



Government of India  
Office of the Commissioner of Customs (Port)  
Custom House: Kolkata.

PUBLIC NOTICE NO. 17 /2012

Subject: Agreement on Trade, Commerce & Transit between the  
Government of The Republic of India and The Royal  
Government of Bhutan-Procedure regarding..

It is hereby brought to the notice of all Importers, Exporters, Custom House agents and all other concerned that the earlier agreement on Trade & Commerce between the Government of The Republic of India and The Royal Government of Bhutan, dated 02.03.1995, has since been renewed with certain modifications/amendments. The new agreement titled "Agreement of Trade, Commerce, & Transit between the Government of The Republic of India and The Royal Government of Bhutan" has come into force with effect from 29.06.2006, and shall remain in force for a period of 10 years. A copy of the Agreement/Protocol is enclosed.

Under the Protocol to the Agreement, the customs procedure for transit cargo of Bhutan under the new Agreement is as follows:-

The following shall be the exit/entry points in India for the Imports into and Exports from Bhutan for the duration of the Agreement:

1. Jaigaon	road route
2. Chamurchi	road route
3. Ultapani	road route
4. Hathisar(Gelephu)	road route
5. Darranga	road route
6. Kolkata	air & sea route
7. Haldia	sea route
8. Dhubri	riverine route
9. Raxaul	road & rail route
10. Panitanki	road route
11. Changrabandh	road route
12. New Delhi	air route
13. Mumbai	sea & air route
14. Chennai	sea & air route
15. Phulbari	road route
16. Dawki	road route

- i) These routes may be discontinued or new ones added by mutual agreement.
- ii) All exports & imports of Bhutan to and from countries, other than India, shall be effectively monitored and supervised by the Royal Government of Bhutan.

## IMPORTANT PROCEDURE IN DETAILS

When goods are imported from third countries for Bhutan through India, the following procedure shall be observed at the Indian place of entry (hereinafter referred to as 'Custom House').

- a) Clearance of goods imported for Bhutan shall be against Letter of Guarantee issued by The Royal Bhutan Customs/representative of The Royal Government of Bhutan. The existing procedure of filing of bill of entry (Bhutan Import) along with an undertaking and license issued by Ministry of Trade & Commerce, Royal Government of Bhutan has been done away with. Instead, a Letter of Guarantee (LoG) in the enclosed format would be submitted. Revised Letter of Guarantee (Annexure-I) is being made applicable with effect from 1<sup>st</sup> February, 2012. The Letter of Guarantee for clearance shall be acceptable only when it is duly signed by authorized signatory of The Royal Government of Bhutan with name & designation, as is manifest from the format of the Letter of Guarantee.
  
- b) At the Custom House (Kolkata/Haldia Bhutan Unit) or the Air Cargo Complex, N.S.C Bose International Airport, Kolkata ( as the case may be), the importer or his agent (hereinafter referred to as the "Importer") shall present the Letter of Guarantee in the prescribed form (Annexure-I) in five copies duly filled in with all details of bill of lading number/airway bill number, marks & number of packages, quantity and brief description of goods, C.I.F or transacted value, classification of major goods under the Indian Customs Tariff (ITC) [In case of importation of more than five items, only the major items may be classified] and duty involved. As per revised format of Letter of Guarantee (Annexure-I), the vessel/aircraft name, rotation number, line number, country of origin and entry/exit points at the Indo-Bhutan border would also be mentioned on the Letter of Guarantee. The last two columns pertaining to classification of goods and duty shall be completed by the Indian Customs. The duly filled copies of Letter of Guarantee (LoG) shall be presented before the Tax Assistant, who shall correlate the import cargo with the relevant Import General Manifest filed for Bhutan by the steamer agent/airline, and thereof assign Custom House/Airport serial number on the Letter of Guarantee. Letter of Guarantee in five copies shall then be presented before the Appraiser/Superintendent (Bhutan Unit) [Port or Airport as the case may be] along with invoice and packing list for classification and assessment of duty. In case of import declaration of more than five items, five major items shall be classified and the rest shall be clubbed for duty purpose. In case, the value of the goods is rupees Five lakh or more these documents shall thereafter be presented before the concerned Assistant/Deputy Commissioner of Customs (Bhutan Unit) for counter signature. Thereafter the Tax assistant shall enter the details of the imports into computer. Thereafter these documents shall be presented before the Appraiser/Superintendent of Bhutan Unit for endorsing necessary order



of inspection/examination as the case may be, to be conducted at Port/Airport/ACC or the Container Freight Station. The original copy of the Letter of Guarantee shall be retained in the Bhutan Unit, Custom House, /Airport/Air Cargo Complex Kolkata.

- c) The CHA shall present the remaining four copies (duplicate, triplicate, fourth copy and fifth copy) and other enclosed documents before the customs Appraiser/Superintendent at Port/Airport/ACC for necessary inspection/examination, who will ensure that the seals are intact in case of containerized goods and in case of non- containerized goods, after percentage check if necessary, goods may be sealed individually or the transport in which they are being carried be so sealed.
- d) The customs Appraiser/Superintendent at Port/Airport/ACC, after having satisfied with the procedure in Para (c) above, shall endorse all the four copies of the Letter of Guarantee. The fourth copy shall be handed over to the importer. The fifth copy shall be sealed and handed over to the importer for passing on to the Indian Customs Officer at the exit point in India.
- e) On arrival of the goods at the Indo-Bhutan border, the importer shall present to the Indian Customs Officer the goods as well as his copy of the Letter of Guarantee and the sealed copy of the Letter of Guarantee. The Customs Officer shall compare the two copies and allow movement of goods into Bhutan after checking the seal. The fourth copy shall be returned to the importer and fifth copy sent to the Bhutan Unit of Custom House/Air Cargo Complex NSCBI Airport, Kolkata after due endorsement.
- f) In case of imports not reaching their destination, the Customs Officials of the two countries shall get in contact so as to trace the movement of the goods. In case the goods are found to have been diverted intentionally or purposely into India, the Indian Authorities would invoke the guarantee and get in touch with the Transit & Liaison office/Representative of The Royal Government of Bhutan in Kolkata to realize the customs duties and other dues of the Government of the Republic of India.
- g) Air cargo consigned to Bhutan arriving in Kolkata, Delhi, Mumbai and Chennai airports which has to move by surface transport through the territory of the Republic of India shall follow the import procedure as outlined above.

**EXPORT PROCEDURE**

The import procedure detailed above shall apply *mutatis-mutandis* for Bhutan exports to third countries transiting through India.

This is for information and compliance of all concerned.

F. No. S186-298/08A(N)

Dated : 04/11 April' 2012



(GURDEEP SINGH)

Commissioner of Customs (Port)

