**Finance (No. 2) Act, 1998**

**Section 101 - Substitution of New Section for Section 53 to 55**

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In the Customs Act, for section 53 to 55, the following section shall be substituted, namely :--

"53. Transit of certain goods without payment of duty.--Subject to the provision of section 11, any goods imported in a conveyance and mentioned in the import manifest or the import report, as the case may be, as for transit in the same conveyance to any place outside India or any customs station may be allowed to be so transited without payment of duty.

54. Transhipment of certain goods without payment of duty.--(1) Where any goods imported into a customs station are intended for transshipment, a bill of transshipment shall be presented to the proper officer in the prescribed form.

(2) Subject to the provisions of section 11, where any goods imported into a customs station are mentioned in the import manifest or the import report, as the case may be, as for transshipment to any place outside India, such goods may be allowed to be so transshipped without payment of duty.

(3) Where any goods imported into a customs station are mentioned in the import manifest or the import report, as the case may be, as for transshipment--

(a) to any major port as defined in the Indian Ports Act, 1908, or the customs airport at Mumbai, Calcutta, Delhi or Chennai or any other customs port or customs airport which the Board may, by notification in the Official Gazette, specify in this behalf, or

(b) to any another customs station and the proper officer is satisfied that the goods are bona fide intended to transshipment to such customs station,

the proper officer may allow the goods to be transshipped, without payment of duty, subject to such conditions as may be prescribed for the die arrival of such goods at the customs station to which transhipment is allowed.

55. Liability of duty on goods transited under section 53 or transshipped under section 54.--Where any goods are allowed to be transited under section 53 or transhpped under sub-section (3) or section 54 to any customs station, they shall, on their arrival at such station, be liable to duty and shall be entered in like manner as goods are entered on the first Importation thereof and the provisions of this Act and any rules and regulations shall, so far as may be, apply in relation to such goods."

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