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सीमा शुल्क आयुक्त का कार्यालय  
नव सीमा शुल्क गृह, पणंबूर, मंगलूर -10.  
OFFICE OF THE COMMISSIONER OF CUSTOMS  
NEW CUSTOM HOUSE: PANAMBUR:MANGALORE 575 010

मि.सं./C.No. S-12/14/2008 CH.

दिनांक/Date: 05.11.2009

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PUBLIC NOTICE NO. 2009

Sub: CUSTOMS PROCEDURE FOR OPERATION OF DUTY FREE SHOPS AT NEW MANGALORE PORT TRUST.

The following procedure is prescribed for receipt, stock and sale of duty free articles at Duty free shop (DFS) licensed under section 58 of the Customs Act 1962 as Private Bonded Warehouse at Mangalore New Mangalore Port.

- (i) The licensee of a Duty Free Shop shall enter into a general bond for suitable amount (as required under sub-section (2) of Section 59 of the Customs Act, 1962). Such bond shall, after acceptance by the Deputy/Assistant Commissioner of Customs, Docks Section, be duly registered in the usual manner by the Bond Officer of Docks and Registration No. intimated to the licensee. The Superintendent of Customs (Admn.) of Docks Section, Mangalore is hereby nominated as Bond Officer for this purpose. The Licensee has to pay the applicable MOT charges for the services of the Customs Officers being posted for duty at the Duty Free Shop.

(ii) **CLASSES OF GOODS BE RECEIVED IN THE DUTY FREE SHOP :-**

The following classes of goods shall be received in the Duty Free Shop:

- (a) Goods imported by Sea or Air for being directly warehoused in the duty free shop;
- (b) Imported non-duty paid goods already deposited in a Customs Warehouse, transferred in bond to the duty free shop ;
- (c) Indigenou (excisable) non-duty paid goods transferred in bond from the factory of production/manufacture to the duty free shop.

All the above said goods shall be received in the Duty Free Shop only under Customs Supervision.

(iii) **FOR GOODS IMPORTED BY SEA OR AIR:**

- (a) In the case of non-duty paid goods imported at Mangalore, the licensee shall file Into-bond Bill of Entry, indicating the General Bond No. allotted in the New Custom House, Panambur, Mangalore and get the same duly assessed for duty in the usual manner and get the General Bond debited in the normal course. The original copy of Bill of Entry shall be retained by the assessing authorities. Thereafter, the licensee shall arrange for the services of a Customs officer from the New Custom House, Panambur, Mangalore, and get the packages duly escorted up to the entry gate of New Mangalore Port Trust along with the duplicate and triplicate copies of Bill of Entry and ensure that all the goods are properly re-warehoused in the duty free shop and accounted for in the books of account. The necessary entries shall be made in the Bond register, to be maintained at the duty free shop and signed by the licensee and countersigned by the Bond Officer of the Air Customs. The Superintendent, in-charge of the Duty Free Shop shall send a Re-warehousing Certificate in the prescribed format at Annexure-A back to the New Custom House, Panambur, Mangalore.

- (b) In the case of imported, non-duty paid goods already deposited in a Customs warehouse and intended to be transferred in bond to the duty free shop, the licensee shall obtain a space certificate in the prescribed format at Annexure-B from the Docks Section of Customs certifying the validity of the license. He shall then file an application in triplicate and present this to the concerned bond department. The Bond Officer shall verify the correctness of the application and make necessary entries in the Bond Register before goods are permitted for removal. The original of the application shall be retained by the bond department and duplicate and triplicate copies bearing suitable indications in this behalf will be returned to the

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House, Panambur, Mangalore will record the above and initiate appropriate action. The duplicate copy of the application for removal will be returned to the Bond Officer of New Custom House, Panambur, Mangalore and the triplicate copy shall be retained by the Licensee for his records.

- (c) In case duty free goods are imported at a port other than Mangalore, the goods shall be permitted to be warehoused at that port in the first instance and then transferred in Bond. In such an event, the duplicate copy of the application shall be forwarded by the department by registered post to the Customs Authorities under whose jurisdiction the Duty Free Shop falls and the warehoused goods can be transferred under Transshipment Bond as and when required.
- (d) In the case of indigenous (excisable) non-duty paid goods intended to be transferred from a factory of production/manufacture, the licensee shall file an application in triplicate together with detailed inventory of goods. The Central Excise officer at the factory shall inspect the goods and after verification with the inventory shall suitably endorse all the copies of the application to that effect. He shall then permit the movement of the goods from the factory, which shall be accompanied by the ARE-3 copies along with the application and the invoices. The Central Excise officer shall escort the goods or the vehicle that carry the goods under Central Excise Seal.

**(iv) PROCEDURE AFTER THE GOODS ARE RECEIVED (ACCOUNTING)**

- (a) Upon arrival of the bonded goods at the duty free shop, Customs Officer shall be deputed to receive the same. He shall in the presence of the licensee or his representative, supervise receipt and re-warehousing of the bonded goods and ensure proper entries are made in the relevant warehouse registers namely, Bond Register & Stock Register in the format prescribed at Annexure-D & E and countersign the same. He shall check the packages received in detail and inventories the contents therein in the presence of licensee or his representative, with reference to the details on the duplicate into bond Bill of entry or the duplicate application form or the duplicate ARE3 form as the case may be, acknowledge receipt thereon, indicating that the goods have been re-warehoused and will submit a re-warehousing certificate to the originating Commissionerate as the case may be. The triplicate copy containing the inventory shall be kept in a systematic manner at the Customs Office.
- (b) In cases where the duplicate copies of the documents are received by post, the triplicate copies presented by the licensee shall be compared with the duplicate before the packages are examined and inventoried. Thereafter the duplicates shall be returned by registered post to the issuing Commissionerate along with the re-warehousing certificate.  
**Note:** Examination and inventorisation of the packages shall be done at the duty free shop by the Customs Officer deputed for the purpose unless examination is necessitated at any earlier stage owing to the packages being in broken or damaged condition.
- (c) The Bond Officer of Customs shall maintain a record of the receipts in bond to be maintained at Duty Free Shop, indicating the action taken for short accounted if any as per the proforma prescribed at Annexure-F to have effective control over the bonded goods relating to the duty free shop.
- (d) The licensee shall enter the receipts in a stock register to be maintained commodity wise and separately for (i) goods imported by sea, (ii) goods imported by air (iii) goods transferred from another customs warehouse and (iv) non duty paid indigenous goods received from the factory. The register of bonded goods shall be maintained separately for each item. The necessary entries in the register shall be updated immediately on receipt of the goods each time and shall be signed by the Licensee, and the Bond Officer Customs. Each item shall be separately stacked in the Duty Free Shop warehouse in a manner as necessary for easy identification. Stock card (Bin Card) shall be maintained, for each item separately and shall be hung on each stack. The Bin card shall be updated and should indicate the actual quantity available at any given time.
- (e) The receipt, disposal etc of the goods in the main bonded warehouse and in the duty free shop shall be recorded in the computer of the licensee which shall be available for inspection by the Customs authorities and verification by the Bond Officer as and when required.

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inter-alia shall show the name of the Passenger to whom the sale was affected, the Passport number, flight no. of aircraft of arrival or departure, as the case may be. The passenger shall append his full signature on the Bill/ Sale Voucher. The sale voucher/ Bill should be serially numbered and as far as possible sale voucher books should be used in the duty free shop in a chronological order. The licensee should intimate the Deputy/Assistant Commissioner of Customs, Docks Section regarding the sale voucher /cash memo books, that are in use from time to time. All such intimations should be kept in a separate file and Customs Officer in charge of the duty free shop should ensure that only those cash memo books, for which intimations have been received, are in use. The sale voucher/cash memo should be prepared in triplicate, the original for the passenger and the duplicate for the Customs and triplicate for duty free shop. The goods so purchased by the Crew members/passenger will be delivered only on-board the vessels, under Customs escort, when they are leaving India.

- (b) Upon delivery of the goods on-board the vessels, an acknowledgment to the effect that the goods are received shall be obtained from the concerned Crew members/Passengers, in the related vouchers and shall be countersigned by the Customs officer escorting the same.
- (c) Every sale voucher issued from the duty free shop should be initialed/countersigned by the Customs Officer posted at the duty free shop in as much as the said voucher takes the place of Ex-bond shipping bill. The Customs Officer at the duty free shop should recover the duplicate copy intended to the Customs.
- (d) Customs supervision over sales shall be limited to ensuring that persons other than those leaving India do not purchase goods from the Duty free Shop and that passengers/Crew members purchasing goods board the vessel leaving India. Further, it shall be the responsibility of the Licensee to inform every passenger/crew member who disembarks or signs off as the case may be, at this port and who purchases goods from Duty Free Shop, that all such purchases will be subjected to levy of Customs duty and all provisions of the Customs Act (includes the free allowance available) and the EXIM policy would be applicable to these goods as they apply to regular accompanied baggage of the passenger/crew member at the time of their final clearance or signing off as the case may be from the vessel. The Air Customs Officer shall ensure that persons other than an international passenger do not purchase goods from DUTY FREE SHOP and passengers who purchase goods from D F S, board the aircraft leaving India.
- (e) The Customs officer shall ensure that persons other than the crew members, passengers of the vessel who are leaving and the crew members who are signing off/disembarking international passengers do not purchase goods from the Duty Free Shop.
- (f) The stock of goods lying in the shop and the accounts thereto shall be liable for verification by the Customs officer.
- (g) The Internal Audit department shall, regularly check receipts of stock with reference to the triplicate copies containing the detailed inventory and the stock register. They shall also check that all sales made during the period have been adjusted in the stock books with reference to the sale vouchers issued.
- (h) The Deputy/Assistant Commissioner of Customs, <sup>Docks</sup> ~~Airport~~ shall depute an ~~AP~~ Customs Officer to make physical verification of stock on hand once in a year with reference to the audited balances shown in the stock book and the licence.
- (VI) The above procedure will be reviewed from time to time. Any difficulty in implementation and suggestions for improvement may be brought to the notice of the Commissioner of Customs or Additional Commissioner of Customs or Deputy/Assistant Commissioner of Customs, in charge of Custom House, Mangalore immediately.

Hindi version will follow.



(R.S.SIDHU)  
COMMISSIONER OF CUSTOMS  
MANGALORE

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