

F. No. 473/ 13/ 98 - LC

Government of India
Ministry of Finance
Department of Revenue, New Delhi

Subject : Warehousing - Irregularities found in clearance of goods from bonded warehouse - regarding.

Several instances of irregularities in the clearance of goods from Bonded Warehouses have come to the notice of the Board.

2. Board desires that suitable instructions may be issued to all field officers to alert against any such irregularities and in particular follow the following procedure:-

- (i) The goods should be stored in a Bonded Warehouses only after due examination. Reverse of the Bill of Entry must confirm the veracity of the declared description with the distinctive identification marks of the subject goods.
- (ii) At the time of actual removal of the goods from the warehouse, the declared description of the goods recorded on the Warehousing Bill of Entry, should be tallied with the description declared on the ex - bond (Green) Bill of Entry.
- (iii) There should be regular audit and inspection by the senior officers and the Custom House audit parties so that the nature, quantity, number and other relevant particulars with reference to the concerned documents are verified. The exercise could be once in six months for audit parties supported by surprise checks by senior officers.
- (iv) The records of bonded goods in the Customs Houses, as far as possible, should be computerised.
- (v) It should also be made mandatory for the Central Warehousing Corporation and other warehouses to submit status report as regard the consignments pending for one year and above. the position can then be cross checked in the Customs House where the warehousing Bills of Entry had originated.
- (vi) Action under section 72 of the Customs Act, 1962 must be initiated on expiry of the warehousing period.
- (vii) All cases where goods continue to lie in the warehouse after the expiry of warehousing period should be specially taken up for scrutiny by the audit parties and other checks in order to guard against deterioration substitution or any other unlawful removal.

Sd/-
(K. Chopra)
Under Secretary to the Govt. of India
