

**Circular No. 30/95-Cus.
dated 30/3/95**

F.No. 483/93- LC

Government of India
Ministry of Finance, Department of Revenue
Central Board of Excise Customs, New Delhi

Subject : Procedural irregularities in warehousing of goods - delay in grant of Order Under Section 60 of the Customs Act, 1962 - Regarding .

I am directed to say that the Audit has brought to the notice of the Board a case where an importer filed a warehousing Bill of Entry for bonding certain imported goods and in this direction, he also executed a warehousing Bond as per Section 59 of the Act. The Bond was accepted by the Customs House. However, since the importer did not present the documents thereafter for obtaining an order for depositing the goods in a warehouse as per section 60, the goods were not deposited in the warehouse. Subsequently, the importer sought clearance of the goods and the said order u/s 60 was obtained at the delayed stage. The Audit has contended that if the Order under Section 60 had been given by the Customs House immediately upon acceptance of the warehousing bond, the Warehousing period could have been determined with reference to the earlier date and the interest on the Customs duty charged accordingly. Audit's view is that on account of this delay in grant of order u/s 60, there has been a procedural irregularity leading to revenue loss.

2. On an examination of the various aspects of the matter it is seen that the warehousing period has to be determined with reference to the order of the proper officer u/s 60 of the Customs Act, However, the Department should take care that this order is given immediately, once the warehousing Bond is accepted by the Department from the importer. Each Custom House should draw up a suitable procedure to ensure that the said Order u/s 60 is given immediately after the acceptance of the Warehousing Bond. This may be strictly complied with.

Sd/-
Vinay Chhabara
Deputy Secretary to the Govt. of India