F.No. 473/14/96-LC

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

Subejct : Private - Bonded Warehouses

I am directed to refer to the instructions issued by the Board vide circular No. 68/95 dated 15th June, 1995 (F. No. 473/61/94-LC) and to say that a doubt has arisen whether the applications for grant of licences to private bonded warehouses may be granted even though, if violations committed by the party does not come within the exact ambit/ frame work of five years in terms of the aforesaid circular.

2. The matter has been examined further and it is decided now that the Commissioner of Customs may examine the type of violations whether they are serious or technical in nature. However, if the violations are of serious nature, Commissioner may examine the extent of seriousness of such violations. If violations committed by the party indicate deliberate action, the grant of warehousing licences section 58 of Customs Act, 1962 to the party may not be warranted even though it does not came within the exact ambit/ frame work of five years in terms of Board's Circular No. 68/95 dated 5.6.1995.

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