

OFFICE OF THE COMMISSIONER, OF CUSTOMS
CHATRAPATI SHIVAJI INTERNATIONAL AIRPORT
AWAS CORPORATE POINT, MAKWANA LANE
MAROL, MUMBAI-400 059.

F.NO. S/3-MISC-807/2012-13/PCCCC

Date:- 17.04.2013

PUBLIC NOTICE NO. 3/2013SUB: SETTING UP OF PUBLIC /PRIVATE BONDED WAREHOUSES FOR
GEMS AND JEWELLERY SECTOR

Attention of the Importers, exporters, Gem & jewellery units in SEEPZ, Customs House agents and others concerned, is invited to new Para 4A.16 introduced vide DGFT Notification No. 30(RE-2012)2009-2014 Dated 31.01.2013 in FTP 2009-14. The scheme under the said Para provides for setting up Public /Private warehouses in SEZ /DTA for import and re-export of Cut and Polished Diamonds, Cut and Polished coloured Gemstone, Uncut & Unset Precious and Semi Precious stones, subject to achievement of minimum Value addition (VA) of 5%.

2. To operationalise the above scheme, the procedure based on Circular No. 11 /2013-Cus dated 06.03.2013 of the Central Board of Excise and Customs shall be followed.

3. Private Bonded Warehouse may be set up in SEEPZ /DTA in Mumbai subject to observance of following instructions on setting up such warehouses wherein the imported goods will be kept by the warehouse licence Holder. Physical control over the warehouses in the form of double lock system and posting of Cost recovery Officer has been waived.

4. Persons importing or units desirous of setting up private Bonded warehouses in DTA or SEEPZ shall submit an application in the prescribed format as per Annexure -IV. However, units in SEEPZ shall be required to obtain a Licence for setting up such warehouse in the Zone from the Development Commissioner (SEEPZ), before making an application with the Customs.

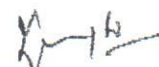
5. After following the usual procedure, the Deputy/Asstt. Commissioner of Customs in - Charge of PCCCC or SEEPZ as the case may be will issue the Licence Under Section 58 of Customs Act 1962, after obtaining adequate security prescribed in the existing Circulars/Instructions, for setting up of Private Bonded Warehouses in DTA or in the SEEPZ, as applicable, viz.

(i)

The applicants should produce a solvency certificate not just a reference or a confidential certificate from a scheduled bank of repute (other than a co-operative bank or a bank which has operations limited to a city etc.) for a value of not less than Rupees fifty Lakhs (RS.50,00,000/-)

Such Warehouse should not be located in residential areas.

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All members?
Mumbai region
Ch/Vel
USK (w/DRC)
23.4.13

रतल तथा आभूषण निर्यात संवर्धन परिषद
For The Gem & Jewellery Export Promotion Council

23 APR 2013

मुंबई / Mumbai-51
आगत क्रमांक / Inward No.

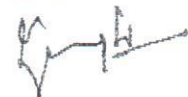
- (iii) The premises must be secured against theft, pilferage or other risks and must be easily accessible for the departmental officers for any surprise checks.
- (iv) There should be adequate provisions for fire fighting operations.
- (v) The goods deposited in the warehouse should be fully insured by the warehouse keeper against theft, pilferage, fire accidents, other natural calamities, risks against rioting etc., at least for a value equal to the Customs duty by a comprehensive insured policy drawn in the favour of the Commissioner of Customs.
- (vi) No licence for a private bonded warehouse will be issued if the applicant's record is not clean, and that the proprietor or partner or any of the Directors are involved in any Customs duty evasion or smuggling offences and have been subjected to penalty or other action under the Customs or Central Excise Laws.
- (vii) In respect of individual consignments to be warehoused the licensee should give a double duty bond as required under the law and shall also give a cash deposit or bank Guarantee equal to 25% of the duty liability for each consignment.
- (viii) In certain cases Commissioner may demand bank guarantee/security up to the value of the duty amount.

6. After obtaining the Licence, the concerned persons or units can import the goods for the purpose stipulated above in earlier paras.

PROCEDURE FOR IMPORT AND BONDING OF CUT AND POLISHED DIAMONDS, CUT AND POLISHED COLOURED GEMSTONE, UNCUT & UNSET PRECIOUS AND SEMI PRECIOUS STONE

7. For clearance of the goods, the importer shall file a Bill of Entry for warehousing (into Bond Bill of Entry) in quintuplicate, complete in all respects and along with all required documents like invoice, Air way bill etc, the Bill of Entry so presented shall be numbered, dated and noted by the noting clerk, The noting Clerk shall check that Bill of Entry is complete in all respects and compares with the particulars in the import General manifest. The Bill of Entry then shall be handed over to the importer or their authorized representatives who shall present the same along with a double duty bond /running bond, valid for one year as required under section 59 of customs Act, 1962 to the Assessing officer for examination and assessments, in case of running bond, pass Book /register with the Bond No, will be maintained by Customs. The pass book/register shall be debited for double the duty amount at the time of import and correspondingly credited at the time of export. The examination of the goods shall be done on the basis of the First Check Appraisement System as per rules

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in force. After the examination and assessment, Bill of Entry shall be forwarded to the concerned Deputy/Assistant Commissioner of Customs for his counter signature. After the Signature of the D.C./A.C in the case of individual bonds, such bond shall be detached by the Bond Clerk, who will keep it in safe custody. In the case of running bonds, appropriate debit in the pass Book/register, as the case may, shall be made by him. He shall make necessary endorsement to this effect on the reverse of duplicate copy of Bill of Entry. The original and the fifth copies of the Bill of Entry shall be retained by the Bond Clerk. The duplicate, triplicate and quadruplicate copy shall be handed over to the importer or their authorized representative. The fifth copy of Bill of Entry shall be forwarded by the Customs clerk to the Manifest Clearance department for closure of the IGM. The duplicate copy of bill of entry shall then be presented to the concerned Bond Officer who shall ensure that an entry of the imported goods is made in the receipt/issue register (Annexure-I) as annexed to this public Notice. The Bond officer shall make an endorsement to this affect on the reverse of the duplicate copy of the bill of Entry. After all the above formalities are completed, out-of-charge shall be given by the Assessing officer who will also counter-sign the debit entry in the pass Book/register. The duplicate copy of Bill of Entry shall be presented to the Custodian for delivery of the goods. The custodian shall retain duplicate copy of Bill of Entry to be forwarded (on the next working day) to the customs clerk. After receipt of goods, the Bonder/importer shall deposit the goods in the Bonded Warehouse.

8. The Bonder/importer shall be responsible for making correct entries in register as prescribed at Annexure-I. The Bond Officer shall check the entries with reference to the goods and accompanying documents and sign in the appropriate column of the register in token of having done so. After receipt of the duplicate copy of the Bill of Entry, the customs clerk shall match the same with the original and keep them together Importer/Unit-wise.

MAINTENANCE OF RECORD BY THE BONDER

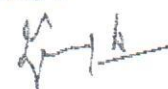
9. The Bonder shall maintain a stock account book giving details of receipts and issues as per Performa prescribed at Annexure-I. The bonder will prepare stock card for each stock giving details as per Performa prescribed at Annexure-II. The bonder shall also maintain a register as prescribed at Annexure-III giving lot-wise value addition.

10. The bonder/importer shall not be permitted to mix the lots during storage, however, they may make sub-lots.

PROCEDURE FOR RE-EXPORT OF CUT & POLISHED DIAMONDS, CUT & POLISHED COLOURED GEMSTONES, UNCUT & UNSET PRECIOUS AND SEMI PRECIOUS STONES.

11. The bonder/exporter shall prepare an Ex-bond Shipping Bill in quintuplicate along with invoice, Exchange control declaration (G.R.) Form, value

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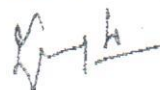
addition, chart, etc. for re-export of the warehouse goods. Before noting of the shipping bill the Exporter shall obtain endorsement of the bond officer that the goods are from the concerned private bonded warehouse and that the registers prescribed in the Annexure - I have been properly maintained by the Bonder. Thereafter, the shipping bill shall be presented to the noting clerk for noting. The shipping bill will be numbered, dated and noted by the noting clerk and particulars noted in the register. The Shipping Bill so noted shall thereafter be handed over to the Bonder/ Exporter or their authorized representative of clearing agents who shall present the same to the assessing officer for examination and assessment. The examination and valuation of the goods will be done under the "First Check Appraisement System". After examination, assessment and simultaneous 'Let Export' order by Appraiser/Superintendent, the Shipping Bill shall be presented to DC/AC for his counter signature, thereafter security number shall be allotted on G.R. form and on the original, duplicate and triplicate copy of Shipping Bill by the custom clerk. The clerk will also make credit entry in the pass book register/equivalent to double of duty amount on the import value of the goods in case of the running bond. The original copy of G.R. forms shall be detached by the clerk for onward transmission to R.B.I. The original and fourth copy of Shipping Bill shall be detached and retained by Customs clerk, duplicate and triplicate copy shall be handed over to the exporter or his authorized representative. The clerk shall make an endorsement to this effect on the reverse of duplicate copy of the Shipping Bill. The duplicate copy of shipping bill shall be handed over to the custodian for transportation of the Export parcel as per the prescribed procedure. After completion of all formalities, the duplicate copy of the shipping Bill shall be retained by the Custodian and forwarded to the Customs Clerk on the next working day to match with the original copy of the Shipping Bill and keep them in a folder unit-wise/importer wise. The exporter shall present the triplicate copy of the Shipping Bill to the Bond Officer of the concerned Private Bonded Warehouse to ensure the final entry of the re-exported goods in the Register maintained in the bonded warehouse. The Bonder shall also complete registers as prescribed. Original and duplicate copy of shipping bill shall be sent to M.C.D. for closure of E.G.M.

CLEARANCE FROM THE WAREHOUSE OTHER THAN FOR RE-EXPORT

12. Clearance from the bonded warehouse may be taken by EOU under authorization from the Deputy/Assistant Commissioner and on filing ex-bond Bill of Entry.

13. Clearance from the bonded warehouse may be taken by units in SEZ in accordance with the SEZ Act, 2005 and the rules made there under. The premises must be secured against theft, pilferage or other risks and must be easily accessible to the departmental officers for any surprise checks.

14. The holders of GEM REP Authorizations can take the goods by following the procedures given under para 4A.4, 4A.4.1 and 4A.4.2 of Handbook of Procedures Volume-I. Details in this regard are to be given to the

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Deputy/Assistant Commissioner by warehouse licence holder instead of licensing authority.

15. The warehouse licence holders shall be responsible for the safe keeping of the goods, for making physical delivery thereof to the users, as the case may be, against duty assessed Bills of Entry on which ex-bond clearance has been allowed by the proper officer, and for rendering to Customs a complete account of goods received and kept by them in bond. In their capacity as bonders, they will also maintain the prescribed records, including name, address and other specified detail of the users and quantity of the goods released to the user and exported by him.

17. Separate Bond/Stock Account register in the form, Annexure-I and Stock Card in the form, Annexure-II is to be maintained by the each Licencee. The details are to be filled on the date of transaction and the signatures of the Licensee/authorised representative be appended after every transaction.

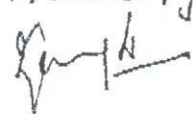
Any difficulty in implementing the above may be brought to the notice of undersigned.



(P.M.SALEEM)
Commissioner of Customs
CSIA, Mumbai.

Copy to:

1. Chief Commissioner of customs,
Mumbai, Zone -III, Mumbai-400 059.
2. Additional Commissioners of Customs,
CSIA, Mumbai-400 059.
3. Development Commissioner,
SEEPZ, Andheri, (East), Mumbai-400 096.
4. Deputy/ Asstt Commissioner of Customs
SEEPZ, Andheri(East), Mumbai-400 096.
5. Deputy/Asstt Commissioner of customs,
PCCCC, BDB, BandraKurla Complex, Mumbai 400 051.
6. P.A. to Commissioner of Customs,
CSIA, Mumbai - 400 059.
7. Notice Board

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ANNEXURE - I

Proforma of Stock Account Book to be maintained by the
licencée of the private Bonded Warehouse

RECEIPTS

Bond No. & Date	Date of Receipt of goods in Wareho use	B / E & date	Quantit y of Weight	Descrip tion of goods	Value of the goods	Rate of Duty	Amount of duty	Bonder s dated signatu re	Bond Officer dated signatur e
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

ISSUES

Date of cleara nce	Descri ption of goods	Quanti ty of Weight	Value of goods	Amou nt of Duty	B / E No. & date	S / B No. & date	Receiv er's name & addres s	Balanc e	Bonde r's dated signat ure	Bond Officer dated signat ure
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

ANNEXURE – II

Proforma of Stock Card to be maintained by the licensee for each Stock

1. Bonder's Name
2. Date of Warehousing
3. Bond register & page number
4. Description of goods

Bond No. & date	Quantity / number received	Quantity delivered	B / E or S / B No. & date	Balance Quantity/ number	Bonder's dated signature	Bond Officer dated signature
(1)	(2)	(3)	(4)	(5)	(6)	(7)

CUT & POLISHED DIAMONDS CUT & POLISHED COLOURED GEM
STONES UNCUT & UNSET PRECIOUS AND SEMI PRECIOUS STONE.

Bill of Entry No. _____ Date _____ Bond
No. _____

Rate in US\$. _____ Total value of the Lot _____

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
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ANNEXURE - IV
APPLICATION FOR GRANT /RENEWAL OF LICENCE FOR PRIVATE
BONDED WAREHOUSE VIDE SECTION 58 OF CUSTOM ACT, 1962.

1. Particulars of Licence

(i) For an individual or incorporated company

(a) Name

(b) Address

(c) Nature of Business

(ii) For a firm

(a) Name of the firm

(b) Business Address.

(c) Nature of Business

And the following particulars if proprietary interest in the firm

(a) Name

(b) Address

(c) Description

2. Description of goods to be warehoused

3. Whether any goods other than those
Belonging to the Licencee or for which
he is an agent are intended to be
warehoused.

4. Particulars of maximum stock intended
To be held in the warehouse at any
one time.

(a) No. of Package

(b) Value

(c) Duty

5. Particulars of maximum stock actually held at any one time under the expiring licence.

(a) Date :

(b) No. of packages :

(c) Value :

(d) Duty :

6. Particulars of any change in proprietorship of the firm since date of last renewal

7. Particulars of premises to be Licensed

(a) Name and address of owner :

(b) Place at which situated :

(c) Dimensions :

(i) Length :

(ii) Width :

(iii) Height :

(d) Distance from the office of commissioner Custom :

8. Name and Address of bank or other person to whom reference may be made regarding the Licences.

DECLARATION

I/We declare the above particulars to be true and apply for the Grant/Renewal of the Licence under section 58, Customs Act, 1962 in accordance therewith:

Place: Mumbai

Date: