

Circular No.18 / 2016-Customs

F.No: 484/03/2015 – LC (Vol II)
Govt. of India
Ministry of Finance
Dept. of Revenue
Central Board of Excise & Customs

New Delhi, dated 14th May 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:- Amendment to Ch IX of the Customs Act, 1962 – Bond required to be filed under section 59 - reg.

Madam/Sir,

Pursuant to the enactment of the Finance Bill 2016, section 59 of the Customs 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.

2. The Bonds to be executed by the importer under subsection (1) or sub-section (2) of section 59 of the Customs Act have been finalized in consultation with the Ministry of Law & Justice and are annexed. The format of bonds prescribed under this circular supersedes the

existing bonds prescribed under Board's Circular F.No: 473 / 82 / 78 – Cus VII dated 20th April 1978.

3. Difficulties, if any, should be brought to the notice of the Board.
4. Hindi version follows.

(S.Kumar)
Commissioner (Customs)

Consignment Bond

(Bond to be executed by the importer under sub-section (1) of Section 59 of the Customs Act, 1962 for the purpose of warehousing of goods to be imported by them.)

[In terms of Circular No.18 / 2016-Customs]

KNOW ALL MEN BY THESE PRESENTS THAT we M/s _____
_____ having our office located at _____ and
holding Import–Export Code No. _____, hereinafter referred to
as the “importer”, (which expression shall include our successors, heirs, executors,
administrators and legal representatives) hereby jointly and severally bind ourselves to the
President of India hereinafter referred to as the “President” (which expression shall include his
successors and assigns) in the sum of Rs. _____ (please fill amount
in words) to be paid to the President, for which payment well and truly to be made, we bind
ourselves, our successors, heirs, executors, administrators and legal representatives firmly by
these presents.

Sealed with our seal(s) this _____ day of _____ 20_____.

WHEREAS, we the importers have filed a bill of entry No. _____ dated
for warehousing under section 46 of the Customs Act, (hereinafter referred to as the said Act)
and the same has been assessed to duty under section 17 or section 18 of the said Act (strike
which is not applicable) in respect of goods mentioned below:

Port of imp ort	Descript ion of goods	Sl. No. of invoi ce	Descript ion and No. of package s	Val ue	Wareho use Code and address
(1)	(2)	(3)	(4)	(5)	(6)

AND WHEREAS Section 59(1) of the said Act requires the execution of a bond equal to thrice
the amount of duty assessed on goods for which a bill of entry for warehousing has been
presented under the said section 46.

NOW THE CONDITIONS of the above written bond is such that, if we:

- (1) comply with all the provisions of the Act, the rules and regulations made thereunder in
respect of such goods;

- (2) pay on or before the specified date in the notice of demand, all duties and interest payable under sub-section (2) of section 61; and
- (3) pay all penalties and fines incurred for contravention of the provisions of the Act or the rules or regulations made thereunder, in respect of such goods;
- (4) in the event of our failure to discharge our obligation, pay the full amount of duty chargeable on account of such goods together with their interest, fine and penalties payable under section 72, in respect of such goods;

Then the above written bond shall be void and of no effect otherwise the same shall remain in full force and virtue.

IT IS HEREBY AGREED AND DECLARED that:

- (1) the Bond shall continue in full force notwithstanding the transfer of the goods to another warehouse.
- (2) the President through the Deputy/Assistant Commissioner or any other officer may recover any amount due under this Bond in the manner laid down under sub-section (1) of section 142 of the said Act without prejudice to any other mode of recovery.

IN THE WITNESS WHEREOF, the importer has herein, set and subscribed his hands and seals the day, month and year first above written.

SIGNED AND DELIVERED by or on behalf of the importer at _____(place) in the presence of:

(Signature(s) of the importer/authorised signatory)

Witness:

Name &Signature	Address	Occupation
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- 1.
- 2.

Accepted by me this ____ day of _____ 20_____, for and on behalf of the President of India.

(Assistant/Deputy Commissioner)
Signature and date
Name:

General Bond

(To be executed by the importer under sub-section (2) of Section 59 of the Customs Act, 1962
for the purpose of warehousing of goods to be imported by them)

[In terms of Circular No.18 / 2016-Customs]

KNOW ALL MEN BY THESE PRESENTS THAT we M/s _____
having our office located at _____ and holding
Import –Export Code No. _____ , hereinafter referred to as the
“importer”, (which expression shall include our successors, heirs, executors, administrators and
legal representatives) hereby jointly and severally bind ourselves to the President of India
hereinafter referred to as the “President” (which expression shall include his successors and
assigns) in the sum of Rs. _____ (please fill amount in words) to be
paid to the President, for which payment well and truly to be made, we bind ourselves, our
successors, heirs, executors, administrators and legal representatives firmly by these presents.

Sealed with our seal(s) this _____ day of _____ 20_____.

WHEREAS the Assistant/ Deputy Commissioner of Customs has given permission to enter into
a General Bond for the purpose of sub-section (2) of Section 59 of the Customs Act 1962,
(hereinafter referred to as the said Act) in respect of warehousing of goods to be imported by us
during the period from _____ to _____ (both days inclusive).

NOW THE CONDITIONS of the above written bond is such that, if we:

- (5) comply with all the provisions of the Act, the rules and regulations made thereunder in respect of such goods;
- (6) pay on or before the specified date in the notice of demand, all duties and interest payable under sub-section (2) of section 61 of the said Act; and
- (7) pay all penalties and fines incurred for contravention of the provisions of the said Act or the rules or regulations made thereunder, in respect of such goods;
- (8) pay in the event of our failure to discharge our obligation, the full amount of duty chargeable on account of such goods together with their interest, fine and penalties payable under section 72 of the said Act, in respect of such goods;

Then the above written bond shall be void and of no effect otherwise the same shall remain in full force and virtue.

IT IS HEREBY AGREED AND DECLARED that:

(3) the Bond shall continue in full force notwithstanding the transfer of goods to another warehouse.

(4) the President through the Deputy/Assistant Commissioner of Customs or any other officer may recover any amount due under this Bond in the manner laid down under sub-section (1) of section 142 of the said Act without prejudice to any other mode of recovery.

IN THE WITNESS WHEREOF, the importer has herein, set and subscribed his hands and seals the day, month and year first above written.

SIGNED AND DELIVERED by or on behalf of the importer at _____(place) in the presence of:

(Signature(s) of the importer/authorised signatory)

Witness:

Name and Signature	Address	Occupation
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1.

2.

Accepted by me this ____ day of _____ 20_____, for and on behalf of the President of India.

(Assistant/Deputy Commissioner)

Signature and date

Name:

Schedule to the General Bond to be executed by the importer under sub-section (2) of Section 59 of the Customs Act, 1962 for the purpose of warehousing of goods to be imported by them.

Bill (Warehousing/ Home consumption/ /Export) No. and date	Duty assessed on the goods	Bond value to be debited or credited (Thrice the amount of duty)	Debit	Credit	Balance of bond value	Remarks	Signature of the officer along with full name and designation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)