



भारत सरकार, वित्त मंत्रालय, राजस्व विभाग
सीमा शुल्क प्रधान आयुक्त का कार्यालय
हवाई अड्डा और एयर कार्गो कॉम्प्लेक्स आयुक्तालय
एयर इंडिया साट्स एयर फ्रीटर्मिनल, दूसरा तल, देवनहल्ली, बेंगलूर- ५६०३००
GOVERNMENT OF INDIA, MINISTRY OF FINANCE, DEPARTMENT OF REVENUE,
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS:
AIRPORT AND AIR CARGO COMPLEX COMMISSIONERATE:
AIR INDIA SATS AIR FREIGHT TERMINAL:
2ND FLOOR: DEVANAHALLI: BENGALURU - 560300
Email ID: commrapacc-cusblr@nic.in / cusaccblr.tech@gov.in
Phone No.080-22001422/23, Fax No.080-22001448

PUBLIC NOTICE NO.23/2021, DATED 28.05.2021

DIN: 20210572MP000002090E

Sub: Procedure for obtaining Special Warehouse Licence under
Section 58 A of
Customs Act, 1962-regarding.

Attention of the Airlines Operators, Custom Brokers and all other stakeholders is invited to provisions of Section 58 A of Customs Act, 1962 and Special Warehouse Licensing Regulations, 2016, regarding the issue of Special Warehouse Licence.

2. The following procedure is prescribed for applying and obtaining of the Special Warehouse Licences under Section 58 A of the Customs Act, 1962. The goods notified under Notification No.66/2016 Customs, (N.T) dated 14.05.2016, can be deposited in a Special Warehouse.

3. **Application:** The application in the form as prescribed under Special Warehousing Regulations, 2016, read with Circular No.26/2016 Cus. Dated 09.06.2016, which is annexed as A-1, shall be filed, with the Commissioner/Principal Commissioner of Customs, Airport & ACC, Bengaluru.

3 (i) **Eligibility and Procedure:**

Upon an application being made to license a special warehouse, the Principal Commissioner of Customs or Commissioner of Customs, as

the case may be, will issue a licence to an applicant who,-

(a) is a citizen of India or is an entity incorporated or registered under any law for the time being in force;

(b) and furnishes the following documents/declarations:

1. **Documents to be provided:** –

- a. Details and documents as required in Part I and Part II of the Form of Application for Licence.
- b. All risk insurance policy, that includes natural calamities, riots, fire, theft, skillful pilferage and commercial crime in favour of the President of India for a sum equivalent to the amount of duty involved on the dutiable goods proposed to be stored in the special warehouse at any point of time;
- c. an undertaking binding himself to pay any duties, interest, fine and penalties payable in respect of warehoused goods under sub-section (3) of section 73A or under the Special Warehouse (Custody and Handling of Goods) Regulations, 2016;
- d. an undertaking indemnifying the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, from any liability arising on account of loss suffered in respect of warehoused goods due to accident, damage, deterioration, destruction or any other unnatural cause during their receipt, delivery, storage, despatch or handling;
- e. letter appointing a person who has sufficient experience in warehousing operations and customs procedures as warehouse keeper.
- f. furnishes a solvency certificate from a scheduled bank for an amount as may be specified by the Principal Commissioner of Customs or Commissioner of Customs, as the case maybe

Provided that the condition of furnishing a solvency certificate shall not be applicable to an undertaking of the Central Government or State Government or Union territory.

- g. submits an undertaking to comply with such terms and conditions as may be specified by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be; and
 - h. undertaking to pay for the services of supervision of the warehouse by officers of customs on recovery of costs and
2. The Principal Commissioner of Customs or the Commissioner of Customs, as the case may be, will not issue a licence to an applicant if, -
- a. he has been declared an insolvent or bankrupt by a Court or Tribunal;

- b. he has been convicted for an offence under any law for the time being in force;
- c. he has been penalised for an offence under the Act, the Central Excise Act, 1944 (1 of 1944) or Chapter V of the Finance Act, 1994 (32 of 1994);
- d. he is of unsound mind and stands so declared by a competent Court; or
- e. the Principal Commissioner of Customs or the Commissioner of Customs, as the case may be, is satisfied that-
 - i. the site or building of the proposed special warehouse is not suitable for secured storage of dutiable goods;
 - ii. the site or building of the proposed special warehouse is not suitable for general supervision by officers of customs;
 - iii. bankruptcy proceedings are pending against the applicant; or
 - iv. criminal proceedings are pending against the applicant and the offences involved are of such nature that he is not a fit person for grant of licence.

3. **Grant of licence.** - Upon fulfilment of the conditions as mentioned in Para 3 above, a licence in respect of the special warehouse, will be granted normally within 30 days from the date of receipt of application along with the **complete documents/declarations.** The Commissioner or Principal Commissioner may impose additional conditions, if deemed necessary. **The licence will be granted based on the declarations and undertakings furnished by the applicants, subject to post verification of their antecedents.**

6. **Conditions and Procedure to be followed after the grant of licence:** The licensee shall comply with the conditions of the following Regulations, Circulars as applicable to them:

- (a) Special Warehouse (Custody and Handling of Goods) Regulations, 2016 issued vide Notification No. 69/2016 Cus (NT) dated 14.05.2016.
- (b) Special Warehouse Licensing Regulations, 2016 issued vide Notification No.72/2016 Cus (NT) dated 14.05.2016.
- (c) Circular No. 19/2016 Cus dated 20.5.2016
- (d) Circular No.25/2016 Cus dated 8/6/2019

2. The Licensee shall not store any goods in the warehouse except the class of goods as permitted vide Notification No. 66/2016-Customs (N.T.) dated 14.05.2016.

3. The duty involved on the stock to be held in the warehouse shall not exceed the amount of insurance furnished at the time of obtaining the licence. The packages/Goods and their disposition in the warehouse shall be such that every package/Goods is easily accessible for inspection and

- shall be stacked Bond cum-item wise.
4. The stock books maintained by the Licence shall be produced on demand made by the Customs officers
 5. The Licencee shall cease to be valid whenever there is a change in the constitution of the business.
 6. The goods imported by the licensee are allowed to be warehoused for initial warehousing period of one year or till the validity of the Insurance policy, Rental/lease agreement, whichever is earlier. In case any imported goods remain in the bonded warehouse beyond the initial warehousing period the licence shall apply for the extension of Insurance policy, Rental/ lease agreement and then apply for the extension to the Principal Commissioner of Customs, ACC, Bangalore, before two months of its expiry, complying with conditions specified in Circular No. 21/2016-Cus dated 31.05.2016.
 7. The licensee shall execute the Triple Duty General Bond u/s.59(1) & (2) of the Customs Act, 1962 from time to time, on their own till the subsistence of warehousing licence / storage of goods and pay the applicable duties, interest, penalties and other customs dues, if any, immediately on demand.
 8. The licensee shall make arrangements for the audit of bonded warehouse time to time in terms of Custom Laws.
 9. The Warehouse keeper appointed, should be the holder of digital signature from authorities licensed by the Controller of Certifying Authorities for filing electronic documents and the periodical monthly returns required under the Act, Rules or Regulations.
 10. The licensee shall provide at the warehouse in respect of which licence has been issued: .
 - (a) Such facilities, equipment and personnel as are sufficient to control access to the warehouse and provide secure storage of the goods in it, including:
 - (i) Doors, windows and other building components of sturdy construction;
 - (ii) facility for locking the warehouse by the bond officer;
 - (iii) Signage that prominently indicates that the site or building is a Special Customs Bonded Warehouse.
 - (b) Adequate personnel, equipment and space for the examination of goods by officers of Customs, and
 - (c) Computerised system for accounting of receipt, storage operations and removal of goods.
 - (d) The software for maintenance of electronic records must incorporate the feature of audit trail which means a secure, computer generated, time stamped electronic record that allows for the course of events relating to the creation, modification, or deletion of an electronic record and includes actions at the record or system level, such as, attempt to access the system or delete or modify a record.
 11. The licensee shall maintain electronic records of the receipt, handling, storage and removal of goods into and from the warehouse as per Circular No.25/2016 Cus dated 8/6/016 and for receipt and clearance in Form. 54

and Form 55 as per Bonded Aircraft Stores (Procedures) Regulations, 1965 and also file a monthly returns regarding the same to the bond officer within ten days after the close of the month to which such return relates. Where the initial warehousing period specified in Sec.61 is expiring in a particular month, the licence shall furnish such information to the bond officer on or before the 10th day of the month immediately preceding the month of such expiry. The data should be maintained as per systems of "Stock Keeping Unit" (SKU).. They shall also follow the provisions prescribed under the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 read with Board Circular No.32/2016 Cus dated 13.07.2016.

12.In case of wines sprits cigarettes and other alcoholic products the "Brands" shall be mentioned in the stock books as well as the lables.

13.The bonded warehouse shall be under double lock, one lock of the Custom House and other of the Licencee. The lock shall be purchased at the expense of the Licence.

14.The expired bonded goods should be shifted to Air Cargo Complex, Bangalore Warehouse by the licensee at their cost.

15.The licensee shall make separate arrangements for storage of sensitive and non- sensitive goods. The sensitive goods should be kept in the closed enclosure.

16.The number of customs officers to be attached to the Bonded Warehouse will be determined by the Commissioner/Principal Commissioner of Customs depending on the working hours as well as the type of Customs supervision required. The Licence holder shall avail the service of the Officers of the Customs on payment of charges as per rules. The Licence holder should provide office accommodation as well as transportation to the Bond officer in applicable cases.

17.The goods imported shall be bonded and cleared from the Bonded Warehouse only in an approved manner in accordance with the provisions contained in Chapter IX of the Customs Act, 1962, Bonded Aircraft Stores (Procedure) Regulations, 1965, Warehoused Goods (Removal) Regulations, 2016 and Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and circulars/instructions already issued from time to time.

18. The solvency certificate, all risk insurance policies, lease agreement and other requirements stipulated in Regulations 3 & 4 of the Special Warehouse Licensing Regulations, 2016 shall be renewed from time to time and maintained by the licensee.

7. **Validity of licence.** - Any licence granted shall remain valid until and unless it is cancelled in terms of the provisions under section 58B or sub-regulation (2) of regulation 8.

8. **Non-transferability of licence.** - A licence granted shall not be transferable.

9. **Amendment/Modification of licence: The licensee requiring**

- any amendment/modification due to change in address/legal status of the organisation or change in area of the warehouse, should apply to the Commissioner/Principal Commissioner, with the relevant details.**
10. **Surrender of licence.** - (1) A licensee may surrender the licence granted to him by making a request in writing to the Principal Commissioner of Customs or the Commissioner of Customs, as the case may be.
11. On receipt of the request under sub-regulation (1), the Principal Commissioner of Customs or the Commissioner of Customs, as the case may be, will cancel the licence if, -
- a. the licensee has paid all monies due to the Central Government under the provisions of the Act, rules or regulations made thereunder;
 - b. no warehoused goods remain deposited in the special warehouse or are deposited in the special warehouse from the date of request referred in sub-regulation (1); and
 - c. no proceedings are pending against the licensee under the Act or the rules or regulations made thereunder.
12. In case of any difficulty, the specific issue may be brought to the notice of Deputy Commissioner (Bonds), O/o the Principal Commissioner of Customs, Airport & ACC Commissionerate, Bengaluru, on e-mail- bonds.bacc@gov.in.
13. Form of Application (Annexure A-1) and checklist of documents required to be furnished for issue of licence (Annexure A-2), enclosed.

Signed by Ashok

Date: 28-05-2021 18:03:47

(अशोक / ASHOK)

Reason: Approved

मुख्य आयुक्त (तत्रस्थ)

CHIEF COMMISSIONER (IN SITU)

Copy submitted to: The Chief Commissioner of Customs, Bengaluru Zone, C.R. Building, Bengaluru

Copy to: As per mailing list.

ANNEXURE A-I TO PUBLIC NOTICE NO-

FORM

Application for licence for a warehouse Section 58A

(as per Circular No. 26/ 2016 – Customs dated 9th June 2016)

Instructions:

1. This application form is for new applicants applying for a license under section 57 or section 58 or section 58A, of the Customs Act,1962.
2. A public bonded warehouse is strictly for warehousing of goods belonging to third parties. The applicant seeking a license for a public bonded warehouse shall declare that goods imported by him shall not be stored in the public bonded warehouse for which the application has been made.
3. An applicant shall be eligible to obtain separate licenses for a private warehouse for storage of the goods imported by him, and a public bonded warehouse for storage of goods of third parties. There shall be no bar in a single site being securely partitioned and distinctly marked on a ground plan, for being licensed separately as public and private bonded warehouses.
4. This application form is not to be used by existing licensees for purposes of transitional provisions provided in the respective Warehouse Licensing Regulations, 2016.
5. The applicant may fill up the form as a typed word document.
6. The applicant is required to fill up part I and II only. Part III and IV are for Official Use.

Part I

1. Name of Applicant:
2. PAN No:
(Please attach copy)
3. Constitution of business (Tick as applicable and attach copy)
 - i. Proprietorship
 - ii. Partnership
 - iii. Limited Liability Partnership
 - iv. Registered Public Limited Company
 - v. Registered Private Limited Company
 - vi. Registered Trust
 - vii. Society/Cooperative society
 - viii. Others (please specify)
4. Bank Account details:
 - a. Name of the Bank/Branch/City:
 - b. Account No

5. Registered office:

Addr

ess:

Tel:

Fax

E-mail Website, if any

6. Details of registrations (Please attach relevant copies):

i. Import Export Code (if any)

ii. GSTIN (if any)

iii. Details of any warehouse license issued, if any:

iv. Date of issue of licence

v. Commissionerate file No.

vi. Attach copy of warehouse license

7. Whether the applicant is a Licensed Customs Broker? If yes, please provide details:

8. Whether the applicant is AEO? if yes, please provide details.

9. Name, Address & DIN (if applicable) of Proprietor/Partners/Directors etc. (please attach copies of ID proof).

10. Name & Designation of the Authorized Signatory:

Part II

a. i.i1) Address of the proposed site or building:

a..i.2) Boundaries of the warehouse

a. North

b. South

c. West

d. East

a.i.3) Details of property holding rights of the applicant (please provide supporting document):

a. Owner

b. Lease/rent

a.i.4) Type of Warehouse applied for (please specify):

- Section 57
- Section 58
- Section 58A

a.i.5) If the goods proposed to be stored are notified under section 58A, whether the applicant was previously engaged in supply of:

i. a. Ship stores

ii. b. Airline stores

iii.c. Diplomatic Stores

i.d. Stores for

Duty free shops (if

yes, please give

details)

OR

If no, please provide documents regarding proposed operations:

(For example: an applicant seeking a license for storage of goods to be supplied to a duty free shop may be asked to provide documents relating to his operation of a DFS at the airport or a contract allotted to the applicant by a port / airport; an independent airline store operator may be asked to provide documents of contract with airlines (this would not be necessary for an airline itself); a ship store operator may provide supporting documents or contracts or requisitions from shipping lines or ships, as the case may be)

a.i.6) Contact details at the site/premises:

Tel:

F

a

x

e

m

a

i

l

Website, if any

a.i.7) Description of Premises: (Please enclose a ground plan of the site / premises indicating all points of exit/entry/ area of storage / earmarked area of office)

- a. What is floor area?
- b. Number of stories?
- c. Total area (or cubic capacity) available for storage?
- d. Identify and mark area(s), occupied by third parties in the ground plan:
- e. What is the type of construction of walls and roof?
- f. Which year has the building been built? Has it been recently remodeled? If so, when?
- g. Identify by location and size all accesses to the site / building to pedestrian and vehicles:
- h. Identify by location and size all other accesses to the building including doors & windows:
- i. Please indicate whether the premise has been authorized for commercial use by local government authorities?

a.i.8) Security facilities at the premises, existing or proposed:

Burglar Alarm System:

a. Whether the premise is protected by a Burglar Alarm System?

CCTV Facility

- b. Is there a CCTV monitoring system installed to cover the surrounding area of the site and storage area?
c. Please indicate the no. of cameras installed:
d. No. of hours/days of recording accessible at any point of time?

Security Personnel

- e. Details of arrangements for round the clock security provided for the warehouse?
f. Name & details of firm contracted for security services:
g. No. of personnel to be deployed on each shift for round the clock security:

Fire Security

h. Please enclose a fire safety audit certificate issued by a qualified independent agency.

a.i.9) Goods

- (a. i) Estimated maximum value of duty involved on the goods proposed to be stored at any point of time:
(a. ii) Whether sensitive goods (as defined in circular 21/2016-Cus) are proposed to be stored?
(a. iii) Have any special facilities for storage been built? (Such as, cold storage, storage of liquid bulk cargo, hazardous goods etc.)
(a. iv) Are any permits required for storage of special cargoes under any law for the time being in force? If yes, please provide copies of relevant clearances obtained from competent authorities.

a.i.10)Financials

Please attach a copy of the solvency certificate, as applicable, issued by a scheduled bank

DECLARATION.

1. I am a citizen of India (copy of Passport enclosed or Voter ID Card);

or

- We are a registered or incorporated entity in India.
2. I/We undertake to comply with such terms & conditions as may be specified by the Principal Commissioner of Customs or the Commissioner of Customs.
3. I / We have not been declared insolvent or bankrupt by a court or

tribunal.

- 4. I/We have not been convicted for an offence under any law.
- 5. I/We have neither been penalized or convicted nor are being prosecuted for an offence under the Customs Act, 1962 or Central Excise Act, 1944 or Finance Act, 1994
- 6. There are no bankruptcy or criminal proceedings pending against me / us.

I/We hereby declare that the information given in this application form is true, correct and complete in every respect and that I am authorized to sign on behalf of the Licensee. I further undertake that if any particulars declared by me/us are proved to be false, the licence granted to me/us shall be liable to be cancelled and I/we shall be liable for action under Customs Act,1962.

(Signature of the applicant/authorized signatory)

Stamp

Date:

Place:

Part III

(For Use by Customs Only)

V. erification of the applicant:

[Result of reference made for verification of serial no. 5 of the "Declaration" (verification to be conducted from DRI / DGCEI; grant of licence may not be held up pending verification)];

D. ate of visit to the premises by the bond officer:

E. indings of the bond officer with respect to security, fire protection, IT enabled inventory management system, type of construction, are available for examination of goods, if required etc.

F. s the Premises recommended for being licensed as a bonded warehouse under sections 57 or 58 or 58A?

(Name & signature of the Bond

Officer)

Part IV

(For use by Customs Only)

1. Details of Warehouse keeper appointed by the Licensee:
 - i. *Copy of the appointment letter:*
 - ii. *Name:*
 - iii. *Address (residential)*
 - iv. *Tele:(off)*
 - v. *Tele:(mobile)*
 - vi. *E-mail:*
2. Whether digital signature has been obtained by the warehouse keeper (as per guidance available on ICEGATE website)?
3. Has the IT based record keeping requirement been fulfilled by the Licensee (please refer Circular 25/2016-Cus dated 8th June 2016)?
4. Details of:
 - a. Solvency Certificate amount (see regulation 3)
 - b. Insurance Policy (see regulation 4)
 - c. Undertaking under section 73A (see regulation 4)
 - d. Indemnity undertaking (see regulation 4)
 - e. s[Undertaking to pay for the services of supervision of the warehouse by officers of customs on recovery of cost, if applicable (see regulation 3 of the Special Warehouse Licensing Regulations, 2016);]
5. Whether specimen seal, signature, and contact details of the authorized signatories have been submitted?
6. Licence No.
7. Warehouse Registration Code on ICEGATE:
8. Date of operationalization of the warehouse:

Signature / Name of Bond
Officer

ANNEXURE -A-II

CHECKLIST OF DOCUMENTS REQUIRED TO BE FURNISHED FOR ISSUE OF SPECIAL BONDED WAREHOUSE LICENCE UNDER SECTION 58 A OF CUSTOMS ACT, 1962

- a. Details and documents as required in Part I and Part II of the Form of Application for Licence.
- b. All risk insurance policy, that includes natural calamities, riots, fire, theft, skillful pilferage and commercial crime in favour of the President of India for a sum equivalent to the amount of duty involved on the dutiable goods proposed to be stored in the special warehouse at any point of time;
- c. an undertaking binding himself to pay any duties, interest, fine and penalties payable in respect of warehoused goods under sub-section (3) of section 73A or under the Special Warehouse (Custody and Handling of Goods) Regulations, 2016;
- d. an undertaking indemnifying the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, from any liability arising on account of loss suffered in respect of warehoused goods due to accident, damage, deterioration, destruction or any other unnatural cause during their receipt, delivery, storage, despatch or handling;
- e. letter appointing a person who has sufficient experience in warehousing operations and customs procedures as warehouse keeper.
- f. a solvency certificate from a scheduled bank for an amount as may be specified by the Principal Commissioner of Customs or Commissioner of Customs, as the case maybe.
- g. an undertaking to comply with such terms and conditions as may be specified by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be; and
- h. undertaking to pay for the services of supervision of the warehouse by officers of customs on recovery of cost and
- i. Any other document/details as sought by the licensing authority, subsequent to the receipt of application.