Subject: Amendment to Ch IX of the Customs Act, 1962 - Bond required to be filed under section 59 - Reg.

Attention of all the Importers, Customs Brokers and the Members of the Trade is invited to the Board's Circular No.18/2016-Customs dated 14.5.2016 on the above subject.

2. 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.

3. 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.

4. Difficulties, if any, may be brought to the notice of the undersigned.

Sd/- 17.05.2016

(D. K. SRINIVAS)
Commissioner of Customs (NS-I & III),
JNCH, NHAVA SHEVA

COPY TO:

1. PA to the Pr. Chief Commissioner of Customs, Mumbai Zone-II, JNCH
2. The Pr. Commissioner / All the Commissioners of Customs, JNCH.
3. All the Addl. / Jt. Commissioner of Customs, JNCH.
4. All the Dy. / Asstt. Commissioner of Customs, All Groups, JNCH.
5. Notice Board and Website, JNCH.
Consignement 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:

<table>
<thead>
<tr>
<th>Port of import</th>
<th>Description of goods</th>
<th>Sl. No. of invoice</th>
<th>Description and No. of packages</th>
<th>Value</th>
<th>Warehouse Code and address</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
</tr>
</tbody>
</table>

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
undesub-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
1.
2.

Accepted by me this ____ day of_______20______, for and on behalf of the President
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
1. 
2. 

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

(Assistant/Deputy Commissioner) 
Signature and date 
Name:
Schedule to the General Bond to be executed by the importer under subsection (2) of Section 59 of the Customs Act, 1962 for the purpose of warehousing of goods to be imported by them.

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