

Customs Act, 1962

Section 59 - Warehousing Bond

¹[(1) The importer of any goods specified in²[***] sub-section (1) of section 61, which have been entered for warehousing and assessed to duty under section 17 or section 18 shall execute a bond binding himself in a sum equal to twice the amount of the duty assessed on such goods --

(a) to observe all the provisions of this Act and the rules and regulations in respect of such goods;

(b) to pay on or before a date specified in a notice of demand,-

(i) all duties, and interest, if any, payable under sub-section (2) of section 61;

(ii) rent and charges claimable on account of such goods under this Act, together with interest on the same from the date so specified³[at such rate not below eighteen per cent and not exceeding thirty-six per cent per annum, as is for the time being fixed by the Central Government, by notification in the Official Gazette]; and

(c) to discharge all penalties incurred for violation of the provisions of this Act and the rules and regulations in respect of such goods.]

(2) For the purposes of sub-section (1), the⁴[Assistant Commissioner of Customs or Deputy Commissioner of Customs] may permit an importer to enter into a general bond in such amount as the⁴[Assistant Commissioner of Customs or Deputy Commissioner of Customs] may approve in respect of the warehousing of goods to be imported by him within a specified period.

(3) A bond executed under this section by an importer in respect of any goods shall continue in force notwithstanding the transfer of the goods to any other person or the removal of the goods to another warehouse :

Provided that where the whole of the goods or any part thereof are transferred to another person, the proper officer may accept a fresh bond from the transferee in a sum equal to twice the amount of duty assessed on the goods transferred and thereupon the bond executed by the transferor shall be enforceable only for a sum mentioned therein less the amount for which a fresh bond is accepted from the transferee.

1 . Substituted by Act 55 of 1991, section 6, for sub-section (1) (w.e.f. 23-12-1991).

2. The words, brackets and letter "clause (a) of" omitted by Act 32 of 1994, section 60 (w.e.f. 13-5-1994).

3. Substituted by Act 10 of 2000, section 84, for certain words (w.e.f. 12-5-2000).

4. Substituted by Act 22 of 1995, section 50, for "Assistant Collector of Customs" (w.e.f. 26-5-1999) and again substituted by Act 27 of 1999, section 100, for "Assistant Collector of Customs" (w.e.f. 11-5-1999).
