

Circular No.12/2026-Customs

F.No.450/23 /2026-Cus IV
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Indirect Taxes & Customs)

Hall No 14049, Kartavya Bhavan,
New Delhi, dated the 17th March, 2026

To,

All Principal Chief Commissioner/ Chief Commissioner of Customs/ Customs (Preventive) /
Customs and Central Tax

All Principal Director General/ Director General under CBIC

Subject: Return of export cargo from international waters due to closure of the Strait of Hormuz – Section 143AA of the Customs Act, 1962 – reg.

Madam/Sir,

Kind reference is invited to Circular No.09/2026-Customs dated 08.03.2026 issued by the Board in the context of disruption in maritime routes due to the closure of the Strait of Hormuz and the consequential return of export cargo from international waters to Indian ports. Representations have been received from field formations regarding the procedure for transhipments and Back to Town (BTT) to be followed in all such cases where the vessel has landed at an Indian port which is different from the original port of departure. Clarification has also been sought regarding the procedures to be followed in case of International Transhipment to be followed at Indian port for such affected consignments.

2. The matter has been examined by the Board. Accordingly, Board in exercise of the powers conferred under Section 143AA of the Customs Act, 1962, prescribes the following procedures in order to facilitate trade and ensure expeditious handling of such cargo, where export cargo is brought back to Indian ports due to the closure of the Strait of Hormuz or similar disruptions. The following procedures are to be followed in case where the vessel has landed at an Indian port other than the original port of departure:-

(a) Vessel departed from any Indian port and landed at a different Indian port:-

- i. The Shipping Line or its authorised agent shall file the Sea Arrival Manifest (SAM) at the port of landing accordance with the provisions of the Customs Act, 1962. DG System shall provide dummy port code for the vessels returning to India with/without

calling on any foreign port.

- ii. The containers discharged at the port of landing shall be verified by the proper officer with reference to the SAM and other available documents.
- iii. During such verification, the integrity of container seals shall be checked and matched with the seal details declared in the export documents. If the seal is found tampered or not intact, the container(s) shall be subjected to 100% examination at the port of landing.
- iv. On request of the exporter, the Customs formation at the port of landing shall communicate with the Customs formation at the port of export to verify whether any export incentives such as IGST refund, drawback or other benefits have been disbursed and also to cancel the Shipping Bill and Let Export Order (LEO).
- v. The port of export shall also take necessary steps to ensure reversal or recovery of export incentives, if the same have already been disbursed.
- vi. The Customs formation at the port of export shall initiate action for cancellation of the Shipping Bill and Let Export Order (LEO) in the ICES system.
- vii. Upon completion of the above verification and confirmation from the port of export, the proper officer at the port where the containers are presently located may permit Back to Town (BTT) facility, subject to compliance with applicable documentation and procedures.
- viii. A new option will be provided by DG System to cancel such Shipping Bills post EGM in ICES system, wherever applicable. The entry of Shipping Bill in new facility for cancellation post EGM will also ensure that export incentives are not disbursed in cases where such benefits have not yet been granted.
- ix. Details of such cancelled Shipping Bills shall be shared with RBI, DGFT and other concerned agencies by ICEGATE.
- x. Till the new system as mentioned above is developed, the field formations (Port of Export) shall maintain all the records manually and shall enter the details in system, once its operationalised.

(b) International transshipment

- i. Reference is invited to CBIC Circular No. 14/2007-Cus dated 16th March 2007 regarding the international transshipment of LCL cargo at specific Indian port i.e Cochin, Chennai, Tuticorin and Nava Sheva. It has been decided to permit the international transshipment of LCL cargo from all the notified ports and International Airports till 31 March 2026 subject to the procedure mentioned in the said Circular.
- ii. The Pr. Chief Commissioner/ Chief Commissioner of the respective zone may decide to extend this facility of the international transshipment based on the availability of sufficient safe and secure storage space for the EXIM cargo, availability of adequate

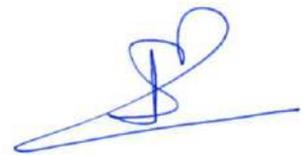
infrastructure including cargo handling equipment and other logistic requirement.

(c) Liquid bulk/break bulk cargo

- i. In case of vessels carrying liquid bulk/break bulk cargo, destined for foreign ports are compelled to divert to an Indian port due to maritime security concerns, disruption of international shipping routes, or other logistical exigencies, the jurisdictional Principal Commissioner/Commissioner of Customs may permit temporary unloading and storage of such cargo within a Customs area and Customs approved bonded warehouses or bonded tank facilities, for the limited purpose of onward international transshipment or re-export.
 - ii. Such permission may be granted on a case-to-case basis subject to Customs supervision during discharge, ullage survey and quantity determination, storage under the custody of an approved custodian under Section 45 of the Customs Act, 1962, maintenance of proper inventory records, execution of suitable bond or undertaking, testing of the cargo and ensuring that the cargo remains under Customs control at all times and is not cleared for home consumption or diverted into the Domestic Tariff Area.
3. The above relaxation, the relaxation provided under Circular No 09/2026-Customs dated 08th March, 2026 and Circular 10/2026-Customs dated 10th March, 2026 shall remain in force till 31st March, 2026.
4. Difficulties, if any, in implementation of this circular may be brought to the notice of the Board.

Hindi version will follow

Yours sincerely,



(Indrajit Panda)
Under Secretary (Cus IV)