



भारत सरकार
Government of India
वित्तमंत्रालय, राजस्वविभाग
Ministry of Finance, Department of Revenue
सीमाशुल्क आयुक्त(निवारक) का कार्यालय
Office of the Commissioner of Customs (Preventive)
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Standing Order No. 01 /2016

Dated Shillong the 30th May, 2016.

After the enactment of the Finance Act, 2016 on 10th May 2016 the proposed legislative changes/amendments in the Customs Act, 1962 become operational. The major amendments in the Customs Act, 1962 relates to sub-section (43) & (45) of Section 2, Section 9 and Chapter IX procedures. The Board has issued number of Circulars and Notifications after the enactment of the Finance Act, 2016.

Accordingly in partial modification to this office Standing Order No. 01/2010 dated Shillong the 22nd October 2010 the following guidelines are issued –

- (1) Section 9 of the Customs Act, 1962 is been deleted and hence separate notification for warehousing station is not required any more.
- (2) Licensing of Special Warehouses- The Principal Commissioner of Customs or Commissioner of Customs may , subject to such conditions as may be prescribed, license a special warehouse wherein dutiable goods may be deposited and such warehouse shall be caused to be locked by the proper officer and no person shall enter the warehouse or remove any goods therefrom without the permission of the proper officer. The Board has issued Notification No. 66/2016-Cus(NT) dated 14th May,2016 notifying the class of goods to which the provisions shall apply. (Refer Circular No. 20/2016-Customs dated 20th May 2016)
- (3) For custody and handling of warehoused goods the Board has issued the Warehouse (Custody and Handling of Goods) Regulations,2016 vide Notification No.68/2016-Customs(NT) dated 14th May,2016 and Special Warehouse (Custody and Handling of Goods) Regulations,2016 vide Notification No.69/2016-Customs(NT) dated 14th May,2016
- (4) For licensing of warehouse the Board has issued the Public Warehouse Licensing Regulations,2016 vide Notification No.70/2016-Customs(NT) dated 14th May,2016 , Private Warehouse Licensing Regulations,2016 vide Notification No.71/2016-Customs (NT) dated 14th May,2016 and Special Warehouse Licensing Regulations,2016 vide Notification No.72/2016-Customs(NT) dated 14th May,2016 .
- (5) For removal of warehoused goods the Board has issued Warehoused Goods(Removal) Regulations,2016 vide Notification No. 67/2016-Customs(NT) dated 14th May,2016.
- (6) Accordingly the licensing, custody & handling and removal of goods from the warehouse shall be governed by the above Regulations.

- (7) The important/major changes and procedures as per the above cited Regulations are summarised below and all field formations are to carefully go through the above Circulars and Notifications so that the transition to the new Regulations are smooth and trouble free.

A. Licensing of a warehouse-

- (i) **Public Warehouses :-** Upon fulfilment of the conditions specified in Regulation 3 & 4 of Public Warehouse Licensing Regulations, 2016 the Principal Commissioner or Commissioner of Customs as the case may be may grant licence in respect of the public warehouse subject to such conditions as deemed necessary. For existing public warehouses appointed under Section 57 as it stood immediately before the commencement of the Finance Act, 2016 (28 of 2016) shall be valid under these regulations provided such warehouse fulfil the requirements specified in clause (b) and clause (c) of sub-regulation (1) of Regulation 3 and the conditions specified in Regulation 4 within a period of three months from the date of commencement of these Regulations.
- (ii) **Private Warehouses :-** Upon fulfilment of the conditions specified in the Regulation 3 and 4 of the Private Warehouse Licensing Regulations 2016, the Principal Commissioner or Commissioner of Customs, as the case may be, may grant a licence in respect of the private warehouse subject to such conditions as deemed necessary. For existing private warehouses licensed under Section 58 as it stood immediately before the commencement of the Finance Act, 2016 (28 of 2016) shall be valid under these regulations provided such warehouses fulfil the requirements specified in clause (b) and clause (c) of sub-regulation (1) of Regulation 3 and the conditions specified in Regulation 4 within a period of three months from the date of commencement of these Regulations.
- (iii) **Special Warehouses :-** Upon fulfilment of the conditions specified in the Regulation 3 and 4 of the Special Warehouse Licensing Regulations, 2016 the Principal Commissioner or Commissioner of Customs, as the case may be, may grant a licence in respect of the special warehouse subject to such conditions as deemed necessary. For existing warehouses appointed under Section 57 or a private warehouse licensed under Section 58 as it stood immediately before the commencement of the Finance Act, 2016 (28 of 2016) may continue to carry out operations in respect of goods notified under sub-section (2) of Section 58A (newly inserted section) for a period of three from the date of coming into force of these Regulations, provided such warehouse shall remain under the lock of customs. A warehouse that intends to store goods notified under sub-section (2) of Section 58 A beyond the period of three months, shall apply for a licence under these regulations within a period of one month from the date of commencement of these regulations.

B. Custody and Handling –

- (i) **Public Warehouse and Private Warehouse :-** Custody and handling of goods stored in a Public Warehouse appointed under Section 57 or a Private Warehouse licensed under Section 58 shall be governed by the Warehouse (Custody and Handling of Goods) Regulations, 2016. Existing warehouses appointed/licensed under Section 57 or 58 shall comply with these Regulations within a period of three months from the date of commencement of these Regulations and upon compliance the Bond Officer shall cause the lock of customs to be removed.
- (ii) **Special Warehouses:-** Custody and handling of goods stored in Special Warehouse shall be governed by the Special Warehouse (Custody and Handling of Goods) Regulations, 2016.

C. Removal -

For removal of goods under Section 60, Section 67 and Section 69 of the Customs Act, 1962 these shall be governed by the Warehoused Goods (Removal) Regulations, 2016.

D. Allotment of Warehouse Code for Customs Bonded Warehouses:-

To shift towards record based control with respect to Bonded Warehouses each warehouse has to be allotted a unique warehouse code so that importers can declare the warehouse in which goods shall be deposited at the into-bond bill of entry stage itself. Accordingly Board has issued Circular No.19/2016 dated 20th May 2016 for registration of warehouses and allotment of code no. This exercise should be completed by 6th June 2016 for existing warehouses and the Board has to be informed of the same.

E. Amendment to Chapter IX of the Customs Act, 1962- Bond required to be filed under Section 59 :-

Pursuant to the enactment of the Finance Bill, 2016, Section 59 of the Finance Act, 1962 stands amended consequent to which, an importer is to execute a triple duty bond at the Customs Station of import with respect to the goods to be cleared for deposit in a warehouse. The bond will remain valid till the warehoused goods are duly cleared for home consumption or for export from the warehouse and will also cover the movement of goods from the customs station of import to the warehouse or from one warehouse to another as well as for the due accounting of goods while stored in a warehouse. The format of the Bonds has been prescribed under Circular No.18/2016-Customs dated 14th May, 2016 superseding the existing bonds under Board's Circular No. 473/82/78-Cus dated 20th April, 1978.

F. Amendment to Chapter IX of the Customs Act, 1962- removal of goods from a customs station-instructions regarding affixation of one-time lock-

The Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Special Warehouse (Custody and Handling of Goods) Regulation, 2016 prescribe the procedure to be followed by the licensee or bond officer, as the case may be, to permit deposit of the goods into a warehouse. The regulations require that goods arriving at the warehouse from a customs station shall be affixed with a one-time-lock (OTL-bottle seal) with its serial number endorsed upon the Bill of Entry for warehousing and the transport document. The warehouse keeper or bond officer, as the case, may be, is required to inspect the seal and when it is found intact, permit the goods to be unloaded at the warehouse. A similar procedure has been provided under the Warehoused Goods (Removal) Regulations, 2016, which supersede the earlier Regulations of 1963, for removal of warehoused goods from one warehouse to another and from a warehouse to customs station for export refer Circular No.17/2016-Customs dated 14th May, 2016. Accordingly all DC/AC's to immediately procure/make arrangements for serially numbered OTL.


(Bandhana Deori) 31/5
Commissioner

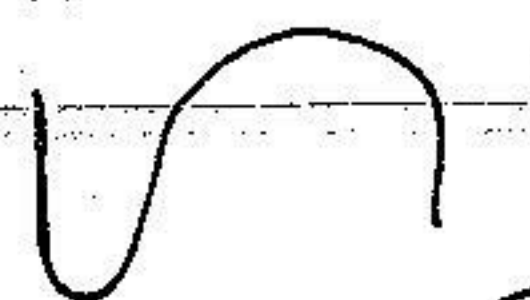
C.No.VIII(48)06/CUS/WH/TECH/2014/ 1499 - 513(A)

Dated:

31 MAY 2016

Copy to:

1. The Chief Commissioner, Central Excise, Customs & service Tax, CRESCENS Building, M.G. Road, Shillong-793.
2. The Commissioner of Central Excise, Guwahati / Dibrugarh / Shillong.
3. The Pay & Accounts Officer, Customs & Central Excise, CRESCENS Building, M.G. Road, Shillong-1.
4. The Assistant/Deputy Commissioner, Customs Division, _____ (ALL). They are to take up with all the Public and Private Warehouses under their jurisdiction, the necessity of fulfilling the requirements specified under the Regulations within 3(three) months of issue of such regulations, and therefore send detailed report as to whether the conditions have been fulfilled or not by the concerned warehouses and accordingly if they fail to comply, their licenses will be cancelled following due procedure.
- ✓ 5. The Superintendent (Computer & Training), Customs Hqrs. for uploading the Standing Order on Commissionerate Website.
6. The Jr. Hindi Translator, GL. Branch, Hqrs. office, Shillong to get issued Hindi version of this order.
7. Guard File.


(Bandhana Deori) 31/5
Commissioner