(a) Goods intended for personal use upto a value of Rs.2000/- (CIF), other than bonafide gifts, may be cleared on payment of duty at 10% BCD + 3% Cess + 4% SAD (14.712%) without a Licence.

(b) Goods intended for personal use of value beyond Rs.2000/- (CIF) and /or those falling under clause 3(1)(i) of the FTO, 1993 may be cleared after adjudication for policy violation under CTH 9804 and on payment of the merit rate of duty as applicable under 9804 at 35% BCD+3% Cess 4% SAD (41.492%).

2. Import of bonafide gift articles:

(i) As per para 2.25 of the Foreign Trade Policy (2015-20) - Import of Gifts shall be "free" where such goods are otherwise freely importable under ITC (HS). In other cases, such imports shall be permitted against an Authorisation issued by the DGFT.

(ii) Import of bonafide gift articles upto a value of Rs.10,000/- (FOB) is permitted duty free, as per Notification no. 171/93-Cus dated 16.09.1993, as amended from time to time.

- (a) Bonafide gifts of value upto Rs.10,000/- (FOB), other than those falling under clause 3(1)(i) of the Foreign Trade Order, 1993, may be cleared duty free.
- (b) Bonafide gifts of value beyond Rs.10000/- (FOB) may be cleared on payment of duty as per CTH 9804 of Customs Tariff Act, 1975, i.e., @ BCD 35%+ACD4%+Cess 2%(=41.492%) and adjudicated for policy violation. It may be noted that the duty is chargeable on the full value of such goods if the value exceeds Rs.10000/- (FOB) even if they are declared as gift.
- (c) If the articles are declared as a *bonafide gift* are found to be otherwise or are imported in commercial quantity, regular adjudication proceedings may be undertaken and duty may be charged in the merits of each case.

3. Import of goods by online purchases:

- (i) Goods imported for personal use by online purchases upto Rs.2000/- (CIF) other than those falling under clause 3(1)(i) of FTO, 1993 may be classified under CTH 9804 and assessed to duty at 10% BCD (in terms of Notification No.12/2012 Cus. Dated 17.03.2012 (Sl.No.517) + 3% Cess + 4% SAD (14.712%), without a licence.
- (ii) Goods imported for personal use by online purchases above Rs.2000/- (CIF) and/or those falling under clause 3(1)(i) of FTO, 1993 may be cleared after adjudication for policy violation under CTH 9804 and on payment of the merit rate of duty under CTH 9804, i.e., 35% BCD + 3% Cess + 4% SAD (41.492%).
- (iii) Items purchased online may not be allowed benefit of Notification No.171/93-Cus dated 16.09.1993, as these cannot be considered as gifts.

4. Import of goods falling under clause 3(1)(i) of Foreign Trade (Exemption from Application of Rules in Certain Cases) Order, 1993:

- (i) Vegetable seeds exceeding one lb.in weight may be assessed under the relevant CTH at the appropriate rate of duty as applicable under the said CTH and adjudicated for violation of the FTP provision for import by post. Other statutory requirements/NOCs, if any, may be insisted upon before clearance.
- (ii) Beer imported for personal use may be assessed under the relevant CTH at the appropriate rate of duty as applicable under the said CTH and adjudicated for violation of the FTP provisions for import by post.
- (iii) Tea may be assessed under the relevant CTH at the appropriate rate of duty as applicable under the said CTH and adjudicated for violation of the FTP provision for import by post under CTH 9804.

However, if the said item is imported for personal use or as a gift upto a value of Rs.2000/- (CIF), it may be assessed under CTH 9804 at 10% BCD (in terms of Notification No.12/2012-Cus. Dated 17.03.2012 (Sl.No.517) + 3% Cess + 4% SAD (14.712%), without a licence.

- (iv) Books, magazines, journals, etc if not prohibited or restricted by the Policy or under the provisions of the Section 11 of the Customs Act 1962, or under any other law, for the time being in force, and for personal use, upto a value of Rs.2000/- (CIF) may be assessed under CTH 9804 at 10% BCE (in terms of Notification No.12/2012 - Cus dated 17.03.2012 (Sl.No.517) + 3% Cess + 4% SAD (14.712%) without a licence.

(v) Goods the import of which is canalized under the Policy may be assessed and cleared as per the provisions of the Policy and at merit rates of duty, as may be applicable.

(vi) Alcoholic Beverages imported for personal use, may be assessed under the relevant CTH at appropriate rate of duty, as applicable under the said CTH, and may be adjudicated for violation of the FTP provision for import by post under CTH 9804, since Note 4 to Chapter 98 excludes alcoholic beverages from the said Chapter.

(vii) Fire-arms and ammunitions may be permitted on strict compliance of policy provisions and other statutory requirements under the relevant CTH at the appropriate rate of duty, as applicable under the said CTH, and adjudicated for violation of the FTP provisions for import by post under CTH 9804.

It may be noted that the import of ammunitions by post is prohibited under Article 15(3.1) of the Universal Postal Convention.

(viii) Consumer electronic items(except hearing aids and life-saving equipment, apparatus and appliances and parts thereof) less than Rs.2000/- (CIF) may be assessed under CTH 9804 at 10% BCD (in terms of Notification No.12/2012-Cus dated 17.03.2012 (Sl.No.517)+ 3% Cess + 4% SAD (14.712%) without a licence.

Any imports of a value more than Rs.2000/- (CIF) may be assessed under the relevant CTH at the appropriate rate of duty as applicable under the said CTH and adjudicated for violation of the FTP provision for import by post under CTH 9804.

5. Import of Commercial Samples:

(i) As per para 2.24 of the FTP 2015-20 import of samples shall be governed by para 2.65 of the Handbook of Procedures.

(ii) As per para 2.65 of the Hand Book of Procedure 2015-20, no Authorisation shall be required for import of bonafide technical and trade samples of items restricted under the ITC (HS), except vegetable seeds, bees and new drugs. Samples of tea not exceeding Rs.2000/- (CIF) in one consignment shall be allowed without an Authorisation by any person connected with the Tea Industry.

Duty free import of samples upto Rs.3,00,000/- for all Exporters shall be allowed as per terms and conditions of Customs Notification.

In view of the above,

(a) Import of commercial samples by post upto a value of Rs.3,00,000/- or fifty units in number, may be permitted after extending the benefit of Notification No.154/94-Cus. Dated 13.07.1994 (Sr.No.3, which prescribes the value limit of Rs.3,00,000/-). (b) Samples of tea not exceeding Rs.2000/-(CIF) in one consignment shall be allowed without an Authorisation by any person connected with the Tea Industry for import by post.

(b) In case of all other samples imported by post the goods are to be assessed under the relevant CTH at the appropriate rate of duty as applicable under the said CTH and adjudicated for violation of the FTP provisions for import by post under CTH 9804 and any other policy restriction as per the para 2.24 of the FTP 2015-20 read with the para 2.65 of the Hand Book of Procedure 2015-20.

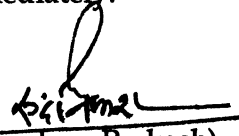
6. Import of Commercial goods by importers having valid IE Code

Goods imported by post by importers having valid Import Export Code may be assessed under the relevant CTH at the appropriate rate of duty as applicable under the said CTH and adjudicated for violation of the FTP provision for import by post under CTH 9804 and any other policy restrictions as per the ITC(HS). In any other case, the goods may be adjudicated for being imported without possessing valid IEC, as well.

7. Above instructions are issued for guidance of the officers assessing and clearing the goods. These are illustrative in nature and not exhaustive. It is the duty of the officer concerned to assess the goods with reference to the statutory provisions and instructions issued etc, in the merits of each case.

8. It may also be noted that the guidelines above have been framed keeping in view the extant provisions of law, FTP, ITC(HS), notifications etc. In case of any amendments/modifications thereof, these guidelines may have to be changed or followed with suitable modification(s).

9. Difficulties, if any, may be brought to notice of this office immediately.



(Sandeep Prakash)
Commissioner

Copy to:

1. The Chief Commissioner of Customs, Bengaluru Zone, for information please.
2. The Joint Commissioner of Customs, ICD, Bengaluru.
3. The Assistant Commissioner of Customs, PAD, Bengaluru.
4. Notice Board.
- ✓ 5. Bengaluru Customs Website.