

WAREHOUSING

Question 1

Clearly mention the relevant date in the following cases of goods warehoused under bond:

- (i) *Rate of exchange, when goods are removed for home consumption.*
- (ii) *Rate of duty, when goods are removed for home consumption.*
- (iii) *Rate of duty if the goods are not removed from warehouse within the permissible period.*

(4 Marks) (May 2010)

Answer

- (i) The **relevant date for rate of exchange** is the date on which the bill of entry is presented for warehousing **under section 46** of the Customs Act, 1962 and not when bill of entry is presented under section 68 for clearance from warehouse.
- (ii) As per **section 15(1)(b)** of the Customs Act, 1962 rate of duty as prevalent on date of presentation of bill of entry for home consumption **for clearance from warehouse** is applicable and not the rate prevalent when goods were removed from customs port.
- (iii) Goods which are not removed within the permissible period are **deemed to be improperly removed** on the day it should have been removed. Thus, duty applicable on such date i.e. last date on which the **goods should have been removed is relevant** and not the date on which the goods were actually removed.

Question 2

Can warehoused goods be transferred from one warehouse to another under the Customs Act, 1962?

(2 Marks)(Nov 2008)

Answer

Yes, section 67 of the Customs Act, 1962 permits removal of warehoused goods to other warehouse under bond, with the permission of the proper officer subject to such conditions as may be prescribed.

Question 3

Briefly state the rights of the owner of warehoused goods under the Customs Act, 1962.

(2 Marks) (Nov. 2009)

Answer

According to provisions of section 64 of Customs Act 1962, with the sanction of the proper officer, and on payment of the prescribed fees, the owner of any goods either before or after warehousing the same -

- (a) inspect the goods;
- (b) separate damaged or deteriorated goods from the rest;
- (c) sort the goods or change the containers for the preservation, sale, export or disposal of the goods;
- (d) deal with the goods & their containers in such manner as may be necessary to prevent loss, deterioration or damage to the goods;
- (e) show the goods for sale;
- (f) take samples of the goods without entry for home consumption, if the proper officer so permits, without payment of duty on such samples.