Notification No. 01/2018

Date: 19/03/2018

In exercise of the powers conferred upon me under Section 45(1) of the Customs Act, 1962, I, S.K. Sharma, Commissioner of Customs, Lucknow hereby appoint the Airport Authority of India Cargo Logistics & Allied Services Company Limited (A 100% subsidiary of Airports Authority of India), Lal Bahadur Shastri International Airport, Varanasi, (hereinafter referred to as M/s AAICLAS Company Ltd.) to be the Custodian of the imported goods landed at Lal Bahadur Shastri International Airport of Varanasi (herein after referred to as LBSI Airport Varanasi) until they are cleared for home consumption or are warehoused or transshipped in accordance with the provisions of Chapter VIII of the Customs Act, 1962. Likewise, the said Airport Authority of India Cargo Logistics & Allied Services Company Limited, will be the Custodian of export cargo brought into the air cargo area at Varanasi Airport for Customs examination, clearance and export and/or transhipment of goods to gateway Airport, subject to the following conditions:-

The M/s AAICLAS Company Ltd., as the custodian of the goods meant for import and export would be required to comply with the provisions of Section 45(2) & (3) of the Customs Act, 1962 read with provisions contained in Handling of Cargo in Customs Area Regulations, 2009 and the Rules and Regulations made and instructions issued there under from time to time.

The Custodian shall be responsible for proper receipt, handling, storage and shall be accountable for the loss of imported goods after landing and before clearance as well as the goods meant for transhipment and export. They shall also maintain proper record of all such goods including the record of the goods which are cleared with the permission of the Customs Department or disposed off under Section 48 of the Customs Act, 1962, or otherwise.

The imported/export/transhipped goods, which are not cleared for home consumption or warehousing or exported/ transhipped within 30 days of unloading thereof or within such further time period as the proper officer may allow; or the imported goods, to which the importer relinquishes his title as provided in Section 23(2) of the Customs Act, 1962, such goods shall not be sold under the provisions of Section 48 of the Customs Act, 1962 by the Custodian without obtaining permission from the proper officer of Customs.

The Custodian shall provide safe, secure and spacious place for loading/unloading/storing of the Cargo.
The Custodian shall provide sufficient modern handling equipment in operational condition for handling the Cargo in the notified area.

The Custodian shall provide motor vehicles to the Customs Officers for "Customs Escort" of bonded cargo, where required.

The Custodian shall ensure that the export examination areas are physically demarcated.

In case of export cargo, the Custodian will ensure the movement of the cargo to the respective airline storage areas immediately after the "Let Export Order" is given by the Customs Authority.

No alteration of the plan in the Customs area etc. shall be made without the concurrence of the commissioner of Customs, Lucknow.

Insurance of all goods held in the Customs area shall be made by the Custodian.

The Custodian shall abide by all the Rules and Regulations under the Customs Act, 1962 read with the provisions of regulation 6 of the Handling of Cargo in Customs Area Regulations, 2009.

For proper discharge of duties, the Custodian shall execute a bond equal to the average amount of duty involved in the imported goods and ten percent of value of export goods likely to be stored in the customs area during a period of ten days and in addition to this, the custodian shall execute a separate bond for an amount equal to ten percent of value of export goods, towards the export goods transported from the customs area to any other customs area for export or transshipment. The custodian would also be held responsible for the duty and for other penalties leviable for the goods lost during the transshipment from the said customs area to the gateway port/other customs area.

The Custodian shall maintain all the customs records for a period of six year. They shall provide a record room in the vicinity for storing all Customs records for a period of six months. Subsequently the records will be transferred by the Custodian to a convenient storage where space shall be provided to keep records for the period of six years. Such place of storage thereafter be intimated to customs and any records, as and when demanded, shall be produced without delay before the proper officer of customs.

The Custodian shall cooperate with customs in any scheme for automation and technological up-gradation of the facility. The Custodian shall also provide all necessary infrastructures like space for service centre, Computers, Printers, Internet connectivity, UPS etc. related to functioning of EDI systems.

The Custodian shall be vicariously liable with regard to the acts and omissions or its employees or its agents that are in violation of the Customs Act, 1962 or any other law for the time being in force that is enforced by customs.

Security of the Customs area shall be the responsibility of the Custodian subject to the prior approval from the Commissioner of Customs for the arrangements. The cost of security has to be borne by the Custodian.

The Custodian shall provide free furnished office space for the Customs Department at the place of clearance.
The Custodian shall bear the establishment charges, such as electricity, water, etc, of the Customs Staff posted in the said area.

The Custodian shall make adequate arrangements for sanitary facilities, water supply and other allied facilities, including canteen facility for the officers working in the area.

The Custodian shall not charge any rent/demurrage on the goods detained by the Customs Department under the Customs Act or any other Law for the time being in force. However, the Customs Department shall pay the rent to the Custodian after the ownership of the goods vests in the Government after confiscation. The rate of rent for such goods shall be fixed by the Commissioner in consultation with CPWD or local Revenue or Rent Control Authorities.

In case the Custodian wants to sublet any of the functions inside the Customs area or connected with the Customs area, the same should be done with prior approval of the Commissioner of customs and Custodian shall remain responsible for the omissions and commissions of the said agency.

Duration of the appointment shall initially remain for two years and subject to the satisfaction of the Commissioner of Customs, Lucknow. The Commissioner of Customs, Lucknow, shall have the right to terminate the appointment at any time after assigning specific reasons and giving an opportunity to the Custodian to explain his case. The appointment shall be reviewed after 2 years thereafter.

(S.K. SHARMA)
COMMISSIONER OF CUSTOMS
LUCKNOW

Copy for information and necessary action to :-

1. Chief Commissioner of Customs (P) Patna
2. Deputy Commissioner/Assistant Commissioner, Division Varanasi with request that the contents of this Notification may be brought to the knowledge of the Association of Trade, Industry and Exporters in their Jurisdiction.
3. M/s Airport Authority of India Cargo Logistics & Allied Services Company Limited (A 100% subsidiary of Airports Authority of India), Lal Bahadur Shastri International Airport, Varanasi,
4. The Airport Director, AAI, Lal Bahadur Shastri International Airport, Varanasi,
5. The office of the Trade Associations/ Chambers of Commerce at Varanasi,

Assistant Commissioner (Tech.)
Customs (P) Commissionerate
Lucknow