Special Warehouse (Custody and Handling of Goods) Regulations, 2016

Notification No.69 /2016- Customs (N.T.) dated 14th May, 2016

G.S.R (E). - In exercise of the powers conferred by section 157 read with section 58A and sub-section (2) of Section 73A of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs hereby makes the following regulations, namely:-

1. Short Title and commencement. – (1) These Regulations shall be called as the Special Warehouse (Custody and Handling of Goods) Regulations, 2016.

2.Definitions. – (1) In these regulations, unless the context otherwise requires,-

(a) "Act" means the Customs Act, 1962 (52 of 1962);

(b) **"**bond officer**"** means an officer of customs in charge of a warehouse;

(c) "Controller of Certifying Authorities" means the authority appointed under subsection (1) of section 17 of the Information Technology Act, 2000 (21 of 2000);

(d) "section" means section of the Act.

(2) The words and expressions used herein and not defined in these regulations but defined in the Act shall have the same meanings as respectively assigned to them in the Act.

3. Appointment of warehouse keeper. – (1) A licensee shall appoint a warehouse keeper who has experience in warehousing operations and customs procedures, to discharge functions under these regulations on his behalf.

(2) The warehouse keeper shall obtain a digital signature from authorities licensed by the Controller of Certifying Authorities for filing electronic documents required under the Act, rules or regulations made thereunder.

4. **Facilities, equipment and personnel.** - A licensee shall provide at the warehouse in respect of which a 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 customs bonded warehouse.

(b) adequate personnel, equipment and space for the examination of goods by officers of customs; and

(c) a computerised system for accounting of receipt, storage, operations and removal of goods.

5. Control over special warehouses. - The bond officer shall cause the warehouse to be locked and no person shall enter the warehouse or deposit or remove any goods therefrom, except in his presence.

6. Receipt of goods. - (1) A licensee shall not receive any goods or permit unloading of any goods at the warehouse except in the presence of the bond officer.

(2) Upon the bond officer permitting the deposit of the goods in the warehouse, the licensee shall take into record the goods received in the warehouse and cause to be delivered an acknowledgement to the proper officer referred to in sub-section (1) of section 60 for receipt of the goods at the warehouse or proper officer of the warehouse of despatch, as the case may be.

7. Transfer of goods to another warehouse. – (1) A licensee shall not allow the transfer of warehoused goods to another warehouse without the permission of the bond officer on the Form for transfer of goods from a warehouse.

(2) Upon the bond officer permitting the removal of the goods from the warehouse, the licensee shall in the presence of the bond officer, cause the goods to be loaded onto the means of transport and affix a one-time-lock to the means of transport.

8. Removal of warehoused goods for home consumption. – (1) A licensee shall not remove or cause to be removed any warehoused goods for home consumption, except in the presence of the bond officer.

(2) Upon the owner of the warehoused goods producing an order made by the proper officer under section 68, the licensee shall, in the presence of the bond officer, deliver the quantity of goods mentioned in the bill of entry for home consumption to the owner of the goods and retain a copy of the bill of entry.

9. Removal of warehoused goods for export. – (1) A licensee shall not remove or cause to be removed any warehoused goods for export except by an order made by the proper officer under section 69.

(2) Upon the bond officer permitting the removal of the goods from the warehouse, the licensee shall, in the presence of the bond officer, cause the goods to be loaded onto the means of transport and affix a one-time- lock to the means of transport.

10. **Maintenance of recordsin relation to warehoused goods.** – (1) A licensee shall, -

(a) maintain detailed records of the receipt, handling, storing, and removal of any goods into or from the warehouse, as the case may be, and produce the same to the bond officer, as and when required;

(b) keep a record of each activity, operation or action taken in relation to the warehoused goods;

(c) keep a record of drawal of samples from the warehoused goods under the Act or under any other law for the time being in force; and

(d) keep copies of the bills of entry, transport documents, Forms for transfer of goods from a warehouse, shipping bills or bills of export or any other documents evidencing the receipt or removal of goods into or from the warehouse and copies of the bonds executed under section 59.

(2) The records and accounts required to be maintained under sub- regulation (1) shall be kept updated and accurate and preserved for a minimum period of five years from the date of removal of goods from the warehouse and shall be made available for inspection by the bond officer or any other officer authorised under the Act.

(3) A licensee shall also preserve updated digital copies of the records specified under sub-regulation (1) at a place other than the warehouse to prevent loss of records due to natural calamities, fire, theft, skillful pilferage or computer malfunction.

(4) A licensee shall file with the bond officer a monthly return of the receipt, storage, operations and removal of the goods in the warehouse, within ten days after the close of the month to which such return relates.

(5) Where the period specified in section 61 for warehousing of goods is expiring in a particular month, the licensee shall furnish such information to the bond officer on or before the 10th day of the month immediately preceding the month of such expiry.

11. Penalty. –If a licensee contravenes any of the provisions of these regulations, or abets such contravention or fails to comply with any of the provisions of these regulations, he shall be liable to a penalty in accordance with the provisions of the Act.

12. Power to exempt. – The Board, having regard to the nature of the goods, their manner of transport or storage, may exempt a class of goods from any of the provisions of these