STANDING ORDER NO. 56/2005

Subject: - Clearance of imported metal scraps & Procedure regarding.

In pursuance of the Board’s Circular No. 56/2004, the assessment and examination of ferrous and non-ferrous metals shall be carried out at Nhava Sheva as per the procedure given below:

i) Import of metal scrap in shredded form will be permitted without any Pre- Shipment Inspection Certificate (PSIC).

ii) For scrap imported in shredded form examination may be limited to 10% of the consignment subject to examination...
of minimum one container. The container so identified should be examined 100%.

iii) Metal scraps in unshredded, compressed or loose form will have to be accompanied with a pre-shipment inspection certificate as per format in Annexure-1 to Appendix-8 from any of the Inspection and Certification Agencies given in Appendix-28 of the Handbook of Procedures (Vol.II).

iv) A copy of the contract as mentioned in the Para 2.32 (i) (b) II of Hand Book of Procedures Vol I between Importer and Exporter stipulating that the consignment does not contain any type of arms, ammunitions, mines or shells, cartridges, radio active contaminated or any other type of explosive material in any form either used or otherwise.

v) The Pre Shipment Inspection Certificate and the Contract mentioned in para (iii) & (iv) above will be submitted in original to the Appraising Officer of the Group during assessment of
the document which will be debited and a photocopy of the same will be retained in Group along with particulars of Bills of Entry. The PSIC should clearly mention the tests carried out by the Inspection and Certification Agencies in the column III of the said certificate.

2. In respect of metal scrap in unshredded, compressed or loose form accompanied by a pre-shipment inspection certificate, examination will be 25% of the containers in respect of manufacturer-importers and 50% of the containers in respect of traders, for each import consignment, subject to examination of a minimum of one container. The container selected will be examined 100%. Where EDI is operational with Risk Management Module (RMM), the percentage of examination will be determined by the RMM.

3. The destuffed scrap should be evenly spread out on the ground in such a manner that 100% visual examination can be carried out. Wherever the examination percentage for a Bill of Entry leads to a situation where the containers to be examined is in fraction e.g. 1.25 container or 2.50 container, the examination will be done for the complete container. For example, if the containers to be examined 100% comes to 1.25 containers, then 2 containers should be examined 100%.

4. The Docks Officers, during examination, must verify that the original PSIC and original contract is debited by the Group before Out of Charge. The container numbers/ seal numbers mentioned in the PSIC should be tallied with that on the containers containing the consignment.

5. For metal scrap imported in unshredded, compressed or loose form and not accompanied by the prescribed pre-shipment inspection certificate or the contract between the supplier and the buyer, as stipulated above, the consignment will be subject to 100% examination on first check basis.
apart from **stringent** penal action for violation of provisions of the Foreign Trade Policy.

As per Board’s Circular No. 56/04, it is the responsibility of the shipping line to ensure that every consignment of metal scrap in unshredded, compressed or loose form is accompanied by such a pre-shipment inspection certificate before it is loaded on the ship. Failure to observe this precaution would invite penal action for abetment regarding irregular import of metal scrap. They may also be directed to re-export such containers without examination in appropriate cases.

(H. O. TEWARI)
COMMISSIONER OF CUSTOMS (IMPORT)
J. N. C. H.