

#GTTaxUpdates

Manufacture and Other Operations in Special Warehouse Regulations, 2020 notified (1/2)

The Central Board of Indirect Taxes and Customs (CBIC) recently notified the **Manufacture and Other Operations in Special Warehouse Regulations, 2020** from **17 August 2020**. Some of the important aspects of the regulations are as under:

- **Units covered:** The regulations shall be applicable to:
 - Units carrying on manufacturing process or other operations in relation to goods in a warehouse or special warehouse; or
 - Units applying for permission to carry on the said process in a warehouse or special warehouse.
- **Eligibility to apply:** The following persons are eligible to apply for operating:
 - A person who applies for licensing of a special warehouse along with permission to undertake manufacturing and other operations in the said warehouse.
 - A person who has been granted licence for warehousing specified goods in accordance with Special Warehouse Licensing Regulations, 2016.
- **Validity of permission:** The permission granted under these regulations shall remain valid unless it is cancelled or surrendered or the licence to operate as a special warehouse is cancelled or surrendered.

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- **Application process:** An application under these regulations shall be made to the Principal Commissioner of Customs (PCC) or the Commissioner of Customs (CC), along with an undertaking to:
 - Maintain accounts of receipt and removal of goods in digital form and digitally furnish the same to the bond officer every month.
 - Provide facilities, equipment and personnel as required by the Regulations.
 - Execute a bond and submit security in such manner and format as may be specified.
 - Inform the original and revised input-output norms, as the case may be, for raw materials and the final products.
 - Pay for the services of supervision of the warehouse by custom officers as determined by PCC or CC.
 - Comply with such other terms and conditions as may be specified by the PCC or CC.
- **Grant of permission:** The PCC or CC, upon due verification of the application and after ensuring that all requirements of regulations have been fulfilled, may grant permission to operate under the provisions of these regulations, along with a licence to operate as a special warehouse where required, subject to such conditions as deemed necessary.