

# PUBLIC NOTICE NO. 31 /2013

OFFICE OF THE COMMISSIONER OF CUSTOMS (EXPORT)  
JAWAHARLAL NEHRU CUSTOM HOUSE, SHEVA  
DISTRICT-RAIGAD, MAHARASTRA.

F. No. S/12-Gen-27/2013-14 AM(X)

Date : 19.08.2013

PUBLIC NOTICE NO. 31 /2013

**Sub : Implementation of system with support of CLRI to improve inspection of export of finished leather consignments – reg.**

1. Attention is invited to all trade and other stakeholders especially leather exporters with regard to change in examination procedure for export of leather consignments. Presently all the leather consignments are examined by in-house leather experts to ensure that only finished leather is exported. It is brought to the notice of Board that some unscrupulous exporters are exporting semi-processed leather in the guise of finished leather for evading applicable export duty.

Hence, Ministry of Commerce and Industry have recommended putting in place a robust inspection system with presence of officials from CLRI (Central Leather Research Institute) at identified customs stations to check this unauthorised export.

2. The matter was discussed with the officials of CLE (Council for Leather Exports) and CLRI. Accordingly, the following procedure for examination of consignments declared as “finished leather” is prescribed –

## **2.1 LOCATION AND TIMING –**

For the convenience of trade and the CLRI officials, as proposed by Council for Leather Exports (CLE), it is decided that the office of the CLRI officials will be located in Punjab Conware CFS. CLRI officials will be available for examination and drawal of samples in the location from 11 AM to 6 PM on all working days of Docks examination.

## **2.2. PROCEDURE OF ASSESSMENT & EXAMINATION –**

- a. The product shall conform to finished leather norms prescribed under DGFT [public notice 21/2009](#)-14 dated 01.12.2009, failing which it will be subjected to export cess as defined in Sl.26 of Schedule 2 of Customs Tariff Act, 1974 as amended.
- b. The officials of CLRI shall assist Customs officers in examination of export consignments of leather. Where required, samples shall be drawn by Customs in presence of officials of CLRI. Samples so drawn by Customs shall be sent to CLRI for testing and till receipt of the test report such shipping bills shall be provisionally assessed.
- c. The Exporters on filing Shipping Bill shall execute a provisional bond as per Customs (Provisional Duty Assessment) Regulations, 2011. The exporters registered with CLE may execute a simple bond for this purpose. For other exporters, additional security equal to 20% of export duty leviable will be required.

- d. The Exporter shall also pay necessary charges for testing to CLRI in the mode as agreed between CLRI & CLE.
- e. On goods Registration, the goods shall be presented in presence of Customs to CLRI officials for examination.
- f. CLRI officials shall take samples of such consignments and as a token of such drawal, shall endorse with their stamp in Test memo in triplicate as given in the annexure. The details of Shipping Bill shall also be written at the back of each sample and endorsed by Customs and CLRI along with their stamps. First copy of Test memo shall be retained with CLRI along with the samples. Second copy to be handed over to exporter/representative.
- g. After due examination, the examining officer shall make following entry in the departmental comments “This S/B assessed provisionally subject to outcome of test result from CLRI on sample No..... The provisional bond numbered ..... is submitted to DC/AC Export Shed., in this regard”.
- h. After due examination, “Let export order” may be given in EDI system by proper officer, if everything found in order.
- i. Third copy of the test memo is to be placed in the Docket retained in docks. A register will be maintained by each CFS, indicating the details of the sample drawn, under supervision of DC/AC of concerned Export Shed.
- j. CLRI will forward the test results to the concerned Deputy Commissioner (Export Docks) of respective CFS from where the samples have been drawn.
- k. If the test report confirms it to be “Finished Leather” as per declaration of the exporter, the shipping bill will be finalised and the bond will be closed. Otherwise, the goods would be subjected to Export Duty and further necessary action will be taken in accordance with law.

3. The CLRI shall devise an appropriate procedure for registration, charges, systematic drawal, dispatch & testing of the samples, dispatch of test report, and proper maintenance of data for the activities carried out in this regard. The CLRI shall also prescribe the format of register to be maintained and give instructions to their officials in this regard.

4. This will be effective from 26.08.2013. Difficulties, if any in the implementation of this public notice may be brought to the notice of the undersigned.

**Sd/-**

**19.08.2013**

**(S.H. Hasan)**

**Commissioner of Customs (Export)**

**JNCH, Nhava Sheva.**

**To,**

All concerned.

**Copy to :**

1. Chief Commissioner of Customs, Mumbai Zone – II
2. Commissioner of Customs (Export), JNCH

3. Commissioner of Customs (Import), JNCH
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6. DC/EDI for uploading on JNCH website
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