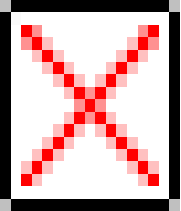


Domestication of EXIM Containers

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By Dr Sanjay Kalra, LL.M., PhD (GST Law), Advocate, KPS Legal



1. **NOTIFICATION** No. [104/94-Cus](#)

., dated 16-3-1994 exempts Containers of durable nature and falling within the First Schedule to the Customs Tariff Act, 1975, when imported into India, from the whole of the duty of customs leviable thereon under the said First Schedule; and the whole of the additional duty leviable thereon under Section 3 of the said Customs Tariff Act. For availing such duty exemption, the Shipping Line or the Importer has to execute a bond, in such form and for such sum as may be specified by the Assistant Commissioner of Customs, binding himself to re-export the said containers within six months from the date of their importation. In the event of failure to do so, the Importer or the Shipping Line shall pay the duty leviable thereon. Such period of six months may be extended by the said Assistant Commissioner for such further period, as he may deem fit.

2. The CBEC vide Circular No. [83/98-Cus](#)

., dated 5-11-1998, expressed its concern stating that the Customs Houses are routinely granting such extensions for re-export of containers beyond six months. This casual approach leads to the possible use of such containers for domestic trade, adversely affecting the domestic industry engaged in manufacturing of marine containers.

3. While dealing with the specific grievances of the trade to allow the use of imported containers for carrying domestic cargo, the CBEC, vide its Letter F. No. 450/69/2000-Cus.IV dated 30.10.2001, decided on temporary basis that the containers imported under the said notification [104/94-Cus](#) shall be allowed for the purpose of carrying domestic cargo, during the permitted period, pending re-export of the same.

4. The CBEC vide Circular No. [31/2005-Cus.](#),

dated 25-7-2005, stated that such containers, whether empty or loaded, intended for temporary admission, are allowed without filing a formal Bill of Entry for each container separately and the same may be moved out of the customs area on execution of a Bond. The Board has instructed to adhere to a simple uniform procedure for clearance of temporary importation of containers.

5. Thereafter, when the Trade & Industry expressed its concern about the increasing cost of coastal shipping caused by the limited availability of return cargo on most of the coastal shipping routes, the CBIC vide Circular No. [8/2019-Cus.](#),

dated 26-2-2019, has permitted the use of containers [which are availing benefit of notification No. [104/94](#) dated 16-3-1994] for the purpose of carrying domestic cargo during the stipulated period of 6 months or the extended period as may be allowed pending re-export of the same.

Conclusion: From the above, it implies that the Notification [104/94-Cus](#)

does not stipulate any condition as regard 'the Purpose of Use' of EXIM Containers during the stipulated/extended period within which they have to be re-exported. Inasmuch as, such containers can be used for carrying domestic cargo also.

[The views expressed are strictly personal.]

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