



IS 15700:2005 CERTIFIED

सीमा शुल्क प्रधान आयुक्त का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS

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फा. सं./F. No.: S-04/518/2015-Bonds

दिनांक/Date: 08. 01.2019

STANDING ORDER NO:- 01/2019

**PROCEDURES FOR OPERATION OF ITDC DUTY FREE SHOP AT
VISAKHAPATNAM PORT TRUST**

1. PN No. 56/2018 dated 21.12.2018 issued by Commissioner of Custom Visakhapatnam should be strictly followed.
2. The following officers are nominated to look after the duties of DFS at Docks-
 - (a) Superintendent (Docks-Admin)
 - (b) Inspector (Section - I)
3. Warehouse shall remain under the lock of Bond Officer (Section Officer).
4. With reference to accounting of receipts, storage, operation and removal of goods with respect to M/s ITDC Duty Free Shop the procedure mentioned at Para 2 of the PN No. 56/2018 dated 21.12.2018 shall be followed .
5. **Maintenance of records of warehoused goods only in digital form:**
 - (a) The licensee shall maintain electronic records of receipt, handling, storage and removal of the warehoused goods based upon data elements contained in Form- A appended to Public Notice No. 56/2018 dated 21.12.2018. The data to be maintained as per systems of Stock keeping unit (SKU).
 - (b) The licensee is required to enter data accurately and immediately upon the goods being deposited in or removed from the warehouse. Such electronic records should be kept updated, accurate & complete and shall be available at the warehouse at all times so as to be accessible to the Officers (Docks) or any other authorized Officer, for verification. **Bond Officer (Section Officer)/Superintendent (Docks) will check/verify the records/stocks of DFS and warehouse time to time**
 - (c) The software for maintenance of electronic records must incorporate the feature of audit trail which means a secure, computer generated, time-stamped electronic record that allows for reconstruction of the course of events relating to the creation, modification, or deletion of an electronic record and includes

actions at the record or system level, such as, attempts to access the system or delete or modify a record.

6. Filing of returns in relation to warehoused goods:

(a) The Regulations also prescribe that —

(i) a licensee shall file with the Customs Officer (Docks), a monthly return of the receipt, storage, operations and removal of goods in the warehouse, within ten days after the close of the month to which such return relates. **The report should be submitted to AC(P) by Superintendent (Docks) every month for information.**

(ii) Where the period specified in section 61 of the Customs Act, 1962 for warehousing of goods is expiring in a particular month, the licensee shall furnish such information to the Customs Officer on or before the 10th day of the month immediately preceding the month in which the period of storage of goods in the warehouse is expiring. **The same may be submitted to AC (Preventive) by Superintendent (Docks)/Appraiser(Docks) and after obtaining extension by the competent authority the bond may be further extended as per procedure.**

(b) The monthly return, containing transactions undertaken during the month, shall be filed by the licensee in Form- A, appended to the Public Notice no.56/2018 dated 21.12.2018 . The return may be filed as a paper copy or in digital form, as preferred by the licensee (digital form means, such as, in a Pen drive or CD).

(c) The monthly return to be filed by the licensee shall be filed in Form-B appended to the Public Notice no.56/2018 dated 21.12.2018. The return shall be filed with the Customs Officer (Docks) as a paper copy or in digital form.

(d) The Duty Free Shop Operator shall also maintain digital records of sales to signing off crew of foreign run vessel as per Form-C , PN No. 56/2018 dated 21.12.2018 and supply to the vessel based on master's indent. The digital file containing these details shall be integrated with the records maintained for the warehoused goods, every 24 hours should be available for inspection as a part of the data maintained as per Form A. **Bond Officer (Section Officer)/Superintendent (Docks) will check/verify the sales records time to time .**

7. Acknowledgement of the receipt of goods in the warehouse:

The Licensee shall follow the procedure contained in Regulation 6 of the Special Warehouse Notification 69/2016-Cus (NT). Upon receipt of the goods in warehouse, the licensee shall, send an acknowledgement of such receipt, duly signed by the Section Officer/Superintendent (Docks), as follows:

(i) in case where goods are received from a Customs Station, to the Assistant/Deputy Commissioner in charge at the Customs station of import; or

(ii) in case where the goods are received from another warehouse, to the proper Officer of the warehouse from where the goods have been received.

8. Procedure for sale of goods at Special Warehouse / DFS:

I) All the imported non-duty paid goods permitted to be received and stocked in the DFS shall be sold by the licensee only to the signing off Crew/ passenger / Master of the foreign going vessel (as ship stores), on obtaining payment in freely convertible foreign currency or in Indian Currency as per RBI guidelines from them. However, signing-On / on-board crew members are not permitted to purchase the goods directly from the DFS. Every sale shall be covered by a sale voucher in triplicate (which shall be deemed to be the Shipping Bill under Sec.69 or sale receipt under Baggage rules as the case may be) as per the format at 'Annexure-I' of the PN 56/2018 dated 21.12.2018. The signing off crew/ Passenger/ Master of the foreign going vessel shall append full signature on the sale voucher, as it appears in his/her passport. A copy of the passport wherever applicable, shall be attached to the sale voucher. The sale voucher should be serially numbered and prepared in triplicate. All the sale vouchers shall be counter signed by the authorised Warehouse in- charge before effecting the sale / supply of the bonded stores. The original shall be handed over to the passenger / signing off crew member /Master of the vessel and the duplicate & triplicate shall be signed by Customs Officer at Docks (**Section Officer**) after due verification of the sale effected. The Duplicate shall be filed in the Duty Free Shop. The triplicate copy shall be attached to the triplicate copy of transfer application which shall be forwarded to MBWH.

II) It shall be the responsibility of the Licensee to ensure that **sales are made only to the foreign going vessels and to permit the sales only after verifying the Customs confirmation on signing-off covering letter.** 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 DFS, that all such purchases will be governed by Baggage Rules, 1998, as amended from time to time and all the provisions of the Customs Act 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.

III) Supply to Vessel: The Master/ Person in charge of the foreign going Vessel shall place the order/ indent for the entire quantity of the bonded goods required duly certifying the foreign going status of Vessel. The representative of the DFS shall approach the Superintendent of Customs (Docks) and with the permission of the Superintendent of Customs (Docks), under Customs escort, the bonded goods from DFS/ Special Warehouse shall be delivered on board in the presence of the representative of the DFS and kept in the bonded locker under seal. The details of the supply to the vessel shall be endorsed in the store list of the concerned vessel by the escorting Officer.

IV) Sale at DFS: The duty free Shop shall sell the goods only to disembarking passenger/ signing-off crew member who intend to have final clearance/ signing off at Port by following the procedure stated at 8(I) above. However, crew members of

coastal/ coastal-run vessels as well as signing-off crew members of coastal/ coastal-run vessels are not entitled to purchase the goods from the DFS.

V) Apart from the Sale voucher, the Duty Free Shop shall record their sales to crew/passengers by a computer generated invoice, which shall contain the name of the passenger, Vessel Name & passport number. This data shall be stored digitally, in Form-C. Further, the sale invoice shall be linked with scanned copy of Passport along with Customs endorsement copy of the sale voucher and has to be preserved as record for a period of five years. The records of the warehouse shall be updated every 24 hours with the data elements contained in Form-C as per PN No. 56/2018 dated 21.12.2018.

9. Overtime and Cost recovery factors:

Operations of the Special Warehouse of M/s ITDC DFS in Customs Area during the normal Working Hours shall be free from Cost Recovery Basis or on MOT basis. However, operations of the Special Warehouse beyond the working hours/holidays and beyond Customs area will be governed by the provisions of Customs (Fees for rendering services by Customs Officers) Regulations, 1998 and guidelines issued in this regard as per para 2 of CBEC Circular No. 32/ 2016 dated 13.07.2016 have to be followed. These arrangements can be reviewed from time to time depending upon the workload and other factors.


8/1/19

(G SHIRIL SAROJ)

ADDITIONAL COMMISSIONER OF CUSTOMS

Copy to:

1. The Superintendent of Customs(Docks)- For information and necessary action.
2. The Superintendent (EDI) to upload on Dept. website.