

F. No: 484/03/2015-LC

Govt. of India
Ministry of Finance
Dept. of Revenue
Central Board of Indirect Taxes & Customs

North Block, New Delhi
Dated 31st January, 2019

To,
All Principal Chief Commissioners/Chief Commissioners of Customs,
All Principal Commissioners/Commissioners of Customs.

Madam/Sir,

Subject: Procedure to be followed in cases of manufacturing or other operations undertaken in bonded warehouses under section 65 of the Customs Act - reg.

Representations have been received from the trade and industry with regards to Circular 38/2018-Customs dated 18.10.2018 issued on the above subject, stating that they were hitherto permitted to undertake certain operations to fulfil a statutory obligation such as Labelling/affixing RSP etc. under Section 65 of the Customs Act, 1962 in a public bonded warehouse, licensed under section 57 of the Act, *ibid.* However Circular 38/2018 has clarified that those operations under Section 65 should be undertaken in private bonded warehouses licensed under Section 58 of the Act thereby disallowing such operations in a Public Bonded warehouse. They have requested for relief in this regard to ease the difficulties being faced by the trade.

2. The representations have been examined. They contain the common request to permit operations required for compliance with labelling/ packing requirements under legislations pertaining to legal metrology, FSSAI, DGFT, State Excise laws etc. The request is on the ground of convenience, economies of scale, reducing transaction cost and past practice.
3. In view of the above, Board has decided to allow labelling/ fixing RSP etc. to fulfil statutory compliance requirements in all Customs Bonded Warehouse without the requirement of taking permission under Section 65 of the Customs Act.
4. Circular 38/2018-Customs dated 18.10.2018 stands modified to the above extent.
5. Clarification required, if any, may be sought from the Board.
6. Hindi version follows.


31/1/19
(Tamsunaro Jamir)
Joint Commissioner (ICD)