

Customs department gives clearance to cargo imported from China

In a major relief to trade, the Customs department has begun giving clearance to all cargo from China. The clearance was halted from June 23.

From Tuesday night, the Customs began clearing all active pharmaceutical ingredients (APIs) imported from China. From July 1, other cargoes are also being released, industry sources said.

Clearance to Chinese cargo by the Customs comes at a time when the intensive lockdown is to be relaxed in Chennai and neighboring districts from July 6. Many factories, including leather and automobile, will restart production and require critical components that were imported from China.

Nearly 30 per cent of the containers handled at the ports are of Chinese origin, carrying cargo like electronic components and automobile spare parts, sources said.

Zipper and buttons imported from China have been lying at the ports for the last one week. These are important items required to manufacture garments that need to be shipped to Europe in the next few days, said Sanjay M Lulla, Managing Partner at SM Lulla Industries Worldwide, a Chennai-based exporter of leather garments.

No reason was given for non-clearance of the Chinese cargo. However, there were speculations that some narcotics could have entered the country, and Chinese cargo were being subjected to rigorous examination by the Customs.

Initially, the Customs officials said that the hold on Chinese cargo was due to some 'suspicion', and later due to problems in the systems, said sources.

With the situation worsening, the Chennai Customs Brokers Association, whose members clear cargo on behalf of their clients, on Tuesday urged Union Finance Minister Nirmala Sitharaman to intervene and help restore normalcy in the movement of imported goods from China.

The association's president S Nataraja said the imported goods stranded at various ports have brought movement of goods to a complete standstill, creating a panic situation among the trade and other manufacturer importers.

"We have requested waiver of additional charges like demurrage and storage charges incurred during this period," he said.

Source: India Seatrade News