

**OFFICE OF THE COMMISSIONER OF CUSTOMS  
CUSTOM HOUSE, COCHIN – 682 009.**

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**Trade Facility No.13/2005**

Subject: Starting of Courier operations through Cochin International Airport – procedure reg.

Attention of the trade and public is invited to the Courier Imports and Exports (Clearance) Regulations, 1998, on the basis of which a Courier Baggage Cell (CBC) was constituted at the Cochin International Airport with effect from 1<sup>st</sup> August, 2004, to provide round-the-clock facility to courier imports and exports. Now, a detailed procedure has been devised for the convenience of Courier operators, as described below:

The goods imported or exported through courier shall be packed separately in identifiable courier company bags with appropriate labels in the following categories:

- a. Documents
- b. Samples and free gifts
- c. Dutiable or commercial goods

**EXPORT THROUGH COURIER MODE**

Regulation 6 of the courier Import and Export (Clearance) Regulations, 1998 prescribes the procedure for clearance of Export Cargo. The authorized couriers are required to file two types of Courier Shipping Bills. Courier Shipping Bill I (CSB I) to cover the shipment of documents and Courier Shipping Bill II (CSB II) to cover samples, prototypes of goods and bonafide gifts of articles for personal use of a value not exceeding Rs 50,000/- in a financial year. The authorized courier shall bring in the goods and present the CSBs along with related documents in Courier Baggage Cell (CBC) at least three hours prior to the departure of the respective flights.

**Clearance of Courier Shipping Bill I (CSB I):**

The authorized courier companies shall submit CSB I in duplicate in the format prescribed in the Regulations to the Officer in Export Courier Cell (ECC) who shall enter it in the register maintained for the purpose. The items covered under CSB I shall be cleared flight wise after subjecting them to full screening by the airline staff under the direct supervision of the officer of CBC attending to the assessment work. The said officer shall supervise the screening and if satisfied, shall pass the CSB-1 for shipment. The authorized courier shall then hand over the bags to the concerned airline staff and obtain an endorsement from the airline staff in token of having received the bags on the duplicate copy of CSB-1. This copy shall be handed over to the Superintendent (CBC).

In case of any discrepancy found at the time of screening, the authorized courier shall make available the bag and package for examination by the officer after which, if found in order, the same shall be repacked in their original packing and placed in the respective bag. Similarly, certain packages may be selected on random basis for examination. In case of any discrepancy detected or if any objectionable goods are found, the same should be detained after due process under a detention memo and the authorized courier shall countersign the detention memo as having witnessed the examination and detention. Such cases will be immediately brought to the notice of the Deputy/Assistant Commissioner in charge for taking appropriate action.

**Clearance of Courier Shipping Bill –II(CSB II):**

The authorized courier shall file the CSB II with the assigned Officer in the CBC for registration. After registration, he shall present the CSB-II to the Assessing officer. The Assessing officer will scrutinize the CSB with regard to description, value and other relevant details. After ensuring that the bags have been screened, the officer will select up to a maximum of 25% of the shipments for detailed examination. The authorized courier shall ensure that the packages after examination are properly repacked in the original packing. On all such packages, the officer will endorse the fact of examination. If no discrepancies are found, the authorized courier after assessment of CSB II shall hand over the bags to the respective airlines staff and shall obtain the shipment endorsement from the airline on the duplicate copy

of CSB-11 and hand over the same to Superintendent (CBC). In case, any discrepancy is noticed, then after due process, if found necessary, the parcel will be detained under a detention memo and stored in the customs warehouse. The authorized courier shall countersign the detention memo as having witnessed the examination and detention. Such cases will be immediately brought to the notice of the Deputy/Assistant Commissioner in charge for taking appropriate action.

A regular Shipping Bill shall be filed for such categories of exports as are specified under the proviso to sub-regulation (3) of Regulation 6 of the Courier Imports and Exports (clearance) Regulations, 1998 in Air Cargo Complex in the Shipping Bill and Bill of Export (Form) Regulations, 1991. The same shall be processed in the manner applicable to such Shipping Bills in the Air Cargo Complex.

#### **Short Shipped (Shut out parcels):**

In the event of the airlines not being in position to accept all the bags passed for shipment, the authorized courier shall take an endorsement to this effect from the airlines specifically mentioning the number of bags being accepted and inform the Superintendent, CBC regarding the details of the bags not accepted by the airlines. If the remaining bags can be shipped through any other airline on the same day, he shall request accordingly and obtain permission in writing from the Superintendent CBC for shifting the bags to and shipping them through another flight. While granting such request, the Superintendent shall make an endorsement "shipping of -- bags allowed by flight --". After shipment, he shall take endorsement of the airline actually carrying the goods, on the duplicate copy of CSB I or II as the case may be. In case it is not possible to ship any bags after assessment by any airline on the same day, then the authorized courier shall make a request to the Superintendent (CBC) for taking the goods back to town. If permitted, he shall take the endorsement on the duplicate and triplicate copy of the CSB I or II as the case may be and take the goods back to town. The courier can bring such consignment for export on the next day or the next flight as the case may be. On submission of the document, such consignment shall be re-examined as if the consignment has been submitted fresh. It shall be noted that no bags after assessment shall be taken back to town without the above permission and any lapse in this regard will be viewed seriously.

#### **Re-shipment/ mis-routed shipments**

In case of mis-routed shipments, the authorized courier shall make a request to Superintendent (CBC) and file CSB I or II as the case may be. Such consignments will be inspected and if satisfied that such shipments have arrived due to mis routing, the same will be endorsed on the CSBs and the D.C/A.C shall permit reshipment thereof.

In case of packages meant for re shipment for reasons other than through misrouting, permission for re-shipment will be given by the DC/AC on the merits of the case. Such goods shall be subjected to screening and examination and other formalities applicable to the corresponding category of goods in the manner mentioned above.

#### **Role of Airlines**

In cases where Airlines bring in goods without an on board courier, they shall file the CSB-I with customs in the manner mentioned above. In case of export goods, the Airline shall ensure that they receive the courier bags from an authorised courier and that the customs has duly passed the shipments handed over to them. After accepting the bags, the Airlines shall make an endorsement on the duplicate copy of CSB-I or II as the case may be in token of having accepted the bags. In case the Airlines are not in a position to accept all the bags passed for shipment, they shall indicate on the CSB-I or II the number of bags accepted by them. The details of the employees/authorised representatives who would endorse the CSBs for having accepted the courier bags for shipment will be intimated in advance by the Airlines along with their specimen signatures.

#### **Import of Goods through Courier:**

Documents to be filed for customs clearance:

Following documents shall be filed for customs clearance of goods imported and exported through courier:

##### **(i) Courier Bill of Entry -I (CBE-I):**

The On Board Courier (OBC) or the person in charge of the aircraft (himself or through

the authorized representative of the concerned Airlines) or any Authorized Courier shall file the Courier Import Manifest in form CBE-I immediately on arrival of the import goods at the airport and present it to the proper officer of customs. The IGM No. stated on the CBE-I should be identical to the one already assigned to the concerned Airline flight.

**(ii) Courier Bill of Entry -II (CBE-II)**

The representative of the authorized courier shall file the Courier Manifest in the Form CBE-II, in duplicate, with the proper officer of customs. The proper officer of customs shall retain the second copy of CBE-II and return the original to the Authorized Courier. The Authorized Courier will submit the original copy of the CBE-II to the Noting Clerk who will enter it in running serial number in the register prescribed for this purpose. Details of CBE-I i.e. date and No. should invariably be mentioned on CBE-II in order to facilitate re-conciliation.

**(iii) Courier Bill of Entry -III (CBE-III)**

In respect of documents not liable to any duty, the representative of the Authorized Courier shall file form CBE-III, in quadruplicate, for duty free clearance. A single CBE III may be filed for the clearance of any number of such goods imported by the Authorized Courier on a particular flight. However, the actual nature of the document, which may be letters, brochures etc, should be specified for the purpose of clearance.

**(iv) Courier Bill of Entry-IV (CBE-IV)**

In respect of bona fide commercial samples and bonafide gifts entitled to exemption from custom duty under various customs notifications, the representative of the authorized courier shall file Form CBE-IV in quadruplicate. Single CBE-IV may be filed for the clearance of up to 10 consignments of such goods imported by the authorized courier on a particular flight.

**(v) Courier Bill of Entry V (CBE-V)**

For clearance of dutiable goods, the representative of the authorized courier shall file form CBE- V in quadruplicate. A single CBE-V may be filed for clearance of up to 10 consignments or for one consignee.

It may be noted that CBE-III, IV and V are to be filed flight wise so that these Bs/E are easily reconcilable with the CBE-I and CBE-II. For this purpose CBE-III/ CBE-IV/CBE-V should invariably contain details of CBE-II No. and date. The officer doing the noting shall carry out this reconciliation, which shall be ensured by Superintendent (CBC).

The Authorised Courier should not, for any reason, amend or delete any entry suo motu after noting of Bill of Entry. Any such amendment or deletion should be intimated in writing and will be allowed only after approval of D.C/A.C. If the authorized courier wishes not to get any consignment assessed for the time being in a particular Bill of Entry, he shall bring it to the notice of the AC/DC, who can allow filing of fresh bill of entry after making suitable comments against the said consignment/shipment. The Authorised Courier while filing fresh B/E shall also get the B/E No. amended in the Noting register against such Air Way Bill against the earlier Noting. Such amendment will be made in the Noting register in red ink. Any amendment done suo moto on the Bill of Entry after Noting, without prior approval of Appraising Officer or DC/AC; or any tampering of BIE in any manner would be viewed seriously and invite penal action under the Customs Act and these Regulations.

**(vi) Bill of Entry in the form prescribed in the Bill of Entry Forms Regulations, 1976 (Regular Bill of Entry):**

The authorized courier shall normally file the documents, namely, CBE-III, CBE-IV, CBE-V for the purpose of assessment and clearance of goods except for such categories of goods where the regular Bill of Entry prescribed will be filed as specified under the proviso to sub-regulation (3) of Regulation 5 of the Courier Imports and Exports (clearance) Regulations, 1998. Such categories include:

- (a) goods imported by EOU/SEZ units under an exemption notification;
- (b) goods imported under any export promotion scheme;
- (c) goods imported against any licence issued under the Foreign trade (Development and Regulation) Act, 1922;
- (d) where consignor and consignee are related in terms of the Customs Valuation (Determination of price of imported goods) Rules;
- (e) where proper officer directs for filing of a regular Bill of Entry;

A regular Bill of Entry shall be invariably filed where the assessable value of the imported consignment is more than Rupees One lakh. In case a consignee wishes to file the said normal Bill of Entry, he may make a request accordingly and the request shall be considered on merits by the DC/AC.

**Filing of prior Bill of Entry:** In order to facilitate faster clearance of import cargo, the facility of filing of prior CBE- IV and CBE- V (prior to arrival of goods) is available to the Authorized Couriers. If the Authorized Courier wishes to file prior CBE-IV and CBE-V, he may make a request in writing, which may be allowed by an officer of the rank of ADC/JC after satisfying about the credentials of the Authorized Courier. Such filing would be allowed only on the basis of documents (invoice and AWB) received by the Authorized Courier through their imaging system. In this regard it may be noted that prior CBE-IV and CBE-V shall be noted only when accompanied by copies of the Air way Bills and invoices.

**Procedure to be followed for assessment and clearance:**

Arrival of goods: Immediately on arrival of the import goods CBE-I shall be filed by persons specified in this regard in the manner as prescribed in the above para. Subsequent to filing of CBE-I, the Authorized Courier will file CBE-II with the proper officer in the manner as prescribed above.

Sorting of goods: As stipulated in the Regulations, the Authorised Courier is required to bring the goods duly sorted out in the different categories in such as, documents, samples and free gifts, dutiable or commercial goods and packed separately in clearly identifiable courier company bag (thus goods should in effect come sorted as per CBEIII, CBE-IV and CBE-V). However, if the courier company, for any reason desires to sort the goods after arrival, in the category of CBE-IV and CBE-V, they may do so under proper intimation to the Superintendent. However this sorting would only be limited to the extent of transferring the parcel from CBE-IV to I CBE-V or vice versa, as the case may be. In no case the parcel should be opened during the process of sorting. Any short landing or excess landing found during sorting or otherwise shall be intimated immediately to the Superintendent. It may also be noted that courier bag shall be opened only after filing of CBE-II.

Filing of documents for assessment and clearance: After sorting, the authorized courier company shall file CBE-III, CBE-IV, CBE-V in the prescribed format, in quadruplicate with the designated ACO who shall sign the Bill of Entry after marking on it the running serial number and date with numbering machine. Alteration of Bill of Entry number once assigned or any other amendment shall not be allowed without the permission of the D.C/A.C.

**Assessment and clearance of goods:**

(i) Clearance of documents: After noting and assigning Serial No. (Bill of Entry No.) the CBE-III will be taken up for clearance by the Superintendent (CBC).

Clearance of documents covered under CBE-III shall be on the basis of inspection without any assessment of documents. However, the proper officer of customs in charge of the examination may examine the documents at random or where he feels that examination is required to be done. In any case all the courier bags shall be subjected to 100% X-ray scanning to ascertain the contents. The bags containing documents (CBE-III) can be X-rayed together. Any discrepancy noticed during inspection/examination will be brought immediately to the notice of D.C/A.C. In case the parcel requires detention, it will be deposited with the warehouse officer on a serially numbered Detention Memo. B/E No. will be marked on the memo. In respect of those consignments where no discrepancy is found, after X-ray the ACO will put his signatures on the Bill of Entry as a token of having 'X-rayed the documents' and mention that no discrepancy was found. The Superintendent (CBC) will give "Customs Out of Charge" on duplicate copy of Bill of Entry. While giving "Out of Charge" the Superintendent will mention the number of consignment for which out of charge is given. Thereafter the Authorised Courier shall hand over the original copy of B/E to the ACO and duplicate will be submitted to the custodian, who will allow clearance on the basis of out of charge order given by customs. While allowing clearance at the gate, the consignments moving out will be tallied with the corresponding entry in the Bill of Entry and gate pass or any other document maintained by custodian for discharge of goods. After all consignments for which "out of charge" has been given on the concerned B/E are cleared, the custodian shall make an endorsement in this regard and duplicate copy will be returned to the Customs. It shall then be attached to the original B/E.

(ii) Clearance of goods other than the documents:

(A) Bonafide samples and gifts: The relevant document in this case is CBE-IV.

After noting of CBE-IV, the Authorised Courier shall submit the copy to Superintendent (CBC) for prima-facie assessment to ascertain that the goods are entitled to exemption as bonafide samples or gifts, as the case may be. In case of any doubt regarding admissibility of duty exemption in the category of bonafide samples or gifts, Superintendent (CBC) may call for documents or any such information required for assessment of value or nature of goods.

Clearance of the goods shall be subject to the percentage of examination as prescribed by the ADC/JC. In case any duty liability is found to arise in course of assessment of the goods, the same may be assessed on CBE-IV itself.

The courier bags covered under CBE-IV will be subjected to 100% X-ray scanning to ascertain the contents. Any discrepancy noticed during inspection/examination will be brought immediately to the notice of AC/DC. In case the parcel requires detention, it will be deposited with the warehouse officer on a serially numbered Detention Receipt (DR). B/E No. will be marked on the DR. In respect of those consignments where no discrepancy is found, the Superintendent (CBC) will give "Customs Out of Charge" on duplicate copy of Bill of Entry. While giving "Out of Charge" the Superintendent shall mention the number of consignment for which out of charge is given. Thereafter the Authorised Courier shall hand over the original copy of B/E to the ACO and duplicate will be submitted to the custodian, who will allow clearance on the basis of out of charge order given by customs. The gate officer while allowing clearance will tally/verify the consignments moving out with corresponding entry in the Bill of Entry and gate pass or any other document maintained by custodian for discharge of goods. After all consignments for which "out of charge" has been given on the concerned B/E, are cleared, the custodian shall make an endorsement in this regard and duplicate copy will be returned to the ACO. It shall then be attached to the original B/E.

Third and fourth copy of Bs/E shall be retained by the Authorised Courier for their own purpose and onward forwarding to the clients.

The import of bonafide samples is also subject to the provisions contained in this regard in the Foreign Trade Policy.

Dutiable goods: For clearance of dutiable goods covered by CBE- V and regular Bill of Entry the procedure shall be as follows. The Bill of Entry after noting along with all the required documents such as Commercial Invoice, Price List, Air Way Bill, Packing List, GATT declaration, importer's declaration, authorization letter from the consignee, etc and where required, catalogue, technical write-up, chemical composition shall be put up to the Appraising Officer for scrutiny with respect to classification, valuation and ITC conditions/restrictions. The Bill of Entry will then be assessed following the regular process of examination (under 1st check or 2nd check basis). The goods covered under CBE-V will also be subject to X Ray screening and endorsement in this regard will be made by the ACO/Examining officer after completion of screening. During the course, of assessment of Bill of Entry, if the Appraising Officer comes to the conclusion, in terms of the Customs Valuation Rules or any other information at his disposal, that the declared value is low, the same may be enhanced following due process of law. *The assessment in respect of consignment having value more than Rs 50,000 will be finalized by AC/DC.*

The finalized Bill of Entry shall be returned to the authorised representative of courier for payment of duty. In case any Bond, Bank Guarantee, note sheet etc, are attached to the B/E, the same will be detached for retention by the department. Any formality regarding Licensing etc., if required, will also be completed before handing over the Bill of Entry. The authorised representative of courier shall pay the duty at the designated bank after getting the TR-6 challan signed by the concerned officer of customs who will ensure that duty is paid within interest free period or due interest is paid in case of delay in payment of duty. In case any discrepancy is found during the examination and goods shall be detained as per the procedure prescribed in the following paragraph and the discrepancy will be brought to the notice of the D.C/A.C.

Goods in respect of which no discrepancy is found (assessed either on 1st Check or 2nd Check basis, as mentioned above), the Appraising Officer will give " Out of Charge" on 2nd Copy of Bill of Entry, clearly mentioning" number of consignments shipment and number of packages" allowed out of charge in a particular B/E. The Authorized Courier will then submit the duplicate to the custodian, who will allow clearance on the basis of "out of charge" order given by the customs. The gate officer while allowing clearance will tally/verify the consignments/ shipments and packages being cleared with corresponding entry in the duplicate B/E and gate pass (in case custodian makes gate pass). On clearance of all consignment for which "out of charge" has been given on the concerned B/E, the custodian shall make an endorsement in this regard and 2nd copy will be returned to the Noting Clerk. It shall then be attached to the original B/E. Third and fourth copy of B/E shall be retained by the Authorised Courier for their own purpose and onward forwarding to the clients.

All the Bills of Entry shall be sent for audit on post audit basis.

In such cases where the under valuation or incorrect classification is resorted to with intent to evade payment of duty by way of mis-declaration or suppression of facts or if the

goods appear liable confiscation, adjudication proceeding should invariably be resorted to. Further in cases where the value is proposed to be enhanced by the assessing officer, the consent of the consignee or the authorized courier will be taken in writing on the Bill of Entry. In case of any dispute in this regard, the matter should invariably be brought to the notice of the Assistant Commissioner/Deputy Commissioner for their decision.

Detention of courier goods and subsequent clearance

At times it may not be feasible to assess the goods for want of information with regard to valuation, description, classification or any other discrepancy/ambiguity noted at the stage of assessment or examination. In such cases goods are required to be detained for further inquiries. Wherever goods are detained either by Customs or custodian, for whatever reason, detention memo in prescribed proforma will be issued immediately and B/E number will be mentioned on it. It will be signed by the proper officer of Customs, Detained goods will be produced for examination only after the assessing officer gives the requisition on the reverse of the Bill of Entry. For assessment of detained goods, the Authorised Courier shall file part Bill of Entry giving reference of earlier Bill of Entry and enclosing a copy of DR.

It may be ensured by the trade, Authorized Couriers and custodians at the time of filing of documents that all necessary information may be furnished in the first instance, so that detention could be avoided. Wherever the goods have been detained, the Authorised Courier shall make efforts to furnish the requisite information expeditiously. In this regard the Assistant Commissioner/Deputy Commissioner shall also closely monitor the detention caused on account of customs requirements and efforts would be made to expedite the clearance of such detained goods minimize such instances.

**Action in respect of uncleared imported goods:** As per Regulations, all imported goods are required to be cleared within a period of 30 days of the arrival of such goods. The goods, which are not taken clearance within 30 days of the arrival of the same, shall be disposed off after giving notice to the Authorized Courier and charges payable for storage and holding of such goods shall be payable to the Authorized Courier.

Role of the Custodian

M/s Cochin International Airport Ltd (CIAL) shall be the custodian of the courier import and export parcels. The custodian will:

- a. comply with the provisions of the Customs Act, Rules, regulations, Public Notices and Standing orders issued from time to time in this regard;
- b. ensure proper receipt, handling and storage of courier goods; provide secure and adequate space for loading and unloading of consignments; X ray for screening the goods; conveyor belts for smooth flow of goods etc.;
- c. ensure proper segregation of import and export goods and ensure that there is no movement from import side to export side and vice versa or from examination area to any undesignated areas;
- d. ensure that goods imported into India, if required to be re-exported shall be done only with the permission of proper officer of customs;
- e. ensure while giving delivery of the imported goods to the authorized courier or consignee that the goods have been granted 'out of charge' by proper officer of customs.

F.No.S31/16/2004-Air.Cus.

dated the 6<sup>th</sup> September, 2005.

(D. D. Ingty)  
Commissioner of Customs

Copy to: Addl. Commissioner/Jt. Commissioners/All Asst. & Dy. Commissioners/Airport/ Air Cargo Complex/PAD