

Circular No. 26/ 2016 - Customs

F. No. 484 / 30 / 2016- LC
Govt. of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

New Delhi, dated 9th June 2016

To,
All Principal Chief Commissioners Customs,
All Principal Chief Commissioners of Customs & Central Excise,
All Chief Commissioners of Customs,
All Chief Commissioners of Customs & Central Excise,
All Directors General, Chief Departmental Representative,
All Principal Commissioners of Customs,
All Principal Commissioners of Customs & Central Excise,
All Commissioners of Customs,
All Commissioners of Customs & Central Excise.

Sub: - Form of application for a Licence under Public Warehousing Licensing Regulations, 2016 / Private Warehousing Regulations, 2016 / Special Warehousing Regulations, 2016.

Sir / Madam,

Upon the notification of Public Warehousing Licensing Regulations, 2016 / Private Warehouse Licensing Regulations, 2016 / Special Warehouse Licensing Regulations, 2016, a need has been felt to review the process of application for a warehouse licence and the form used for the same. For the purpose of certainty in providing information by applicants and transparency in procedure regarding processing of applications, the Board has prescribed the Form (annexed) to be used by an applicant seeking a licence for a bonded warehouse.

2. This application form has been prescribed for use by applicants for new warehouses to be licensed and is not required to be filed by existing licensees covered under the transitional provisions provided in the Regulations for licensing of warehouses or the Warehouse (Custody & Handling) Regulations, 2016.

3. The form has been designed in a manner so as to also serve as a check list for obtaining information relevant for evaluation of the applicant at one go and ascertaining the facilities for security of goods available at the proposed site (serial no. 7 & 8 of Part II of the form refers). This information is expected to enable a comprehensive assessment of the applicant and of the premises by the licensing authority. However, it may be borne in mind that warehouses vary widely in characteristics and type of goods stored. Absence of certain features (for example, absence of CCTVs or burglar alarms in case of certain types of sites) shall be acceptable in some situations. It is, therefore, expected that the Licensing authorities shall exercise their good

judgement viz. a viz. the security features installed by the licensee by keeping in mind the type of site and nature of goods proposed to be stored.

3.1 The prescribed application form should be made available on the website of the Commissionerates for the ease of reference by trade.

4. The Board has desired that all Commissionerates shall undertake to examine and complete the process of granting a licence within 30 days of the receipt of the application. The Bond officer must complete the process of examining the application, visiting the premises to be licensed and submitting his report to the Principal Commissioner / Commissioner within 15 days of the receipt of the application. The approval or rejection of the application by the Licensing Authority (Principal Commissioner / Commissioner) should be completed within the next 15 days.

4.1 The Board has taken cognizance of the fact that in the absence of standard operating procedures for antecedent verification of the applicant, varied practices have been followed by Commissionerates. In some Commissionerates, verification is conducted by limiting inquiries to their jurisdiction, while in others, references are made across jurisdictions. The delays in receiving responses from formations to whom references are made for verification often leads to applications being kept pending for long periods. In view of the Government's emphasis on a trust based tax administration, it has been decided to incorporate relevant declarations required from the applicant, in the form itself, on the basis of which the application for a license can be processed. With specific regard to serial number 5 of the "Declaration" in the application form, a system of post verification can be followed. It is also proposed that a centralized system of verification be followed by referring the name of the applicant and Directors/Partners/Proprietor to DRI (HQ) and DGCEI (HQ) for checking antecedents and the existence of any past cases, instead of referring to all formations. This system will ensure that adhering to time limits in processing of applications becomes feasible.

5. After completion of the process envisaged under the first Para of regulation 4 of the Licensing Regulations, the applicant should be intimated regarding a decision to grant him a license or not. Upon being intimated that it is proposed to license the warehouse, the applicant shall provide the documents and complete the process under Regulation 4(a) to (d). Thereafter, the Principal Commissioner / Commissioner shall grant the license for the warehouse.

6. The License granted under the regulations shall remain valid till its surrender / cancellation. Henceforth, there shall be no requirement for renewal of warehousing license on annual basis.

7. In case of licenses issued earlier to the notification of Licensing Regulations on 14th May 2016, the requirement of annual renewal is dispensed. All warehouses appointed under the erstwhile section 57 or licensed under erstwhile section 58 shall be deemed to remain valid till their surrender / cancellation, once the conditions under the new regulations have been complied.

8. Since the licensee is required to renew the insurance policy annually and continue to comply with solvency conditions (as applicable), the same shall be required to be submitted annually.

9. Difficulties, if any, in implementation of this procedure may be brought to the notice of the Board.

10. Hindi version follows.

Yours faithfully,

(Temsunaro Jamir)
Under Secretary to the Govt. of India

FORM

Application for licence for a public warehouse under section 57 or Section 58 or 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 (excluding for Precious Metals) 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:
Address:
Tel:
Fax
E-mail
Website, if any

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

- (i) Import Export Code (If any)
- (ii) Service Tax Registration No. (If any)
- (iii) Central Excise Registration No. (if any)
- (iv) CST Registration no.(if any)
- (v) Sales Tax Registration No. (if any).
- (vi) Details of any warehouse license issued, if any:
 - (a)Date of issue of licence
 - (b)Commissionerate file No.
 - (c) Attach copy of warehouse license
- (vii) Whether the applicant is a Licensed Customs Broker? If yes, please provide details:
- (viii) Whether the applicant is AEO? if yes, please provide details.

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

8. Name & Designation of the Authorized Signatory:

Part II

a.i.1. 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):

- (a) Section 57
- (b) Section 58
- (c) 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
- i.b. Airline stores
- i.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:
Fax
email
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)

- a.iv.1. Verification 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)];
- a.iv.2. Date of visit to the premises by the bond officer:
- a.iv.3. Findings of the bond officer with respect to security, fire protection, IT enabled inventory management system, type of construction, area available for examination of goods, if required etc.

a.iv.4. Is 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)

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