

**Report of the
Comptroller and Auditor General
of India**

for the year ended March 2013

The Report has been laid on the table of the Parliament house on 01-08-2014

Union Government
(Department of Revenue – Customs)
(Compliance Audit)
No.12 of 2014

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PREFACE

This Report for the year ended March 2013 has been prepared for submission to the President of India under the Article 151 of the Constitution of India.

The Report contains significant results of the Compliance audit of the Department of Revenue – Customs under the Ministry of Finance.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2012-13 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2012-13 have also been included, wherever necessary.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

The Customs Compliance Report has seven chapters comprising 139 paragraphs with revenue implication of ₹ 1832.41 crore. Of these, in respect of 84 paragraphs, involving money value of ₹ 39.67 crore, the department/Ministry had taken rectificatory action in the form of issuing show cause notices, adjudicating show cause notices and effecting recovery of ₹ 10.88 crore.

Chapter I: Customs revenue

- Customs revenue as a ratio of GDP has been stagnant at around 1.7 percent.

{Paragraph 1.5}

- Exports have recorded a growth of 11.48 per cent while imports registered growth of 13.80 per cent during FY 13.

{Paragraph 1.6}

- Customs revenue of ₹ 11,835.91 crore demanded up to March 2013, was not realised by the department at the end of the FY 13. Of this, ₹ 2,468 crore was undisputed.

{Paragraph 1.19}

Chapter II: Duty exemption/Remission schemes

Revenue of ₹ 139.06 crore was due from exporters/importers who had availed of the benefits of the duty exemption schemes but had not fulfilled the prescribed obligations/conditions. This chapter also includes one long paragraph on 'Promotional measures (Focus Product Scheme including Market Linked Focus Product Scheme)'.

{Paragraphs 2.1 to 2.5.2}

Chapter III Incorrect application of General exemption notifications

Duty of ₹ 89.31 crore was short levied due to incorrect application of exemption notifications.

{Paragraphs 3.1 to 3.7}

Chapter IV: Assessment of customs revenue

Audit detected incorrect assessment of customs Revenue totalling ₹ 86.53 crore. This chapter also includes one long paragraph on 'Refund of Customs Duty'.

{Paragraphs 4.1 to 4.10.2}

Chapter V: Mis-classification of goods

Duty of ₹ 20.70 crore was short levied due to misclassification of goods.

{Paragraphs 5.1 to 5.16}

Chapter VI: Management of Narcotic substances (DoR)

- **Manufacture, sale and export of the narcotic alkaloid extracts higher up in the value chain had the potential to provide exponentially higher economic returns to the poppy plantation, save foreign exchange in procuring poppy seeds in the traditional hinterlands, using modern technology, scientific research, efficient management structures, commercial models and international trade negotiations.**
- **There seemed no clear policy framework aiming at the twin objectives of revenue generation through sale of finished opium based pain relief chemicals and foreign exchange savings by indigenous production of opium seeds along with a commensurate incentive structure for the cultivators and drug producers.**

{Paragraphs 6.1 to 6.15}

Chapter VII: Thematic audit:

A. Disposal of seized and confiscated goods

The system of disposal of seized and confiscated goods by the department was characterized by lack of proper maintenance of records, inadequate quality of documentation, non-projection of targets, delays in adjudication as well as non-compliance with the prescribed guidelines resulting in delays in disposal of the goods, blockage of storage space and loss to the public exchequer.

{Paragraphs 7.1 to 7.18}

B. Import General manifest and Export General manifest

- **Audit noticed departure from the provisions of MCD manual in receipt of IGMs, in opening of Ship files, issue of LOC, timely receipt of OTR, non levy of penalty for short landed goods or clearance of un-manifested goods.**
- **The procedure for filing and closure of IGMs was not being scrupulously followed as per the codal provisions which may weaken the control over landing/movement of goods and collection of assessed duty/penalty.**

{Paragraphs 7.19 to 7.23}

C. Public and private bonded warehouses

- **Monitoring of the warehouses was weak and maintenance of records was improper. There was insufficient coverage of inspection/audit by Departmental officers and customs audit parties. Non-initiation of action under section 72 of the Customs Act, 1962 also resulted in blockage of large amount of Government revenue, which would inevitably turn into loss with the passage of time due to deterioration and loss of commercial value of goods.**
- **Unjustified extensions and lack of timely and effective action for preventing misuse of the facilities led to blockage of substantial revenue.**

{Paragraphs 7.24 to 7.30}

Glossary of terms and abbreviations

Expanded form	Abbreviation
Air Cargo Complex	ACC
Advance release order	ARO
Anti Dumping Duty	ADD
Aayaat Niryaat Form	ANF
Bank Guarantee	BG
Basic customs duty	BCD
Bill of entry	BE
Customs Act 1962	CA
Customs Excise & Service Tax Appellate Tribunal	CESTAT
Chief Controller of Factories	CCF
Central Bureau of Narcotics	CBN
Central Board of Excise and Custom	CBEC
Central Excise tariff heading	CETH
Cargo Segregation Report	CSR
Central Sales Tax	CST
Central Revenue Control Laboratory	CRCL
Clean Energy Cess	CEC
Cost Insurance Freight	c.i.f.
Container Corporation of India Ltd	CONCOR
Commissionerate of custom	Commissionerate
Countervailing duty	CVD
Crude palm oil	CPO
Customs tariff heading	CTH
Department of Revenue	DoR
Department of Commerce	DoC
Director General of Foreign Trade	DGFT
Directorate General of valuation	DGOV
Divisional Opium Officers	DOO
Domestic tariff area	DTA
Duty Entitlement Pass Book	DEPB
Duty Exemption Entitlement Certificate	DEEC
Duty Free Entitlement Credit Certificate	DFECC
Duty Free Replenishment Certificate	DFRC
Electronic Data Interchange	EDI
Export General Manifest	EGM
Export obligation	EO
Export Oriented Unit	EOU
Export Performance	EP
Export Promotion Capital Goods	EPCG
Export Processing Zone	EPZ
Free on Board	FOB

Expanded form	Abbreviation
Focus Product Scheme	FPS
Foreign Trade Policy	FTP
Government Opium and Alkaloid Works	GOAW
Hand Book of Procedures	HBP
High speed diesel	HSD
Harmonised system of nomenclature	HSN
High sea sale	HSS
Indian Trade Classification (Harmonised system)	ITC (HS)
Internal Audit Department	IAD
Inland Container Depot	ICD
Import General Manifest	IGM
Joint Pricing Committee	JPC
Joint Director General of Foreign Trade	JDGFT
Let Export Order	LEO
Letter of Call	LOC
Letter of permission	LOP
Legal Undertaking	LUT
Market Linked Focus Product Scheme	MLFPS
Master Airway Bill	MAWB
Manifest Clearing Department	MCD
Narcotic Central Division	NCD
Narcotics Control Bureau	NCB
Narcotic Drug and Psychotropic Substance Act 1985	NDPS Act
North Eastern Region	NER
Netaji Subhas Dock, Kolkata	NSD
Minimum Qualifying Yield	MQY
Out Turn Report	OTR
Principal Director of Audit	PDA
Rajasthan Small Industries corporation Ltd	RAJSICO
Rajiv Gandhi International Airport, Hyderabad	RG Airport
Regional licensing authority	RLA
Policy Circular	PC
Registration Cum Membership Certificate	RCMC
Rupees	₹
Shipping Bill	SB
Special Economic Zone	SEZ
Special Investigation and Intelligence Branch	SIIB
Service Tax	ST
Value Added Tax	VAT
Vishesh Krishi Gram Udyog Yojana	VKGUY

Chapter I

Department of Revenue -Customs Revenue

1.1 Resources of the Union Government

The Government of India's resources include all revenues received by the Union Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans. Tax revenue resources of the Union Government consist of revenue receipts from direct and indirect taxes. Table 1.1 presents a summary of receipts of the Union Government, which amounted to ₹ 53,67,988.99 crore¹ for FY 2012-13. Out of this, its own receipts were ₹ 13,99,951.05 crore including gross tax receipts of ₹ 10,36,460.45 crore.

TABLE 1.1: RESOURCES OF THE UNION GOVERNMENT

	Cr. ₹
A. Total Revenue Receipts	13,47,437.62
i. Direct Tax Receipts	5,58,989.47
ii. Indirect Tax Receipts including other taxes	4,77,470.98
iii. Non-Tax Receipts including Grants-in-aid & contributions	3,10,977.17
B. Miscellaneous Capital Receipts	25,889.80
C. Recovery of Loan & Advances	26,623.63
D. Public Debt Receipts	39,68,037.94
Receipts of Government of India (A+B+C+D)	53,67,988.99
Note: Total Revenue Receipts include ₹ 2,91,546.61 crore, share of net proceeds of direct and indirect taxes directly assigned to states.	

1.2 Nature of Indirect Taxes

Indirect taxes attach themselves to the cost of the supply of goods/services and are, in this sense, transaction-specific rather than person-specific. The major indirect taxes/duties levied under Acts of Parliament are:

- a) **Customs duty:** Customs Duty is levied on import of goods into India and on export of certain goods out of India (Entry 83 of List 1 of the Seventh Schedule of the Constitution).
- b) **Central Excise duty:** Duty is levied on manufacture or production of goods in India. Parliament has powers to levy excise duties on tobacco and other goods manufactured or produced in India except alcoholic liquors for human consumption, opium, Indian hemp and other narcotic drugs and narcotics but including medicinal and toilet preparations containing alcohol, opium etc (Entry 84 of List 1 of the Seventh Schedule of the Constitution).

¹ Source: Union Finance Accounts of FY 2012-13. The figures are provisional. Direct Tax Receipts and Indirect Tax Receipts including other taxes have been worked out from the Union Finance Accounts of FY 2012-13.

- c) **Taxes on Services:** Service Tax is levied on services provided within the taxable territory (Entry 97 of List 1 of the Seventh Schedule of the Constitution).²

This chapter discusses trends, composition and systemic issues in Customs duties using data from Finance accounts, departmental accounts and relevant data available in public domain and departmental MIS.

1.3 Organisational Structure

The Department of Revenue (DoR) of MOF functions under the overall direction and control of the Secretary (Revenue) and coordinates matters relating to all the Direct and Indirect Union Taxes through two statutory Boards namely, the Central Board of Excise and Customs (CBEC) and the Central Board of Direct Taxes (CBDT) constituted under the Central Board of Revenue Act, 1963. Matters relating to the levy and collection of Customs are looked after by the CBEC.

In addition, DoR is also responsible for the Indian Stamp Act 1899 (to the extent falling within the jurisdiction of the Union), the Central Sales Tax Act 1956, the Narcotic Drugs and Psychotropic Substances Act 1985 (NDPSA), the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 (SAFEMA), the Foreign Exchange Management Act, 1999 (FEMA) and the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA), the Prevention of Money Laundering Act, 2002 (PMLA) and the attached/subordinate offices for intelligence, enforcement, ombudsman and quasi judicial functions.

The overall sanctioned staff strength of the CBEC is 68,795³. The organizational structure of CBEC is shown in **Appendix 1**.

1.4 Growth of Indirect Taxes - Trends and composition

Table 1.2 gives the relative growth of indirect taxes during FY 09 to FY 13. The percentage share of indirect taxes to GDP was around 5 per cent during last five years. The share of indirect taxes to gross tax revenues⁴ has remained stagnant around 44-45 percent during the period. GDP has grown by 80 percent and gross tax revenue by 71 percent during this period. GDP increased from ₹ 56.30 lakh crore in FY 09 to ₹ 101.13 lakh crore in FY 13 whereas Indirect Taxes increased from ₹ 2.70 lakh crore in FY 09 to ₹ 4.75 lakh crore in FY 13.

² The Constitution (Eighty-eighth Amendment) Act, 2003, which received the assent of the President on 15 January 2004 was introduced to provide for the insertion of Article 268A, amendment of Art 270 and insertion of Entry 92C, 'tax on services', in List 1 of the Seventh Schedule. However, the Act is yet to come into force.

³ Figures furnished by the Ministry as on 31 March 2013.

⁴Source: Union Finance Accounts of respective years, GDP – Figures of GDP provided by Central Statistical Organisation in February 2013.

Table 1.2: Growth of Indirect Taxes

Year	Indirect Taxes	GDP	Indirect Taxes as % of GDP	Gross Tax Revenue	Indirect Taxes as % of Gross Tax Revenue
FY 09	2,69,988	56,30,063	4.80	6,05,298	44.60
FY 10	2,45,373	64,77,827	3.79	6,24,527	39.29
FY 11	3,45,371	77,95,314	4.43	7,93,307	43.54
FY 12	3,92,674	90,09,722	4.36	8,89,118	44.16
FY 13	4,74,728	1,01,13,281	4.69	10,36,460	45.80

Source: Finance Accounts, Figures for FY 13 are provisional

1.5 Growth of Customs Receipts - Trends and composition

Customs revenue as a ratio of GDP has been stagnant at around 1.7 percent.

Table 1.3 below gives the growth trends of Customs Revenue in absolute and GDP terms during FY 09 to FY 12. The Customs Revenue as percentage of GDP shows declining trend in the FY12 and FY 13. Though, the Customs Revenue as a percentage of Indirect taxes showed marginal increase from 33.96 percent in FY 10 to 38.03 in FY 12, but it declined to 34.83 percent in FY 13.

Table 1.3: Growth of Customs Receipts

Year	GDP	Gross Tax Revenues	Gross Indirect Taxes	Customs Receipts	Customs Revenue as % of GDP	Customs Revenue as % of Gross tax	Customs as % of Indirect taxes
FY 09	56,30,063	6,05,298	2,69,988	99,879	1.77	16.50	36.99
FY 10	64,77,827	6,24,527	2,45,373	83,324	1.29	13.34	33.96
FY 11	77,95,314	7,93,307	3,45,371	1,35,813	1.74	17.12	39.32
FY 12	90,09,722	8,89,118	3,92,674	1,49,328	1.66	16.80	38.03
FY 13	1,01,13,281	10,36,460	4,74,728	1,65,346	1.63	15.95	34.83

Source: Finance Accounts, FY 13 figures are provisional

Ministry of Finance, CBEC (Ministry) stated (March 2014) that the collections of Customs Revenue in a financial Year depend on a number of factors viz. tax policy, volume of imports, exchange rate of leading international currencies and international prices of imported goods.

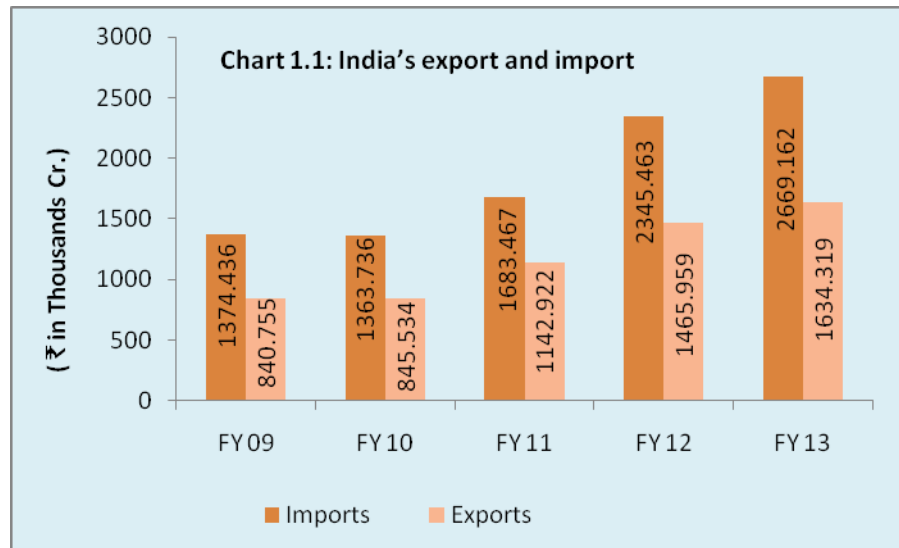
1.6 India's export and import for FY 09 to FY 13

Exports have recorded a growth of 11.48 percent (₹ 1,68,360 crore) during FY 13 as compared to 28.26 percent (₹ 3,23,037 crore) in FY 12 (Table 1.4). Imports registered a growth of 13.80 percent (₹ 3,23,699 crore) as compared to growth of 39.32 percent (₹ 6,61,996 crore) during the same period.

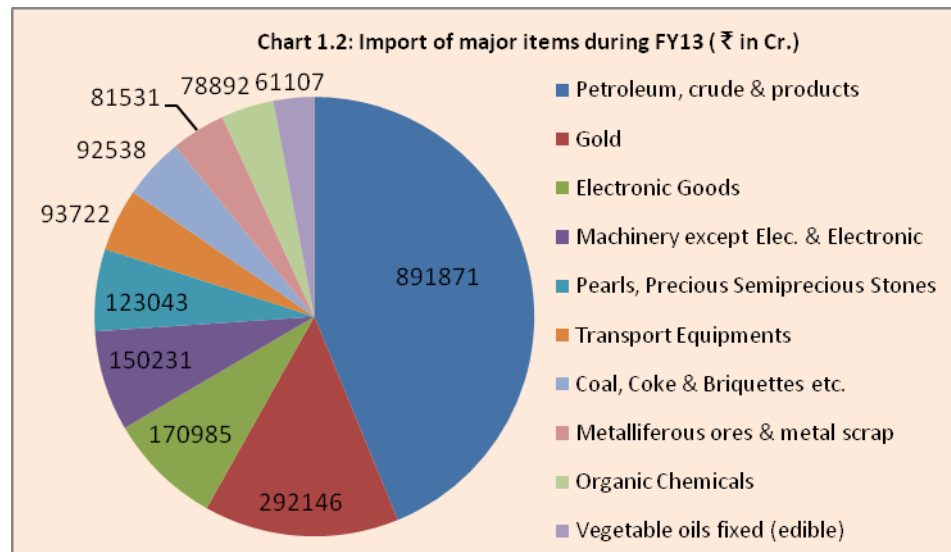
Table 1.4: India's export and import

Year	Imports	Growth %	Customs Receipts	Growth %	Exports	Growth %	Trade Imbalance
FY 09	1374436	35.77	99879	-4.07	840755	28.19	-533681
FY 10	1363736	-0.78	83324	-16.58	845534	0.57	-518202
FY 11	1683467	23.45	135813	62.99	1142922	35.17	-540545
FY 12	2345463	39.32	149328	9.95	1465959	28.26	-879504
FY 13	2669162	13.80	165346	10.73	1634319	11.48	-1034843

Source: EXIM data, Department of Commerce



The top five major imports during the last five years were Petroleum products, Gold, Electronic goods, Machinery (except Electrical and Electronic) and Pearls, Precious and Semi-precious stones. The Petroleum products have shown a growth of 20 percent in FY 13 over the previous year, while Gold has shown growth of 8 percent during the same period. These commodities accounted for almost 44 percent of total imports during FY 13.



Similarly, the top five major Export commodities during the last five years were Petroleum (Crude and Products), Gems and Jewellery, Transport equipments, Machinery and instruments, and Drugs - Pharmaceuticals and Fine Chemicals. The Petroleum (Crude and Products) has shown growth of 20 percent during FY 13 than previous year, while Gems and Jewellery have shown growth of 10 percent during this period. These commodities accounted for almost 35 percent of total exports during FY 13.

Top five exporting countries to India during the FY 13 were China, United Arab Emirates, Saudi Arabia, Switzerland and United States of America. Similarly top

five importing countries during FY 13 were United Arab Emirates, United States of America, Singapore, China and Hongkong.

1.7 Tax base

The customs revenue base will comprise of the Importers and Exporters issued with Importer Exporter Code (IEC)⁵ by the Director General of Foreign Trade (DGFT). As on January 2014 there are 864022 valid IECs. There are 345 active ports at present which comprises 102 EDI, 71 Non-EDI, 66 Manual and 106 SEZ. During 2012-13, ₹ 4.44 lakh crore exports and ₹ 26.70 lakh crore worth of imports transactions took place. Nineteen trade agreements providing some kind of tariff concession (**Appendix 2**), Customs Receipts (₹ 1,65,346 crore) along with duty forgone (₹ 3,20,723.42 crore) are being audited.

1.8 Growth in Imports and Customs Receipts

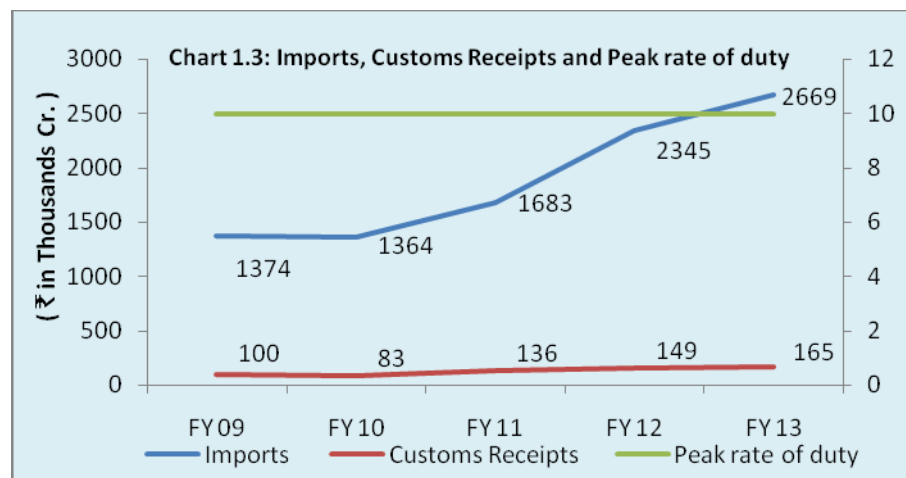
The customs revenue collected has not grown in tandem with the value of imports.

The value of imports during the FY 13 had shown growth of 13.80 percent (Table 1.5) over the previous year. The growth of the Customs revenue was 10.73 percent in FY 13. During FY 09 to FY 13 the value of imports had shown growth of 94 percent, while customs receipts have increased only by 66 percent, although the peak rate remained unchanged at 10 percent during this period.

Table 1.5: Growth in Imports and Customs Receipts

Year	Imports	Growth %	Customs Receipts	Growth %	Peak rate of duty
FY 09	1374436	35.77	99879	-4.07	10.00
FY 10	1363736	-0.78	83324	-16.58	10.00
FY 11	1683467	23.45	135813	62.99	10.00
FY 12	2345463	39.32	149328	9.95	10.00
FY 13	2669162	13.80	165346	10.73	10.00

Source: Union Budget, EXIM Data- Department of Commerce



⁵ IEC is issued by DGFT, Delhi to every importer/Exporter.

1.9 Monitoring of Departmental performance

Department of Revenue does not have a results framework document with objectives, activities, performance and success indicators in line with the subjects of its business allocation, for clearer performance monitoring and evaluation.

Though Business rules prescribe the subjects allocated to DoR but because of absence of measurable performance indicator as required in Result Framework Document (RFD)⁶, its revenue policy strategy and methodology of gauging its performance is not known. Department of Revenue does not prepare the results framework document (RFD) as is done by 74 other ministries and departments of Government of India with responsibility centers (RC) though, there is one annual report and outcome budget for the entire Ministry of Finance with five big departments and numerous RCs.

1.10 Budgeting issues in Customs receipts

Fluctuating gap between Revised Estimates/ Budget Estimates suggests that the department did not adopt any rational method for pre budget analysis and forecasting.

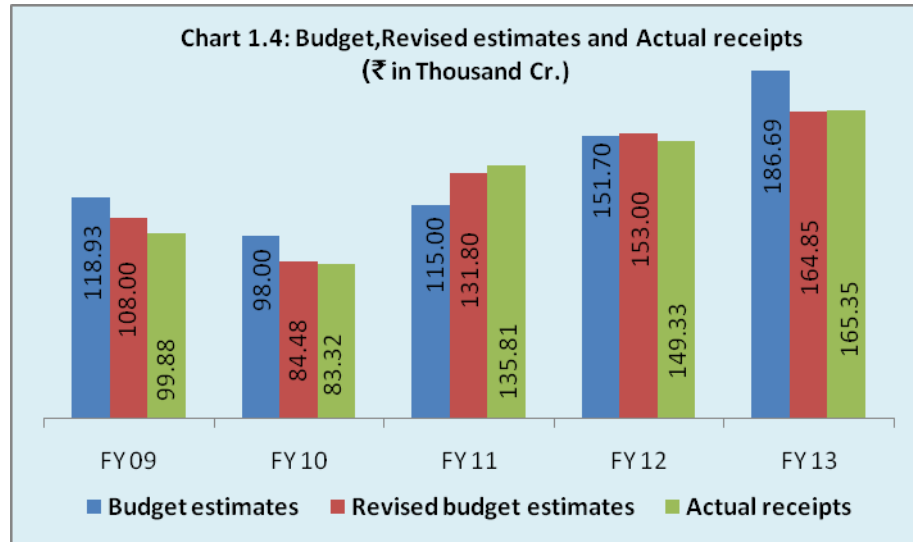
Despite the actual collections falling short of the budget estimates year after year, the Government continued to make optimistic projections during presentation of the Annual Budget. The percentage variation during the last five years between budget estimates and actual collections was in the range of (-) 16.02 percent to (+) 18.10 percent as shown in Table 1.6 below. The revised estimates to actual receipts also varied from (-) 7.52 percent to (+) 3.04 percent.

Table 1.6: Budget and Revised estimates, Actual receipts

Year	Budget estimates	Revised budget estimates	Actual receipts	Diff. between actuals and BE	%age variation between actuals and BE	%age variation between actuals and RE
FY 09	118930	108000	99879	(-)19051	(-)16.02	(-)7.52
FY 10	98000	84477	83324	(-)14676	(-)14.98	(-)1.36
FY 11	115000	131800	135813	(+)20813	(+)18.10	(+)3.04
FY 12	151700	153000	149328	(-)2372	(-)1.56	(-)2.40
FY 13	186694	164853	165346	(-)21348	(-)11.43	(+)0.30

Source: Union Budget and Finance Accounts

⁶ RFD is required to be prepared under the "Performance Monitoring and Evaluation System (PMES)" of Cabinet Secretariat.



Ministry stated (March 2014) that the collection of Customs Revenue in a financial year depends on a number of factors viz. tax policy, volume of imports, exchange rate of leading international currencies and international prices of imported goods. The actual behavior of these economic factors during a year may be at variance with the estimates made prior to the commencement of the financial year. Final revenue receipts in a year may fall or rise vis-à-vis BE/RE due to these economic factors.

Ministry's reply may be viewed in the context of the fact that these factors were known before preparing the BE and should have been factored therein. In addition, there was always an opportunity available for midway course correction in the form of RE to present a pragmatic picture.

1.11 Customs Revenue forgone under Customs Act, 1962

The Customs Revenue forgone is increasing exponentially without commensurate increase in the exports.

The Central Government has been delegated powers of duty exemption under Section 25(1) of the Customs Act, 1962 to issue notifications in public interest so as to prescribe duty rates lower than the tariff rates prescribed in the Schedule to the Customs Tariff Act. These rates prescribed by notification are known as the "effective rates".

The revenue forgone is thus defined to be the difference between duty that would have been payable but for the issue of the exemption notification and the actual duty paid in terms of the relevant notification. In other words,

$$\text{Revenue forgone} = \text{Value} \times (\text{Tariff rate of duty} - \text{Effective rate of duty})$$

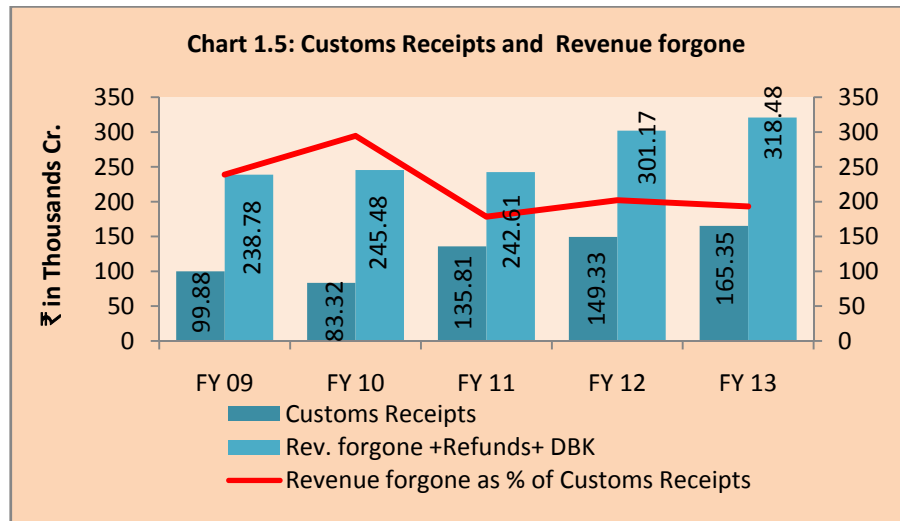
The Revenue forgone as percentage of Customs Receipts during the last five years ranged from 179 to 295 percent (Table 1.7). During the FY 13, 86 percent of the Revenue forgone was on the commodities, Crude and mineral oils, Diamond and Gold, Machinery, vegetable oils and cereals, chemicals and

plastics. The Revenue forgone under Export Promotion schemes accounts for 44 percent of the Customs Receipts during the FY 13 (Table 1.8).

Table 1.7: Customs Receipts and Total Customs Revenue forgone

Year	Customs Receipts	Revenue forgone on commodities including Schemes	Refunds	Drawback paid	Rev. forgone +Refunds+ DBK	Revenue forgone as % of Customs Receipts
FY 09	99879	225752	912.14	12116	238780.14	239.07
FY 10	83324	233950	2309.32	9219	245478.32	294.61
FY 11	135813	230131	3474.05	9001	242606.05	178.63
FY 12	149328	285638	3202.36	12331	301171.36	201.68
FY 13	165346	298094	3031.42	17355	318480.42	192.61

Source: Union Receipts Budget, CBEC DDM, CBEC.



Scheme wise duty forgone ranged from 63 percent to 44 percent between FY 09 to FY 13 (Table 1.8). The statement of Revenue forgone would serve the purpose better, if the Revenue outcome assessments of the various promotional schemes, trade agreements and general exemptions are made available as a part of the budget document.

Table 1.8: Revenue forgone under various Export promotion schemes

Scheme	Amount forgone/disbursed				Cr. ₹
	FY 09	FY 10	FY 11	FY 12	FY 13
1. Advance Licence	12389	10089.21	19355.28	18306.12	18971.02
2. SEZ	2324.29	3987.06	8630.16	4559.87	4490.58
3. EOU/EHT/STP	13400.65	8076.46	8579.87	4554.64	5881.06
4. EPCG	7832.71	7020.25	10621.24	9672.28	11218.25
5. Duty Drawback (excluding at Sl.No. 8 below)	12116.07	9218.96	9001.39	12331.41	17354.72
6. DEPB (excluding at 7 below)	7087.49	8008.45	8736.4	10404.37	2706.13

Scheme	Amount forgone/disbursed				Cr.₹
	FY 09	FY 10	FY 11	FY 12	FY 13
7. DEPB benefits availed by SEZ units	4.52	19.51	20.15	4.52	3.23
8. Drawback benefits availed by SEZ units	4.45	12.28	17.85	2.55	8.92
9. DFRC	110.61	62.3	43.53	39.93	21.46
10. DFEC Schemes to status holder (NTN.53/03-Cus)	342.32	179.74	96.6	69.93	94.81
11. DFEC Schemes to Status holder (NTN.54/03-Cus)	75.4	54.16	59.79	120.42	47.10
12. Target plus schemes- Notification No. 32/2005-Cus and 73/2006-Cus.	1220.12	267.28	373.99	436.31	592.05
13. Vishesh Krishi and Gram Udyog Yojana Notification No. 41-2005-Cus.	2059.11	2868.68	1788.48	2263.34	2382.37
14. Served from India Scheme Notification No. 92/2004-Cus.	530.53	514.86	542.18	555.46	590
15. DFIA Schemes Notification No. 40/2006-Cus.	1267.6	1398.55	1403.99	1224.33	1735
16. Focus Market Scheme –Notification No. 90/2006-Cus.	264.05	432.38	548.12	894.46	1599.28
17. Focus Product Scheme –Notification No. 91/2006-Cus.	144.16	396.26	1209.46	3056.31	4578.78
TOTAL	61173.08	52606.39	71028.48	68678.39	72274.86
% of Customs Receipts	61.25	63.13	52.30	45.82	43.54

Source: Directorate of Data Management, CBEC, Ministry of Finance

The first five commodities contributing to majority of revenue forgone are:

- Precious stones, jewellery
- Mineral fuels and mineral oils
- Animal or vegetable fats
- Machinery
- Electrical machinery

1.12 Customs procedure and Trade facilitation

ICT based solutions (ICES) were not extended to all customs transactions

The Government continued to streamline customs procedures and implement various trade facilitation measures. Self Assessment is a major trade facilitation measure that could result in significant reduction in the time taken for clearance of imported/export goods through Customs as witnessed in the case of Excise and Service tax department. Some of the initiatives taken include the introduction of EDI, "self assessment" for imports as well as exports and

increased coverage of the risk management system (RMS) to carry out assessment on randomly selected bills of entry based on risk parameters and On Site Post Clearance Audit (OSPCA). The level of customs intervention in the clearance of import and export cargoes is intended to progressively reduce. In addition, AEO (Authorized Economic Operator) and large taxpayer unit (LTU) have been introduced for international and national facilitation. For expeditious sanction and refund of 4 per cent SAD, the procedures applied in general and especially for ACP importers have been simplified for sanction of refund without pre-audit within a fixed time of 30 days. Further, the utilization of refund of 4% SAD paid through different scrips such as DEPB/Reward Schemes has been relaxed by allowing manual registration of such scrips. Time release studies have been conducted in limited ports, however, the same has not been correlated with the facilitation measures or savings in transaction costs.

Ministry stated (March 2014) that Time release study has been conducted to find out constraints in smooth customs clearance procedure and improvement, if required to ensure smooth clearance. The trade facilitation measures initiated have a bearing on reduction of transaction cost and dwell time.

It was not known to Audit whether outcome of such study in reduction of transaction cost and dwell time has been quantified in all the ports.

1.13 Risk Management system (RMS)

Efficiency of RMS hinges on the precision of the outliers highlighted and increasing the coverage of the ICT application to all air cargo, sea port and land ports, SEZ / EOU. It does not include the non-EDI ports and all filings in the EDI ports. Number of Import transactions flagged by RMS declined from 16.31 lakh during FY 11 to 7.07 lakh in FY 13 (Table 1.9), while import transactions rose from ₹ 53.33 lakh to ₹ 65.62 lakh during the same period. RMS in exports has been launched in July 2013 and 3007 transactions in two ports were flagged by RMS up to August 2013.

Table 1.9: Transactions flagged by the RMS

No. of transactions flagged by RMS	FY11	FY12	FY13 (up to 31.8.2013)
Imports	16,31,287	12,52,001	7,04,184
Exports			3007

1.14 On Site Post Clearance Audit (OSPCA) Scheme

After introduction of OSPCA, on the one hand Customs department had effectively tapered the audit of ACP clients, while on the other the OSPCA scheme had not fully picked up. During the FY13, out of 434 planned, audit of 215 units under OSPCA, was conducted which resulted in detection of short levy of ₹ 120.61 crore, of which ₹ 2.91 crore (2.41 percent) was recovered.

The present level of ICT application (ICES) needs to be augmented and self assessment needs to be extended to all official customs transactions for an effective facilitation.

1.15 24X7 Customs Clearance Operation

In order to facilitate imports and exports the Board decided to begin on a pilot basis 24X7 customs clearance with effect from September 1st 2012 at identified Air cargo complexes (Chennai, Mumbai, Delhi and Bangalore) and seaports (Kandla, JNPT, Chennai and Kolkata) in respect of following categories of imports and exports:

- a. Facilitated Bills of Entry where no examination and assessment is required; and
- b. Factory stuffed export containers and export consignment covered by Free Shipping Bills.

In order to further facilitate trade, coverage of 24X7 customs clearance operations was extended to cover export consignments at four air cargo complexes. Further, 24X7 services for select import and export documents have now been extended to 17 operational air cargo complexes working on EDI. This initiative has been widely appreciated by trade and industry, though availability of customs staff is one of the constraints.

1.16 Single window Customs clearance

In order to cut transaction cost and time, as well as for better utilization of resources, implementation of single window scheme has been conceptualized by CBEC with customs being lead agency to implement the same.

Single window in customs aims to provide a platform for traders to file a common declaration electronically, meeting requirements of other regulatory agencies involved in clearance process of imported/exported goods. Under single window regime, data fields/information relating to other regulatory agencies is transmitted electronically to get their clearance/input before clearance is allowed by customs.

1.17 Performance of Special Economic Zones in FY 12 to FY 13

There was no outcome analysis of the Scheme at the macroeconomic level.

Under the SEZ Act 2005, there are 572 approvals given for establishing SEZs, of which 389 have been notified; in addition, there are about 48 in-principle approvals for SEZ. There are 38612 units approved in these SEZs. A total of ₹ 288477 crore has been invested resulting in generation of employment for 1239845 persons. It has shown a growth of 31 percent over 2011-12 with exports of ₹ 476159 crore (Table 1.10 below). Despite a huge growth in exports from SEZ after the Act came into force there is still no revenue outcome analysis at the economic and the Government levels. Most of the quoted performance

figures when de-trended may indicate exogenous influences including changes in taxation policy with respect to SEZ and SEZ units.

Table 1.10 : Performance of SEZs in FY 12 TO FY 13

Exports in 2011-12	₹364477.73 crore (Growth of 15.39% over 2010-11)
DTA Sale (Counted for +ve NFE)	₹32472.70 crore (8% of total production)
DTA Sale (Not counted for +ve NFE)	₹13881.20 crore (3.87% of total production)
Exports in 2012-13	₹476159 crore (Growth of 31% over 2011-12)
DTA Sale (Counted for +ve NFE)	₹27884.80 crore (5% of total production)
DTA Sale (Not counted for +ve NFE)	₹27545.46 crore (5% of total production)

Source: www.sezindia.nic.in

1.18 Human Resources management objectives in CBEC

Director General of Human Resource Development formed in November 2008 has specific roles with respect to Cadre management, Performance management (of group and individual levels), capacity building, strategic vision development and welfare and Infrastructure divisions for a 68,795 strong work force. Inputs for CBEC's five year strategic plan was sought by DG Inspection of CBEC in Feb 2013 so that:

- Indirect tax to GDP ratio could be improved;
- A robust RMS covering all ports and transactions could be in place;
- Officials and officers are trained to use ICES proficiently;
- Technical audit procedures are strengthened.

During FY 13, National Academy of Customs, Excise and Narcotics conducted 431 training courses (82 ICT and 349 other courses). Out of 14,615 officers trained, 6,782 were trained in ICT courses during this period (Table 1.11). No training course was conducted by NACEN, RTI, Mumbai and NACEN, RTI, Hyderabad during FY 13, although there was excess working strength of 43 Deputy/Assistant Commissioners under the DG, NACEN.

Table1.11: Trainings conducted during FY 13

Sl. No	Name of the Regional Training Institutions	Number of Courses and Participants			
		Training related to information and communication technology (ICT) applicable to CBEC & field formation		Other than ICT training	
		No. of courses	No. of participants	No. of courses	No. of participants
1.	NACEN Faridabad	1	14	28	582
2.	NACEN RTI , Delhi	6	1319	58	751
3.	NACEN, RTI Mumbai	21	-	110	-
4.	NACEN RTI Kolkata	22	828	58	1442
5.	NACEN RTI Chennai	4	1363	11	696
6.	NACEN RTI Kanpur	18	742	57	1576
7.	NACEN RTI Bangalore	2	911	3	37
8.	NACEN RTI Vadodara	5	1152	57	1350
9.	NACEN RTI Hyderabad	40	-	53	-
10	NACEN RTI Patna	24	453	77	1399
	Total	82	6782	349	7833

Source: National Academy of Customs, Excise & Narcotics

The RFD FY 13 of CBEC already covers the important activities mentioned above. The measurement and success indicators are not correlated with the policy decisions already taken by Government in case of self assessment, OSPCA, RMS and use of ICT, ICES. Since Customs duty is intertwined with other tax and foreign policies of Government, there is a need to look at the systemic level for restructuring and re-allocation of human resources after honing appropriate skills and filling the capacity gaps.

1.19 Arrears of customs duties

There is a need to strengthen the recovery mechanism of the department.

Customs revenue of ₹ 11,835.91 crore demanded up to March 2013, was not realised by the department at the end of the FY 13 (Table 1.12). Of this, ₹ 2,468 crore was undisputed. However, ₹ 1,253.93 crore (51 per cent) of the undisputed amount had not been recovered for a period of over five years.

Table 1.12: Arrears of Customs duties

Zone	Amt. under dispute				Amt. not under dispute				Grand total (Col.5+9)
	Less than five years	Five years but Less than ten years	More than ten years	Total (Co.2+3+4)	Less than five years	Five years but Less than ten years	More than ten years	Total (Co.6+7+8)	
1	2	3	4	5	6	7	8	9	10
Cx. Delhi	61.41	1.35	0	62.76	2.01	19.16	0	21.17	83.93
Chandigarh	13.15	2.94	0	16.09	7.94	6.53	6.49	20.96	37.05
Meerut	20.11	402.90	5.72	428.73	6.11	2.01	0.08	8.20	436.93
Jaipur	18.63	4.60	14.53	37.76	0.46	3.21	10.60	14.27	52.03
Lucknow	0	0	1.86	1.86	0.95	0	0	0.95	2.81
Cus. Delhi	950.51	306.69	20.78	1277.98	37.86	52.11	44.32	134.29	1412.27
Cus. (P) Delhi	385.06	5.36	22.42	412.84	320.14	4.56	0.31	325.01	737.85
LTU Delhi	0	0	0	0	0	0	0	0	0
Nagpur	91.91	48.65	0.02	140.58	0.34	0.03	1.24	1.61	142.19
Pune	19.82	49.83	4.28	73.93	1.25	10.61	2.78	14.64	88.57
Vadodara	150.01	2.70	10.66	163.37	2.35	2.62	8.42	13.39	176.76
Ahmedabad (Cx.)	42.34	12.08	0	54.42	0	0	0	0	54.42
Ahmedabad (Cus.)	1173.79	148.22	174.26	1496.27	10.41	1.09	46.42	57.92	1554.19
Bhopal	279.83	38.05	36.98	354.86	0.09	0	12.90	12.99	367.85
Bangalore (Cus.)	761.50	11.63	3.71	776.84	75.31	11.95	11.63	98.89	875.73
Chennai (Cus.)	511.42	246.15	37.52	795.09	91.99	249.74	33.30	375.03	1170.12
Chennai Cus. (P)	17.56	2.60	1.26	21.42	53.82	19.83	1.17	74.82	96.24
Bangalore	58.57	49.66	17.67	125.90	0	0	0	0	125.90
Chennai	161.75	0.73	0.11	162.59	0	0.22	0.17	0.39	162.98
Coimbatore	2.87	8.30	0.72	11.89	71.50	40.48	0.12	112.10	123.99
Hyderabad	54.79	31.54	8.95	95.28	12.22	20.65	9.50	42.37	137.65
Cochin	15.89	6.02	9.45	31.36	2.49	28.92	3.94	35.35	66.71
Mysore	22.83	0.67	0	23.50	1.55	0	9.01	10.56	34.06
Vizag.	162.25	62.61	31.84	256.70	32.53	32.52	18.15	83.20	339.90
Kolkata (Cus.)	287.28	19.33	16.75	323.36	34.02	38.44	23.21	95.67	419.03
Patna Cus. (P)	0	0.02	0.48	0.5	0	2.29	0.31	2.60	3.10
Bhubaneswar	0	12.49	2.27	14.76	0	0.37	0.31	0.68	15.44
Shillong	0	2.68	0	2.68	9.93	0	0	9.93	12.61
Mum. Cus. Zone-I	530.22	255.86	22.19	808.27	279.88	67.78	151.75	499.41	1307.68
Mum Cus. Zone-II	262.72	78.05	0.47	341.24	26.98	12.42	1.23	40.63	381.87
Mum. Cus. Zone-	478.38	209.97	52.09	740.44	89.80	84.94	24.81	199.55	939.99

Zone	Amt. under dispute				Amt. not under dispute				Grand total (Col.5+9)
	Less than five years	Five years but Less than ten years	More than ten years	Total (Co.2+3+4)	Less than five years	Five years but Less than ten years	More than ten years	Total (Co.6+7+8)	
III									
Mum. Cx.-I	104.55	52.98	4.18	161.71	15.33	8.18	111.10	134.61	296.32
Mum. Cx.-II	27.40	55.57	2.81	85.78	26.85	0	0	26.85	112.63
Mum. LTU	0	67.11	0	67.11	0	0	0	0	67.11
Grand total	6666.55	2197.34	503.98	9367.87	1214.11	720.66	533.27	2468.04	11835.91

Source: Chief Commissioner, Tax Arrears Recovery, Central Excise, Customs & Service Tax

Ministry stated (March 2014) that in order to boost the Tax arrears recovery various measures have been chalked out which included creation of computerized database of arrears and regular updating/review by the field formations, regular inspection of arrears and advising field formations for suitable action. Field formations have been directed to create a dedicated team of officers for recovery of arrears beside a Handbook on Recovery of arrears of Revenue of Customs, Excise and Service Tax has been published and circulated to all formations to provide a first hand information of arrears.

Audit would look forward to outcome of measures chalked out by the Ministry.

1.20 Additional revenue realized because of Directorate General of Valuation

As a result of inputs given by the Directorate General of Valuation (DGOV), additional revenue realized during last five years is as shown in Table 1.13. During the last five years the ratio of realized amount to the Customs revenue collected ranged from 0.68 to 0.85 percent. With the reduced tariff, greater depth of classification and enhanced ICT application, valuation could be leveraged for a greater significance.

Central Board of Excise and Customs (Board) stated (November 2013) that the DGOV does not flag any export/import transaction before assessment nor determine the value as this is done by the assessing formations; accordingly value of import and export transactions flagged (CTH wise) by DGOV during the year FY 12 and FY 13 was not provided.

Table 1.13: Additional revenue realized because of DGOV

Financial Year	Amount realized Cr. ₹	% increase/decrease over last year	%age of Customs receipts
FY 09	727		0.73
FY 10	790	8.67	0.95
FY 11	930	17.72	0.68
FY 12	1096	17.85	0.73
FY 13	1411	28.74	0.85

Source: CBEC, Ministry of Finance

Ministry further stated (March 2014) that the additional revenue realized was due to use of various valuation tools such as National Import database (NIDB),

Valuation alerts and Guidelines and International prices as published by DGOV. The effectiveness of these tools could not be judged from the amount of additional revenue because values once enhanced or uploaded by Customs, are subsequently suo motu filed as declared values by the importers.

1.21 Trade remedial duties due to Safeguards, Antidumping and Anti Subsidy measures

The Director General of Safeguards is required under Customs Tariff (Identification and Assessment of Safeguard Duty) Rules, 1997 to investigate the existence of 'serious injury' or 'threat of serious injury' to the domestic industry as a result of increased imports of an article into India and submit his findings to the Central Government. The Directorate General of Safeguards has carried out 19 investigations during FY 11 to FY 13 as shown in Table 1.14 below. Safeguard measures could also take the form of quantitative restrictions.

Table 1.14 Investigation done by the Director General of Safeguards

	FY11	FY12	FY13
No. of cases in hand	2	2	4
No. of active SGs	3	3	5
Name of Commodities involved (*)	(a)N1, 3-dimethyl butyl N' Phenylenediamine (b) Aluminium flat rolled products and foil 7606 & 7607 (Review)	(a)Phthalic Anhydride (b)Carbon black	(a) Dioctyl Phthalate (DOP) (b) Electrical insulators (c) Hot rolled flat products or stainless steel 304 grade (d) Phthalic anhydride (Review)

*Source: Directorate General of Safeguards, Customs and Central Excise

1.22 Anti Dumping Duties

Director General of Antidumping initiated the first anti-dumping investigation in 1992. During this period the DGAD received large number of applications for initiating anti-dumping investigations. During FY 11 to FY 13 anti-dumping investigations were initiated in 97 cases and 108 cases were finalized involving 31 countries.

The countries prominently figuring in anti-dumping investigations are China PR, EU, Chinese Taipei, Korea RP, Japan, USA, Singapore, Indonesia, Thailand, Russia, France, South Africa etc.

The major product categories on which anti-dumping duty was levied are PVC paste Resin, chemicals & petrochemicals, pharmaceuticals, fibres /yarns, steel and other metals and consumer goods. The duties collected due to the remedial measures are nominal compared to total Customs duty. The duties form an insignificant portion (0.020 percent in 2013) of the total customs duties. However, CAG's Compliance Audit reports have reported some ways adopted by importers to evade the Anti dumping duties.

1.23 Tax Evasion, Investigation and Seizures

There has been an increasing trend in duty evasion cases.

There has been an increasing trend in evasion of cases both in terms of numbers and the amount during the last 5 years (FY 09 to FY 13) as shown in the **Appendix 3**. The duty evasion cases go up from 340 to 709 and value from ₹ 1,529 crore to ₹ 4,743 crore during the same period. Interestingly, this was also the period when various ICT solutions were in use and Self assessment, RMS based PCA and intelligence was embarked on with a gradual shift towards OSPCA.

DRI unit (CBEC) detected 2548 cases of tax evasion involving ₹ 9553.45 crore during the FY 09 to FY 13. The products involved were mainly second hand machinery, electronic goods, memory cards, helicopters, luxury cars, mobile phone and its batteries, vehicles and their parts, rough diamonds and jewellery.

1.24 Increasing Trend in Seizures of Specified Commodities

Scrutiny of seizures of Specified Commodities during FY 09 to FY 13 (**Appendix 4**) reveals that there was an increasing trend in seizures of specified commodities in terms of All India level.

It was seen that total amount of seizures at All India level have gone up from ₹ 1556.80 crore to ₹ 1619.97 crore. Maximum rise was in Narcotic Drugs, Machinery/Parts, Fabrics/Silk Yarn etc., Electronic Items, and Vehicles/Vessel/Air Crafts etc. This was despite tariff rationalization, increasing trade openness, facilitation and surveillance.

1.25 Cost of Collection for the FY 09 to FY 12

Despite automation and extensive use of ICT, the cost of collection has not come down appreciably

Notwithstanding automation and extensive use of ICT, cost of collection continues to show a rising trend. Expressed in terms of percentage of receipts, cost of collection was in the range of 1 to 2 percent during FY 09 to FY 13 (Table 1.15). CBEC did not provide to audit the methodology to calculate the Reserve fund and Deposit Account expenditure in the overall cost of collection.

Table: 1.15: Cost of Collection during FY 09 TO FY 12

Year	Expdtr. on Revenue, Import /export and trade control functions	Expenditure on preventive and other functions	Transfer to Res. Fund, Deposit A/c and other expenditure	Total	Customs receipts	Cr.₹ Cost of collection as % age of customs receipts
FY 09	234.56	989.28	11.65	1235.49	99879	1.24
FY 10	304.38	1217.85	9.83	1532.06	83324	1.84
FY 11	292.89	1420.71	4.76	1718.36	135813	1.27
FY 12	306.05	1577.31	5.02	1888.38	149876	1.26
FY 13	315.09	1653.28	10.49	1978.93	165346	1.20

Source: Figures from Finance Accounts

1.26 Accounting based Internal Audit irregularities.

The internal audit report does not provide a control based assurance in line with its risk assessment.

Internal audit done by the Principal Chief Controller of Accounts (Pr.CCA), CBEC is aimed at audit of different payment and accounting functions of CBEC. Though internal audit is an integral part of the internal control system, the internal audit reports of Pr.CCA indicated pendency to the tune of 83 internal audit paras (Pr.CCA letter DO No. IA/NZ/HQ/CAG INFO/2013-14/157 dated 1 October 2013).

Pr.CCA audit comments comprised the following irregularities apart from points of establishment audit till FY 13:

- a. Non-reconciliation of revenue receipts; less credit ₹ 2.86 crore crore, Excess credit ₹ 2.62 lakh crore.
- b. Non-recovery of arrears of central excise and customs, revenue (confirmed demands); ₹ 0.19 lakh crore.
- c. Non-disposal and delay in disposal of confiscated goods of ₹ 117.67 crore.
- g. Non recovery of dues from Govt. Department/State Government Bodies/Private parties/ Autonomous bodies; ₹ 0.11 lakh crore.

1.27 Effectiveness of Technical audit by DG (Audit), CBEC

Custom department has been computerized by introducing ICES in 1994 which has been further upgraded to ICES 1.5 version (2009). It has also introduced Risk Management System (RMS) by flagging various risk factors on valuation, classification, notification etc. in the system. Computerization seeks to improve the assessment process of imported goods as well as exported goods and minimizes irregularities of incorrect calculation of duty, application of tariff rates, application of exemption notifications, mis-classification of goods in general.

Departmental audit is an important instrument of internal control which detects non compliance and inefficiencies and initiates remedial action on shortcomings. To ensure effective inspection system CBEC issued instructions on the subject recently. Table 1.16 below gives quantitative achievements in this area during FY 11 to FY 13. The ratio of percentage of duty detected/recovered to Customs Receipts was insignificant.

Table 1.16: Departmental audit during FY 05 to FY 10

FY	Audits conducted	Duty detected	Duty recovered	Duty detected to Customs Receipts %	Duty recovered to Detected %	Cr.₹
						Duty recovered to Customs Receipts %
FY11	323399	548.48	447.20	0.004	0.82	0.003
FY12	525406	438.73	459.04	0.223	104.62	0.003
FY 13	446911	1824.13	741057.61	0.10	0.58	0.006

Source: Directorate General of Audit, Customs & Central Excise

1.28 Audit effort and Customs Audit Products

Compliance Audit Report

Compliance audit was managed as per the Comptroller and Auditor General's (CAG) Audit Quality Management Framework, 2009 employing professional auditing standards of the Auditing Standards, 2nd Edition, 2002.

1.29 Sources of information and the process of consultation

Data from the Union Finance Account, Annual Import/Export Data of Customs (CBEC), Single Sign On (SSO id) based access of ICES 1.5 was used along with examination of basic Records/ documents in DoR, CBEC, Department of Commerce and their field formations. MIS, MTRs of CBEC along with other stake holder reports were used. We have nine field offices headed by Director Generals (DGs)/ Principal Directors (PDs) of audit, who managed audit of 532 units in FY 13 and issued 14020 Audit observations.

Chapter one of the current Compliance audit report analyses the customs revenue framework, its fiscal size and significance, relative to the gross Union Revenue aggregates. The resultant issue area has been audited and presented in Chapter two, which reports the observations on scheme based duty exemption or remission, while Chapter three highlights the cases of incorrect application of general exemption, Chapter four reports cases of incorrect assessment and includes the Theme based audit on 'Refund of Customs duty', Chapter five highlights the cases of misclassification of goods, Chapter six is on the management of Narcotic substances and Chapter seven includes reports on Theme based audit on 'Disposal of seized and confiscated goods', 'Import General manifest and Export General manifest' and 'Public and Private bonded warehouses'. The current report has 55 paragraphs of ₹ 1792.73 crore. We had issued another 84 paragraphs of ₹ 39.67 crore for the audit conducted upto March 2013 (**Annexure-I**). There were generally six kinds of observation: Incorrect classification; Incorrect application of exemption notification; Condition of notification not fulfilled; Incorrect exemption due to miscalculation; Scheme based exemption and Incorrect assessment of customs duties. The department/Ministry has already taken rectificatory action involving money value of ₹ 39.67 crore in case of 84 paragraphs in the form of issue of show cause notices, adjudication of show cause notices and reported recovery in some cases.

In addition, this year audit has commented on themes such as Disposal of seized and confiscated goods, Refund of Customs duty, Import General Manifest (IGM)/Export General Manifest (EGM), Advance Authorisation, Public/Private Bonded warehouses and Promotional measures under Foreign Trade Policy (Chapter 3).

Remedial action taken on the compliance audit report and their status as of March 2013 is given in Table 1.17.

Table No 1.17: Remedial action taken on the compliance audit report

Report No.	CBEC, Customs		DoC	
	ATNs pending	ATNs not received	ATNs pending	ATNs not received
CA 10 of 1998 (CUS)	1	-	-	-
CA 7 of 2006 (Cus,CX,ST)		-	2	-
CA 7 of 2008 (Cus,CX,ST)		-	1	-
CA 20 of 2009-10 (Cus, CX, ST)		-	4	-
CA 14 of 2009-10		-	2	-
CA 24 of 2010-11		-	2	-
CA 31 of 2011-12	2		3	4
CA 14 of 2013		15	6	2
Total	3	15	21	6

Source: CBEC, Ministry of Finance

1.30 Performance Audit Report

Performance audit with the aim to highlight the outcome of the schemes on certain specific procedures revealed that the outcome was difficult to gauge because of a lack of specific performance indicator and success measurements. 2004-05 onwards the reports started giving recommendations. This year we have covered Performance audit on Duty Entitlement Pass Book Scheme; Indian Customs Electronic Data Interchange system (ICES) and Special Economic Zones. Generally, a period of five years is taken for performance audit of the Scheme employing professional auditing standards and Performance Auditing Guidelines, 2004.

1.31 Public Accounts Committee (PAC):

PAC has taken up three reviews (Part or complete) i.e. Duty Drawback Scheme; Deemed Export and reimbursement of Central Sales Tax (CST) to STP/EHTP units for discussion. PAC's advance questionnaires have been broad based at the levels of tax policy, administration and implementation. It has also observed lack of inter-ministerial coordination, scheme outcome as well as inadequate monitoring.

1.32 Response to CAG's audit, revenue Impact/follow-up of Audit Reports

In the last five audit reports (including current year's report) we had included 635 audit paragraphs (Table 1.18) involving ₹ 2161.12 crore. Of these, the Government had accepted audit observations in 617 audit paragraphs involving ₹ 290.80 crore and had recovered ₹ 110.96 crore.

Table 1.18: Follow up of Audit Reports

Year	Paragraphs included		Paragraphs accepted						Recoveries effected						Cr. ₹
			Pre printing		Post printing		Total		Pre printing		Post printing		Total		
	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	No.	Amt	
FY 09	133	56.20	101	33.75	45	14.72	146	48.47	68	16.54	33	5.760	101	22.30	
FY 10	124	79.62	102	32.71	16	4.10	118	36.81	63	18.01	3	0.37	66	18.38	
FY 11	118	130.61	102	98.68	29	17.81	131	116.49	56	17.81	3	4.07	59	21.88	
FY 12	121	62.28	108	47.67	14	11.19	122	58.86	79	29.66	9	1.31	88	30.97	
FY13	139	1832.41	100	65.78	Not Applicable		100	65.78	63	17.43	Not Applicable		63	17.43	
Total	635	2161.12	513	278.59	104	47.82	617	290.80	329	99.45	48	11.51	377	110.96	

Source: CAG Audit reports

CHAPTER II

DUTY EXEMPTION/REMISSION SCHEMES

The Government may exempt wholly or part of customs duties for import of inputs and capital goods under an export promotion scheme through a notification. Importers of such exempted goods undertake to fulfill certain export obligations (EO) as well as comply with specified conditions, failing which the full rate of duty becomes leviable. During test check (February 2011 to December 2013) of records pertaining to the period April 2007 to March 2013, a few illustrative cases noticed where duty exemptions were availed of without fulfilling EOs/conditions are discussed in the following paragraphs. The total revenue implication in these cases is ₹ 139.06 crore.

2.1 Inadmissible payment of Deemed exports benefit

Paragraph 8.2(d) of Foreign Trade Policy provides that supply of goods to projects financed by multilateral or bilateral agencies/funds as notified by Department of Economic Affairs, Ministry of Finance under International Competitive Bidding (ICB) in accordance with procedures of those agencies/funds, where legal agreements provide for tender evaluation without including customs duty is regarded as deemed exports and is entitled to deemed export benefits from Regional offices of DGFT. The guidelines on ICB prescribed that evaluation should not include customs duty, excise duty, sales tax and any other similar taxes.

National Highways Authority of India (NHAI) awarded contracts to contractors for execution of works related to construction, rehabilitation and upgradation of highways etc. As per clause 14.3 of the instructions to bidders forming part of contract agreement, all duties/taxes and other levies payable by the contractor under the contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bid, shall be included in the rates and prices and the total bid price submitted by the bidder and the evaluation and comparison of bids by the employer shall be made accordingly. It implies that the contract price includes the component of excise duty on the raw materials consumed for the project.

Audit scrutiny of the deemed export claim files for the period from 2007-08 to 2010-11 provided to Audit by the office of the Addl. Director General of Foreign Trade, New Delhi revealed that NHAI had regulated payments to the contractors as per the terms of the contract. Further, Addl. DGFT also reimbursed ₹ 34.50 crore to these contractors as deemed export benefits in respect of material used by them for execution of aforesaid works. This resulted in double benefit of duty to the contractor i.e., through payment received from NHAI inclusive of duty as well as reimbursement of Deemed export benefit from office of Addl. DGFT.

Additional Director General of Foreign Trade, Ministry of Commerce and Industry stated (February 2013) that this issue has already been examined in Policy Interpretation Committee (PIC) in its meeting held on 07 October 2002 and it was clarified by PIC that deemed export benefits could not be denied to these firms. Moreover, the duties are refunded by the Government only once and there has been no duplication in the refund. If supplies are classified as deemed exports, then duties actually paid have to be refunded, as per deemed export scheme. Further, paragraph 2.3 of FTP clearly states that on the matter relating to interpretation of policy, the decision of DGFT shall be final and binding. Therefore, this decision by the DGFT has been implemented by the Regional Licensing Authority.

The reply of the department is to be viewed in the context of the fact that the contract price of each work was inclusive of all duties and taxes against the guidelines of ICB contracts. Further, the decision of the PIC to permit refund of deemed export benefits to the contractors in these cases despite payment of duties by the project authority to the same contractors was incorrect. Thus, grant of deemed export benefits of ₹ 34.50 crore to the contractors by the Department was inadmissible.

Director General of Foreign Trade, New Delhi in December 2013 stated that reply of Headquarters (Ministry of Commerce and Industry) will be sent in due course. Further progress was awaited (March 2014).

2.2 Advance authorisation Scheme

Regional Licensing Authority (RLA), Hyderabad did not recover duty forgone for non fulfillment of export obligation

2.2.1 In terms of Chapter 4 of the Foreign Trade Policy, Advance authorizations (AAs) are issued for duty free import of raw materials, for such quantity as specified in the Standard Input Output Norms (SION), for manufacture and export of the finished products.

As per paragraph 4.22 of Handbook of Procedure (HBP), Vol-I 2004-09, export obligation under an advance licence shall be fulfilled within a period of 36 months and further extension of one year is allowable. If the export obligation (EO) is not fulfilled, the licence holder shall for regularization, pay to the customs authorities, customs duty on the unutilized value of imported material along with interest (Paragraph 4.28 of the HBP).

M/s BHEL, was issued an advance licence (May 2009) by JDGFT, Hyderabad for a c.i.f. (cost, insurance, freight) value of ₹ 547.08 crore. The licensee imported (June 2000), 'Flange to Flange Gas Turbine' and the duty forgone was ₹ 26.66 crore.

Audit scrutiny revealed that though the period of export obligation was completed in May 2012, neither the assessee had fulfilled the EO nor sought any

extension for the same. Accordingly, duty of ₹ 26.66 crore was recoverable from the licensee.

DGFT, New Delhi stated (2013) that RLA has been advised to take up the matter with BHEL. DGFT, New Delhi further added that the matter was also brought to the notice of GM (Projects) BHEL, Noida. Further progress was awaited (March 2014).

Regional licencing Authority, Kolkata did not recover duty for non fulfillment of EO

2.2.2 As per paragraph 4.24 of the HBP, licensee is required to submit requisite documents in support of discharge of EO within two months from the date of expiry of EO period. In the case of failure to fulfil EO, the licensee shall pay customs duty on unutilized imported materials along with interest.

M/s Bhushan Power & Steel Ltd, Kolkata, was issued a Duty Free Import Authorisation (DFIA) license (April 2007) by the Regional Licencing Authority (RLA), Kolkata, for duty free import of 'Raw materials' valued at ₹ 99.88 crore with an obligation to export 40002 MT of 'Cold rolled galvanized non-alloy steel sheets and wide coils' worth ₹ 140.66 crore. Against the import (June 2007) of 735.691 MT of 'Zinc metal' worth ₹ 10.40 crore through Commissionerate of Customs (Port), Kolkata, the licensee exported (between March and April 2007) only 2172.77 MT of goods worth ₹ 9.26 crore against prescribed EO, thereby failing to fulfil the export obligation. As per Standard Input Output Norms (SION), only 53.327 MT Zinc (considering minimum coating range of 30-49 gm/m² in absence of specific mention in shipping bills) was required for galvanisation of 2172.77 MT export goods. Thus, to regularize the failure to fulfil the EO, custom duty of ₹ 2.69 crore on 'Zinc metal' (682.364 MT) imported in excess along with interest of ₹ 2.10 crore was recoverable from the licensee.

DGFT, New Delhi reported (November 2013) that the firm had deposited customs duty of ₹ 2.12 crore on the quantity of Zinc imported in excess by debiting Status Holder Incentive Scheme (SHIS) licence and paid interest of ₹ 1.89 crore in cash (May 2012 & January 2013). Accordingly, the department had regularised the case (February 2013).

In response to audit's query on recovery of differential duty, DGFT, New Delhi forwarded (November 2013) copies of 10 commercial invoices furnished by the licensee for actual consumption of zinc. On perusal of the invoices furnished it was found that all except one invoice either did not have zinc coating specification or had coating specification of Z-12 which made actual consumption of Zinc in the export product far less than claimed. Accordingly, balance customs duty of ₹ 56.69 lakh was recoverable from the licensee. Further progress was awaited (March 2014).

RLA, Madurai irregularly clubbed Advance Authorizations which caused duty benefit of ₹ 18.51 lakh to the licensee

2.2.3 As per Para 4.20 of Hand Book of Procedures (HBP) Vol. I, (2004-09) the Advance authorization (AA) holder has the facility of clubbing of authorizations for redemption / regularization without further utilizing them for import or export. This facility of clubbing is available only for AA(s) where there is shortfall in fulfillment of export obligation and which is sought to be clubbed with an AA (s) which is valid for import. The import validity of the authorization is 24 months and the export obligation (EO) has to be fulfilled within 36 months (Paragraph 2.12 of Foreign Trade Policy).

M/s Madura Coats Limited applied (August and December 2010) for two separate clubbing of AA issued in April 2009 with that of three other AA (s) issued in June/August 2005 and May 2006 in each case. The Authorization holder imported the entire quantity of raw materials viz., Polyester Filament yarn and Polyester staple fibre, free of duty but did not fulfill the export obligation by export of Polyester sewing thread in respect of the AA issued in April 2009 in both the cases. The import validity of the other three authorizations issued in June/August 2005 and May 2006 sought for clubbing in each case, had already expired and the export obligation was fulfilled in all those AA(s) individually. However, in both the cases of clubbing, all the four Authorizations were clubbed and irregularly redeemed (January and December 2011).

As the three AA (s) issued in June/August 2005 and May 2006 which were sought to be clubbed with the AA issued in April 2009 were not valid for imports, those three AA (s) could not be clubbed. Moreover, the export obligation against those three AA(s) had already been fulfilled individually. On completion of EO itself, all the other three AA (s) should have been redeemed individually in both the cases of clubbing. There was no reason to involve these three AA (s) into the process of clubbing. The irregular clubbing resulted in non-recovery of customs duty of ₹ 18.51 lakh on excess import of raw materials.

DGFT, New Delhi stated that as per RLA, Madurai, EO has been fulfilled after clubbing with the licence dated April 2009 and there was no excess import.

DGFT, New Delhi reply has to be viewed in the context of the fact that clubbing for Advance Authorization (s) is allowable where there was shortfall in fulfillment of export obligation and Authorization (s) sought to clubbed with was valid for import. But in the instant case, three out of four Advance Authorization (s) clubbed were not valid for import. Accordingly, these three licences were not eligible for clubbing.

2.3 Export Oriented Units (EOUs)/ Export Processing Zones (EPZs)

Assessing officers did not levy anti dumping duty on 'Polypropylene (PP)' imports

2.3.1 Import of 'Polypropylene (PP)' from Oman, Saudi Arabia and Singapore attracts provisional anti-dumping duty at the prescribed rate under notification no. 82/09-cus dated 30 July 2009. Subsequently, based on the final findings by the Designated Authority, definitive ADD on such imports was imposed at the rate of 322.57 US\$/MT vide notification no.119/2010-cus dated 19 November 2010, with retrospective effect from the date of imposition of the provisional ADD i.e. 30 July 2009. Further, in terms of section 30 (a) of the Special Economic Zone (SEZ) Act, 2005, any goods removed from SEZ to the Domestic Tariff Area (DTA), shall be chargeable to duties of customs including anti dumping duty under the Customs Tariff Act, 1975, wherever applicable, as leviable on such goods when imported.

Fifty consignments of 'Polypropylene' (CTH 39021000) imported through Kolkata (Port), Chennai (Sea) Commissionerates and ICD Dadri by M/s Sai Industries Pvt. Ltd., a FSEZ unit operating under the control of Zonal Development Commissioner (ZDC), Eastern Zone and six others were cleared without levy of anti dumping duty, in contravention of the codal provisions. This resulted in non levy of anti dumping duty of ₹ 7.41 crore.

The Assistant Commissioner of Customs (Airport & Administration), Kolkata confirmed (July 2013) a demand of ₹ 18.83 lakh in respect of M/s Sai Industries. Ministry reply in respect of other importers was awaited (March 2014).

Assessing officer did not levy countervailing duty on DTA clearances

2.3.2 As per proviso (1) of Section 5A of Central Excise Act, the benefits of duty exemption notifications issued under the Section 5A shall not be applicable to excisable goods produced or manufactured in the Special Economic Zone (SEZ) and cleared in any place in India, unless the said exemption notification specifically provides for extension of the benefit of exemption to such clearances from SEZ.

Three Falta SEZ units viz., M/s. Websol Energy System Pvt. Ltd., M/s. Vikram Solar Pvt. Ltd & M/s. Gupta Infotech, under the control of Zonal Development Commissioner (ZDC), Eastern Zone availed exemption from Countervailing Duty (CVD) on clearance (FY 2010-11) of their manufactured products in India under Central Excise notifications no.6/2006-CE dated 1 March 2006, issued under Section 5A of the Central Excise Act, which did not specifically provide for duty exemptions on goods manufactured in the SEZ units and cleared in DTA. Thus, grant of CVD exemption to the extent of ₹ 4.22 crore on the aforementioned sale was incorrect, as it was in contravention to the proviso (1) of Section 5A of Central Excise Act.

The Assistant Commissioner of Customs, FSEZ, Falta contesting the audit observations stated (July 2013) that countervailing duty which is taken for calculating import duty is different from Central Excise duty imposed on the goods manufactured in India. Accordingly, audit incorrectly objected to CVD exemption benefit to DTA sale by the unit.

It was further stated that for removal of goods from SEZ to DTA, provision of section 30 of the SEZ Act, 2005 will prevail over section 5A of the Central Excise Act and such goods are chargeable to duties of customs including anti dumping, countervailing and safeguard duties under Customs Tariff Act, 1975 as leviable on such goods when imported. As the SEZ is considered a "foreign territory", applicability of the section 5A of the Central Excise Act could not be extended to DTA sale by SEZ unit.

The reply may be viewed in the context of the fact that section 3 (1) of the Customs Tariff Act, 1975 clearly defined CVD as "a duty equal to the excise duty for the time being leviable on a like article produced or manufactured in India". Accordingly, for levy or exemption of CVD, provisions of notification issued under Central Excise Act which regulates CVD rate (as was normally done in case of imports) are expressly applicable on DTA clearances by SEZs under SEZ Act, 2005. Ministry's reply was awaited (March 2014).

Central Excise, Range-I, Rishra Division, Kolkata authorities did not levy anti dumping duty on DTA clearances

2.3.3 According to Sub-Section 2A of Section 9A of the Customs Tariff Act, 1975, read with the Para 6.8 (a) of Foreign Trade Policy (2009-14), goods imported by the Export Oriented Units (EOUs) are exempted from anti-dumping duty subject to the condition that if the article imported is either cleared as such into domestic tariff area (DTA) or used in the manufacture of any goods that are cleared into the DTA, then in such case anti-dumping duty shall be levied on that portion of the article so cleared or so used as was leviable when it was imported into India.

M/s Royal Touch Fablon Pvt. Ltd., an EOU under jurisdiction of Development Commissioner (DC), Falta SEZ and Kolkata IV Central Excise Commissionerate sold 'PP bags, PP Twisting Yarn & PP Scraps' valued at ₹ 33.13 crore in DTA during April 2009 to March 2011 on payment of central excise duty under the notification no.23/2003-CE dated 31 March 2003. Audit noticed that the unit manufactured their items using indigenous raw materials and PP granules/resins imported from Saudi Arabia & Singapore with country of origin as Saudi Arabia thereby attracting anti dumping duty under notification no.119/2010-cus dated 19 November 2010. But at the time of the DTA sale of said manufactured PP Bags, PP Twisting Yarn & PP Scrap, anti dumping duty of ₹ 1.39 crore, leviable on the portion of imported PP granules/resins used in the manufacture of the finished products, was not levied in terms of the aforesaid provisions.

The Central Excise Range-I, Rishra Divison, Nizam Palace, Kolkata authorities initially contested (December 2012) the audit observation on the ground that the total quantity of imported goods attracting anti dumping duty was consumed by the total exports effected during the relevant period as claimed by the unit, but subsequently intimated (March 2013/May 2013) acceptance of audit observation on the ground of the unit's failure to submit supporting document in favour of their claim for which a Show Cause Cum Demand Notice was in the process of issuance. Ministry's response was awaited (March 2014).

Assessing Officer Raigadh Commissionerate, Maharashtra did not levy applicable anti dumping duty on DTA clearances

2.3.4 Sodium Tripoly Phosphate (STPP) classified under CTH 28353100 originating in or exported from China is leviable to anti dumping duty at the prescribed rates (notification no.58/2011-cus dated 8 July 2011). However, in terms of sub-section 2 (A) of section 9A of the Customs Tariff Act, 1975, anti dumping duty is not levied on import of STPP by an EOU. But an amount equal to anti dumping duty forgone on the goods at the time of import by an EOU, shall be paid on the equivalent quantity of goods used for manufacture of any goods which are cleared into DTA or such quantity of goods which are cleared as such into DTA (Board circular no.12/2008-cus dated 24 July 2008).

M/s Deva Drill Tech. (I) Ltd., an 100% export oriented unit under the jurisdiction of Raigadh Commissionerate, Maharashtra was issued letter of permission (LOP) for manufacture of chemical products such as 'Dispersants, dissolvers' etc. This unit imported 300 MT of STPP duty free between August to September 2011 from China without levy of anti dumping duty. The unit subsequently cleared (September 2011) in DTA 287.15 MT of raw-materials viz. STPP (CTH 2835.31.00) valued at ₹ 1.41 crore on payment of full customs duty of ₹ 27.71 lakh.

Audit scrutiny revealed that the anti dumping duty was not levied on DTA clearances in contravention to aforesaid provisions of the Customs Act. This resulted in non levy of anti dumping duty to the extent of ₹ 72.78 lakh.

This was brought to the notice of the Ministry in August 2013; their reply was awaited (March 2014).

Assistant Development Commissioner, Cochin did not recover duty for non fulfillment of export obligation

2.3.5 Paragraph 6.6 (c) of Handbook of Procedures (HBP), 2009-14 provides that, in case of import of spices covered by chapter 9 of ITC (HS), Appendix 14-1-C of Foreign Trade Policy (FTP) for value addition purpose, such as crushing/grounding/sterilization process, export obligation (EO) shall be fulfilled within 120 days from the date of importation of first consignment. However, for imports completed up to 31 December 2008, export obligation period shall be 150 days from the date of clearance.

M/s Vallabhdas Kanji Ltd., Kolenchery, Kochi had imported nine consignments (1,63,850 kg) of 'Turmeric' (under chapter 9 of ITC HS) during August to December 2009. Scrutiny of records showed that the unit could export 90556.20 kgs of goods utilizing 95322.82 kgs of imported 'Turmeric' including permissible waste generation of 4766.62 kgs (5 per cent) within the stipulated EO period. Accordingly, the unit was liable to pay cumulative duty amounting to ₹ 15.53 lakh and interest on unutilized Turmeric (68527.18 kgs).

The Deputy Commissioner of Central Excise, Muvattupuzha Division, Kerala, stated (January/November 2012) that 120 days of EO period is to be calculated from the date of re-warehousing and not from the date of filing of BE. Accordingly, the unit had fulfilled the EO within the time specified in the FTP for the items.

The department reply is to be viewed in the context of the fact that HBP clearly provides for fulfillment of EO in respect of import of spices within 120 days from the date of importation of first consignment and not from date of re-warehousing. Further, date of clearance is considered for counting EO period only in cases of imports of spices completed up to 31 December 2008, while in the instant case imports were made after December 2008.

Assistant Development Commissioner, Cochin Special Economic Zone (CSEZ) stated (January 2013) that the matter has been taken up with the Ministry of Commerce and Industry. Ministry's response was awaited (March 2014).

2.4 Promotional measures (Focus Product Scheme including Market Linked Focus Product Scheme)

The Focus Product Scheme (FPS) was introduced in the year 2006 with a view to boost the export of certain sectors and expand employment opportunities. The scheme is administered by Regional Authorities (RAs) under the Director General of Foreign Trade (DGFT), Ministry of Commerce. Authorisations (earlier known as licences) are issued by the jurisdictional Regional Authorities (RA). For export with effect from 1 April 2008, some products of high export intensity (which were not covered in the Focus Product List) were also incentivized provided that the goods are exported to notified country (known as Market Linked Focus Product Scheme).

Paragraphs 3.15 to 3.15.3 of the FTP read with paragraph 3.9 of the HBP Vol.I, 2009-14 deals with the entitlement and procedure for filing applications for grant of benefit under Focus Product Scheme and Market Linked Focus Product Scheme.

Audit selected 13 RAs⁷ located in eight⁸ different States for test check of authorizations issued during the year from 2010-11 to 2012-13. During this

⁷ Ahmedabad, Bhopal, CLA-Delhi, FT Section-SEZ Gandhidham, Hyderabad, Jaipur, Kolkata, Mumbai, Nagpur, Raipur, Rajkot, Surat and Vadodara

period, total 81547 authorizations involving duty credit of ₹ 6047.87 crore were issued by these 13 RAs, of which audit test checked 4632 (5.7 percent) authorizations involving duty credit of ₹ 1010.26 crore (17 percent) on random sampling basis. FPS/MLFPS benefits are available to various sectors of industries and hence we took sample of different sectors which includes textile, handicrafts, engineering, pharmaceuticals etc.

2.4.1 Audit findings

In the audited sample we scrutinized the processes from receipt of application to issue of authorization (duty credit scrip). Stage wise audit findings are discussed in the succeeding paragraphs:

Application and verification of documents

Audit noticed that in the following cases documents submitted by the exporters while applying for duty credit scrip were not scrutinized properly and invalid documents were accepted for issue of authorisation.

2.4.2 Non application of late cut on belated applications resulting in excess grant of duty credit

As per Paragraph 3.11.9 of HBP 2009-14, application shall be filed within a period of 12 months from the date of export or within six months from the date of realization of foreign exchange or within three months from the date of printing/release of SB, whichever is later. Belated application attracts late cut under Paragraph 9.3 of HBP. As per PC No.26/(RE-99)/1999-2000 dated 9 August 1999, it was clarified that wherever the exporter submits deficient documents, the date of submission of such documents would be treated as date of application and the initial application shall not be considered in time and shall be subjected to late cut or rejection, as the case may be.

Audit scrutiny of records at five RAs (Ahmedabad, Hyderabad, Jaipur, Mumbai and Surat) revealed that even though applications were submitted beyond prescribed date, late cut was not imposed/short imposed by RAs in 42 cases resulting in excess grant of duty credit of ₹ 15.24 lakh (**Appendix 5**).

Director General of Foreign Trade stated (February 2014) that:-

- i. RA, Ahmedabad had issued letters to the firms for recovery;
- ii. RA Surat had asked nine firms to surrender the excess amount of credit, otherwise it would be adjusted from their future claims;
- iii. RA Hyderabad had recovered the excess credit from M/s Biological Ltd. and M/s Suruavanshi Spinning Mills and had issued reminders to M/s Glochem Industries, M/s Imperial Garments and M/s HSIL.

⁸ Andhra Pradesh, Chhattisgarh, Delhi, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan and West Bengal

RA Jaipur reported (August and December 2013) recovery of ₹ 0.15 lakh.

2.4.3 Incorrect consideration of invalid Shipping Bills having no declaration of availing chapter-3⁹ benefits on it

As per Paragraph 3.11.8 of HBP 2010-11 for availing benefits of Chapter-3 schemes for export from 1 June 2008, exporter is required to make a declaration on free SB that they will be claiming the benefits as admissible under Chapter 3 of FTP. In respect of Shipments under Chapter 4 to 6 schemes (including drawback), this declaration was not required (except for the exports from 1 January 2011 to 2 June 2011). The provisions of declaration were also explained in PN No.82/2009-14 dated 16 July 2010 and in checklist prescribed in Trade Notice No. 3/AM13 dated 03 July 12 by Office of the Addl. DGFT, Mumbai. The provision for declaration was introduced so as to check the valuation of goods by the Customs authority at the time of exportation. Further, as per Circular No.1/2009-Customs dated 13 January 2009, separate examination norms have been prescribed for shipments under export promotion schemes.

Audit observed at following seven RAs that though the SBs did not contain declaration of intention of availing Chapter-3 benefits, these SBs were considered for granting duty credit resulting in consideration of invalid SBs for duty credit of ₹ 1329.27 lakh (**Appendix 6**).

RA	Authorisations wherein invalid SBs considered	Period of exports	Duty credit (lakh ₹)
Ahmedabad	19	January 2011 to May 2011	890.27
FT Section, SEZ, Gandhidham	08	January 2011 to May 2011	46.89
Hyderabad	09	October 2009 to July 2011	150.61
Jaipur	74	January 2011 to May 2011	126.05
Kolkata	01	April 2009 to August 2009	0.61
Rajkot	13	January 2011 to May 2011	62.88
Surat	09	January 2011 to May 2011	51.96
	133		1329.27

In respect of exports made between 1 January 2011 and 2 June 2011 under Chapter-4 to 6 of Foreign Trade Policy schemes, declaration on SB was made mandatory. However, through PC No.13 (RE-2012)/2009-14 dated 31 January 2013, this provision was relaxed for applications pending with RAs/fresh application which was required to be filed upto 30 April 2013. But prior to 31 January 2013, there was no provision to consider such SBs for duty credit in absence of declaration. However, in above cases, authorizations were issued prior to 31 January 2013 resulted in granting FPS authorizations, based on invalid documents.

Director General of Foreign Trade stated (February 2014) that:-

⁹ Chapter 3 of Foreign Trade Policy

- i. RA, Hyderabad had recovered ₹ 0.15 lakh from M/s Neuland Labs Ltd., while in other cases of M/s Aurobindo Pharma Ltd and M/s Hritik Exim it was stated that the duty scrips have been issued against EOU SBs, hence eligible for consideration. However, copies of SBs were not furnished by the DGFT. Reply would be verified by Audit.
- ii. RA, Kolkata reported recovery of ₹ 0.61 lakh along with interest ₹ 0.23 lakh.
- iii. RA, Jaipur had issued letters to the firms in all 74 cases to surrender benefits and recovered ₹ 0.36 lakh in three cases.

2.4.4 Grant of duty credit to EOUs without obtaining evidence of non-availing of direct tax benefits

As per Paragraph 3.17.2 (i) of FTP 2009-14 benefits of FTP Chapter-3 schemes are not available to EOUs/EHTPs/BTPs who are availing direct tax benefits/exemption. This has also been clarified in detail in PC No.56 (RE-2008)/2004-2009 dated 21 January 2009 that while applying for authorization (i) EOUs who have completed the exemption period will submit the evidence to that effect and (ii) EOUs who have not completed the exemption period are required to produce evidence to this effect from the jurisdictional Income Tax Authorities that they would not be claiming direct tax exemption. Under Section 10B of the Income tax Act, direct tax exemption was extended to EOUs for financial year upto 2010-11.

Audit noticed in five cases (three cases at RA, Ahmedabad, one each at RA, Hyderabad and at RA, Jaipur) that though the applicants were EOUs, no evidence was obtained by RAs evidencing the completion of exemption period/certificate from the IT authority and five authorizations involving duty credit of ₹ 54.31 lakh (**Appendix 7**) were issued to three exporters against the exports effected during the year 2010-11.

DGFT stated (February 2014) that RA, Ahmedabad and Jaipur had issued letters to the firms for recovery, while the firm under RA, Hyderabad had submitted a certificate regarding non-availing of IT benefit from IT authorities.

2.4.5 Authorization issued without obtaining self declaration

Hand-made carpets and other textile floor coverings, covered under Chapter 57 of ITC (HS) Code, are eligible for duty credit scrip under FPS at the rate of 5 per cent for exports made with effect from 23/02/2009. Before 23/02/2009, these were eligible for duty credit scrip under FPS at different rates.

Ministry in their circular (PC No.21/2009-14 dated 12/01/2010), clarified that if the description of the export product on the export document is only 'cotton bathmats/rugs or machine made cotton bathmats/rugs or machine tufted cotton bathmats/rugs', the exports of the same should be considered for the benefit for exports made from 23 February 2009 onwards and earlier, under FPS, after

obtaining a self declaration from the exporter. For exports from 12 January 2010 the declaration was made mandatory to be given on SB. However, again in PC No.23/RE (2010)/2009-14 dated 21 February 2011 it was clarified that self declaration will only be required and there is no need to give declaration on SB. The declaration mainly contains that in the manufacturing activity sufficient man power was used rendering the goods eligible under 'hand-made' category.

Between 2010-11 and 2012-13, RA, Jaipur issued 21 authorisations involving duty credit of ₹ 1.63 crore (**Appendix 8**) against export of aforesaid product without obtaining self declaration from the exporters resulting in incorrect issue of authorisations.

DGFT stated (February 2014) that one firm surrendered excess amount and in the remaining cases declarations were subsequently submitted by the firms.

The fact remains that the authorizations were issued without obtaining requisite documents.

2.4.6 Irregular grant of benefit under MLFPS without proof/incorrect proof of landing of export consignments in specified market

As per Paragraph 3.8.2 of HBP, under MLFPS the applicant shall be required to submit any one out of six prescribed proof for landing of export goods.

(i) In following two cases audit noticed that authorizations were issued by RAs without obtaining any proof of landing of the goods in the exported country resulting in incorrect issue of authorization involving duty credit of ₹ 21.31 lakh.

Name of RA	Name of exporter	Authorisation No./Date	Duty credit (lakh ₹)
Ahmedabad	Bodal Chemicals Ltd.	810095763 dated 25/01/11	11.43
Kolkata	Amrit Exports Pvt. Ltd	0210143160 dated 08/06/2010	9.88

RA, Ahmedabad accepted the observation while RA, Kolkata directed the exporter to submit the proof of landing or to pay back the duty credit with interest.

(ii) In another case RA, Kolkata issued Authorisation (No. 0210148291 dated 21/09/2010) for duty credit of ₹ 40.80 lakh to M/s. Electrosteel Castings Ltd. against exports effected through 15 SBs (FOB value: ₹ 20.40 crore) to Algeria. Exporter submitted landing certificates, as required under paragraph 3.8.2 of HBP from M/s Samsara Shipping Pvt. Ltd., (an agent of M/s Mediterranean Shipping Co. SA). Audit scrutiny revealed that the certificates issued by a local agent of the Shipping liners, neither disclosed their authority nor the source of information on the basis of which the certificate had been issued, as required under Para 3.8.2 of HBP. Further, the documents submitted by the exporter were photocopies of certificates which were without name and designation of the signatory and without number and date of issue. This has resulted in irregular issue of duty credit of ₹ 40.80 lakh.

DGFT, New Delhi stated (February 2014) that RA, Ahmedabad had issued letter to the firms for recovery and M/s Electosteel Casting Ltd., under RA, Kolkata had furnished revised landing proof of goods at the Port of destination.

2.4.7 Incorrect splitting of authorization

As per Paragraph 3.11.4 of HBP 2010-11, split certificates of duty credit scrip subject to a minimum of ₹ 5 lakh each and multiples thereof may also be issued, on request at the time of application with different port of registration. After issue, request of split shall be permitted with same port of registration as appearing on the original scrip. The above procedure shall be applicable only in respect of EDI enabled port.

At RA, Surat, M/s. Kishan Textiles, Surat applied for duty credit scrip of ₹ 14.45 lakh as against export of ₹ 733.18 lakh effected through Nhava Sheva Sea port, Mumbai. It was, however, noticed that the exporter was issued two duty credit scrips of which one involves duty credit less than ₹ 5 lakh (Authorization No.5210033267 dated 04/01/2011 for ₹ 4.45 lakh). This has resulted in incorrect issue of split certificate.

RA, Surat has accepted the observation.

Similarly at RA, Hyderabad against three applications for issue of split authorization, 14 split authorisations were issued (2010-11 and 2012-13). However, these include three split authorizations involving duty credit amount below ₹ 5 lakh. Total duty credit involved in these three authorizations was ₹ 9.97 lakh (**Appendix 9**).

DGFT, New Delhi in respect of RA, Hyderabad stated (February 2014) that once the applicant opts for split certificate the computer system automatically calculates the split certificate in multiples of ₹ 5 lakh each. As such they could not amend the value of split certificate.

Audit maintained that EDI system should be in conformity with the extant provisions of FTP/HBP.

2.4.8 Non filing of separate application for year wise exports/port wise exports

As per Paragraph 3.11.10 of HBP 2010-11, shipments from EDI Ports and Non-EDI Ports could not be clubbed in one application. Port of registration for EDI enabled ports shall be the port of export. In case of exports through non-EDI port, the port of registration shall be the relevant non-EDI port of exports. Accordingly, separate application shall be filed for each non-EDI port. Further, as per prescribed format ANF 3C for application under Chapter 3 schemes, separate application for year wise exports was required to be filed.

(i) At four RAs (Ahmedabad, Hyderabad, Jaipur and Surat), in case of nine authorizations issued between 2010-11 and 2012-13, applicants had clubbed the

SBs pertaining to the year different than that mentioned in the application period. Total duty credit involved in these SBs which pertains to different years was ₹ 27.42 lakh (**Appendix 10**).

DGFT, New Delhi stated (February 2014) that RAs, Ahmedabad and Hyderabad had issued letters to the firms for recovery.

In respect of RA, Surat it was stated that no application fee is required to be submitted by the firm and multiple applications could be filed without imposition of late cut. It was also contested that there was no change in the FTP 2009-10 and 2010-11. Hence, benefits were granted without insisting for filing of separate application year wise.

Department's reply may be viewed in the context of the fact that non filing application on year wise basis was against the codal provisions.

(ii) At CLA-Delhi one applicant (authorization no. 510278301 dated 31/11/2010 total duty credit of ₹ 1.48 lakh) clubbed the exports of Dadri port (non EDI Port) with exports of EDI enabled port Delhi Air Cargo resulting in acceptance of incorrect application.

DGFT, New Delhi stated (February 2014) that RA, New Delhi had directed the firm to refund the amount.

(iii) At RA Jaipur authorisation No. 1310041978 dated 24/01/13 for duty credit of ₹ 5.78 lakh was issued to M/s Latiyal Handicrafts Pvt. Ltd., Jodhpur. However, in this claim there were nine Shipping Bills, of which eight Shipping Bills were pertaining to EDI Mundra port and one Shipping Bill (SB No.104 dated 28.02.11-duty credit ₹ 0.99 lakh) was relating to non-EDI port i.e. RAJSICO, Basni, Jodhpur. Thus, issue of one authorisation clubbing the shipments made from EDI and Non-EDI ports was contrary to the aforesaid provisions.

RA, Jaipur stated (August 2013) that the said provisions were amended vide PN No. 100 dated 21 November 2008.

The reply is not acceptable because the aforesaid PN was nPot related to filing of the separate applications.

2.4.9 Issue of authorization against export of ineligible goods

Under FPS, benefits are available to those goods which are notified in Appendix 37D of HBP from time to time. In audited sample we noticed in following cases that ineligible goods were considered for grant of duty credit.

(a) Incorrect issue of authorizations due to belated action to define 'technical textile'

As per serial no. 33 of Table-4 of Appendix 37D of HBP 2009-14, 'Technical textile – woven fabrics of synthetic filament yarn' falling under Chapter 5407 of ITC (HS) Code was eligible for duty credit. Thus, benefits were extended only to

'technical textiles' falling under ITS (HS) Code 5407. Upto 20 October 2011, the 'technical textile' was not defined, however, through Policy Circular(PC) No. 42 (RE-2010)/2009-14, dated 21 October 2011, it was notified by the DGFT, New Delhi, that only 33 products as listed under the said PC were eligible for benefits under 'Technical textile' category for export from 01 April 2011. It was clarified that a technical textile is a textile product manufactured for non-aesthetic purposes, where function is the primary criterion. Technical textiles include textiles for automotive applications, medical textiles, geo-textiles, agro textiles and protective clothing like heat and radiation protection for fire fighter clothing, molten metal protection for welders, stab protection and bulletproof vests and spacesuits, tent fabrics etc. It was also directed through aforesaid PC to effect the recovery in the cases where exporter had availed undue benefits for exports effected from 01 April 2011. Thus, no action to recover the undue benefits already granted to the non-technical textiles products exported prior to 01 April 2011, were proposed in this PC.

At RA, Surat, it was observed in respect of 70 authorizations that though the SB did not contain description of the goods as 'technical textile' these authorizations were issued with duty credit of ₹ 760.22 lakh by considering only chapter heading (5407). Audit scrutiny revealed that exporter has classified the goods mainly under Chapter headings 54071039, 54075490, 54075119, 54075290, 54079400 with description of goods mainly as 'Dyed and printed fabrics made from 100% polyester filament yarn, texturised yarn with or without embroidery and with or without metalized yarn'. Moreover, benefits to these headings were not covered in 33 technical textile goods as defined subsequently in PC dated 21 October 2011 which is evident that these products were non-technical textile fabrics. Also, in PC dated 21 October 2011, no action was proposed to recover the incorrect duty credit already granted to the non-technical textile goods for exports effected prior to 01 April 2011 resulting in grant of undue duty credit of ₹ 760.22 lakh (**Appendix 11**).

In another 23 authorizations (duty credit ₹ 183.93 lakh) issued by RA, Surat and three authorisations (duty credit ₹ 58.62 lakh) issued by RA, Kolkata involving exports prior to 01 April 2011, it was noticed that though the description/chapter headings in the shipping bills, invoices of the documents clearly revealed that goods exported were saree, salwar kameez, duppata fabrics etc., these SBs were considered for duty credit of ₹ 242.55 lakh. RAs could have disallowed the benefits on the basis of descriptions mentioned in these SBs, however, goods were considered as 'technical textiles' by RAs merely because SB depicted the classification under ITC (HS) Code 5407 (**Appendix 12**).

DGFT, New Delhi stated (February 2014) that benefits were available to all goods of ITC (HS) Code 5407. It was further stated that when benefits were extended to ITC (HS) Code 5407, all goods falling under their sub-heading also qualify for the benefits. It was also contested that as per Policy Circular No.42 (RE-

2010)/2009-14, dated 21 October 2011 non-technical textile goods exported prior to 01 April 2011 were also eligible for duty credit.

The fact remains that the department failed to:

- i) define the technical textile in initial stage and
- ii) propose action to recover undue benefits already availed by the exporters for the exports effected prior to 1 April 2011,
- iii) disallow the benefits even in the cases where supporting documents revealed that goods exported were not technical textiles.

(b) Grant of duty credit to engineering goods claimed as handicraft product

Goods covered under Table 5 of Appendix 37D were granted duty credit equivalent to 5 per cent of FOB value of exports. However, as per Note in Table 5 (New Handicraft Products), the benefit of exports of all items included in the Table shall be admissible only for handicraft products. Further, as per the said Note, if any doubt arises on the issue, the Export Promotion Council for Handicrafts (EPCH) shall certify that the export product is a handicraft product. 'Threaded rods/articles' (ITC (HS) Code 7318900) were eligible at Sl. No. 52 of Table 5 of Appendix-37D.

M/s Mangal Steel Enterprises, Kolkata, a steel and allied industrial company was issued four duty credit scrips of ₹ 39.55 lakh between August 2010 and May 2011 for exports of different engineering products (FOB value: ₹ 887.52 lakh) covered under 115 shipping bills, by the RA, Kolkata. Duty credit was claimed against serial no. 52 of Table-5. We observed that in 99 SBS (FOB value : ₹ 722.77 lakh) exporter, inter alia, exported 'galvanized mild steel full threaded rods', an engineering product made of iron/steel and claimed duty credit ₹ 36.14 lakh. There was no indication either in the shipping bills or in the customs authenticated invoices evidencing that these goods manufactured and exported in bulk (13,94,400 pcs, 1552.85 MT), were 'handicraft' product. RA had neither called for any document from the exporter nor was matter taken up with the Central Excise-Custom authority/EPCH to ascertain the actual category of the goods resulting in issue of duty credit of ₹ 36.14 lakh without verification.

DGFT, New Delhi stated (February 2014) that FPS benefit is based on ITC (HS) Codes and the firm had exported product which was covered by the aforesaid serial number.

Reply may be viewed in the context of the fact that the item exported required an EPCH certificate for its categorization under 'handicraft product'.

(c) Grant of duty credit to ineligible goods

Audit noticed at RA, Jaipur that 16 authorizations were issued to the four exporters in respect of 91 Shipping Bills (duty credit ₹ 41.09 lakh), though in the

shipping bills/invoices description of the goods/ITC code were different than the eligible ITC code as mentioned in Appendix 37D. Two cases are illustrated below:

i) As per serial no. 143 of Table-7 of Appendix- 37D read with serial no. 75 of Table-4 of Appendix 37D of HBP 2009-14 'Grinding Balls and similar articles for mills of malleable cast iron' falling under chapter 73259100 of ITC Code is eligible for duty credit under FPS. However, in 10 cases goods having description of goods as 'High chromium grinding media balls 60 mm' and classified under ITC (HS) Code 73261100 were considered for duty credit.

(ii) As per serial no. 245 of Table-I, of Appendix 37-D of HBP 2009-14, ITC Code 63026090-'Toilet linen and kitchen linen of terry towelling or similar terry fabric of cotton' was eligible for duty credit under FPS. However, in three cases goods having descriptions of goods as 'cotton made ups toilet linen and kitchen linen of terry toweling of cotton' classified under ITC (HS) Code 63026000 was considered for duty credit.

Thus, the authorisations were issued against these ineligible ITC (HS) code which resulted in issue of incorrect duty credit of ₹ 41.09 lakh (**Appendix 13**).

RA, Jaipur stated (October 2013) that due to non-updation of software with the Customs department goods classified under old and revised ITC HS were allowed by DGFT. Thus, non-updation of the software and requisite control resulted in issue of incorrect duty credit.

(d) Grant of duty credit to ineligible handicrafts goods

Dy. DGFT, DoC, Policy Section-PC3, Udyog Bhawan, New Delhi vide letter dated 23 May 2012 issued a clarification on admissibility of benefits under Focus Product Scheme in respect of ITC HS Code 73262090 of "Iron Reindeer XII Gold Mosaic" with reference to RA, Jaipur's letter No.13/JDG/POL/AM12/57 dated 03 May 2012, directing that the exported product under ITC HS Code 73262090 has to fulfill the condition of being a 'Handicraft Product' and the firm may be requested to obtain a certificate from the Development Commissioner (Handicrafts), Ministry of Textiles as per Note given in Table 5 of Appendix 37D.

In spite of specific instructions/provision in Appendix 37D, audit noticed that RA, Jaipur issued two authorisations to M/s Hitech Exports, Jodhpur without obtaining a certificate from the DC (Handicrafts) resulting in incorrect grant of duty credit of ₹ 5.50 lakh.

Similarly in SB No. 5563 dated 30 March 2010 there was a remark of customs authority (ICD Jodhpur) that 'Handicraft item subject to verification from DC Handicraft', however, no action was taken to obtain certificate from DC (Handicrafts) and this SB was considered for duty credit of ₹ 0.18 lakh in authorization No.1310041113 dated 24/09/12 issued to M/s Bothra International, Jodhpur.

RA, Jaipur stated (July 2013) that EPCH certification was required only in doubtful cases.

Reply may be viewed in the context of the item exported which required an EPCH certificate for its categorization under 'handicraft product'.

(e) Other cases of grant of duty credit to ineligible goods

Other miscellaneous cases of grant of duty credit to ineligible goods are detailed below:

RA	Goods exported	Duty credit (lakh ₹)	Reasons of ineligibility
Ahmedabad	Organic red Chili powder/woven fabrics	0.67	1. Benefit was available to 'Red chilly' 2. woven fabrics of ITC (HS) Code mentioned in SB, was not 'technical textile' as per PC No.42 dt. 21/10/2011.
Ahmedabad	re-exported goods	1.51	Re-exported goods not eligible for duty credit under Paragraph 3.17.2(ii) of FTP 2010-11.
Hyderabad	Goods of ITC (HS) Code 30049099 & other	0.72	RA adopted different ITC (HS) code for granting duty credit-(RA has accepted the observation)
Mumbai	Hangers- ITC (HS) Code 39269099	0.46	Exporter exported 'hanger' along with eligible goods Apparel/garments.
Mumbai	Plates in coil-ITC(HS) Code-72085100	4.07	Steel plates in 'Coil' form exported as per SBs though not allowable under sl. no. 214 of Table 4 of Appendix-37D.
Surat	PTY – ITC (HS) Code 52052310	0.68	Claimed duty credit for ITC (HS) code 54023300 but included one SB involving ineligible ITC (HS) code-52052310.
Total excess duty credit		8.11	

Authorisation wise details are given in **Appendix 14**.

DGFT, New Delhi reported (February 2014) that RAs, Ahmedabad, Hyderabad, Surat and Mumbai accepted the audit observation. RA, Hyderabad adjusted ₹ 0.88 lakh against the DEPB surrendered, while RA, Mumbai reported (September 2013) recovery of ₹ 0.62 lakh from M/s Zeus International.

2.4.10 Grant of duty credit for SB involving deficient classification

Under FPS scheme goods are notified in Appendix 37D of HBP from time to time. While notifying the goods, ITC (HS) code (2-8 digit level) also notified along with description of the goods. Further, as per Customs Manual, 2001 [Para II (m) of Chapter-3] amendment in the shipping bills after 'let export order' can be allowed by the Additional Commissioner/Joint Commissioner of Customs in charge of the export. As per the proviso to Section 149 of the Customs Act, 1962, amendment to SB can be allowed after export goods have been exported, only on the basis of documentary evidence which was in existence, at the time the goods were exported.

In the following cases, audit noticed that though there were discrepancies in classification of exported goods, benefits were extended to the exporter.

2.4.11 Grant of duty credit due to misclassification of 'coronary stent system'

As per serial No. 59 under Table 1 of Appendix 37D, 'Instruments and Appliances used in medical, surgical, dental or veterinary sciences including scientigraphic

apparatus, other electro-medical apparatus and sight-testing instruments' falling under ITC (HS) Code 9018 are eligible for duty credit at the rate of 2 per cent of FOB value. Same item was also eligible for duty credit at the rate of 2.5 per cent if exported under advance authorization scheme under serial no. 4 of Table 9.

At RA, Surat following six authorizations were issued to M/s. Sahajanand Medical Technologies Ltd., Surat between September 2010 and March 2012 against the exports of 'coronary stent systems' exported between April 2009 and March 2011.

Authorisation no/dated	FOB Value (in lakh)	Duty credit (in lakh)	No of SBs	ITC (HS) Code as per SB
5210031907 dtd 14/9/10	598.28	14.66	35	39,8407,9022,9018
5210031779 dtd 30/8/10	590.67	11.80	39	39,8407,9022,9018
5210037759 dtd 24/1/12	275.06	5.43	22	9018
5210037696 dtd 18/1/12	83.55	1.67	8	9018
5210038840 dtd 8/8/12	259.61	5.19	27	9018
5210039575 dtd 19/3/12	287.03	5.63	19	9018
	2094.20	44.38	150	

Out of above, in first two authorizations the 'coronary stent systems' were classified under different Chapters 39, 84, 9018, 9022, 9018 as against the eligible heading of 9018. Due to discrepancies in classification, the RA has obtained an affidavit from the exporter that the said goods are of chapter 9018 (i.e the goods which are eligible for FPS benefit) and in an affidavit, the exporter stated that the goods exported were 'coronary stents' of chapter 9018. However, as per ITC (HS) Code heading 90183990 which is claimed by the exporter for duty credit, covers 'cardiac catheter' which was actually one of the raw material for manufacture of 'coronary stent' system. In subsequent exports involved in four authorisations, exporter modified the ITC (HS) Code to 9018. However, grant of duty credit was not correct in all cases due to following audit observations:

i. In first five FPS authorizations involving 131 shipping bills, 86 free shipping bills/advance authorization-EPCG shipping bills, were required for declaration of availing chapter-3 benefits, however there were no declarations on the shipping bills, but duty credit was granted.

ii. The exporter has exported the 'coronary stents' of various types which falls under chapter 9021 i.e. devices, appliances which are worn, carried or implanted into body' as per the judgments which are based on Harmonized System for nomenclature (HSN) for classification of goods. Though there were discrepancies in classification and mandatory declarations were not given on SBs, customs authorities were not approached and authorizations with credit of ₹ 44.38 lakh were issued.

DGFT, New Delhi stated (February 2014) that RA, Surat had asked for explanation from the firms and a detailed reply would be sent to audit on its receipt.

2.4.12 Acceptance of invalid amendments to SBs for issue of authorisation

Under PN No. 80 (RE-2010)/2009-14 dated 13/10/2011 'Castor Oil and its fractions (other than edible grade)' falling under ITC (HS) Code 15153090 were allowed benefits of FPS under serial no.247 of Table-4 for exports from 01/04/11.

During the year 2012-13, Foreign Trade Section functioning under Development Commissioner, SEZ, Gandhidham issued five FPS authorizations involving duty credit of ₹ 61.66 lakh to M/s. Kandla Agro & Chemicals Pvt. Ltd., against 25 SBs pertaining to January and February, 2012. Scrutiny of SBs (Mundra and Kandla Port) revealed that in the SBs, exporter had classified the 'castor oil' under ITC (HS) Code 15099099 under which 'olive oil' is classifiable. Due to incorrect classifications, these SBs were got amended by changing the ITC (HS) Code from 15099099 to 15153090 with the approval of Superintendent of Customs. These amendments to SBs were considered for grant of duty credit by RA though these amendments were not made by proper authority of customs (Additional/Joint Commissioner of Customs). No records establishing the fact that amendments done after following proper procedures were available on record. In case of authorization No. 3710001974, it was found that exports were effected from Kandla port, however exporter produced the amendment letter which was signed by Superintendent of Customs, Custom House, Mundra. Subsequently on query by RA, exporter submitted amendment letter signed by Custom authority, Kandla.

Grant of duty credit on the basis of these improper/deficient amendment letters resulted in incorrect issue of authorizations for duty credit of ₹ 61.66 lakh **(Appendix 15)**.

Consequent upon the audit observations, Foreign Trade Development Officer, SEZ, Gandhidham took up the matter with the respective customs authority to ascertain the genuineness of amendment letters. Reply from Custom authority, Mundra is awaited (March 2014).

2.4.13 Issue of authorization without obtaining proof of amendment to SB from customs authority

As per PN No.60/2008 dated 6 August 2008 'washers non-threaded covered under ITC (HS) Code 73182200' was made eligible for FPS benefits for exports from 1 April 2008.

At RA, Vadodara audit observed that M/s. Suchi Fasteners Pvt. Ltd. was issued two authorizations in 2010-11 against exports of 'Stainless Steel washers of different grades'. The benefits were claimed under serial no. 13 of Table-11 as inserted through aforesaid PN. This serial no. covers the 'washers non-threaded'

of ITC (HS) Code 73182200 and not the goods classified and exported under ITC (HS) code 73182990 in the SBs. This resulted in issue of duty credit of ₹ 19.09 lakh without ascertaining the actual descriptions of the goods.

RA, Vadodara replied that goods covered under Code 7318 covers threaded and non-threaded items. Under entries from 73182100 to 73182990 'non-threaded' goods are covered. Hence, benefits are available for both the headings of 73182990 and 73182200.

Department's reply is to be viewed in the context of the benefits prescribed under Appendix which are very specific to chapter headings and goods falling under headings 73181500, 7318600, 17181900, 73182200, 73182300 would only qualify for FPS benefits. Further, though there were discrepancies in classification, neither the matter was taken up with the concerned customs authority nor the exporter submitted any proof of amendment to SBs from customs authority as required under the provisions of Customs Manual, 2001 (Para II (m) of Chapter-3).

2.4.14 Manner of calculation of duty and FOB value

As per Paragraph 3.11.11 of HBP 2009-14, authorisation shall be granted on FOB value of exports. FOB value of exports shall be taken from the SB (FOB value in free foreign exchange declared on the Shipping Bill and converted into Indian Rupees at the Monthly Customs rate of exchange on the date of LEO). Further as per Paragraph 3.17.3 of FTP 2009-10, FOB shall include agency commission upto 12.5 per cent.

In following cases we found that due to incorrect consideration of FOB value/exchange rate, excess duty credit of ₹ 5.24 lakh was issued.

RA	No. of authorisation	Excess duty credit (lakh ₹)	Reasons of excess duty credit
Ahmedabad	03	0.70	Exchange rate prevailing on LEO date not considered for FOB value
CLA-Delhi	03	1.11	Agency commission in excess of 12.5% considered
FT Section, SEZ-Gandhidham	01	1.79	Improper enhancement in value of goods considered in FOB value
FT Section, SEZ-Gandhidham	05	1.49	'Quality allowance' considered in FOB
FT Section, SEZ-Gandhidham	02	0.15	Exchange rate prevailing on LEO date not considered for FOB value
	14	5.24	

DGFT, New Delhi stated (February 2014) that RA, New Delhi had directed M/s Om Shree Anand Foods (P) Ltd. and M/s Threepence Craft to return the excess duty credit, while in case of M/s A.B. Enterprise after re-examination it was found that agency commission allowed was at the rate of 12 percent.

RA, Ahmedabad stated (January 2014) that exchange rate prevailing on the date of LEO was considered.

The reply is to be viewed in the context of the fact that the exchange rate considered by the department was not the exchange rate notified by the Customs department on the date of LEO.

Incorrect application of rate of entitlement

Audit observed in following cases that rate of duty credit was not applied at correct rate or bonus duty credit were issued to ineligible goods, resulting in grant of excess duty credit.

2.4.15 Incorrect grant of bonus duty credit

As per note below Table-7 (as notified through PN No.33/(RE.2010)/2009-14 dated 15 February 2011) entries at serial nos. 157 to 169 was granted bonus duty credit of 2 per cent and total duty credit at the rate of 7 per cent was eligible for these goods. However, benefit of bonus duty credit was applicable for exports affected from 01 January 2011.

- i. At RA, Jaipur audit observed in two authorisations that bonus duty credit was granted to the exporters in the cases where date of exports was prior to 01 January 2011 resulting in issue of excess duty credit of ₹ 4.32 lakh (**Appendix 16**).
- ii. Similarly, at RA, Ahmedabad audit observed in authorization No. 810119147 dated 07 March 2013 that for two SBs applicant claimed benefits of bonus duty credit under serial nos. 1 and 6 of Table-7 for goods of ITC (HS) code 73269099/74199990, however, these serial nos. did not provide bonus duty credit against these ITC (HS) codes. This resulted in grant of excess duty credit of ₹ 0.44 lakh (**Appendix 16**).

DGFT, New Delhi stated (February 2014) that RA, Ahmedabad had issued letters to the firm for recovery.

RA, Jaipur contested (January 2014) the audit observation on the ground that PN No. 2 dated 23 August 2010 allowed duty credit at the rate of 7 percent w.e.f. 1 April 2010.

Reply is not acceptable because, for exports made from 1 January 2011 PN No. 33 dated 15 February 2011 was applicable.

2.4.16 Improper internal control mechanism to monitoring pre-realisation cases

Under FPS, the exporter can apply for duty credit also prior to realization of FE. As per Paragraph 3.11.12 of HBP 2010-11 read with PC No. 76 (RE-2008)2004-09 dated 30/03/2009, all the pre-realization cases are to be monitored by RA concerned with respect to realization of export proceeds. The procedure

prescribed in Para 4.45 shall apply, mutatis mutandis, to freely transferable duty credit scrips issued under Chapter 3 on the pre-realization basis. In case no RBI extension is produced, RA shall initiate action for recovery. RA concerned shall maintain scheme-wise, exporter-wise details of BG/LUT including its amount and the date of expiry in all such cases for regular monitoring and follow up action.

In following cases audit noticed that pre-realisation cases were not monitored properly.

RA	Cases not monitored/ improperly monitored	Duty credit (lakh ₹)
Ahmedabad	01	34.52
Hyderabad	148	2125.68
Jaipur	13	138.68
Kolkata	16	363.44
	178	2662.32

Few cases are illustrated below:

- i. At RA, Ahmedabad audit noticed that M/s. Arvind Ltd. was issued authorization no. 0810113000 dated on 26 June 2012 involving duty credit of ₹ 34.52 lakh against FE of ₹ 17.26 crore. The exporter executed LUT on 11 June 2012. The exporter had not submitted any statement against proof of realization of export proceeds which was required to be submitted after every three months from the date of issue of authorization. Even after completion of one year, neither the RA had called for BRCs nor did the exporter submit any proof towards realization of export proceeds/extension approval by RBI. This has resulted in improper monitoring of foreign exchange for which duty credit of ₹ 34.52 lakh was granted. RA, Ahmedabad replied that audit objection has been accepted.

RA, Ahmedabad stated (January 2014) that letter has been issued to the firm for furnishing proof of realization.

- ii. Thirteen authorisations involving duty credit of ₹ 138.68 lakh were issued by RA Jaipur wherein firm applied on pre-realisation basis. Scrutiny revealed that the exporters did not submit the evidences of realization of export proceeds which were to be submitted after every three months from the date of issue of authorization. However, neither action was initiated by RA to call for BRCs, nor any extension of approval from RBI was submitted by the exporters. Out of these 13 cases, in four cases the validity of LUTs executed by the exporters had also expired. At RA, Jaipur we also noticed that LUT registers were not maintained properly which were required to be maintained as per PC No. 76 (RE-2008)2004-09 dated 30 March 2009. This pointed towards the improper internal control for monitoring pre-realisation cases. DGFT, New Delhi

stated (February 2014) that RA, Jaipur had sent letters to the firms for recovery.

- iii. Similarly RA, Kolkata issued six transferable duty scrips (Nos. 0210141151 to 0210141156 dated 23 April 2010) to M/s Rajib Daga for ₹ 25.27 lakh on pre-realisation basis for export of apparels to USA under MLFPS. However, even after expiry of 12 months from the date of issuance of the scrip the firm had not submitted BRC nor submitted documents from RBI allowing extension in this regard. Reply from RA, Kolkata is awaited (March 2014).
- iv. Other 10 cases of RA, Kolkata and list of cases of non-monitoring of pre-realisation cases by RA, Jaipur and Hyderabad are given in **Appendix 17**.

DFGT, New Delhi stated (February 2014) that M/s Shivam Iron and Steel Co. Ltd. and M/s Pankaj Kumar Agrawal had submitted Bank Realisation Certificate and action has been initiated for recovery against M/s Laxminarayan Udyog Pvt. Ltd. and M/s Maithan Alloys Ltd.

Utilization of duty credit by the exporter

Audit has noticed that in following two cases FPS authorizations were incorrectly allowed to be used by the RA/Customs authority.

2.4.17 Clean energy cess was allowed to debited from FPS authorisation

Notification No. 3/2010-CEC dated 22 June 2010 provides levy of Clean Energy Cess (CEC) at the rate of ₹ 50/MT on indigenously produced coal. As per Tax Research Unit (TRU)'s letter No.354/72/2010-TRU dated 24 June 2010, payment of CEC was required to be paid in cash. Subsequently, Notification No. 26/2010-Central Excise (N.T.) dated 29 June 2010 also inserted proviso in Cenvat Credit Rules, 2010 for disallowing the use of Cenvat credit for payment of CEC. It was also clarified in the TRU's letter that CEC is also leviable on imported coal by virtue of Section 3(1) of Customs Tariff Act, 1975 as a Countervailing duty (CVD). Thus, as per aforesaid provisions and as CVD paid through FPS is Cenvatable, CEC on imported coal is also required to be paid in cash.

At Custom House, Kandla, audit noticed that during 2010-11 to 2012-13, two importers M/s. Welspun India Ltd. and M/s. BGH Exim Ltd. imported coal through 13 consignments. It was noticed that customs duty was paid by the importers by using duty credit of FPS authorizations. However, while debiting customs duties, CEC of ₹ 30 lakh was also debited from the authorizations though the same was required to be paid in cash. This has resulted in incorrect exemption to utilize the FPS authorization for payment of CEC of ₹ 29.62 lakh (**Appendix 18**).

Custom authority, Kandla issued recovery notices to the firms in October 2013.

2.4.18 Incorrect permission to use duty credit for payment of interest/FOB value

As per Paragraph 3.17.11 of FTP 2009-14 read with Paragraphs 4.28 (ii) & (v) of HBP 2009-14, duty credit scrip issued under Chapter-3 schemes can also be used/debited towards payment of customs duty in case of export obligation (EO) defaults under authorizations issued under Chapters 4 and 5 of FTP. However, penalty/interest shall require to be paid in cash.

Audit observed at RA, Ahmedabad that M/s. Sandvik Asia Pvt. Ltd. was issued MLFPS duty scrip No. 810103738 dated 29/09/2011 with duty credit of ₹ 46.63 lakh. As per six amendment sheets issued to the above authorization between 23/09/11 to 08/08/12, we noticed that exporter had defaulted in five advance authorizations and was liable to pay customs duty/interest on defaults. The RA had allowed to use the FPS authorization for payment of customs duty. However, interest portion was also allowed to be debited from the duty credit available in the FPS authorization though the same was required to be paid in cash. This has resulted in incorrect permission to utilize the FPS authorization to the extent of ₹ 11.36 lakh. RA, Ahmedabad accepted the audit observation and issued recovery letters.

2.4.19 Conclusion on Focus Product Scheme including Market Linked Focus Product Scheme

Audit of FPS in 13 RAs has revealed systemic as well as operational weaknesses relating to issue of duty credit certificates and their proper utilization. Broadly, this relates to insufficient scrutiny of documents, grant of duty credit to ineligible goods, application of incorrect rate, poor consultations with other agencies in cases of disputed classification/description of goods, grant of duty credit on the basis of insufficient documents and improper monitoring of cases where authorizations were issued on pre-realisation basis. The above discrepancies did not serve the purpose and objective for which the reward and incentive scheme was designed under the Foreign Trade Policy.

2.5 Vishesh Krishi and Gram Udyog Yojana (VKGUY) etc

Assessing officer; Chennai (Sea) Commissionerate did not levy interest on delayed clearances of warehoused goods

In terms of sub-Section 2 (ii) of Section 61 of the Customs Act, 1962 read with notification no. 18/2003 – cus (N.T.) dated 1 March 2003, interest shall be payable at 15 per cent on the duty assessed at the time of clearance of warehoused goods for the period from the expiry of ninety days till the date of payment of duty.

Central Board of Excise and Customs in its circular No. 26/2007-Customs dated 20 July 2007 clarified that even in respect of warehoused goods cleared on payment of duty by debit under Duty Entitlement Pass Book (DEPB) Scrip, interest is chargeable on such duty debited as if duty was paid in cash since

Cenvat credit or duty drawback is available even when the additional duty of Customs is debited under DEPB Scrip on par with those goods where duty was paid in cash.

2.5.1 M/s Ashok Leyland Ltd., and various others cleared (February to November 2011) 188 consignments of 'warehoused goods' through Chennai (Sea) Commissionerates after expiry of prescribed period on payment of customs duty by debiting the duty credit scrips issued under various export promotion schemes, including DEPB. However, warehousing interest for delayed clearances was not paid resulting in non-payment of interest amounting to ₹ 68.54 lakh.

Chennai (Sea) Commissionerate reported (September 2013) recovery of ₹ 22.12 lakh in 58 consignments. Ministry's response in respect of remaining consignments was awaited (March 2014).

Regional licensing authority, Kolkata incorrectly debited customs duties from scrips which benefitted the licensee to the tune of ₹ 10.67 lakh

2.5.2 As per Paragraph 3.17.5 of the FTP, 2009-14, Duty Credit Scrips (Licences) issued under Chapter 3 (Promotional Measures) of the Foreign Trade Policy (FTP) 2009-14 viz., Served From India Scheme (SFIS), Vishesh Krishi Gram Udyog Yojana (VKGUY), Focus Market Scheme (FMS), Focus Product Scheme (FPS), Market Linked Focus Product Scheme (MLFPS) and Status Holders Incentive Scrip (SHIS), could be used for import of any freely importable inputs and capital goods. However, duty on import of items listed in Appendix 37B of the Hand Book of Procedures (HBP) Vol.-I. shall not be permitted to be debited from such licences.

M/s Jajodia Exports, Kolkata and three others had imported 'Water Pump sets/harvesters/tractors/threshers' meant exclusively for Agricultural Irrigation through Custom House, Kolkata Port Commissionerate, on which entire Customs Duty, except for the 4 per cent additional customs duty component was paid by debit against VKGUY/FPS licences, all issued under Chapter 3 of FTP.

However, as 'Irrigation Pumps/harvesters/tractors/threshers' are included in aforesaid Appendix 37 B, they are not eligible for debiting import duty against any of the scrips issued under Chapter 3 of the FTP. Accordingly debit of customs duty against VKGUY/FPS licences was incorrect. This resulted in non-realisation of customs duty amounting to ₹ 2.10 crore along with interest which is recoverable.

Assistant Commissioner (Internal Audit department), Kolkata intimated (June 2013) that Demand notice has been issued to the importer M/s Jajodia Exports, Kolkata. Ministry's reply in respect of other importers was awaited (March 2014).

CHAPTER III

INCORRECT APPLICATION OF GENERAL EXEMPTION NOTIFICATIONS

The Government under section 25 (1) of the Customs Act, 1962 is empowered to exempt either absolutely or subject to such conditions as may be specified in the notification, goods of any specified description from the whole or any part of duty of customs leviable thereon. Some illustrative cases of non-levy/short levy/excess levy of duties aggregating ₹ 89.31 crore due to incorrect grant of exemption noticed (July 2010 to June 2013) from scrutiny of records for the period May 2009 to March 2013 are discussed in the following paragraphs.

Assessing Officer allowed incorrect exemption from Additional duty of excise on textile articles

3.1 In the Finance Act, 2011, effective from 8 April 2011, all the goods specified in the First Schedule of the Additional duty of excise (Goods of Special Importance) Act, 1957 were deleted from the purview of said Act. Consequently, these goods were exempted under serial no.50 of notification no.20/2006-cus dated 1 March 2006 from the levy of special additional duty of customs which were liable to duty at four per cent in terms of notification no.19/2006-cus dated 1 March 2006.

Several consignments of textile and textile articles falling under the First Schedule to the Additional Duties of Excise (Goods of Special Importance) Act, 1957, imported (April 2011 to March 2013) through Chennai (Sea), Commissionerate, JNCH Mumbai, Kolkata (Air & Port) Commissionerates, by M/s Shree Bahubali Interlinings & others were incorrectly allowed exemption from levy of Special Additional duty of customs in terms of serial no.50 of the notification no.20/2006-cus and notification no.21/2012-cus (serial no.12), even though, they were deleted from the aforesaid First Schedule with effect from April 2011. The exemption allowed under notification nos.20/2006 and 21/2002 was irregular and goods were subject to levy of SAD in terms of notification no.19/2006. This had resulted in short levy of customs duty of ₹ 77.10 crore.

The Deputy Commissioner of Customs, Chennai (Sea) reported (December 2012 to April 2013) partial recovery of ₹ 7.22 lakh along with interest of ₹ 0.70 lakh from five importers and issued demand notice to M/s Cibi Exports, Tirupur. Reply from other Commissionerates had not been received (March 2014).

Further, analysis of ICES 1.5 all India import data for the period April 2012 to March 2013 revealed that similar imports were also made from ports of Mumbai which were incorrectly granted exemption under notification no.20/2006 dated 1 March 2006 effective till 16 March 2012 and in terms of serial no. 12 of notification no. 21/2012-cus from 17 March 2012. This resulted in short levy of customs duty.

Accordingly, Ministry was requested (November 2013) to review all such cases and intimate their status, besides recovering short levy noticed, if any.

Ministry's response had not been received (March 2014).

Assessing Officer levied excess duty on imports

3.2 As per notification no.51/96-cus dated 23 July 1996, goods imported by Public Funded Research Institutes/Universities are exempted from whole of the additional duty of customs leviable under Section 3 of the Customs Tariff Act, 1975.

Audit scrutiny revealed that in case of 2991 items imported by Public Funded Research Units through ACC, Bangalore during the years 2010-11 to 2012-13, the Assessing Officer in contravention of provisions in the aforesaid notification, levied four per cent additional duty thereby resulting in excess levy of CVD of ₹ 8.79 crore.

This was pointed to the Ministry in June 2013/November 2013, their reply has not been received (March 2014).

Assessing Officer allowed incorrect exemption to 'Windmill Beams'

3.3 'Wind operated electricity generator, its components and parts thereof, including rotor and wind turbine controller' are exempted from levy of additional duty of customs under notification No.6/2006-CE dated 1 March 2006 (serial no.84, List 5-Srl 13). 'Windmill beams' not being a part of the Electricity generator falling under Customs Tariff heading (CTH) 8503 are, therefore, not eligible for additional duty exemption. Instead they merit classification under CTH 7308 as 'Beams, channel, pillars prepared for use in structures' and are leviable to additional duty at the rate of 10 per cent.

Forty five consignments of 'Windmill Beams/Tower section for windmill' imported (January to November 2011) by M/s Vestas Wind Technology India Pvt. Ltd., and two others through Chennai (Sea)/Gujarat Commissionerate were incorrectly allowed exemption from additional duty under aforesaid notification considering them as part of Wind operated electricity generator.

Windmill Beams could not be considered as part of the Wind operated electricity generator as they are not working parts of the turbine generator and have no operational or mechanical interaction with it. Accordingly, the imported items were not eligible for exemption from additional duty; instead duty was leviable at the rate of 10 per cent under CTH 7308. On a similar issue, it was also judicially held that the Windmill towers merit classification under CTH7308 and are not parts of wind operated electricity generator (United States International Commission, Ruling No.HQ 964757 dated 25 Sept 2001). Thus, incorrect grant of exemption resulted in short levy of ₹ 1.50 crore.

When we pointed this out (April 2012/June 2013), there was no response from the department. However, subsequent audit verification revealed that in similar imports (April to November 2011), by other importers (M/s Gamesa Wind

Turbine Ltd and M/s RRB Energy Ltd) the department while accepting the audit observation had issued demand notices. Further progress was awaited (March 2014).

Further, analysis of ICES 1.5 all India import data for the period April 2012 to March 2013 revealed that similar imports were also made from various ports of Mumbai and Karnataka, and apparently incorrect exemption granted under aforesaid notifications resulted in short levy of customs duties.

Accordingly, Ministry was requested (November 2013) to review all such cases and intimate their status, besides recovering short levy noticed, if any.

Ministry's response had not been received (March 2014).

Assessing Officer incorrectly allowed exemption to Di-Ammonium Phosphate (DAP)

3.4 As per notification no.4/2006-CE dated 1 March 2006 (serial no.63) "Goods classified under Customs Tariff Heading (CTH)/Central Excise Tariff Heading (CETH), other than those which are clearly not to be used (a) as fertilizers or (b) in the manufacture of other fertilizers, whether directly or through the stage of an intermediate product" are exempted from excise duty. Further, as per serial no.4 of notification no.20/2006-cus, fertilizers and all goods for manufacture of fertilizers are exempt from payment of special additional duty of customs (SAD). In addition, serial no.130 of Table B of the ITC HS Export Schedule 2, to the export policy read with the annexed list B, imposes export restriction on 'Di-Ammonium Phosphate (DAP)'. However, specified manufacturers of DAP were listed (export licensing note 1 at list B) who would be allowed to export their own manufactured DAP, subject to intimation to the Department of Fertilizers with a certificate that no concession/subsidy has been claimed.

M/s Mosaic India Pvt. Ltd., cleared (May 2009/December 2010) two consignments of 'DAP (CTH 31053000)' imported¹⁰ through Custom House (Jamnagar) on payment of concessional rate of customs duty availing exemption from CVD and SAD in terms of aforesaid notifications. Audit noticed that:-

- (i) The imported DAP was intended to be re-exported and not to be used as fertilizer, as per declaration given (February 2010) by the importer.
- (ii) The Department of Fertilizers (New Delhi) granted permission (September 2010) to the importer for exports of the imported DAP on the ground that the importer did not claim concessions on imported DAP, even though, export policy allows export of DAP manufactured by exporters only enlisted in list B.

¹⁰ Bill of Entry (BE) No.8 dated 28 May 2009 (2640 MT) was filed for home consumption at Custom House (CH) Jamnagar. BE No.F-W/H-01 dated 4 July 2009 (2199.58 MT) was filed for warehousing at CH Jamnagar which was subsequently cleared through Central Excise (AR-V Jamnagar) by importer vide Ex-bond BE No.1/EB/10-11 dated 1 December 2010.

In the instant case the importer availed benefit of concessional rate of duty while importing the DAP, although imports meant to be re-exported were not used for manufacture of fertilizers in contravention of the EXIM Policy. In addition, the importer was not included as manufacturer in the prescribed export list B of the EXIM Policy. These two restrictions were not taken into account by both the departments (Department of Fertilizers, Customs) before incorrectly allowing export of DAP. Thus, incorrect grant of exemption resulted in short levy of customs duty to the tune of ₹ 1.35 crore.

The Superintendent (Central Excise Range-V), Jamnagar stated (June/July 2011) that Central Excise notification no.4/2006 (serial no.63) and Customs notification no.20/2006 (serial no.4) provide full exemption from CVD and SAD to fertilizers and since DAP is a fertilizer, exemption was admissible.

Department's reply may be viewed in the context of the fact that since the goods were re-exported instead of being used for the intended purpose as fertilizers, benefit under aforesaid notifications was not admissible. Further, allowing re-export of the imported DAP was also not in order, since the importer was neither a listed DAP exporter (as per schedule 2 of the EXIM Policy) nor did it export its own manufactured DAP.

Assistant Commissioner (Customs), Jamnagar informed (September 2011) that a show cause notice was being issued to the importer and Central Excise Superintendent has been asked to take action for recovery of the amount.

Meanwhile, Commissioner (Appeals), Rajkot rejected (February/March 2012) appeals of the importer against order in original passed by the Deputy Commissioner (Central Excise) Jamnagar (September 2011) confirming recovery of the amount objected, on the grounds of not depositing the pre-deposit amount of ₹ 30 lakh. Subsequently, the importer filed an appeal with CESTAT (Ahmedabad) which directed (December 2012) it to submit a pre-deposit of ₹ 1 lakh and also directed the first appellate authority to take up the matter for disposal on merits of the case. Further progress was awaited (March 2014).

Ministry's response had not been received (March 2014).

Assessing Officer incorrectly allowed exemption to parts of DVD

3.5 Parts of DVD are classifiable under Customs tariff heading (CTH) 85229000 which are not eligible for exemption from Basic customs duty (BCD) under customs notification no.25/2005 dated 1 March 2005 (serial no.11). BCD is leviable at the rate of 10 per cent on import of these parts.

M/s Sidhi Enterprises and M/s Ketman Traders imported (February to August 2012) nine consignments of 'DVD parts' at a combined assessable value to ₹ 2.87 crore through ICD, Tughlakabad, New Delhi. The Assessing officer incorrectly allowed exemption from BCD under aforesaid notification treating them as 'Printed circuit assemblies for telephone answering machines', even

though, the imported goods were parts of DVD and not eligible for such exemption. This resulted in short levy of duty of ₹ 34.18 lakh.

Ministry reported (August 2013) recovery of ₹ 5.08 lakh from M/s Ketman Traders and issue of protective demand to M/s Sidhi Enterprises.

Further, analysis of ICES 1.5 all India import data for the period April 2012 to March 2013 revealed that similar imports were also made from various ports of Delhi and Tamil Nadu, in which misclassification had resulted in short levy of duty.

Accordingly, Ministry was requested (November 2013) to review all such cases and intimate their status, besides recovering short levy noticed, if any.

Ministry's response had not been received (March 2014).

Assessing Officer, Kolkata (Port) allowed incorrect exemption to re-imported goods

3.6 As per provision of notification no.158/95-cus dated 14 November 1995, re-import of exported goods, within three years from the date of exportation, for repairing or reconditioning, shall be exempted from levy of whole of the duty of customs and additional duty, subject to the condition that the importer will execute a bond, undertaking to re-export the said goods after repair within six months from the date of re-importation. In case of failure to re-export the same within prescribed time, the importer is liable to pay an amount equal to the difference between the duty levied at the time of re-import and the duty leviable on such goods at the time of importation but for exemption.

M/s. Tata International Ltd. re-imported (June 2010) 'Machinery part for Aluminium Smelter', which were exported earlier in August 2009, through Commissionerate of Custom (Port) Kolkata for repairing, without payment of duty under aforesaid notification. The Provisional Duty (PD) Bond executed by the importer in compliance to the conditions of the said notification was cancelled (February 2011) by the department on the basis of the re-export documents submitted (November 2010) by the importer. However, scrutiny of the shipping bill, through which the goods were re-exported, revealed that the re-exported goods were not the same as the imported goods but were supplied as replacement of the re-imported goods which was evident from the declaration of the importer on the Shipping Bill. Thus, the condition of notification no.158/95 to re-export the imported goods after repair remained unfulfilled for which duty exemption benefits amounting to ₹ 12.43 lakh was recoverable from the importer.

Assistant Commissioner Custom House, Kolkata reported (December 2012) that a demand Notice had been issued (December 2012) to importer for payment of duty along with applicable interest.

Further, analysis of ICES 1.5 all India import data for the period April 2012 to March 2013 revealed that similar imports were also made from various ports of Delhi, Mumbai, Kolkata, and Karnataka and apparently granted incorrect exemption under aforesaid notification resulting in short levy of customs duties.

Accordingly, Ministry was requested (November 2013) to review all such cases and intimate their status, besides recovering short levy noticed, if any.

Ministry's response had not been received (March 2014).

Assessing Officer incorrectly allowed exemption to Titanium dioxide

3.7 In terms of serial no.552 and 555 of notification no.21/2002-cus dated 31 March 2002, 'Titanium dioxide' falling under CTH 28230010 and 'Pearl set pigment (Titanium dioxide)' classifiable under CTH 32061110 are not eligible for concessional rate of duty. Further, the product information accessed through Internet revealed that the item under description 'Hombitan' is nothing but the chemical 'Titanium dioxide'.

M/s Sumeet Industries Ltd. and others imported (August 2009 – June 2012) 15 consignments of 'Titanium dioxide' through JNCH, Mumbai, Kolkata (Port) and Custom House, Kochi. Of these, bills of entry (BsE) in respect of two showed the item description as 'Hombitan' and others as 'Titanium dioxide'. These goods were mis-classified under CTH 28230010/32061190 and assessed to concessional rate of duty under notification no.21/2002-cus dated 31 March 2002, even though, imported goods are not eligible for concessional rate of duty. Thus, incorrect extension of exemption benefit resulted in short levy of duty of ₹ 10.80 lakh.

The Assistant Commissioner of Customs, IAD (Import), JNCH reported (December 2010/April 2013) that an amount of ₹ 3.41 lakh was recovered from the importers in respect of five BsE and a demand notice was also issued in one case. The status in respect of the remaining BsE is awaited (March 2014).

Further, analysis of ICES 1.5 all India import data for the period April 2012 to March 2013 revealed that similar imports were made from ports of Mumbai, and Delhi and cleared at concessional rate of customs duty granting notification benefit. This resulted in short levy of customs duty.

Accordingly, Ministry was requested (November 2013) to review all such cases and intimate their status, besides recovering short levy, if any noticed.

Ministry's response had not been received (March 2014).

CHAPTER –IV

ASSESSMENT OF CUSTOMS REVENUE

We found from test check (June 2011 to March 2013) of records for the period April 2008 to February 2013, a few cases of incorrect assessment of customs duties having revenue implication of ₹ 86.53 crore. They are described in the following paragraphs.

Assessing officer allowed clearance of hazardous electronic waste into India which may have caused immeasurable damage to the environment

4.1 According to Rule 13 of the Hazardous wastes (Management, Handling and Trans-boundary movement) Rules 2008 (effective from 24 September 2008), notified under Environment (Protection) Act 1986, import of hazardous waste from any country to India shall not be permitted for disposal. However, import of the same, except those mentioned in its Schedule-IV, shall be permitted with prior permission of concerned authorities for recycle, recovery or reuse. Any of such goods imported illegally shall be re-exported by importer within 90 days from the date of arrival in India, under the supervision of concerned State Pollution Control Board (Rule-17).

Import of Electrical and Electronic Assemblies and their waste, listed under Part-A and Part-B of Schedule-III of aforementioned Rules at A1180 & B1110, for recycling, recovery and reuses, requires a license to import from Director General of Foreign Trade (DGFT) and prior written permission from Ministry of Environment & Forest (MoEF), as per Rule-14. Further, as per Para 2.17 of Foreign Trade Policy (FTP) 2004-09/2009-14, all second hand personal Computers/Laptops, Photocopier machines, Air Conditioners, Diesel Generating sets could be imported only against a license issued by DGFT. In this regard, Ministry of Finance had also issued instructions from time to time (letter dated 24 August 2009, 15 October 2009 and 3 December 2009 and Circular No.27/2011-Cus dated 4 July 2011) for implementation of decisions of MoEF issued under the aforementioned Rules.

M/s Bhawani Enterprise and 89 others imported (between October 2008 and July 2011) for re-use of 185 consignment of Old and used Computer, Hard Disk, Photocopier, Printer, Printing machines, Color printing machines and Paper cutting machines etc., through the Commissionerate of Customs (Port) Kolkata, involving assessable value of ₹ 32.37 crore. The goods were imported without MoEF permission and valid licence from DGFT as required under aforementioned Rules 2008/FTP, and were accordingly confiscated by the Customs authority.

Audit scrutiny of 24 such case files confirmed absence of MoEF permission and licence from DGFT, whereas in rest of the import cases the files were not produced to Audit. Instead of re-exporting these goods, the department allowed clearance of all such imported goods on payment of duty thereby violating the

aforementioned restrictive clause/prohibitions on the import of hazardous electronic goods and defeating the motive of MoEF in framing the Hazardous Wastes (Management, Handling and Trans-boundary Movement) Rules, 2008, to protect the environment.

Deputy Commissioner of Customs, Customs House, Kolkata stated (October 2011) that such imports were disallowed after issue of the CBEC circular dated July 2011 but did not comment on the reasons for allowing the said imports prior to the date of issue of CBEC circular despite existence of the aforesaid Rules 2008 and instructions from the Ministry of Finance in this regard.

The fact remains that due to lack of effective coordination between Customs Officer (CBEC) and State/Central Pollution Control Boards, imports of hazardous waste valued at ₹ 32.37 crore were allowed which may have caused immeasurable damage to the environment.

Ministry's response was awaited (March 2014).

Incorrect updation of EDI system resulted in short levy of CVD

4.2 The Finance Bill 2012 was introduced in Lok Sabha on 16 March 2012. As such, changes in the Excise duty and Customs duty rates, if any, were to be effective from the mid-night of introduction of Finance Bill i.e. 16 March 2012. Therefore, if there were any change in the Excise duty rates it would normally be effective from the 17 March 2012, unless otherwise stated in any notification or as part of the provisions of Finance Bill 2012.

Government of India enhanced the rate of Central Excise duty (CVD) from 10 per cent to 12 per cent for all the goods falling under tariff headings 8607, 8608 and 8609 vide notification no.18/2012-CE dated 17 March 2012. Subsequently, Finance Bill 2012 was passed by the Parliament which received the assent of the President on 28 May, 2012.

Scrutiny of Bills of Entry and Import/Export data relating to ICD Tughlakabad, ICD Patparganj, NCH, Delhi, Kolkata (Port), Kolkata (Airport), Custom Houses, Kochi and Whitefield-Bangalore, Air Commissionerate, Devanhalli for the period May 2012 to March 2013 revealed that various importers imported different items falling under Customs tariff heading (CTH) 8607- Parts of Railway or Tramway Locomotives or Rolling stock, 8608- Railway or Tramway track fixtures and fittings, Mechanical signalling and CTH 8609- Containers specially designed and equipped for carriage. The imported goods were assessed to CVD at the rate of 6 per cent, instead of at the rate of 12 per cent under aforesaid Finance Act.

Further, it was observed that although the aforesaid Commissionerates levied CVD at the proposed enhanced rate of 12 per cent during the period from 17 March 2012 to 27 May 2012 but the same was incorrectly reduced to 6 per cent after the assent of the Act by the President on 28 May 2012. Thus, incorrect

updatation of the notification Directory in the ICES database by the department resulted in short levy of duty aggregating to ₹ 30.17 crore.

Deputy/Assistant Commissioner of ICD, Tughlakabad, Patparganj and NCH Custom House, New Delhi intimated (April/May 2013) recovery of ₹ 1.86 crore along with interest of ₹ 7.34 lakh. Reply from other Commissionerates had not received (February 2014). No accountability was fixed for the erroneous updatation of notification Directory.

Ministry's response had not been received (March 2014).

Assessing officer levied inadmissible Education cess on Clean Energy cess

4.3 Notification No. 03/2010-CEC dated 22 June 2010 provided for levy of 'Clean Energy Cess' at the effective rate of Rs. 50 per Metric Ton on import of coal.

Further, Notification Nos. 28/2010-CE and 29/2010-CE, both dated 22 June 2010, exempted this 'Clean Energy cess' from levy of education cess and higher education cess. As a result, education cess and higher education cess was exempted on the 'Clean Energy Cess' payable as additional duty of customs {leviable under Section 3 (1) and 3 (3)} of the Customs Tariff Act 1975] on import of coal.

At Custom House (MP&SEZ), Mundra and Kandla falling under the jurisdiction of Kandla Commissionerate, imports of coal were subjected to education/ Higher education cess on Clean Energy cess, in violation of the aforesaid exemption notification. The amount of excess levy of education cess/higher education cess in respect of 260 bills of entry test checked worked out to ₹ 15.30 crore.

Assistant Commissioner of Custom, Kandla stated (September 2011 to April 2012) that the excess levy of cess was due to error in the Remote EDI System (ICES 1.5) which calculated the Education cess on its own and no option was available with their office to delete the same from the system. It was further stated (April 2012) that cess on additional duty of customs has been removed after implementation of the Budget changes (2012-13) and hence cess on additional duty is not being calculated now.

Director (ICD), Ministry of Finance stated (January 2014) that Education cess on Clean Energy cess was not being collected since 18 March 2012 after change of computation logic in ICES 1.5. It was further stated that DG (Systems) has been advised to ensure consistency of the ICES 1.5 with prevalent legal position to avoid such instances.

Audit maintained that this irregularity took place on account of lack of updatation of the ICES 1.5 by DG (System) New Delhi, though the matter was being pointed out by audit since June 2011.

Analysis of ICES 1.5 all India import data revealed that in 475 consignments of coal imported through Mumbai, Kolkata, Hyderabad and Tuticorin Commissionerate, education cess and higher education cess have been levied on Clean Energy cess payable as additional duty of customs.

Accordingly, Ministry was requested (November 2013) to review all such cases and intimate their status, besides recovering short levies noticed, if any. Ministry's response had not been received (March 2014).

Assessing officer did not levy applicable anti dumping duty

4.4 As per serial no.3 of notification no.81/2011-cus dated 24 August 2011, anti dumping duty (ADD) is leviable at the rate of US\$ 3.87 per kg on 'Polytetrafluoroethylene (PTFE)', if country of origin is China PR and produced by any producer except as specified and exported to India.

M/s Blast Carboblocks Pvt. Ltd., and three others had imported (August 2011 to February 2013) through JNCH, Mumbai, Chennai (Sea), Air Custom Cargo Ahmedabad, ICD, Khodiyar (Gujarat) and ICD, Dadri, 31 consignments of 'PTFE' originated and exported from China PR. The department cleared imported goods without levying anti dumping duty. This resulted in non levy of anti dumping duty of ₹ 1.63 crore.

Assistant Commissioner IAD (Import), JNCH reported (April 2012) issue of demand notices to M/s Blast Carborlocks Pvt. Ltd., and M/s Kota Industries Products Pvt. Ltd., for anti dumping duty amounting to ₹ 9.64 lakh.

Ministry's response had not been received (March 2014).

Assessing officers failed to realize cost recovery charges for Customs staff posted

4.5 According to paragraph 3 of Circular no. 68/95-cus dated 15 June 1995, licence to any private warehouse may be granted under Section 58 of Customs Act, 1962 subject to the condition that the applicant agrees to take the services of the Customs Officers on Cost-Recovery (CRO) basis, if services of the Customs Officers are required on a continuous basis or on payment of Merchant Overtime (MOT)/Supervision charges, as the case may be.

Regulation 2 (C) (ii) of (Fees for rendering services by Customs officers) Regulations 1998, provides that a MOT fee shall be levied and paid, at the prescribed rates, by the importers/ exporters/ assesseees who are availing the services of Customs officers beyond 'Customs Area' or after 'Working Hour' within 'Customs Area'. The 'working hour' has been defined under the Regulation-2(d) as the duty hours prescribed by the Commissioner of Customs in his jurisdiction for normal customs work.

4.5.1 Audit scrutiny of records at International Terminal Building, NSCBI Airport, Kolkata under the Kolkata Airport Commissionerate revealed that cost recovery charges in respect of customs staff posted round the clock for

monitoring the storage and sale of duty free imported goods from two Private Bonded Warehouse cum Duty Free Shop (DFS) of M/s. Flemingo Duty Free Shop Pvt. Ltd, located at the NSCBI Airport, were not being recovered from the licensee. The licensee initially paid the MOT fees upto December 2009, in terms of the undertaking given under condition 15, but requested for payment of CRO charges instead of MOT fees thereon. However, neither CRO charges nor MOT fees were collected from the licensee from January, 2010 onward. As the customs staff supervised the DFS round the clock, the cost of services rendered was to be collected on CRO basis for the period beyond working hours, which in this case is taken as normal working hours (10.00 AM to 6.30 PM), as prescribed by the Commissioner of Customs in his jurisdiction or as exists in Central Government Offices in absence of any order of Commissioner prescribing working hours for staff posted at NSCBI, Airport as confirmed by the Department (October 2012). The total cost charges recoverable for the period (January 2010 to September 2012) amounted to ₹ 1.22 crore.

Assistant Commissioner of Customs (Airport & Admn.) NSCBI Airport, Kolkata intimated (October 2012 and December 2012) having issued demand notice but reiterated comments made by DFS authorities that CRO charges are not payable based on CBEC letter dated 26 May 2010 because DFS authorities interpreted that the working hour at NSCBI International Airport was 24x7.

The Department's reply is to be viewed in the context of the fact that CBEC letter dated 26 May 2010 only clarified that in respect of DFS at the airport/port premises the service charge is applicable only against rendering of customs services beyond 'working hours'. As there is no notification/circular/public notice issued by the jurisdictional Commissioner of Customs prescribing 24x7 working hours for the NSCBI International Airport, which is essential in terms of 2(d) of the "Customs (Fees for rendering services by Customs officers) Regulation, 1998" for deciding exemption from CRO/MOT fees. The Circular no.22/2012-cus dated 7 August 2012 issued by CBEC facilitating 24X7 Customs working provides clearance in respect of some Air Cargo complexes (excluding Kolkata Airport) and some seaports, for a limited Customs operation purpose. Accordingly, CRO charges are to be recovered from M/s Flemingo DFS Pvt. Ltd. for the customs service rendered beyond eight hours, considering it as working hours as prescribed by the Commissioner of Customs within his jurisdiction. Ministry's response had not been received (March 2014).

4.5.2 Similarly, cost recovery charges remained unrealised from Inland Container Depot (ICD) Bhadohi which was established on 29 July 2004 with Central Warehousing Corporation (CWC) Bhadohi on cost recovery basis.

Audit scrutiny revealed that a sum of ₹ 47.16 lakh was outstanding against CWC Bhadohi towards cost recovery charges for the period April 2011 to 31 March 2012 in respect of customs staff posted at ICD Bhadohi. Neither ICD Bhadohi

raised any bills against CWC for recovery charges nor were records maintained. Also these charges were not deposited in advance, as required.

Assistant Commissioner, ICD, Bhadoi stated (March 2012) that records regarding cost recovery of ICD staff were being maintained by Central Excise and Customs Division-I, Allahabad. The Division authorities intimated (November 2013) that the total outstanding amount of cost recovery for the period 2010 to 2013 was ₹ 2.18 crore.

The fact remains that cost recovery charges amounting to ₹ 2.18 crore for customs staff posted at ICD, Bhadoi remained unrealized. Ministry's response had not been received (March 2014).

4.5.3 As per Regulation 5 (2) of "Handling of Cargo in Customs Areas Regulations, 2009", prescribing the guidelines for appointment of custodians for Inland Container Depot (ICD) and Container Freight Station (CFS), and clarification issued under paragraph 5.3 of Board's circular no. 13/2009-cus dated 23 March 2009, the custodian shall bear the cost of customs staff posted at the ICD/CFS, unless specifically exempted by an order of the Government of India in the Ministry of Finance. Further, as per Ministry of Finance instructions issued in September 2005, the cost of the posts created on cost recovery basis is to be recovered at the uniform rate of 1.85 times of monthly average cost of the post, plus DA, CCA, HRA, etc.

The Regulation 4 of aforementioned Regulations read with paragraph 4.1 of circular no.13/2009-cus dated 23 March 2009 clearly stipulates that Customs Cargo Service providers already approved (existing custodians) on or before the date of coming into force of these regulations shall comply with the conditions of these regulations within a period of three months or such period not exceeding a period of one year as the Commissioner of Customs may allow from the date of coming into force of these Regulations.

Audit scrutiny of records of the Customs Division, Guwahati under the Shillong Commissionerate revealed that cost recovery charges in respect of customs staff posted at ICD, Amingaon were not being recovered from the custodian, the Container Corporation of India (CONCOR), even though they were neither exempted by an order of the Government of India in the Ministry of Finance nor they fulfilled the laid down norms for consideration for waiver for Cost recovery charges by the Ministry because total number of containers handled by the said ICD during last four financial years i.e from 2008-09 to 2011-12 was only 2440, 2954, 2285 & 2600 TEUs¹¹ respectively against the performance benchmark of 7200 TEUs per annum required under the Ministry of Finance instructions issued in September 2005. The total cost recoverable for the period October 2010 to May 2012 amounted to ₹ 94.69 lakh.

¹¹ The twenty foot equivalent unit (TEU) is an inexact unit of cargo capacity often used to describe the capacity of container ships and container terminals.

The Commissioner of Customs (Preventive), NFR, Shillong drawing attention to circular no.52/1997-cus dated 17 October 1997 stated (April 2013) that the ICD, Amingaon was set up prior to issue of the circular and therefore it does not come under the purview of this circular. However, the department did not offer their comments on applicability of "Handling of Cargo in Customs Areas Regulations, 2009" to ICD.

The department's reply is to be viewed in the context of the fact that Board circular of 1997 has become immaterial after issue of "Handling of Cargo in Customs Areas Regulations, 2009" and explicit clarification issued under CBEC Circular No. 13/2009-Cus dated 23 March 2009, expressly reiterating that all ICD/CFS, existing or new, has to comply with the provisions of aforesaid Regulations 2009.

Ministry's response had not been received (March 2014).

Central Board of Excise & Customs (Board) had not revised long overdue Merchant Overtime (MOT) rates

4.6 MOT rates were increased by more than 100 per cent with effect from October 1998 by revising the existing rates prescribed in Regulations of 1968 consequent to 3 to 3.5 times pay hike of the Central Government employees after implementation of recommendations of the 5th Pay Commission.

After implementation of recommendations of the 6th Pay Commission in August 2008, basic pay of Central Government employees was again hiked by 2.42 to 3.23 times as compared to the pay prescribed by 5th Pay Commission. However, corresponding revision of MOT rates has not been carried out so far by the Board and accordingly MOT charges are still being levied at rates prescribed in September 1998. Board did not contemplate periodical revision of the MOT rates subsequent to the revision of pay scales on implementation of the Pay Commission's recommendations.

Audit scrutiny revealed that six¹² custom houses and one¹³ Central Excise range collected total MOT charges of ₹ 494.54 lakh during period 2008-09 to 2011-12 at rates under aforesaid Regulations 1998. Non revision of MOT rates even after a lapse of more than 14 years have resulted in earning of less revenue.

The customs authorities of Navalkhi, Sikka, Porbandar and Pipavav Customs Houses while agreeing (October 2012 to August 2013) with the audit opinion for periodical revision of MOT rates, stated that the matter pertained to Board/Ministry.

¹² Navlakhi, Sikka, Jamnagar, Vadinar, Porbandar, Pipavav

¹³ Central Excise Assessment Range (AR) V, Division V, Commissionerate-Ahmedabad-II

Assessing officer incorrectly allowed Project import benefits

4.7 All items of machinery and all components or raw materials required for the manufacture of such machinery imported for initial setting up of a unit or the substantial expansion of an existing unit of a specified industrial plant are covered under Custom Tariff Heading 98.01 and are chargeable to concessional rate of duty in terms of Regulation 2 of Project Import Regulations (PIR), 1986. 'Substantial expansion', as defined under Regulation 3(b) of PIR-86, means an expansion which will increase the existing installed capacity by not less than 25 per cent.

M/s Telco Construction Equipment Company Ltd., imported (March 2004) 'Hydraulic Shovel' through Commissionerate of Customs (Port), Kolkata vide Bill of Entry No.183545 dated 1 March 2004 for supply to Bina OC Singrauli Coalfields of Northern Coalfields Limited which was allowed the benefits of concessional duty under the Project Import Regulations, 1986. Audit observed from the documents submitted by the importer for finalization of the contract that the Shovel was to be utilized to achieve the past production capacity of 5 million tones per annum of the mine which had reduced to 3 million tones per annum. In order to achieve this, the Shovel was required as an additional quantity of equipment, for which the importer had registered the said Project contract under PIR.

As the goods were imported for achieving only its past production capacity without increasing the existing installed capacity, it was apparent that the instant project import contract was neither registered for initial setting up of a unit nor for substantial expansion of the existing unit for which imported goods did not qualify for the benefit of concessional duty available under the provisions of Project Import Regulations, 1986. Incorrect extension of the benefit resulted in grant of duty exemption amounting to ₹ 55.03 lakh which was recoverable from the importer.

Assistant Commissioner of Customs (IAD), Custom House, Kolkata stated (November 2012) that a letter has been issued to the importer asking him to deposit the short-levied amount. Further progress was awaited (March 2014).

Ministry's response had not been received (March 2014).

Assessing officer short assessed value of ship imported for breaking

4.8 According to Rule 5 of the Customs Valuation (Determination of value of Imported Goods) Rules 2007, the value of imported goods shall be the transaction value of similar goods sold for export to India and imported at or about the same time as the goods being valued.

Various importers import 'Ships for breaking' (CTH 89080000) at Ship Breaking Yard-Alang (Bhavnagar), value for which was assessed on the lump sum price (including bunker value) declared in the 'Memorandum of Agreement (MOA)'.

The value of the imported ship was arrived after reducing the value of bunker (MGO, Furnace oil, etc.) from the total value declared, as stipulated in Board's circular no.37/1996-cus dated 3 July 1996. The duty to be levied was then arrived separately for ship and bunker, at the applicable rates for both. The effective rate of customs duty leviable on 'Ships for breaking' (CTH 89080000)¹⁴ was higher as compared to that leviable on 'Marine Gas Oil (MGO) (CTH 27101930)¹⁵.

Audit observed that the value of MGO was reduced considerably in international market from November 2008 onwards and the highest rate recorded was US\$ 540 PMT till March 2009. However, the assessable value fixed at US\$ 825 PMT by the department in August 2008 was reduced only to US\$ 725 PMT in December 2008 and no further reduction was made upto June 2009.

Non revision of assessable value of MGO with reference to the reduced price prevailing in market resulted into deduction of higher bunker price from the lump sum price and consequent less realization of duty. The Government may devise some mechanism to review prices of MGO with reference to prevailing international price of MGO for allowance of deduction from total value, which would help in realization of correct duty on the ship value.

The short levy of duty worked out was ₹ 29.27 lakh involved in 44 Bills of entry (BsE) (November 2008/June 2009) considering the highest recorded rate of US\$ 540 PMT.

Commissioner of Customs (Preventive), Jamnagar stated (August 2013) that audit adopted MGO price quoted in the website www.bunkerworld.com which is F.O.B. price at Singapore to which freight, insurance and landing charges are required to be added for arriving at the assessable value for duty calculation. It was further stated that as pointed by audit the values of National Import Database (NIDB) is not the legal authentic document but serves only as broad guidelines and there was no requirement in law to discard a transaction value. Customs authorities also stated that prices of MGO/HSD prevailing in Singapore are considered by Audit which is contrary to residual method for valuation under Rule 9 (2) (iii) of Customs Valuation (Determination of values of Imported Goods) Rules 2007.

The department's reply may be viewed in the context of the fact that audit observation is to emphasise on instituting procedure for timely revision so that Government revenue is protected. However, Commissioner of Customs (Preventive), Jamnagar authorities stated (August 2013) that protective demand

¹⁴ Duty on ship included 5 per cent 'basic customs duty (BCD) and 14 per cent 'Additional duty of customs (CVD).

¹⁵ Duty on MGO included 2.5 per cent BCD, ₹ 2 per litre and ₹ 1.60 per litre additional duties of customs and central excise.

cum show cause notices have been issued. Further progress was awaited (March 2014).

Ministry's response had not been received (March 2014).

Assessing officer incorrectly granted drawback on export of goods

4.9 According to Para (VI) of Circular no.64/1998- Customs dated 1 September 1998, the export goods purchased by the merchant exporter from the open market shall be treated as having availed the Modvat facility for which the benefit of All Industry rates of Duty Drawback on export of such goods shall be restricted to the Customs allocation only. These provisions were superseded under Para-7 of Circular No. 16/09-Customs dated 25 May 2009 whereby Merchant exporters were also allowed full All Industry rates of Duty Drawback, including excise allocation, subject to furnishing prescribed self declaration at the time of export. However, the aforesaid provisions were made effective from the date of the issue of this circular.

M/s Eastern Traders and two other merchant exporters were sanctioned (May 2008 to February 2010) Customs as well as Central excise portion of Drawback at All Industry rate on goods purchased by them from the local market and exported under 14 shipping bills during the period from December 2007 to April 2009 through Commissionerate of Customs (Preventive), West Bengal. Audit observed that sanction of Central excise portion of Drawback to the merchant exporter was in contravention to the provisions of the aforesaid circular because goods were exported prior to issuance of circular dated May 2009. This resulted in excess payment of drawback amounting to ₹ 25 lakh which needed to be recovered along with applicable interest.

Ministry reported (January 2014) that show cause notices are being issued by Kolkata (Preventive) Commissionerate to recover the drawback sanctioned. Further progress was awaited (March 2014).

4.10 Refund of Customs duty

According to Customs Act, 1962 (CA) any person who has paid the duty of customs or paid any interest, could claim for its refund in the following circumstances:

- (a) When the goods are exported after payment of the export duty / cess and the exported goods are returned to the exporter otherwise than by way of resale and the goods are re-imported within one year (Section 26 of CA).
- (b) When the imported goods are found to be defective or otherwise not in conformity with the specification agreed upon between the importer and the supplier of goods and the imported goods are exported as such (Section 26A of CA).
- (c) Any person who has paid duty on assessment of imported goods and applies for refund of duty consequent on i) remission /abatement of duty due to

pilferage of goods, damage of goods, and deterioration in the value of goods, goods lost or destroyed, ii) Finalization of provisional assessment where the duty is refundable iii) Cash Security Deposit on the finalization of project import, iv) Modification of an adjudication order or decision of lower authority in an appeal case or revision, v) Reduction of duty on reassessment due to wrong application of rate of duty, incorrect classification, adoption of higher valuation (Section 27 of CA).

(d) When additional customs duty at 4 per cent to countervail the sales tax, value added tax, local taxes and other charges was paid on the imported goods and the importer being registered dealer sold the goods on payment of appropriate ST/VAT, he can claim the refund of 4 per cent additional duty as per Notification 102/2007-Cus dated 14 September 2007 as amended.

The department during the year 2012-13 and 2013-14 (upto April 2013) settled 31535 and 6439 claims and refunded an amount of ₹ 1773.37 crore and ₹ 411.71 crore respectively sanctioned by commissionerates under the audit jurisdiction of Director General/ Principal Director, Tamil Nadu, Kolkata, New Delhi, Mumbai, Hyderabad, Ahmadabad, Bangalore and Cochin.

Audit test checked 1964 (6 percent) and 6439 (31 percent) numbers of total claims sanctioned during the year 2011-12 and 2013-14 respectively.

4.10.1 Internal Control Mechanism

The refund applications were admitted after scrutiny as to whether all the documents were received in full and complete shape. If any document is wanting, a deficiency memo is issued after scrutiny by the superintendent. The refund claims are then sanctioned by the Assistant Commissioner/Deputy Commissioner. Refund claims above ₹ 5 lakh are sanctioned after pre audit by Internal Audit Department (IAD) while claims below ₹ 5 lakh are subjected to post Audit. The refunds are not automatically triggered by the system and captured in the ICES 1.5 application.

4.10.2 Audit Findings

(a) Sanction of refund on sale of goods prior to date of its import/payment of TR 6 Challan/Out of Charge – ₹ 10.23 lakh

Imported goods could be sold only on payment of duty /out of charge. This would ensure that only the goods imported were actually sold.

Audit noticed 23 instances in seven commissionerates (**Appendix 19**) where refund of additional duty was sanctioned even though sales were effected prior to the date of import of goods (date of landing) /duty payment (payment date of TR6 challan) /Out of charge (goods physically removed). Accordingly, claims amounting to ₹ 10.23 lakh were ineligible for SAD Refund.

The Commissioner of Customs (Air), Chennai reported that a demand notice has been issued for ₹ 0.62 lakh. Deputy Commissioner of Customs St. John, Tuticorin

reported recovery of ₹ 0.43 lakh out of ₹ 0.97 lakh pointed out while in case of M/s Sri Lakosha Polymer Pvt. Ltd. contested audit observation stating (July 2013) that out of charge was given manually on 15 December 2011 due to system failure.

The Department's reply is not acceptable since the goods could be cleared only after payment of duty which was made on 17 December 2011, while sales invoice was dated 16 December 2011. Reply from other commissionerates was awaited (March 2014).

(b) Time barred claims - ₹ 12.05 lakh

According to notification 93/2008-Customs dated 1 August 2008, the refund application is to be submitted before the expiry of one year from the date of payment of the said additional duty.

Audit noticed 11 cases in five commissionerates (**Appendix 20**), wherein the SAD refunds claims received after the prescribed time limit were considered by the department and an amount of Rs. ₹ 12.05 lakh was irregularly refunded.

Kochi Commissionerate in respect of M/s Falcon Glass Palace stated that in terms of Section 9 of General Clauses Act, the actual date of payment should be excluded for computing the period of limitation. It was further stated as per Section 10 of the Act when the last day of a prescribed period falls on a holiday, the act or proceeding shall be considered as done on the next day after the holiday.

The reply is to be viewed in the context of the fact that the date of payment of duty was 1 August 2011 and application was filed on 3 August 2012. The due date of application i.e. 2 August 2012 was not holiday. Accordingly, the refund of ₹ 1.80 lakh granted was irregular.

The Commissioner of Customs (Air) Chennai in case of M/s Dax Net Works Ltd. stated (July 2013) that the claim was submitted within the time limit. The reply is not acceptable because application was initially filed on 31 March 2011 after expiry of one year (18 March 2011) and it was attested by Assistant Commissioner of Customs. Replies in respect of remaining commissionerates have not been received (November 2013).

(c) Sanction of refund claim on sale of goods mis-matched with imported goods – ₹ 17.79 lakh

According to Notification No.102/2007-Customs dated 14 September 2007, the importer is required to provide proof of payment of duty (Bills of Entry), invoice of sales and proof of payment of VAT/Sales Tax along with the refund claims. Comparison of BoE (import) with the sales invoices by audit revealed that there was a mis-match between the goods imported as per BoE and sold as mentioned in the invoice in 21 cases in respect of four commissionerates {Chennai(Air)- 6 cases, Chennai (Sea)- 4 cases, Tuticorin- 6 cases and Customs (Port), Kolkata- 5

cases. This resulted in incorrect sanction of SAD refund amounting to ₹ 17.79 lakh (**Appendix 21**).

The Commissioner of Customs (Air), Chennai stated (July 2013) that demand notices have been issued to the importers (M/s Roots Multi Clean Ltd and M/s Accel Front line). The Commissioner of Customs, Tuticorin replied (June 2013) that the difference between the description of the item in the BE with respective sales invoice was very minimal. The department further stated that audit contention is noted for future guidance. The reply was not acceptable as there was a difference between bill of entry and sales invoice. Reply in respect of remaining commissionerates is awaited (November 2013).

(d) Incorrect sanction of refunds to manufacturer – ₹ 8.03 lakh

As per Board Circular 34/2010 dated 15 September 2010, if the imported goods on which 4 percent SAD was paid are used by the manufacturer, the benefits of SAD refund is not available. Audit noticed that in 3 cases {Custom House (Port), Kolkata- 1 case, ICD, Sanath Nagar, Hyderabad- 2 cases}, the imported goods were not sold as such but further processed and sold. Hence SAD refund sanctioned amounting to ₹ 8.03 lakh was incorrect (**Appendix 22**).

(e) Other interesting points

i. Co-relation sheet not properly matched with cargo.

Audit noticed that in respect of Customs House, Tuticorin (2 cases) correlation certificate of Chartered Accountant was not matched with cargo. Because of this, audit could not ensure that the imported goods mentioned in the sales invoices were actually eligible for refund of SAD (**Appendix 23**).

ii. Electronic Data Interchange (EDI) refund

Status of refund application has to be reflected in the web site of respective custom house as per circular No.6/2008-Cus.dated 28 April 2008. Audit noticed that the status of refund application was not reflected in Kolkata, New Delhi, Ahmedabad and Cochin. Payment of refunds through Real Time Gross Settlement (RTGS) or National Electronic Fund Transfer (NEFT) has not been made in Kolkata Custom House, Custom House Mundra, Inland Container Depot, Khadiyar (PDA, Ahmedabad) and Custom House Kochi. In respect of New Delhi the claims are processed manually. In respect of Kandla (PDA, Ahmedabad) online database does not reflect the correct picture.

The department stated that the system of directly crediting the refund amount to the Bank account of the claimant through RTGS or NEFT system is under the active consideration of the department and the same will be introduced soon. Reply of Department of Revenue was awaited (March 2014).

iii. Sanction of refund to a person other than the original importer

As per notification No.102/2007-Cus, the refund claim has to be preferred by the importer only and not by any other person. Audit noticed that in two refund cases {Customs (Port), Kolkata- M/s Associated Traders & M/s Keshar International Pvt. Ltd.} the refunds amounting to ₹ 21.21 lakh were sanctioned based on the claims made by a person other than the importer which was not in order. Similar refunds in two cases {ICD, Concor, Kanakpura, Jaipur - M/s Lovely Enterprises Pvt. Ltd.} amounting to ₹ 8.83 lakh were noticed.

iv. Delay in Processing of refund applications

Audit noticed that in 16 cases {ICD, Kodyar, Gujarat- 15 cases, Custom House, Visakhapatnam, Hyderabad- 1 case} refund applications were processed after delay of more than two years.

The Assistant Commissioner of Customs, Kandla stated that the case was pending for want of some documents and the same was processed as usual pending clearance of requisite documents. The reply was not acceptable as the claim was passed based on incomplete documents.

v. Irregular refunds made despite non availability of sales invoices

In terms of 102/2007 dated 14 September 2007 documents like BEs, Challans, and Sales invoices have to be mandatorily enclosed while claiming refunds. Audit noticed in respect of three refunds {Custom House (Port) Kolkata} that the copies of sales invoices were not available. Accordingly, sanction of refund amounting to ₹ 76.93 lakh was not in order (**Appendix 24**).

vi. Refund made despite non availment of certificate

In terms of notification 102/2007 any importer wishing to avail SAD refund is required to pay, on sale of import goods, appropriate ST/VAT and specifically mention in the invoices that no credit of additional duty levied under sub-section (5) of the section 3 of the CT Act, 1975 is admissible. Audit noticed that in one case under Mumbai Commissionerate the aforesaid certificate has not been indicated in the sale invoices. This has resulted in excess payment of refund amounting to ₹ 12.47 lakh.

vii. Proof of ST/VAT payment not available

In Customs House Mundra, ST/VAT returns were not available with the refunds files. Similarly, in ACC, Diggi House, Jaipur one importer has not produced copies of evidence for payment of ST/VAT. Hence, the refund sanction ₹ 4.08 lakh was incorrect.

viii. Refund made on photo copy of Bill of Entry

As per circular No.16/2008 dated 13 October 2008 while claiming refunds importer has to submit duplicate copies of bill of Entry. Audit noticed that refund of ₹ 0.61 lakh was sanctioned to M/s Dhariwal Corporation under ICD Concor, Jodhpur based on the photos copies of BoE.

ix. Sanction of SAD refunds without payment of appropriate CST

M/s Vallabhdas & Co. under Custom House, Cochin sold imported goods under CTH 3103 without payment of ST/VAT as these commodities were exempted under KVAT Act 2005, but still got the refund of SAD amounting to ₹ 4.86 lakh paid at the time of import (**Appendix 25**). Audit noticed that there was no evidence from the importer of having paid CST/VAT or furnishing any certificate from sales tax authorities regarding the payment of CST/VAT. Moreover, the importer instead of furnishing CA certificate for unjust enrichment submitted self declaration which was not valid for refund purpose. This has resulted in incorrect refund of ₹ 4.86 lakh.

x. Delay in issue of deficiency memo

Audit noticed in Air Cargo Complex, Devanahalli, Bangalore that the refund applications were filed within due dates with incomplete documents. However, deficiency memo were issued belatedly ranging from one to three years. Subsequently, refund was sanctioned after furnishing complete documents.

xi. Post audit of refunds

As per paragraph 4.4 of circular 24/2007 dated 2 July 2007, all refunds sanctioned above ₹ 5 lakh has to be pre-audited before issue of refunds. Audit noticed that in Kandla Custom House the IAD could not quantify the exact number of cases due for post audit and the number of cases post audited.

xii. More than one claim by an importer in a month

As per Circular No. 6/2008-Cus it was stipulated that there would be single refund claim submitted by importer per month. Audit noticed that in respect of Customs House, Kandla claimants have filed more than one claim during a month which was admitted by the department.

xiii. Sanction of double claim of refunds- ₹ 0.47 lakh

Audit noticed that M/s Hi-Tech K.K. Mfg. Co., Kolkata was sanctioned refund of ₹ 2.39 lakh by Assistant Commissioner, Customs, Air Cargo Complex, Diggi House, Jaipur vide O.I.O.No. 2/2012 dated 21 April 2012 towards excess payment of customs duty due to enhancement of assessable value of goods. However, the same bill of entry was quoted for SAD refund claim and refunded (vide O.I.O.No. 6/2012 dated 12 June 2012 and O.I.O.No. 9/2012 dated 25 July 2012).

CHAPTER V

MIS-CLASSIFICATION OF GOODS

During test check (July 2009 to August 2013) of records for the period February 2009 to March 2013, we noticed that assessing officers mis-classified various imported goods which caused short levy/non levy of customs duties of ₹ 20.70 crore. They are discussed in the following paragraphs.

Assessing officer mis-classified Crude palm stearin as mixture of fatty acids

5.1 Central Excise & Customs (Board) in their circular dated 3 December 2002 (no.81/2002) instructed field formations to chemically examine imported 'Palm stearin' to verify whether they are 'Glycosides of fatty acids' (CTH 1511) or a 'mixture of fatty acids' Customs tariff heading (CTH) 3823 and classify it accordingly. The Supreme Court of India in Civil Appeal no.6979-6982 of 2009 in case of C.C.E.C & S.T., Visakhapatnam Vs. JOCIL India, vide their order dated 15 December 2010 has held that 'Palm stearin (Crude/RBD) should be classified under CTH 3823'. The Board implemented Supreme Court decision after seven months vide customs circular no.31/2011 dated 26 July 2011 and clarified that 'Crude palm stearin' shall be assessed under CTH 38231111 and instructed its field formations to finalise all the pending cases accordingly.

M/s Hindustan Unilever Ltd., and another imported (March/May/July 2011) and cleared six consignments of 'Crude palm stearin' valuing ₹ 51.78 crore from Custom House MP & SEZ (Mundra). In absence of any instructions to the field formations for classification of 'Palm stearin' (December 2010 to July 2011) based on the aforesaid Apex Court's judgment, the department allowed to classify the same under CTH 15111000 as per the earlier circular of December 2002. This delay in implementation of the judgment resulted in loss of revenue to the extent of ₹ 11.17 crore.

Deputy Commissioner, Custom House, MP&SEZ, Mundra stated (January 2012) that decision to implement the Apex Court Judgment was required to be taken in consultation with the Law Ministry and hence, time was taken to issue clarification.

The fact remains that the delay in issue of circular to implement Apex Court's decision resulted in loss of revenue. Had the Board issued interim instructions to assess import of 'Crude palm stearin' provisionally in view of Apex Court judgment, the government could have protected the loss of revenue.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified TV projectors as Projectors used with an automatic data processing system

5.2 'Projectors' that are solely or principally used in an automatic data processing system are classifiable under CTH 85286100, whereas other

projectors which are capable of working with automatic data processing machines as well as television and video are classifiable under CTH 85286900.

M/s Epson India Ltd., and seven others had imported (March 2011 to March 2013) 39 consignments of 'Projectors' of various models through Chennai (Sea), Chennai (Air), Kolkata (Port), Kolkata (Air) Commissionerate. and ICD, Dadri, U.P. These goods were classified under CTH 85286100 and assessed at concessional rate of duty under serial no.17 of notification no.24/2005-cus dated 1 March 2005.

Audit noticed from the products catalogue that the imported models of 'Projectors' were having RS-232 input, S.Video input and Composite Video input provision and hence could be used with an automatic data processing system as well as with television and video. Accordingly, the imported goods merited classification under CTH 85286900. Thus, mis-classification resulted in short levy of duty of ₹ 2.54 crore.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified maize (corn) seed as vegetable seeds for planting and sowing

5.3 'Maize (corn) seeds' is classified under (CTH) 10051000 and leviable to Basic customs duty (BCD) at the rate of 50 per cent under notification no.21/2002-cus dated 1 March 2002 (serial no.20). As per note 3 under chapter 12 of the Customs Tariff Act, 1975, tariff heading 1209 does not apply to 'Leguminous vegetables or sweet corn' (chapter 7) and 'Cereals' (chapter 10), even if for sowing.

M/s Advanta India Ltd., and eleven others imported (June 2011 to January 2013) 'Sweet corn seeds as vegetables seed for planting and sowing' through JNCH, NCH, Mumbai and Chennai (Sea) Commissionerates. The department incorrectly assessed the goods under CTH 12099190.

As per Rule 3 (a) of General Rule for Interpretation (GRI), the heading which provides most specific description shall be preferred to heading providing more general description. In the instant case, the item described in Bill of entry was 'Sweet corn seed (vegetable seed for planting and sowing)', accordingly, they merit classification under CTH 10051000. The misclassification resulted in short levy of duty of ₹ 2.20 crore.

Assistant Commissioner, JNCH in cases of two importers (M/s Namdhari Farm Fresh Pvt. Ltd., and M/s Advanta India Ltd) reported (April 2013) that less charge notices have been issued. However, in case of M/s East West Seeds India Pvt. Ltd., for similar imports, Customs authorities JNCH, stated (November 2011/ May 2013) that the sweet corn is a vegetable and the seeds of sweet corn are also vegetable seed and rightly classifiable under CTH 12099190.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified 'Yeast' as medicament

5.4 As per the note 1 (f) to Chapter 21 of Customs Tariff, 'Yeast' not put up as a medicament is to be classified under Chapter 21 and leviable to basic customs duty at 30 per cent and additional duty of customs at 'Nil' rate in terms of notification no.3/2006-CE (Sl. No. 23) dated 1 March 2006. 'Saccharomyces boulardii' is a tropical strain of yeast often marketed as a probiotic in a lyophilized (freeze dried) form.

Four consignments of Saccharomyces boulardii, imported (May to October 2011) by M/s Dr. Reddy's Laboratories through Chennai (Air) Commissionerate were incorrectly classified under CTH 3003 3900/2942 0090 as 'medicament'/ 'other organic compound' and assessed to basic customs duty at 10 per cent/7.5 per cent and additional duty of customs at 5 per cent/10 per cent respectively. The incorrect classification had resulted in short collection of duty of ₹ 84.38 lakh.

This was pointed out to Ministry in November 2013, their response had not been received (March 2014).

Assessing officer mis-classified flanges as parts of wind operated electricity generator

5.5 Note 1 (g) to Section XVI of the Customs Tariff excludes 'parts of general use', as defined under Note 2 (a) to Section XV. Accordingly, articles of CTH 7307, 7312, 7315, 7317 or 7318 and similar articles of base metal, are not covered under Chapter, the section 'Flanges' are classifiable under CTH 7307 of the Customs tariff and leviable to BCD at the rate of 10 per cent.

Sixteen consignments of 'Flanges' imported (May 2011 to March 2013) by M/s Suzlon Towers and Structures Ltd. and two others through Chennai (Sea), Commissionerate, were classified and assessed under CTH 85030010 as parts of wind operated electricity generator and levied BCD at the rate of 25 per cent. 'Flanges' fall under the category 'parts of general use' as per the aforesaid provisions and merit classification under CTH 7307 leviable to BCD at the rate of 10 per cent. The incorrect classification resulted in the short levy of customs duty amounting to ₹ 59.86 lakh.

Deputy Commissioner (IAD), Chennai reported (May 2012) recovery of ₹ 0.47 lakh from M/s Leitwind Shriram and issue of demand notice to M/s Suzlon Towers and Structures Ltd. Ministry's response had not been received (March 2014).

Assessing officer mis-classified animal feed preparations as fish meal unfit for human consumption

5.6 As per the Chapter note, heading (CTH) 2309 includes products of a kind used in animal feeding, not elsewhere specified or included in the chapter which are obtained by processing vegetable or animal materials to such an extent that they have lost the essential characteristics of the original material. 'Squid Liver

Powder', a high quality ingredient for aqua feed (especially shrimp) which is prepared from squid liver paste and well-fined soyabean meal in equal proportions is appropriately classifiable under CTH 2309 of the Customs Tariff and leviable to basic customs duty at 30 per cent.

Six consignments of 'Squid Liver Powder', imported (April 2011 to March 2012) by M/s Avanti Feeds Limited and M/s Grobest Feeds Corporation (India) Limited through Chennai (Sea) Commissionerate were incorrectly classified under tariff item 23012090/23012019 as "Other fish meal unfit for human consumption" and assessed to basic customs duty at 5 per cent in terms of serial no.53 of the notification no. 21/2002-cus dated 1 March 2002.

In view of its preparation consisting of mixtures of nutrients viz. energy nutrients obtained from animals and body building nutrients (proteins) obtained from leguminous vegetables in appropriate proportions, it is rightly classifiable under tariff item 23099090 as "Other preparations of a kind used in animal feeding" rather than under CTH 2301 and leviable to basic customs duty at the rate of 30 per cent. The misclassification had resulted in short levy of duty of ₹ 50.17 lakh.

When we pointed this out (February/October 2012/February 2013) there was no response from the department. However, in a similar issue raised earlier, the department had accepted the audit's contention and confirmed the demand in May 2011. Ministry's reply is awaited (March 2014).

Assessing officer mis-classified Rice Mill rubber roller as rice mill machinery

5.7 Rice Mill rubber roller' are classifiable under Customs tariff heading (CTH) 40169990 and leviable to BCD at the concessional rate of 7 per cent under notification no.46/2011-cus dated 1 January 2012 (serial no.534, Appendix-I), when imported from Vietnam. The CBEC (Board) in their circular no.2/90-CX.3 dated 11 January 1990 also clarified that 'Rubber Rolls' used in 'Rice Mill' merit classification under CTH 4016. Further, Central Excise notification no.12/2012 (serial no.155) dated 17 March 2012 clearly specify classification of 'Rice rubber rolls' for 'Rice Machinery' under CTH 4016.

M/s Alaska Rubbers Pvt. Ltd., and four others imported (August 2012 to March 2013) 18 consignments of 'Rice Mill rubber roller' from Vietnam through ICD, Tughlakabad, New Delhi and Chennai (Sea) commissionerate. The Assessing officer incorrectly classified imported goods under CTH 84379020 and levied BCD at the concessional rate of 2.5 per cent under notification no.46/2011-cus (serial no.1170). Thus, mis-classification of the imported goods resulted in short levy of duty of ₹ 46.44 lakh.

Ministry reported (August 2013) in respect of six consignments that a protective demand for ₹ 8.19 lakh had been issued to M/s Alaska Rubbers Pvt. Ltd. Further progress was awaited (March 2014).

Assessing officer mis-classified surgical microscopes as other instruments and appliances

5.8 'Surgical microscopes' other than ophthalmic microscopes are classifiable under CTH 9011.

'Surgical microscopes' imported through Air Cargo Complex (ACC), Nedumbassery (Cochin) and Chennai (Air) Commissionerates during the period May 2012 to January 2013 were classified under CTH 90189099 as other instruments and appliances used in medical, surgical, dental or veterinary science and assessed to concessional rate of duty under notification no.12/2012-cus dated 17 March 2012. The goods imported are rightly classifiable under CTH 9011. The misclassification resulted in short levy of duty of ₹ 41.08 lakh.

Ministry reported (January 2014) recovery of ₹ 17.65 lakh in respect of imports made through Cochin Commissionerate. Reply in respect of imports made through Chennai Commissionerates is awaited (March 2014).

Assessing officer mis-classified cameras for medical or surgical examination as Television cameras/digital cameras/medical appliances

5.9 Cameras, specifically designed for medical or surgical examination of internal organs, are classifiable under CTH 9006 3000 and their parts are classifiable under CTH 9006 9100 and leviable to BCD at the rate of 10 per cent and additional duty of customs equivalent to excise duty at 10 per cent effective up to 16 March 2012 and at 12 per cent effective from 17 March 2012. Further, as per HSN note under CTH 9006, a camera presented separately even if it is a specialized part of another instrument merits classification under CTH 9006.

Forty eight consignments of 'Endoscopy cameras and other Digital cameras' meant for medical purposes, imported (December 2011 to March 2012) by various importers through Chennai (Air), Commissionerate were incorrectly classified under CTH 901890 or 852580 as 'medical instruments and appliances used in medical, surgical science etc.,' or 'Television cameras, digital cameras etc.,' while their parts were classified under sub-heading 901850/901890 as 'other ophthalmic instruments and appliances' or 'surgical tools'. The department cleared imported goods at concessional rate of basic customs duty under notification no.21/2002-cus dated 1 March 2002 (as amended) and also levied additional duty of customs equivalent to excise duty at Nil/5/10 per cent (notification nos.(i) 6/2006-CE), serial no.59 (ii) notification no. 10/2006-CE serial no.26.

As specific tariff item exists for the classification of cameras, specially designed for medical or surgical examination of internal organs, and also in respect of their parts, accordingly, those merit classification under CTH 9006 and are leviable to appropriate duty. The incorrect classification resulted in short levy of duty of ₹ 37.63 lakh.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified refined and edible grade Fats and oils as goods for cosmetic and pharmaceutical use

5.10 'All Fats and oils, refined and edible grade' falling under CTH 1515 are eligible for concessional rate of duty in terms of serial no.33B of customs notification no.21/2002 dated 1 March 2002.

M/s N.V. Organics Pvt. Ltd., imported 20000 kgs of 'Shea Butter' through JNCH, Commissionerate in January 2012 and the department classified the goods under CTH 15159099 as other edible grade oil and cleared it at the concessional rate under notification dated 1 March 2002.

Audit scrutiny revealed that the test report indicates that the imported goods are for cosmetic use and not fit for food and pharmaceutical application, as such, the exemption allowed was incorrect. This resulted in short levy of duty of ₹ 37.30 lakh.

Additional Commissioner of Customs, JNCH reported (June 2013) that the objection was forwarded to the concerned assessing group for action.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified motor parts as instruments for measuring and checking the flow, level and pressure of liquids or gases

5.11 As per Note 2 (b) to Section XVIII, parts and accessories if suitable for use solely or principally with a particular kind of machine, instrument or apparatus or with a number of machines, instruments or apparatus of the same heading are to be classified with the machines, instruments or apparatus of that kind.

'Hot film air mass meters' is used to measure the air mass flow in internal combustion engines of motor vehicles to enable and to adjust the amount of injection current to the exact power requirement, the air pressure and air temperature in order to ensure statutory emission limits. As they are principally used in motor vehicles of chapter 87, the said goods are classifiable under CTH 8708.

Twenty five consignments of 'Hot film air mass meters', imported (June 2011 to March 2012) by M/s Bosch Ltd., through Chennai (Sea) commissionerate were mis-classified under CTH 90268090 as 'Other instruments or apparatus for measuring and checking the flow, level, pressure or other variables of liquids or gases'. This mis-classification of goods resulted in short collection of duty of ₹ 34.96 lakh.

Deputy Commissionerates of Customs (IAD), Custom House, Chennai reported (February 2013) that a SCN was issued for ₹ 17.74 lakh in respect of 13 consignments.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified Joss Powder

5.12 As per note 1 (a) below chapter 44 of the Customs Tariff Act (CTA), 1975, wood, in chips, shaving, crushed, grounded, powdered form, a kind used, inter alia, in perfumery is excluded from the purview of chapter 44 of the CTA, 1975. The imported goods being raw material for making 'Agarbatti' were classified under CTH 1211, as per aforesaid chapter note.

M/s Ganesh Industries and others imported (February 2011 to March 2013) 51 consignments of 'Joss powder (wooden dust powder for making agarbatti)' through JNCH, Chennai (Sea), Kochi & Ludhiana (Port) commissionerates. The department assessed these consignments under CTH 44013000.

As per aforesaid chapter note these goods merits classification under CTH 12119029 and should be assessed accordingly. The misclassification resulted in short levy of duty of ₹ 28.88 lakh.

Additional Commissioner of Customs, JNCH in respect of ₹ 7.76 lakh objected reported that (May 2013) an amount of ₹ 3.79 lakh was recovered from the importers and SCN cum demand notices for the remaining amount were issued.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified Operating tables as X ray apparatus/ Medical instruments and appliances

5.13 As per the Harmonised System of Nomenclature (HSN) notes to Chapter 94, 'Operating Tables', meant for general or specialized surgery, designed to enable the patient to be placed in the position required for different operations by adjusting, inclining, rotating or raising the table are included under CTH 9402 and assessable to BCD at 10 per cent and additional duty of customs equivalent to excise duty at 5 per cent under notification no. 6/2006-CE dated 1 March 2006, serial no.70.

Four consignments of Operating table with standard accessories imported (June and August 2011, February and March 2012) by M/s Larsen and Toubro Limited and two others were incorrectly classified under CTH 9018/9022 as 'Medical instruments and appliances / X ray apparatus' and assessed to BCD at 5 per cent in terms of notification no. 21/2002 dated 1 March 2002 and additional duty of customs at Nil / 5 per cent in terms of notification no.6/2006-CE/ notification no. 10/2006-CE respectively. Thus, incorrect classification resulted in short levy of duty of ₹ 19.69 lakh.

This was pointed out to the Ministry in December 2013, their response had not been received (March 2014).

Assessing officer mis-classified wooden ice cream sticks/spoons

5.14 'Wooden Ice cream sticks/spoons' are classifiable under CTH 4421 9019.

M/s Tag Overseas imported seven consignments 'Ice cream wooden sticks/spoons' for assessable value of ₹ 1.07 crore during the period from May 2012 to August 2012. The goods were classified under CTH 44042090 as 'wooden sticks suitable for the manufacture of walking sticks, tool handles pickets and the like' and assessed accordingly under notification no.12/2012 (serial no.157). Audit scrutiny revealed that the imported goods were finished articles of wood and were correctly classifiable under CTH 44219019. Thus, misclassification of imported goods resulted in short levy of duty of ₹ 15.18 lakh.

Further, analysis of ICES 1.5 all India import data for the period April 2012 to March 2013 revealed that 57 consignments of similar goods were imported from various ports of Delhi, Goa, Mumbai, Gujarat and Tamil Nadu and apparently misclassified resulting in short levy of customs duties.

Ministry's response had not been received (March 2014).

Assessing officer mis-classified Feeder cables as parts of telephone sets

5.15 Insulated wire, cable including coaxial cable is classifiable under Customs tariff heading (CTH) 8544 and leviable to basic customs duty at the rate of 7.5 per cent.

Five consignments of 'Feeder cables' valued at ₹ 189.83 lakh, imported (September 2009) by M/s Shyam Telelink Ltd., through Chennai (Air) Customs were incorrectly classified under CTH 85177090 as "parts of telephone sets including telephones for cellular networks" and assessed to basic customs duty at 'nil' rate under Customs notification no.24/2005 (serial no. 13) dated 1 March 2005.

Audit observed that imported goods would be appropriately classifiable under CTH 85442090 as 'other coaxial electric conductors', attracting levy of basic customs duty at 7.5 per cent. The incorrect classification resulted in short levy of duty amounting to ₹ 14.25 lakh.

This was pointed out to the Ministry in December 2013, their reply is awaited (March 2014).

Assessing officer mis-classified Digital Cameras

5.16 'Digital Cameras' having both still images and moving images facilities, like Camcorder or video recorder, are classifiable under CTH 85258030 of the Customs and Central Excise Tariff and leviable to BCD at the rate of 10 per cent. The Board, in its Circular No. 32/2007 Customs dated 10 September 2007, had clarified that the subject goods are classifiable under CTH 85258030 based on its principal functions and features.

Eighteen consignments of 'Panasonic Brand Digital Image Video Cameras' imported during February 2009 having a total value of ₹ 68.10 lakh were incorrectly classified under CTH 85258020 as "Digital Still Image Video Cameras"

and were granted exemption from levy of basic customs duty in terms of serial no.13 of notification no.25/2005–cus dated 1 March 2005.

Audit pointed out that the imported models could capture both still and moving images and are to be classified as “Camcorders” under CTH 85258030 of the Customs and Central Excise Tariff, as per the Board’s Circular cited above and leviable basic customs duty at the rate of 10 percent. The incorrect exemption availed in terms of notification no.25/2005 dated 1 March 2005 (serial no.13) resulted in short levy of customs duty of ₹ 8.27 lakh.

This was pointed out to the Ministry in December 2013, their reply is awaited (March 2014).

CHAPTER VI

Management of Narcotic substances (Department of Revenue)

6.1 Introduction

The use of opium in the country could be traced back as far as 1000 AD where it finds mention in ancient texts such as *Dhanvantari Nighantu* as a remedy for variety of ailments. During Emperor Akbar's reign (1543-1605) opium was cultivated extensively in the Malwa (Madhya Pradesh) and Mewar (Rajasthan) regions. During the reign of British East India Company, collection of revenue from opium was made part of fiscal policy and various opium agencies such as the Bengal, Benares, Bihar, Malwa Agencies were formed over time. Prior to 1950, the administration of the Narcotics Laws, namely, the Opium Act of 1857 & 1878 and the Dangerous Drugs Act, 1930 vested with the Provincial Government. The amalgamation of these Agencies laid the foundation of the Opium Department in November, 1950 which is presently known as Central Bureau of Narcotics (CBN). The CBN Headquarters was shifted from Shimla to Gwalior in 1960.

In India, opium poppy cultivation is prohibited, under Section 8 of the Narcotics Drugs and Psychotropic Substances (NDPS) Act, 1985, except under a license issued by the Central Bureau of Narcotics. At present, the licit opium cultivation is permitted by the Government of India in selected tracts in three traditionally opium growing States namely Madhya Pradesh, Uttar Pradesh and Rajasthan. As a signatory to the United Nations Single Convention on Narcotics Drugs, 1961 and as a licit producer of opium, India is required to adhere to the regulations under the said convention. The NDPS Act 1985 was amended twice in 1989 and 2001. The NDPS (Amendment) Act 2011, passed on 21 February 2014, aimed at ensuring availability of essential opioid medicines for medical use and private sector involvement.

6.2 Organizational set-up

Narcotics Commissioner, CBN reports to the Additional Secretary (Revenue), Narcotic Control Division (NCD), Department of Revenue (DoR) for all operational matters (**Appendix 26**). For administrative, personnel and vigilance issues it is under the Central Board of Excise and Customs. The opium collected from the farmers by the CBN is sent to Government Opium and Alkaloid Works (GOAW) Neemuch and Ghazipur which are under the control of the Chief Controller of Factories (CCF) under the NCD (DoR).

6.3 Scope of Audit

The scope of this audit is to scrutinize the records for the period from 2010-11 to 2012-13. It involves scrutiny of records of Narcotics Commissioner, Central Bureau of Narcotics, Gwalior and its field formations along with its linkages with Government Opium and Alkaloid Works (GAOW) and Narcotic Control Division

(DoR) for cultivation, production, possession, storage, sale, consumption, import and export of opium and its derivatives.

6.4 Audit Criteria

The audit was conducted with reference to the criteria derived from the following source documents:

- NDPS Act, 1985; NDPS (Amendment) Acts 1989, 2001, 2011.
- NDPS (Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances) Act, 1988
- National policy on Narcotic drugs and Psychotropic Substances.
- Notifications/Circulars/Instructions issued by the Ministry of Finance for regulation of CBN activities and by CBN for managing its activities.
- Results framework document of CBN (a Responsibility Center of DoR).
- Annual report 2012-13 of Department of Revenue (DoR), Narcotics Control Bureau (Ministry of Home Affairs).

6.5 Sanctioned Strength and Persons-in-position

The sanctioned strength and Persons-in-position of office of the Central Bureau of Narcotics, Gwalior and Chief Controller of Factories (common cadre) is as under:

Sl. No.	Name of post	Sanctioned Strength		Persons-in-Position		Vacancy			
		CBN	CCF	CBN	CCF	CBN	%	CCF	%
1.	Group 'A'	16	3	8	2	8	50	1	33
2.	Group 'B'	57	10	49	7	8	14	3	30
3.	Group 'C'	640	145	280	52	360	56	93	64
4.	Group 'C' earlier Group 'D'	494	77	184	31	310	63	46	60
Total		1207	235	521	92	686		143	

There are huge vacancies both in the CBN and CCF's organization. Government may institute a special drive to fill the vacancy so that the NDPS Act is properly implemented.

6.6 Functions and Responsibilities of Narcotic Control Division (DOR) and CBN

The functions and responsibilities of CBN stretches from control over different stages of opium cultivation to its procurement, quantity and quality control of opium, issuing licenses to drug manufacturers, prevention, enforcement and export-import of psychotropic drugs. The major functions and responsibilities of CBN are given below while the audit findings in paragraphs 7 and 8 summarises the examination of these aspects.

6.7 Opium poppy cultivation and control process

The control mechanism is exercised by the Central Government over opium poppy cultivation which is carried out in terms of the provisions under the NDPS

Act and Rules, 1985 made thereunder. The actual control mechanism adopted by CBN is aimed at strict control over the activities of the cultivation right from the stage of issue of licence till final collection of opium. The following timeline is followed for opium crop cycle:

1.	Finalization of opium policy	August-September
2.	Issue of licenses to cultivate opium poppy	October
3.	Sowing period	October-November
4.	Measurement of fields by range officer	Mid December – Mid January
5.	Test measurement of poppy fields by senior officers	Mid January – 2 nd week of February
6.	Lancing & collection of opium and checking of Preliminary Weighment Register	Mid February – 3 rd Week of March
7.	Uprooting of unlanded damaged crop	On receipt of applications
8.	Weighment Operation (collection of opium and 90% payment to cultivators based on provisional analysis)	April 1 st Week – April end
9.	Analysis of Opium in Government Factories and updating of records for calculation of Average Yield and balance payment due to cultivators	May to end of 3 rd Week of July

6.8 Issue of manufacturing licence of Narcotic Drugs

According to Rule 37 of the NDPS Rules, 1985, the manufacture of drugs notified under sub-clause (b) of clause (xi) of section 2 of the Act is prohibited save under and in accordance with the condition of licence granted by the Narcotics Commissioner or such other officer as may be authorised by the Central Government in this behalf, in Form No. 3 appended to these rules. A fee of Rupees five thousand only (from 13 July 2010) shall be payable in advance to the Central Government for each licence issued under this rule for renewal thereof.

The manufacture of Narcotic drugs is governed by estimate system. While allowing the manufacturing licence, it is ensured that the total quantity of drug allowed to be manufactured during any year does not exceed the annual estimated requirements of India as furnished and subsequently published by the International Narcotics Control Board, Vienna, Austria.

Details of manufacturing licences issued/renewed for synthetic manufactured Narcotics drugs are as under:

Year	No. of manufacturing Licences issued/renewed	Fee realized (in ₹)
2011	25	125000
2012	46	230000
2013	47	285000 ¹⁶
Total	118	590000

6.9 Issue of Export Authorizations and Import Certificate

Being signatory to the three UN Conventions on drugs held in the year 1961, 1971 and 1988, India has made enabling provisions in the NDPS Act, 1985 for control over narcotic drugs and psychotropic substances and precursor

¹⁶ 57 applications were received against which 47 licences were issued and rest were disposed of.

chemicals. The CBN is performing the function of the Competent National Authority for control over international trade of NDPS as provided for in the NDPS Act 1985. These provisions prohibit import and export of these drugs unless an Import Certificate or Export Authorization has been issued by the Narcotics Commissioner.

The CBN issues certificates for Export/ Import of Narcotic Drugs & Psychotropic Substances and issue 'No Objection Certificate' for import/export of precursor chemicals dealing with narcotic drugs, psychotropic substances and chemicals/substances used for manufacture of these drugs.

The import and export of Narcotic Drugs and Psychotropic Substances are governed by estimate system. While allowing Import Certificate/Export Authorisation, it is ensured that the estimated requirement of a particular narcotic drug and psychotropic substance does not exceed the requirement in respect of India. Such import certificates are granted subject to condition that the importer will submit the import details immediately after affecting import and any kind of amendment as well as extension in validity of Export Authorisation would not be allowed.

Any narcotic drugs or psychotropic substances can be imported into/exported out of the country subject to Rule 53 and Rule 53-A of the NDPS Rules, 1985. According to Rule 54 and 58 of the NDPS Rules, 1985 Import certificate/Export Authorisation is issued unless a fee of ₹ 1000 (Rupees One Thousand only) has been paid.

During last three years Export authorizations and Import Certificates had been issued for Export/Import of narcotic drugs and psychotropic substances as under:

Year	Narcotic Drugs		Psychotropic Substances		Fee realized (Lakh ₹.)
	Export Authorization	Import Certificate	Export Authorization	Import Certificate	
2011	142	98	2090	150	24.80
2012	119	122	2182	232	26.55
2013	117	88	2059	281	25.45
Total	378	308	6331	663	76.80

6.10 Issue of No Objection Certificates for export and import of precursor chemical

The exports of Precursor Chemicals are governed by System of Pre-Export Notification (PEN). CBN uses a system of PEN to verify the genuineness of the transaction and to notify the Competent Authority of the importing and transshipping country of the impending export. Such NOCs are allowed by the Central Bureau of Narcotics subject to following conditions:-

- Any kind of amendment as well as extension in validity of Export Authorisation would not be allowed.

- b. The shipment should be made in one consignment within the validity of the NOC.
- c. The exporters are required to submit export details immediately after effecting export.

The total number of 'No Objection Certificate' issued for import/export of precursor chemicals during the period 2010-11 to 2012-13 and fee/revenue realized as under:

Year	No. of NOC issued	Fee realized @ ₹ 560/-
2011	1551	8,68,560
2012	1343	7,52,080
2013	1469	2,29,040
Total	4363	18,49,680

6.11 Import of opium seeds

Import of opium seeds is allowed subject to the following conditions:

- i. Import is permitted only from Australia, Austria, France, China, Hungary, the Netherlands, Poland, Slovenia, Spain, Turkey and Czech republic;
- ii. The importer shall produce an appropriate certificate from the competent authority of the exporting country that the Opium Poppy have been grown licitly/legally in that country as per requirement of International Narcotics Control Bureau; and
- iii. All import contracts shall be compulsorily registered with the Narcotics Commissioner, Gwalior prior to import.

During last three years issue of registration for import of poppy seeds are as under:

Years	No. of issue of registration for import of poppy seeds	Import of poppy seed in MT	Purpose of import of poppy seeds
2010-11	313	17074	Trading
2011-12	386	23578	Trading
2012-13	407	10381	Trading
Total	1106	51033	Trading

6.12 Allocation of quota of narcotic drugs to pharmaceutical companies

The CBN has started the work of Quota allocation of narcotic drug to the consuming companies only from the year 2010. Accordingly, the requisite details for the years from 2011 to 2013 are given as under:

Sl. No	Name of Drugs	2011		2012		2013	
		Total No. of Companies	Qty Allotted (In Kg)	Total No. of Companies	Qty Allotted (In Kg)	Total No. of companies	Qty Allotted (In Kg)
1	Codeine	175	68577	139	56004	118	58947.970
2	Dextropropoxyphene	49	176199	45	172125	34	154354.500

Sl. No	Name of Drugs	2011		2012		2013	
		Total No. of Companies	Qty Allotted (In Kg)	Total No. of Companies	Qty Allotted (In Kg)	Total No. of companies	Qty Allotted (In Kg)
3	Diphenoxylate	21	22994	22	23356	18	17410.810
4	Ethylmorphine	6	527	5	436	5	251.100
5	Fentanyl	16	2.5207	15	3.40404	16	2272.433
6	Opium	52	4085.500	43	4579.50	51	4719.500
7	Morphine	20	280	21	310	19	263.670
8	Oxycodone	4	13.520	4	6	2	0.425
9	Pethedine	6	171.390	8	130	6	54.814
10	Pholcodine	10	295	14	387	10	447
11	Sufentanil	0	0	0	0	0	0
12	Thebaine	7	890.650	7	841	8	1345
13	Dihydrocodeine	1	733	1	917	4	1005.696
14	Hydrocodone	2	0.477	2	0.305	5	6.250
15	Methadone	1	4.5	2	6.4	4	111.150
16	Cannabis	-	-	1	44.700	0	0

Every pharmaceutical Company is required to deposit processing fee of ₹ 50 (Rupees Fifty only). Amount of processing fees collected during the period 2011 to 2013 are as under:

Year	No. of DD @ ₹50 each	Total Amount (₹)
2011	552 x 50	27,600
2012	499 x 50	24,950
2013	395 x 50	25,430 ¹⁷

Estimated cost (2007) of poppy cultivation per hectare in India is as follows:

Sl. No.	Expenditure in ₹	Madhya Pradesh	Rajasthan	Uttar Pradesh
1.	Land Revenue & Taxes	10	25	12
2.	Cost of Ploughing the field	500	200	560
3.	Cost of Manure	2000	1200	1000
4.	Cost of Fertilizers	800	250	300
5.	Cost of spreading manure and fertilizers	250	120	60
6.	Preparation of field/water channels	250	70	200
7.	Cost of seed used	260	260	300
8.	Cost of watering	2000	1000	400
9.	Cost of weeding out and loosening	1250	1860	1500
10.	Lancing of the capsules and collection of opium	2500	4500	2500
11.	Cost of harvesting and threshing of crop	200	100	1000
12.	Any other expenditure	1000	700	500
	Total expenditure	11020	10285	8332

Source: Case study on India's experiences in licensing poppy cultivation for the production of essential medicines – 2007 by Romesh Bhattacharji, Ex Narcotics Commissioner.

¹⁷ Three companies have submitted additional fees draft and the same was deposited in the account (₹ 5680/-)

Estimated earnings from licit cultivation of opium in India indicating economic benefits to the farmers are as follows (2007):

Average yield per hectare	61.21 kg
Total production	427 mt
Cost per kg of fresh opium	USD 32
Cost per kg of dried opium	USD 110
Average gross income from opium per family	USD 1060
No. of persons involved in cultivation	72478
GDP	USD 4156 trillion
Gross profit	To Government of India: USD 41.1 million (2000)

Source: Case study on India's experiences in licensing poppy cultivation for the production of essential medicines – 2007 by Romesh Bhattacharji, Ex Narcotics Commissioner.

6.13. Audit Findings

6.13.1 Performance of the Narcotic Substances management in India

Narcotic Control Division (DoR) through CBN and GOAWs envisions to secure availability of narcotic drugs for medical and scientific purposes and to prevent and combat trafficking and abuse of drug for the health and welfare of mankind by:

- Ensuring adequate availability of narcotic drugs for medical and scientific purposes;
- Enforcing drug laws with fairness to stop trafficking of drugs;
- Regulating, controlling and monitoring; import-export, utilization and manufacture of narcotic drugs, psychotropic substances and notified precursor chemicals;
- Building up of professional and dedicated workforce by continuous upgradation of skills and for improved organizational efficiency by acquiring ISO 9001.

Commensurate financial, human resources and litigation management information system could not be correlated with success indicators of the objectives of NCD (DoR). Though CBN has a results framework document (RFD) as a responsibility center, NCD (DoR) or CCF (GOAW) did not have any RFD stating their objectives and measuring their success indicators thereon. There are twenty six functions outlined for CBN. CCF (GOAW), NCD (DoR) and CBEC have a critical linkage to the CBN for performance of the functions and delivering agreed results as per its RFD. There is no mention of any relationship with Narcotics Control Bureau (NCB) an organization under the administrative control of the Ministry of Home Affairs, established in 1986 under the same NDPS Act, for drug law enforcement and NCB also acts as a nodal agency to coordinate between related agencies. Almost all the roles of NCB overlap with that of CBN.

Turkey, India, Australia, France, Spain and Hungary are the major legal cultivators of opium poppy in the world. Neemuch and Ghazipur GOAWs

produce around 250 kg Morphine. Demand of the same is estimated to surge to 30000-40000 kg a year. Similarly around 15 Tons of Codeine phosphate is produced whereas the requirement is 60 Tons of Codeine per annum. Last demand survey was conducted by the Ministry of Social Justice and Empowerment thirteen years back in 2001.

All India custom data (ICES 1.5) for 2012-13 revealed that imports were made of poppy seeds valued at ₹ 283.40 crore, opium valued at ₹ 134.57 (single import for testing purpose) and codeine phosphate valued at ₹ 0.55 lakh.

During 2012-13 exports were made of codeine phosphate valued at ₹ 24.05 crore, opium valued at ₹ 130.71 crore and poppy seeds valued at ₹ 3.72 crore. This was only 55 percent of the value of imports of corresponding items (poppy seeds). This indicates a huge trade deficit. The trading and demand analysis scenario reveals the untapped potential of opium and its derivatives.

Ministry stated (March 2014) that opium cultivation is a centuries old tradition in India. Since India had been manufacturing and exporting opium even prior to UN Convention of 1961 it was at liberty to export its production. As the opium cultivation has been providing livelihood to thousands of cultivators and is also the source of Government revenue beside being the source of several opiate alkaloids used for medicines, therefore its production was continued.

Ministry's reply may be viewed in the context that more than 50 percent of the opium produced in India is exported. In India a 10 mg¹⁸ tablet of opium derived pain killer costs around USD 0.1. In Latin America the same is almost ten times more expensive. Yield of medicinal components from opium is around 10 percent. In 2012-13, ₹ 130.71 crore worth opium was exported which if converted into medicinal derivative could have made an exponentially higher earning. Thus, DoR lost huge revenue which otherwise could have been earned by optimal use of the existing machinery and augmenting production of refined products in the Government Opium and Alkaloid Works (GOAW) through technological advancements and by involving Indian Drug manufacturers.

Regarding import of opium seeds the Ministry stated (March 2014) that its demand exceeds the quantum which is produced through licit opium cultivation in the country. It was further stated that pursuant to the judgement of the Allahabad High Court the department has framed guidelines for import of poppy seeds and passed such instructions to the Narcotics Commissioner. Though 23591 hectares area was licensed, its utilization fell short by 49 percent. It was also observed from the Annual Reports of NCB that 7276.89 hectares of land was involved in illicit cultivation of poppy which indicated the potential of additional opium cultivation in India. Better management of production of opium through

¹⁸ India's experiences in licensing poppy cultivation for the production of essential medicines, June 2007, Romesh Bhattacharji, Ex- Narcotic Commissioner

lancing process and policy framework to incentivize cultivators and manufacturers could have helped save precious foreign exchange to the tune of ₹ 283.40 crore in buying poppy seeds.

Audit maintained that concerted measures to increase production of poppy seeds could be taken in the NDPS Policy management which could be appropriately taken up with the UN authorities, if necessary.

6.13.2 Ambiguity in the Opium policy

Opium poppy is cultivated strictly in accordance with the General conditions finalized by the Government of India, considering the total requirement of opium as well as keeping in view the imperative need to control diversion of opium produce into illicit channels. Accordingly, these General conditions also include a condition providing for a certain Minimum Qualifying Yield (MQY) of opium produce per hectare, which is required to be tendered by the licensed cultivators, to be eligible for licence during the following crop year. At the time of finalizing the MQY, per hectare average yield of opium achieved in that area is also taken into consideration.

Audit examination revealed that the state of Uttar Pradesh was not achieving the average Minimum Qualifying Yield (MQY). The details of last 5 years are as under :

Crop Year	2008-09	2009-10	2010-11	2011-12	2012-13 (Prov.)
Average Yield in Kg/Ha (in UP)	40.40	42.93	43.61	35.68	41.64
Minimum Qualifying Yield fixed in Kg/Ha. (in UP)	49.00	46.00	49.00	52.00	52.00
Shortfall	8.60	3.07	5.39	16.32	10.36
Shortfall (in %)	17.55%	6.67%	11.00%	31.38%	19.92%

As per the above table, the state of Uttar Pradesh is producing less opium ranging from 6.67 per cent to 31.38 per cent of average Minimum Qualifying Yield during the last 5 years.

Further, it is also revealed that the number of cultivators in Uttar Pradesh whose fields were fully/partially uprooted during the year from 2008-09 to 2012-13 are as under:-

Crop Year	Fully uprooted		Partially uprooted		Total uprooted area (in Ha.)	Total area after test measured (in Ha.)	%age of area uprooted vis-à-vis measure area
	No. of Cultivators	Area in Hectare	No. of Cultivators	Area in Hectare			
2008-09	11	3	2	0	3	-	60.00
2009-10	944	231	44	6	237	273	86.81
2010-11	304	105	241	49	154	259	59.57
2011-12	148	55	71	19	74	102	72.08
2012-13	127	14	80	5	19	25	76.00

The reason for low average yield in Uttar Pradesh indicates that the cultivators are not interested in production of Opium but only in production of poppy seeds which could also be seen from the percentage of opium uprooted in Uttar Pradesh.

Though 23591 hectares area was licensed there was a shortfall of 49 percent in utilization. Thus, on the one hand Government is experiencing 49 percent shortfall in licensed area poppy cultivation and there is no government policy to promote popular poppy seed cultivation, the farmers are utilizing a loophole in the opium cultivation policy through which the farmers cultivate opium without fulfilling the intended purpose of providing opium for medical purposes. This was brought to the notice of the Ministry; their reply was awaited (March 2014).

6.13.3 Anomalies in the Opium policy

The Narcotic Drugs and Psychotropic Substances (NDPS) Act, 1985 was framed taking into account India's obligations under the three UN Drug conventions as well as Article 47 of the Constitution of India. India has signed and ratified these three conventions and has made commitment for prevention of drug abuse and to promote their use for medical and scientific purposes. This Act prohibits, except for medical or scientific purposes, the manufacture, production, trade, use, etc. of narcotic drugs and psychotropic substances:

Audit examination revealed the following deficiencies:

- In Uttar Pradesh, the Central Government notifies 49 tracts in 10 Districts every year where opium cultivation is allowed whereas actual cultivation is found in only 13 tracts of Barabanki District.
- The 'Minimum Qualifying Yield (MQY)' of opium for the next crop year in the state of Uttar Pradesh is proposed on the basis of demand in international market, and not on the basis of soil-testing.
- No provision has ever been made for inclusion of new cultivators or updation/upgradation of new tracts in the NDPS Act and opium policy.
- No soil testing was carried out before issue of licenses to cultivators.

The District Opium Officer accepted the audit observation that no soil testing was carried out before issue of licenses to cultivators.

Though MQY is a diversion-prevention measure, the extent of diversion it prevented in the last 10 years is not clearly measured. This is best expressed through the country wise Global production, trading and consumption trends of opium and Drug demand survey method of fixing country quotas by INCB.

6.13.4 Excess ineligible licences issued to cultivator due to violation of License Policy

Clause 4 (i)- 'Maximum Area' of Notifications issued by the Ministry of Finance (Department of Revenue) regarding issue of licenses to cultivators for cultivation of opium poppy for the years from 2010-11 to 2012-13 provides as under:

Crop Year	Clause 4(i) of notification for maximum area.
2010-11	Cultivators who tendered average yield of 60kg/ha and above under clause 2(i) category will be issued license for 50 ares.
2011-12	Cultivators who tendered average yield of 60kg/ha and above under clause 2(i) category will be issued license for 50 ares.
2012-13	Cultivator who tendered average yield of 65kg/ha and above under clause 2(i) category will be issued license for 15 ares.

In Madhya Pradesh state, the audit noticed that contrary to the provision of above notifications, the department had issued licenses to cultivators whose average yield was less than the prescribed limit for getting license of 50 ares¹⁹ in 2010-11, 2011-12 and 15 ares in 2012-13 as under:

Crop Year	No. of cultivators whose average yield in last crop year was 60 kg/ha or above	No. of cultivators whose average yield in last crop year was 65 kg/ha or above	Licenses issued	Excess ineligible licenses issued
2010-11	19059	---	20968 for 50 ares	1909
2011-12	22755	---	24575 for 50 ares	1820
2012-13	---	10273	11616 for 15 ares	1343

From the above, it is clear that 1909, 1820 and 1343 licenses were issued in excess against eligible cultivators during the year 2010-11, 2011-12 and 2012-13 respectively.

On being pointed out by Audit, DoR replied that the information has been taken from Annual Narcotics Conference (ANC) Data, which is provisional. The licenses are issued on the basis of final analysis report received from Government Opium and Alkaloid Works (GOAW), Neemuch and not on the basis of ANC Data. Hence, no incorrect license was issued.

Department's reply is to be viewed in the context that the GOAW had issued only cultivator-wise analysis report for quality and consistency of opium. The yield of cultivators had been calculated on the basis of consistency report received from GOAW by the concerned Divisional Opium Officer. Hence, such data could not be treated as provisional. In addition, reasons and justification for ex-gratia payment of ₹ 75 lakh (2009-11) was also not provided to audit.

6.13.5 Continuous downfall in number of Cultivators, harvested area, harvested villages and commensurate Non Tax Revenue

The NDPS Act, 1985 sets out the statutory framework for drug law enforcement in India. The main elements of the control regime mandated by the Act are as follows:

(A) The cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-State movement, transshipment and import and export of narcotic drugs and psychotropic substances is prohibited, except for medical or scientific purposes and in accordance with the

¹⁹ 100 Ares = 1 Hectare

terms and conditions of any license, permit or authorization given by the Government (Section 8).

(B) The Central Government is empowered to regulate the cultivation production, manufacture, import, export, sale, consumption, use, etc. of narcotic drugs and psychotropic substances (Section 9).

For this purpose, an Annual Narcotics conference on poppy cultivation is held every year to discuss various aspects before finalizing the policy for the next year.

The amount of license fee has been prescribed by Rule-6 of NDPS Rules, 1985, which has been fixed as Rs.25.00 per license, applicable with effect from 5th November 1994.

In Madhya Pradesh state, the number of villages, cultivators licensed/harvested and license fee received during 2010-11 to 2012-13 is given below:

Year	No. of cultivators Licensed	No. of cultivators Harvested	Area Licensed (in Ha)	Area harvested (in Ha)	No. of villages licensed/harvested	Licence fee realised @ ₹25/-
2010-11	28743	28259	13205.25	8414.06	907/906	718575
2011-12	27380	22965	13269.10	6521.73	873/872	684500
2012-13	26115	25678	3192.31	3084.05	844/842	652875

In Rajasthan state, the number of villages, cultivators licensed/harvested and license fee received during 2010-11 to 2012-13 is given below:

Year	No. of cultivators Licensed	No. of cultivators Harvested	Area Licensed (in Ha)	Area harvested (in Ha)	No. of villages licensed/harvested	Licence fee realised @ Rs.25/-
2010-11	24280	23925	11069.45	7998.895	903/903	607000
2011-12	21204	17521	10214.70	5541.64	744/729	530100
2012-13	20464	19954	2641.66	2529.60	711/710	511600

The audit noticed that:-

- i. The harvested area was less by 36.29 per cent, 50.86 per cent and 3.40 per cent during the year 2010-11, 2011-12 and 2012-13 respectively in Madhya Pradesh and the harvested area was less by 27.74 per cent, 45.74 per cent and 4.24 per cent during the year 2010-11, 2011-12 and 2012-13 respectively in Rajasthan state with respect to the area licensed for cultivation of opium poppy.
- ii. No. of cultivators licensed also reduced each year which resulted in downfall in Non-Tax Revenue, which was reduced by 9.15 per cent in three years in Madhya Pradesh state and was reduced by 15.72 per cent in three years in Rajasthan state.
- iii. Number of villages reduced by 65 villages in Madhya Pradesh state and 193 villages in Rajasthan state in three years i.e. 2010-11 to 2012-13, where cultivators cultivate opium poppy.

- iv. There is no provision for inclusion of new tracts and new cultivators in the NDPS Act and Opium Policy.
- v. The amount of license fee had been fixed at ₹ 25 per license, applicable with effect from 5 November 1994, which was neither reviewed nor upgraded.

In Rajasthan state, the above matter was brought to the notice of the Dy. Narcotics Commissioner, Kota (February 2014). The department stated that it is a policy related matter and is decided by the Ministry.

In Uttar Pradesh state, the audit noticed that there is persistent decrease in license fee realisation during the period covered (April, 2010 to March, 2013), as detailed below:

Crop Year	Number of Licenses issued	Amount of License Fee ₹
2010-11	607	15175
2011-12	276	6900
2012-13	246	6150

The persistent decrease in license fee was attributed to the following reasons:

- There is no provision for inclusion of new tracts and new cultivators in the NDPS act and Opium Policy.
- The amount of license fee has neither been reviewed nor upgraded since 1994.

The department also admitted the fact that the licence fee had been neither reviewed nor upgraded since 1994.

DoR stated (March 2014) that the procurement price of opium is fixed by the DoR, based on the estimated cultivation cost and the need to incentivize the cultivators.

6.13.6 Non achievement of required opium production

Poppy cultivation without licence is a cognizable offence under the NDPS Act, 1985. Licences are issued by the Opium Divisions headed by the District Opium Officer as per the guidelines/annual policy finalized by the Department of Revenue, Ministry of Finance every year generally in the month of August/September.

The guiding principles for issuing license for cultivation of opium are the following:

- i. Projected annual requirement both for domestic and export purposes
- ii. Domestic licit requirement and need for buffer stocks of opium for medicinal and scientific purposes, and
- iii. International commitments for exports.

In Madhya Pradesh state, the audit noticed that the available stock of opium as well as the expected/estimated requirement (buffer stock of one year) of opium for domestic use and for export for the years 2010-11 to 2012-13 is as under:

(Qty. in MTs at 70° C)					
Year	For Domestic use	For Export	Net requirement (including buffer stock of one year's)	Production of opium	Shortfall in production
2010-11	219	482	1145	1045	100
2011-12	219	806	1394	794	600
2012-13	193	437	540	371	169

Shortfall in production of opium 100 MTs, 600 MTs and 169 MTs in respect of requirement of opium for the year 2010-11, 2011-12 and 2012-13 respectively clearly shows the failure of department to achieve the estimated requirement/production of opium.

The matter was brought to the notice of the department, the department stated (January 2014) that shortfall in production of opium was due to less harvesting of crop due to damage in crop (plant disease/natural calamity) in year 2010-11, large uprooting/plough back of opium due to heavy damage in year 2011-12 and licenses are given to cultivators for 10 *ares* and 15 *ares* in place of 35 *ares* and 50 *ares* resulting in less harvested area in year 2012-13.

Department's reply is to be viewed in the context of the fact that the licensing policy is prepared after considering various aspects like domestic use of opium, commitment for export, minimum qualifying yield, number of cultivators, number of villages and trend of last year etc. and even after considering all these aspects there was a huge shortfall of 43.04 per cent and 31.29 per cent in production of opium during the year 2011-12 and 2012-13 respectively.

Satellite imagery was used by CBN to locate and identify opium poppy crop however, information pertaining to introduction, usage, management of satellite imageries for opium cultivation, along with the contract agreement with such agencies was not provided to audit.

Response of the Ministry on the steps taken towards involving private players to extract narcotic alkaloids while maintaining the requisite control given the sensitive nature of the product and its use, was awaited (March 2014).

Department of Revenue, Ministry of Finance stated (March 2014) that it has been their attempt to gradually enhance the MQY every year so that the same acts as a deterrent for diversion of opium into illicit channels.

6.13.7 Loss of Opium crop due to exorbitant ploughing back

As per provisions of Part – II, Para-131 of Opium Manual issued by the department and read with annual notifications issued by the Central Government, the opium poppy crop can be ploughed back under following circumstances:

(i) If the cultivator applies for uprooting of opium crop damaged due to natural calamity, rains, plant diseases, etc.

(ii) If the cultivation area exceeds the area licensed for poppy cultivation beyond the 5% 'Condonable Limit'; provided the ploughing back is under supervision of departmental officers (Para 3(iii) of GSR 702 (E) of Govt's Notification No.-1-Narcotics Control).

In Uttar Pradesh state, the audit noticed that the percentage of area uprooted vis-a-vis measured area showed an upward trend and was carried out in disregard of the above said provisions. In Barabanki district, the uprooted area increased from 59.57 per cent in 2011 to 75.32 per cent in 2013, and no reasons like natural calamities such as rains, plant diseases etc. were available on record.

An illustrative case relating to uprooting in contravention of the aforesaid provisions is stated below:

In Bareilly district, a cultivator had an excess cultivation beyond the 5% 'Condonable Limit' during the crop year 2011-12 and the appellate authority vide appeal order No.9/2012 dated 29 March 2012 had ordered the ploughing back of excess portion of crop only. DOO, however, ploughed back the entire crop of the cultivator in disregard of the aforesaid provisions and the order of the appellate authority. Besides, this fact was wilfully not mentioned by the District Opium Officer in his annual report of 2012.

On being pointed out in Audit, it was replied that entire crop of said cultivator had dried up by the time of passing of Appeal Order and ploughing-back was on application of the farmer.

The reply is to be viewed in the context of the fact that as per crop time-schedule, lancing starts by middle of March and ploughing back after start of lancing is strictly prohibited in policy. Besides, Form No.1 (Form of licence for cultivation of the Opium Poppy), Form No.2 (Issue of licences) and the application for uprooting the crop of said cultivator were not provided to Audit.

Thus, the action of District Opium Officer not only contravened the provisions of the aforesaid Appellate Order but also indicated deficient internal control, as no proper documentation regarding details of uprooting of crops was made by the unit.

It is understood that the reminiscent of the Poppy plant i.e. straw, seeds, and Husk, etc are disposed of/sold through State Excise machinery. The process for disposal/sale of these controlled products and its reconciliation to prevent misuse needs to be streamlined for better control.

DoR in reply stated that (March 2014) pursuant to judgement of High Court, guidelines for import of poppy seeds have been issued and instructions passed to the Narcotics Commissioner.

Regarding disposal of by product and the agency involved in the disposal of these by-products, if any, DoR response is awaited (March 2014).

6.13.8 Non-verification of Opium testing reports

As per provisions of NDPS Act and Rules, 1985, the raw opium collected by the DOO is sent to the GOAW (Opium Factory) in samples and in lots. The factory examines the raw opium, awards quality grade (Good/ Inferior/ Adulterated/ Unfit, as the case may be) and forwards the test reports to the Department for each year's crop. These reports play a very important role in issuing cultivation licence for the next crop year.

In Uttar Pradesh state, the audit noticed that Government Opium and Alkaloid Works (GOAW), Ghazipur carried out testing of opium bags sent by the DOOs during the period 2010-11 to 2012-13 as detailed below:

Crop Year	No. of bags sent to factory as 'good' opium	No. of bags declared by factory as 'inferior'	Remarks
2011-11	341	37	No reasons recorded
2011-12	105	14	No reasons recorded
2012-13	105	29	(Provisional figure for 2012-13)

It could be seen from the above that some opium bags were declared inferior, but the basis on which these bags were declared inferior were not furnished to Audit.

It was also noticed that the Department did not have any mechanism to verify or to cross-examine the testing carried out by the factory while enquiring into variation, if any. Ministry's response was awaited (March 2014).

6.13.9 Mechanism in preliminary checks of quality and weight of opium.

At the time of procurement of opium from the cultivators, the opium tendered comes with varied moisture contents. In order to standardize the actual weight, the provisional testing of samples of opium tendered is done at procurement centres in hot-air oven by the Chemists deputed from the Central Revenue Control Laboratory (CRCL). On the basis of moisture contents indicated by these chemists, the opium at 70 degree consistence is derived for making provisional 90% payment. The final testing of the opium, both qualitative and quantitative, is done at Government Opium and Alkaloid Works (GOAW), Neemuch and Ghazipur, on the basis of which final amount to be payable to cultivators is arrived at.

According to Rule 15 of the NDPS Rules, 1985, all opium delivered by the cultivators to the District Opium Officer or any other officer authorised as aforesaid, shall, in the presence of the concerned cultivator or any person authorised by him and the Lambardar of the village, be weighed, examined and classified according to its quality and consistence and forwarded by the District

Opium Officer to the Government Opium Factory in such manner as may be specified by the Narcotics Commissioner.

Further, as per Rule 17 when opium delivered by a cultivator to the District Opium Officer or any other officer authorized on his behalf, is suspected of being adulterated with any foreign substance, it shall be forwarded to the Government Opium Factory separately, after it is properly sealed in the presence of the cultivator and the concerned Lambardar.

Further, Rule 24 (2) of NDPS Rules, 1985, clearly stated that the price payable in respect of any opium which is delivered to the District Opium Officer or any other Officer authorised in this behalf under Rule 14 and is not initially suspected to be adulterated but found to be adulterated on examination in the Government Opium Factory, shall be subject to reduction at such rates as may be specified by the Central Government.

In Madhya Pradesh state, during test check of records for the year 2010-11 to 2012-13 of three District Opium Officer (Neemuch-I, Mandsour-III & Jaora-II), the audit noticed difference between results of preliminary check at weighment centre and final check at GOAW Neemuch.

During the year 2010-11 to 2012-13, out of 25210 samples received at weighment centre, 25185 samples were sent to GOAW, Neemuch as good and 25 samples were sent as suspected (**Appendix 27**). According to GOAW, Neemuch report, out of 25185 good samples, 662 samples were either not found good or their class/consistency was found different by two or more than two level (444 samples were declared adulterated and in 218 samples the class/consistency level was found different by two or more levels). Similarly out 25 suspect samples, 19 were found as good by GOAW, Neemuch.

When the matter was brought to the notice of the Department, it was stated (January 2014) that the hot-air oven testing is done by chemist deputed from Central Revenue Control Laboratory (CRCL) for analysis of determination of consistence of opium samples at weighment centre for calculation of weight of opium. Purity test has been done by GOAW, Neemuch. Purity testing of opium is a complicated process, which takes a long time and it is possible that the results of preliminary and final check may differ.

In Rajasthan state, during test check of records for the year from 2010-11 to 2012-13 of District Opium Officer Bhilwara, Kota & Pratapgarh, the audit noticed difference between results of preliminary check at weighment centre and final check at GOAW, Neemuch (**Appendix 28**).

During year 2010-11 to 2012-13, out of 35778 samples received at weighment centre 35438 samples were sent to GOAW, Neemuch as good and 340 samples were sent as suspected. According to GOAW, Neemuch report out of 35438 samples, 33465 samples were passed, 1181 samples were declared

inferior/adulterated, 237 samples were passed sealed due to more than two class difference in consistency and 555 samples were passed sealed due to two class difference in consistency. Out of 340 suspected samples, factory report states that 93 samples were passed and 246 samples were found inferior/adulterated and in one case result of factory report was awaited.

The matter was brought to the notice of the Department (December 2013); the DOO, Kota did not reply. The DOO Bhilwara & Pratapgarh replied that the testing of Opium at collection center as well as in factory is done by Chemist of Central Revenue Chemical Laboratory (CRCL) staff.

It shows that proper mechanism was not adopted in preliminary level check of opium in regard to consistency and quality of opium at collection centre. There was no reconciliation of the weightments at levels of Lambardar, collection centre and GOAWs.

Ministry's response was awaited (March 2014).

6.13.10 Non-recovery of outstanding Government dues from Opium Poppy Cultivators

According to Rule 20 of the NDPS Rules, 1985, the District Opium Officer shall, having regard to the weight and consistence of opium delivered by individual cultivators, work out the weight of such opium at the standard consistence and determine provisionally the total price payable to such cultivators. The said officer shall pay to the cultivators, ninety percent of the price so determined which shall be subject to adjustment against the final price payable to cultivators to be determined as provided hereinafter.

As per Rule 24 (2) of the NDPS Rules, 1985 the price payable in respect of any opium which is delivered to the District Opium Officer or any other officer authorized on his behalf under Rule 14 and is not initially suspected to be adulterated but found to be adulterated on examination in the Government Opium Factory, shall be subject to reduction at such rate as may be specified by the Central Government.

Further, according to Rule 25 of the NDPS Rules, 1985, the accounts of the cultivators for a particular crop year shall be adjusted by the District Opium Officer at the time of issuing of licenses for the subsequent crop year and any balance that may remain due from the cultivators shall be recovered and any balance amount due to them be paid.

As per Section 72(1) read with Rule 25 of the NDPS Act, 1985 in respect of any license fee or other sum of any kind payable to the Central Government or to the State Government under any of the provisions of this act or of any rule or order made thereunder, the officer of the Central Government or the State Government, as the case may be, who is empowered to require the payment of such sum, may deduct the amount of such sum from any money owing to the

person from whom such sum may be recoverable or due or may recover such amount or sum by attachment and sale of the goods belonging to such persons and if the amount of the same is not so recovered, the same may be recovered from the person or from his surety (if any) as if it were an arrear of land revenue.

In Madhya Pradesh and Rajasthan states, the audit noticed that the Divisional Opium Officers (DOO) had paid 90 per cent of the price subject to adjustment against the final price payable to cultivators at the time of weightment of opium. On examination by GOAW Neemuch, the received opium was found adulterated and classified as inferior opium which led to reduction of price from the price determined at the time of weightment and the excess amount ₹ 187.31 lakh paid to cultivators was liable to be recovered which was not recovered for 1 to 12 years from the cultivators by six DOOs. Detail are as under: -

Sl. No.	Name of Divisional opium Officer	No. of Cultivators	Amount (₹)
1.	Neemuch-I	96	9,91,293
2.	Mandsour-III	60	7,05,220
3.	Jaora-II	17	1,69,648
4.	Bhilwara	37	5,18,209
5.	Kota	745	1,62,42,787
6.	Pratapgarh	06	1,04,305
Total		961	1,87,31,462

The above amount may be recovered as per section 72(1) of NDPS Act, 1985.

In Madhya Pradesh state, the above matter was brought to the notice of the Department, the DOO, Neemuch-I, Mandsour-III and Joura-II replied (December 2013) that time-to-time notices were issued to cultivators for recovery of dues and best efforts were being made for recovery of outstanding amount.

Reply is not acceptable because outstanding recovery amounting to ₹ 18.66 lakh was pending from the cultivators since 2000-01, despite regular observations taken by internal audit of the Department, which should be adjusted / recovered under the provisions of rules ibid.

In Rajasthan state, the matter was brought to the notice of the Department i.e. the DOO, Bhilwara, Kota and Pratapgarh in December 2013. Reply is awaited regarding outstanding recovery of ₹ 168.65 lakh.

Information on non recovery of outstanding dues, number of farmers' involved, total numbers of cultivators to whom licences were issued in that region was awaited from Ministry (March 2014).

With reference to use of Smart Card, the Ministry's response was awaited (March 2014).

6.13.11 Payment made to persons other than cultivators ₹ 208.39 lakh

As per Section 9{2(d)} read with Rule 20 of NDPS Rules, 1985, the District Opium Officer shall, having regard to the weight and consistence of opium delivered by individual cultivators, work out the weight of such opium at the standard consistence and determine provisionally the total price payable to such cultivators. The said officer shall pay to the cultivators, ninety percent of the price so determined which shall be subject to adjustment against the final price payable to the cultivators to be determined as provided hereinafter.

In Madhya Pradesh state, the test check of Opium Payment Register for the year 2010-11 to 2012-13 of three District Opium Officers (Jaora-II, Mandsour-III and Neemuch-I), the audit noticed that contrary to the above provision the department had paid ₹ 151.94 lakh being 90 percent price of opium and its balance amount to the persons other than cultivators like son, brother, daughter and Mukhiya etc which was against the provisions of aforesaid rules (**Appendix 29**).

When the matter was brought to the notice of the department, it was replied that as per Opium Manual Volume-II “if any cultivator is absent, payment for him may be made to the Lambardar or substitute appointed by the cultivators himself on the responsibility of the Lambardar”, and that no complaint had been received from cultivators regarding non receiving of cost of opium and from the year 2012-13 opium cost had been paid to the cultivator’s individual bank account through e-Payment.

The fact remains that an amount of ₹ 151.94 lakh was paid to persons other than cultivators without obtaining any appointment letter from the cultivators.

In Rajasthan state, during test-check of records (Opium Payment Register) for the year 2010-11 to 2012-13 of District Opium Officer Bhilwara, Kota, & Pratapgarh, the audit noticed that the department had paid 90% payment (**Appendix 30**) during the crop year 2010-11 & 2011-12 for the opium amount of ₹ 56,45,300/- (₹ 18,11,200+8,79,500+29,54,600 respectively) to persons other than cultivators which is irregular as per above provisions.

The matter was brought to the notice of the Department (December 2013). The DOO, Kota did not reply. The DOO, Pratapgarh and Bhilwara stated that as per Opium Manual Volume-II “if any cultivator is absent, payment for him may be made to the Lambardar or substitute appointed by the cultivator himself on the responsibility of the Lambardar”.

The reply may be viewed in the context that the original cultivator had not given authority to whom the payment was to be made; hence, the payment was irregular.

6.13.12 Non-disposal of seized goods Opium & other Psychotropic drugs ripe for disposal

As per Section 52A of the NDPS Act, 1985, the Central Government may, having regard to the hazardous nature of any narcotic drugs or psychotropic substances, their vulnerability to theft, substitution, constraints of proper storage space or any other relevant considerations, by notification published in the Official Gazette, specify such narcotic drugs or psychotropic substances or class of narcotic drugs or class of psychotropic substances which shall, as soon as possible after their seizure, be disposed of by such officer and in such manner as the Government may from time to time, determine after following the procedure hereinafter specified. After the completion of proceedings in the court and ascertaining that no legal proceedings are pending against accused, the seized goods are to be disposed of by the department. In case of Opium, the goods are to be deposited in GOAW, Neemuch.

In Rajasthan state, during test-check of records for the year 2010-11 to 2012-13 of DNC Kota, District Opium Officer Bhilwara, Kota, Pratapgarh and P&I Cell, Jaipur (Goods Malkhana Register), the audit noticed that various types of psychotropic materials such as Opium (88.385 kg), Heroin (1.420 kg.), Poppy Husk (25089 kg.), Charas (2.250 kg.), Ganja (23.950 kg.), Bhang (32.350 kg.), Brown sugar (0.700 kg.), Poppy straw (19.500 kg.) & Alprozolam (0.220 kg.) were lying in malkhana pending for disposal for a long time, more than 15 to 32 years after being seized by the department, as detailed in **Appendix 31**.

As per record in above cases all the criminal proceedings have been completed and cases were decided by the Court. But the department did not dispose of the psychotropic substances and did not deposit the opium in the GOAW Neemuch.

The matter was brought to the notice of the Department (December 2013). The DOO, Kota and Bhilwara and P&I Cell, Kota did not reply. DOO, Pratapgarh and P&I Cell, Jaipur stated that after formation of disposal committee these goods would be disposed of.

Reply is not tenable as the department did not constitute a disposal committee and did not take any action for disposal of goods and deposition of opium in GOAW which was required as per Act.

6.13.13 Irregularities in Preliminary Weighment Register

As per Rule 10 of the NDPS Rules, 1985, the District Opium Officer may designate one of the cultivators of opium poppy as Lambardar in each village where opium poppy cultivation is permitted, who shall perform such functions and on such terms and conditions as may be specified from time to time by the Narcotics Commissioner.

Further, as per rule 13 (1) the cultivator shall, during the course of harvesting, produce daily before the Lambardar, each day's collection of opium from his

crop for weighment; (2) the Lambardar shall make arrangements to weigh such opium and make necessary entries in the records to be maintained by him as may be specified by the Narcotics Commissioner in this behalf; (3) the cultivator and the Lambardar shall attest the entries made in such records under their signature/thumb-impression with date, showing the quantity of opium weighed on a particular day; (4) the proper officer shall conduct check weighment of the opium collected by the cultivators with reference to the entries in the Lambardar's record and indicate his finding therein which shall be attested by him and the Lambardar under their signature with date; (5) the variations between the quantity of opium produced by the cultivator indicated in the Lambardar's record and as found by the proper officer during his check, shall be inquired into by the proper officer in order to ascertain the liability of the cultivator for punishment under section 19 of the Act.

In Madhya Pradesh state, the test check of Preliminary Weighment Register (PWR) and Payment Register for the year 2010-11 to 2012-13 of three District Opium Officers (Jaora-II, Mandsour-III and Neemuch-I), the audit noticed that while checking weighment by proper Officer the quantity of opium was found excess ranging from 150 g to 2.40 Kg excess in 154 cases and short ranging from 210 g to 820 g in 24 cases than that entered in PWR (**Appendix 32**). Further, out of 75 PWR inspected by DOO, 8 PWR were not found closed by Lambardar. However, the cases of variations were not enquired into by the proper officer to ascertain the liability of cultivator for punishment under section 19 of the Act.

In Rajasthan state, during test check of record of Preliminary Weighment Register (PWR) & Payment weightment register for the year 2010-11 to 2012-13 of District Opium Officer Bhilwara, Kota and Pratapgarh, the audit noticed that there was a difference in quantity of opium ranging from 0.150 to 8.410 kg. excess in 211 cases and in 21 cases shortage ranging from 0.160 to 0.757 kg. entered in PWR and quantity delivered by cultivator at weighment center (**Appendix 33**).

Further, scrutiny records in six cases signature by Lambardar in supporting daily production of opium was not found and in 18 cases PWR was not closed by Lambardar at the end of production. In 14 cases during inspection by the inspector, the excess/shortage of quantity found was not included in total the quantity.

The matter was brought to the notice of the Department (December 2013), the DOO Kota did not reply. DOO Bhilwara & Pratapgarh replied that difference in quantity was due to the fact that the Lambardar generally uses old fashioned weighing machines while at the collection centre electronic weighing machines were used. As regards shortages it was stated that by the passage of time (from Lambardar stage to Collection stage) natural moisture in the agricultural produce get reduced which gives weight variance. For excess weight department stated

that cultivators at the collection centres after transferring opium from their own containers in the departmental containers were asked to wash their containers with water and transfer the remnants of their containers into departmental containers so as to avoid misuse of the narcotic substance. This sometimes increases the weight of the opium measured at the collection centre. However, in cases of more than the prescribed variation department interrogates the cultivators and searches of their homes were also carried out, if needed.

6.13.14 Long pendency of Court cases

As per provisions of Results Framework Document (RFD) of CBN, the Department is mandated to book cases against the offenders of NDPS Act, 1985; to file complaint in the designated court and to watch their disposal.

During the scrutiny of "Quarterly Information/Report in respect of Pending Cases in District/Subordinate courts for the quarter ending on December 2013" sent by U.P. Unit of CBN to their Headquarters, audit observed that out of 104 cases pending as on date, about 37 cases involved seizures prior to the year 2000; but neither the respective date(s) of filing these 104 cases had been mentioned, nor the Department was aware of the disposal/present status of any of these cases. The matter has been brought to the notice of the Ministry, their reply was awaited (March 2014).

6.13.15 Preventive activities, Illicit Poppy cultivation

As a preventive and enforcement function, CBN while conducting the survey to verify satellite maps for presence of illicit poppy cultivation, destroyed 2785.148 hectares of illicit opium poppy crop during the period 2009-10 to 2011-12 as shown below:

State	Hectares destroyed		
	2010	2011	2012
Arunachal Pradesh	250.000	0.400	-
West Bengal	614.500	1390.600	14.168
Uttarakhand	144.500	320.500	37.230
Himachal Pradesh	13.250	-	
Total	1022.250	1711.500	51.398

Source: Report of Annual narcotics conference-2012 on opium poppy cultivation

Another organization, Narcotics Control Bureau (NCB) under the Ministry of Home Affairs was established in 1986 under the NDPS Act for drug law enforcement and it also acts as a nodal agency to coordinate between related agencies. Almost all the roles of NCB overlap with that of CBN. However, the NCB under Ministry of Home Affairs separately reported identification and destruction of opium poppy spread over 3098.55 acres (1291.06 hectares) in 2012 compared to 14366 acres (5985.83 hectares) in 2011.

Audit is of the opinion that enforcement, management and coordination of NDPS Act 1985 should be with one agency to avoid duplicacy, dissonance and waste of precious resources.

6.14. Internal control audit and Monitoring

The department claimed to conduct 100 per cent internal audit of cultivation of opium records after the completion of settlement operation each year. However, it is believed that 100 per cent internal audit was instructed only in 2009-10 under special circumstances. As per internal audit report no discrepancies/irregularities/ambiguity was found during period from 2010-11 to 2012-13. However, this audit has pointed out, inter-alia, non-adherence to the provisions of licensing policy, smart card identification, satellite based cultivation management and lack of serious efforts for recovery of outstanding dues from the cultivators indicating lack of internal control in the department.

It was not clear as to how the RFD of CBN is being monitored by DoR and the critical performance requirements from other organizations (including NCB) are managed for achievement of DoR's objectives since, DoR did not have a RFD in line with its business rules.

Similarly, there was no reconciliation done with the state excise departments to control the sale/diversion of the by-product of the poppy (poppy straw, poppy husk and poppy seeds).

The action taken by CBN to comply with ISO 9001 requirements was also awaited from the Department (March 2014).

6.15 Conclusion

The controlled exploitation of poppy as a natural resource already brings considerable amount of precious foreign exchange to the country. It also helps producing competitively priced poppy-based medicines for severe pain relief by the Indian pharmaceutical industry and the popular poppy seeds for domestic consumption. Licensed poppy cultivation has also had significant socio-economics benefits for Indian farmers. A well regulated and controlled narcotic policy framework could effectively break the nexus between the illicit flows with its far reaching global ramifications and augment the licit production for pharmaceutical and scientific uses. Though the production of opium is subdued and dwindling over the years, more than 50 percent of the opium stock of India is still exported. Manufacture, sale and export of the narcotic alkaloid extracts higher up in the value chain has the potential to provide exponentially higher economic returns of the poppy plantation, save foreign exchange in procuring poppy seeds in the traditional hinterlands, using modern technology, scientific research, efficient management structures, commercial models and international trade negotiations.

There seemed to be no clear policy framework aimed at the twin objectives of revenue generation through sale of finished opium based pain relief chemicals and foreign exchange savings by indigenous production of opium seeds along with a commensurate incentive structure for the cultivators and drug producers.

Chapter VII Thematic audit

A. Disposal of seized and confiscated goods

7.1. Introduction

Section 110 of the Customs Act, 1962 stipulates that an officer of Customs could seize any goods, if he has reason to believe that the goods are liable to confiscation under the said Act. Further, improperly imported or attempt to improperly export goods defined under Section 111 and 113 of the Customs Act, 1962 are also liable to confiscation.

The person from whom the goods are seized is issued a Show cause notice (SCN) (under Section 124 of the Act) usually within six months (Section 110 (2) of the Act), otherwise the goods shall be returned to the person from whose possession they were seized.

After confiscation, the goods become the property of the Central Government and Government could sell/auction the goods. The Disposal Manual of the Department classified the seized and confiscated goods into four categories²⁰:

- (i) Category-I (Goods to be disposed of immediately after seizure);
- (ii) Category-II (Goods to be disposed of after following the procedures under Section 110 (1A) of the Act;
- (iii) Category-III (Goods to be disposed of within six months from the date of seizure or before the date of expiry);
- (iv) Category- IV (All other goods not listed in the above three categories).

Records of 19 Commissionerates (**Appendix 34**) in 11 states viz. Assam, Uttar Pradesh, Delhi, Bihar, Gujarat, West Bengal, Karnataka, Meghalaya, Rajasthan, Madhya Pradesh and Maharashtra, pertaining to the period 2010-11 to 2012-13, were reviewed to evaluate the efficiency of the system in ensuring timely disposal and realization of reasonable value; assess the loss of revenue/blockage of revenue due to non-disposal or delayed disposal, and identify weaknesses in the system leading to delays.

The total amount of seizures at All India level during the period 2010-11 to 2012-13 was in the range of ₹ 1857 crore to ₹ 2476 crore (**Appendix 4**). Maximum rise was in Narcotic Drugs, Machinery/Parts, Fabrics/Silk Yarn etc., Electronic Items, and Vehicles/Vessel/Air Crafts etc.

7.2 Audit Findings

As per data furnished by the department, the total value of un-disposed goods (Category I, II, III & IV) in 19 Commissionerates as on 31 March 2013 was

²⁰ Circular F No. 711/31/83-LC (AS) dated 22.05.1984.

₹ 466.24 crore. Of these, ₹ 78.30 crore worth goods (Category I, II & III) were perishable having short life span and ₹ 387.94 crore²¹ worth goods were of other categories (Category IV).

Audit scrutiny of records revealed that during the period 2010-11 to 2012-13, the department was able to dispose of less than 36 per cent of the goods seized during the period. The Commissionerates with high holdings were Mumbai ₹ 298.82 crore²², Delhi ₹ 59.26 crore²³, Uttar Pradesh ₹ 39.31 crore²⁴, Madhya Pradesh ₹ 27.91 crore²⁵ and Rajasthan ₹ 25.84 crore²⁶. Further audit observations have been discussed in succeeding paragraphs:

7.3 Documentation and maintenance of records

As per Disposal Manual, proper records/registers are required to be maintained for monitoring of confiscated and seized goods. Audit appraisal revealed the following discrepancies:

(i) No records of these cases were maintained by the Deputy Commissioner, Mandideep, Assistant Commissioner, Gwalior and Superintendent (Preventive), Indore. The department accepted the audit observation.

(ii) The Commissionerate of Customs Jaipur, ICD RAJSICO, Sanganer furnished 'NIL' information regarding seized and confiscated goods during last three years upto 2012-13, even though audit scrutiny revealed that goods having value of ₹ 165.05 lakh and ₹ 64.55 lakh were seized/ confiscated during 2010-11 and 2011-12 respectively. This indicated not only non-maintenance of database/registers of seized and confiscated goods but also poor quality of documentation.

(iii) No records/registers were maintained by the Bangalore Commissionerate. Reasons for non-maintenance of the records were not furnished to Audit.

(iv) In case of Addl. Commissioner, IGI Terminal III, Delhi, the goods of category-I worth ₹ 20.72 lakh were disposed of during 2010-11 but not reflected in their MIS due to oversight.

²¹ Those Commissionerates which did not categorize value of goods have been taken in other category.

²² Commissioner, Customs, (Zone-I) Mumbai ₹ 83.41 crore, Commissioner, Customs, (Zone-II) Mumbai ₹ 166.02 crore and Commissioner, Customs, (Zone-III) Mumbai ₹49.39 crore.

²³ Commissionerate, Customs, Air Cargo, Delhi ₹ 9.98 crore, Commissionerate, Customs, I&G, Delhi ₹ 0.95 crore, Commissionerate, Customs, ICD, TKD, Delhi ₹ 1.23 crore and Addl. Comm. IGI, Terminal-III, Delhi ₹ 47.11 crore.

²⁴ Commissionerate, Customs (Preventive), Lucknow ₹ 22.31 crore, Commissionerate, Kanpur ₹10.09 crore, Commissionerate, NOIDA ₹ 0.29 crore and Commissionerate, Ghaziabad ₹6.62 crore.

²⁵ Commissionerate, Indore ₹ 2.06 crore and Commissionerate, Bhopal ₹ 25.84 crore.

²⁶ Commissionerate, Customs Jodhpur.

(v) In respect of Addl. Commissioner of Customs, Delhi (IGI, Terminal-III), it was noticed that Preventive II Branch communicated (July 2012) disposal of 31 gold biscuits weighing 3614.600 gms., by Disposal branch which had already been disposed of through State Bank of India by the Office of the Commissioner of Customs (Preventive-Disposal) during 1997-98. This reflected not only lack of coordination between two branches, but also indicated deficiencies in their Management Information System.

7.4 Non-projection of targets of revenue realization

Formulation of the targets for disposal of confiscated and seized goods is a prerequisite for effective and meaningful monitoring of progress of collection of revenues.

Audit scrutiny, however, revealed that no targets were fixed during 2010-11 to 2012-13 by any of the Commissionerates except Bangalore and Patna. The total revenue realization during the period 2010-11 to 2012-13 was found to be ₹ 71.34 crore (**Appendix 35**).

7.5 Adjudication

Board has prescribed²⁷ specific time frames, within which the officers would complete adjudication in the cases which relate to seizure alone.

The Commissioner or Additional/Joint Commissioner of Customs is required to complete adjudication within one year from the date of service of the Show cause notice.

Audit scrutiny revealed that nine Commissionerates did not adhere to the aforesaid provisions and there were delays in adjudication ranging from 1 to 204 months in respect of 65 cases (**Appendix 36**) having seizure value of ₹ 3317.57 lakh.

The Assistant/Deputy Commissioner of Customs is required to complete adjudication within six months from the date of service of the show cause notice.

Audit scrutiny revealed that six Commissionerates did not adhere to the aforesaid provisions during the period 2010-11 to 2012-13, resulting in delays in adjudication ranging from 1 to 23 months in respect of 343 cases having seizure value of ₹ 271.40 lakh (**Appendix 37**).

The Superintendent of Customs was to complete adjudication within three months from the date of service of the show cause notice.

Two Commissionerates, however, did not comply with the aforesaid provisions during 2010-11 to 2012-13 resulting in delays in adjudication from one to 24

²⁷ Circular No.3/2007-Cus. Dated 10.01.2007.

months in respect of 268 cases having seizure value of ₹ 24.92 lakh (**Appendix 38**).

Thus, the department failed to ensure compliance with the prescribed provisions in respect of adjudication during 2010-11 to 2012-13. Commissioner, Customs (Preventive) Lucknow admitted (August 2013) the delay as pointed out by Audit.

7.6 Joint Pricing Committee

The CBEC circular (12/2006-Customs dated 20 February 2006) prescribed the guidelines for valuation and disposal of seized and confiscated goods. As per the guidelines, a Joint Pricing Committee (JPC) shall be constituted in each Customs Commissionerate entrusted with the responsibility of disposal of seized and confiscated goods. The JPC shall comprise Additional/Joint Commissioner, Deputy/Assistant Commissioner, Superintendent in charge of disposal along with Deputy/Assistant Commissioner and Superintendent holding any other charge.

The JPC shall determine the Fair Price of the goods to be disposed of through auction-cum-tender. The Fair Price should be fixed by ascertaining the probable price of such goods in the wholesale market and subtracting from it a discount of 5 per cent to 10 per cent representing the profit of the buyer at the auction-cum-tender. The wholesale market price of the goods offered for sale and the margin of profit shall be ascertained by Government Approved Valuer alone and not by Customs staff. Further, the auction-cum-tender shall be held every month.

During 2010-11 to 2012-13, JPC did not have the prescribed composition in Commissionerate of Customs, Mumbai and Commissionerate of Customs (Preventive) Patna. As a result, the seized goods worth ₹ 836.96 lakh were lying without disposal from 1986 to 2012 (**Appendix 39**).

In Commissionerate of Customs, Jodhpur during 2010-11 to 2012-13, no auction-cum-tender notice was invited for disposal of seized/confiscated goods. Further, in contravention of CBEC circular, the goods were disposed of on the strength of the price inquired by the customs staff without any auction-cum-tender resulting in under recovery of ₹ 10.14 lakh (**Appendix 40**).

In Commissionerate of Customs (Export) Mumbai, 9960 pieces of Earphones worth ₹ 9.96 lakh were disposed of (March 2013) for ₹ 3.51 lakh through e-auction without ascertaining the fair price from the Government approved valuer resulting in under recovery of ₹ 6.45 lakh.

7.7 Non disposal of seized / confiscated goods

The CBEC in their instructions (450/97/2010-Cus.IV, dated 22 July 2010) directed that each Customs formation will constitute a 'Task Force' for a one time comprehensive review for expeditious disposal of all un-cleared/unclaimed cargo and asked for progress made in disposal along with age-wise break up of pending cargo that was ripe for disposal as on 31 December 2010. CBEC in their

instructions also reiterated that in cases where consignments are detained by Customs, all pending actions such as investigation, adjudication and related court proceedings should be taken up for completion without delay. As per the instructions it was responsibility of the Commissioners to ensure the expeditious disposal of such cargo on regular basis. Whether this was reviewed in the Chief Commissioners meeting or separately by CBEC to see if the envisaged aim was achieved has not been furnished by the Ministry (March 2014).

Section 142 of the Customs Act, 1962 provides for recovery of sums due to the Government after disposal of seized goods. The details of the seized/confiscated goods have been exhibited in **Appendix 34**.

7.8 Category I-Goods to be disposed of immediately after seizure.

As per CBEC guidelines, the goods under the Category-I should be disposed of immediately after seizure by the Custodian of the goods after issue of notice to the owners and obtaining orders from the Competent Authority, as these goods are highly perishable having shelf life of only three months and become unfit for human consumption after this period.

As on 31st March 2013, perishable goods worth ₹ 3.69 crore under Category-I were not disposed of in 19 Commissionerates across the country. In this regard, Audit observed the following:

(i) In four Commissionerates, perishable goods worth ₹ 311.84 lakh were lying un-disposed since 1997 contrary to the prescribed provisions/ guidelines resulting in non-realization of revenue amounting to ₹ 311.84 lakh as stated below:

Sl. No.	Commissionerate	Lying at	Items	Quantity	(Lakh ₹)	
					Value	Lying since
1.	Customs, Central Excise & Service Tax, Ghaziabad	ICD, Loni	Non-basmati rice	541.076 MT	289.34	2009 to 2010
2.	Customs (Preventive), Kolkatta	Shed I & II	Cigarette	1 case	0.88	2011
3.	Customs, Mumbai		Cigarette		16.65	2010
4.	Customs, Delhi	ICD, PPG	Herbs & herbal products	5 cases	4.49	1997
			Rice	1 case	0.48	2010
Total					311.84	

The Deputy Commissioner Customs, ICD Loni Ghaziabad replied (November 2013) that the goods would be produced before the Government approved valuers and would be disposed of at the earliest possible.

7.9 Loss due to delayed disposal of seized/confiscated goods

In three Commissionerates, due to delay in disposal process, Government suffered loss worth ₹ 8.36 lakh as detailed below:

(i) In Commissionerate of Customs, Bhopal, the department seized (October 2010) 20 bags of cigarettes with imposable duty worth ₹ 4.80 lakh but due to non-disposal within stipulated time period, it became unfit for human consumption as certified by CTRI Rajahmundry. Besides, this resulted in revenue loss of ₹ 4.80 lakh.

(ii) In Commissionerate of Customs, Jodhpur, perishable goods were seized (during June to October 2009 and March to August 2010) worth ₹ 0.61 lakh and were lying at the seizing unit even after the date of its expiry. Besides becoming unfit for human consumption, it resulted in revenue loss worth ₹ 0.61 lakh.

(iii) In Commissionerate of Customs, Patna other perishable goods seized during 2010 worth ₹ 2.95 lakh were disposed of by way of destruction (at Forbesganj Division) after its expiry date.

7.10 Category II-Goods to be disposed of after following the procedure under Section 110 (1A) of Customs Act, 1962

This category covers the goods notified under Section 110 (1A) of the Customs Act, 1962 viz. gold, silver, diamonds, precious/semi precious stones, currency (Indian and Foreign), red sanders, all electronics goods and liquor etc. and any other notified goods. As on 31st March 2013, goods worth ₹ 95.48 crore of category-II were pending for disposal in 19 Commissionerates across the country. In this regard, Audit observed the following:

(i) In 10 Commissionerates, perishable goods (Electronics goods) worth ₹ 5737.71 lakh are lying as of date in the godown for disposal from 1 to 31 years in disregard of the aforesaid provisions and guidelines (**Appendix 41**). This resulted in blockage of Government revenue.

(ii) Kanpur Comssionerate intimated that Order-in-Original for seized goods valued at ₹ 65.31 lakh has been issued (December 2013). Disposal process would be completed by March 2014. As regards goods lying at Agra Division (₹ 3.36 lakh), they were seized during the period 1991 to 2002 and became obsolete in nature and after re-pricing by the Joint Pricing Committee (JPC) the disposal proceedings are expected to be completed by March 2014.

(iii) In six Commissionerates, perishable goods worth ₹ 259.41 lakh were lying un-disposed since 1985 to 2012 contrary to the provisions/guidelines resulting in blockage of Government revenue. The details have been exhibited in **Appendix 42**.

Deputy Commissioner, Custom, ICD Loni Ghaziabad intimated that the matter was pending before the Hon'ble CESTAT and the Commissioner (Appeal) and as and when the cases attain finality, necessary action in consultation with State Pollution Board would be taken for disposal of the confiscated goods.

(iv) In Commissionerate of Customs (Preventive), Patna, vehicles worth ₹ 486.69 lakh were awaiting disposal since 1998 to 2012. As these vehicles have

been parked in the open at Forbesganj, Motihari, Muzaffarpur and Patna, they are bound to deteriorate after passage of time which may result in fetching lesser amount of revenue.

(v) In Commissionerate of Customs (Zone-I) Mumbai, 40 seized and confiscated vehicles valuing ₹ 350.75 lakh were lying un-disposed since 1987. The present value of these vehicles would be almost negligible.

(vi) In Commissionerate of Customs, Bhopal, gold worth ₹ 8.40 lakh weighing 286.30 gram was seized in September 1981 but was lying un-disposed till date.

(vii) Similarly, in Commissionerate of Customs, Indore, 3.297 Kg gold worth ₹ 8.20 lakh was lying since June 1981 and 1046.016 Kg of Silver worth ₹ 72.17 lakh was lying un-disposed since April 1989 due to non-adjudication.

(viii) In Commissionerate of Customs, Mumbai, gold, silver, precious stones and foreign currency etc. worth ₹ 2569.22 lakh were lying un-disposed at the end of March 2013. However, out of above, ₹ 1716.18 lakh pertains to pendency of more than three years.

(ix) In Commissionerate of Customs (Preventive), Patna, silver scraps valuing ₹ 0.10 lakh was lying un-disposed since 2010 at Muzaffarpur Division.

(x) As per CBEC guidelines, the goods should not be withdrawn from auction-cum-tender on flimsy grounds and all post-auction/tender offers, even if these are for amounts higher than the successful bid, shall be strictly disregarded and not taken cognizance of in any manner.

Audit scrutiny of the records of the Commissioner, Customs (Preventive), Lucknow revealed that about 17.55 MT of red sander wood having book value of ₹ 55.52 lakh seized during 2003 to 2008 were lying in the godowns of Lucknow, Gorakhpur and Nautanwa Customs Divisions respectively. The department confiscated these goods and proffered (December 2010) to State Forest Corporation (Corporation) for disposal. In the auction (January 2011), 58 bidders participated and the highest bid offered was of ₹ 59.46 lakh. Besides, the highest bidder had also deposited ₹ 12 lakh with the Corporation as advance.

The Corporation intimated (13 January 2011) the department that another bidder could not participate in the auction process due to late arrival and had offered (11 January 2011) rates that would fetch a value of ₹ 2 lakh to ₹ 3 lakh higher than the highest rates received on 10 January 2011. It was also intimated by the Corporation that the latter bidder had also submitted six Bank Drafts worth ₹ 2 lakh each which were prepared after the date of auction. Accordingly, the Corporation requested (January 2011) the department for cancellation of auction process on the plea that the latter bid would fetch more revenue. Although the former bid was more than that of the book value, the Department agreed to the Corporation's request and the auction was cancelled (February 2011). However, the goods are still lying un-disposed in the godown (March

2014). Non-compliance with the CBEC guidelines led to blockage of funds of ₹ 55.52 lakh.

7.11 Loss due to delayed disposal of seized/confiscated goods

Government suffered revenue loss of ₹ 113.40 lakh in two Commissionerates due to delay in disposal process as narrated below:

(i) 18.715 MT of PVC adhesive sheeting/vinyl printing materials worth ₹ 7.27 lakh, was later estimated at ₹ 80.03 lakh by the Department, were seized and confiscated on mis-declaration (January 2012) and were lying for disposal at ICD, Loni under Ghaziabad Commissionerate. The joint inspection (January 2013) following the CESTAT order revealed that 50 per cent of goods had become damaged. This resulted in not only wastage of goods but also revenue loss worth ₹ 80.03 lakh to the public exchequer due to the laxity of the Commissionerate.

Deputy Commissioner, Custom, ICD Loni, Ghaziabad intimated that the matter is pending before the Hon'ble CESTAT.

(ii) In Commissionerate of Customs (Airport) Mumbai, contraband items (Carbo Platin) of 1557 gm worth ₹ 33.37 lakh having expiry date of 19 May 2012 were seized (January 2011). Although the items were adjudicated on 09 April 2012 well before the expiry date, the disposal order was issued only after the date of expiry (on 24 July 2012). Consequently, the department suffered revenue loss of ₹ 33.37 lakh due to non-disposal within the specified time frame.

7.12 Category III-Goods to be disposed of within six months from the date of seizure or where the date of expiry is indicated well before that date.

Category-III goods should be disposed of within six months of their seizure or well before the date of expiry where indicated.

As of 31st March 2013, goods worth ₹ 8.53 crore of Category-III were lying in godowns pending disposal in 19 Commissionerates. In this regard, audit observations are discussed below:

(i) In four Commissionerates, goods worth ₹ 206.37 lakh were lying undisposed since 1988 to 2012 contrary to the aforesaid provisions/instructions (**Appendix 43**). Besides becoming unfit for human consumption, non-disposal of these medicines resulted in revenue loss of ₹ 206.37 lakh to the exchequer.

(ii) Scrutiny of the records of four Commissionerates revealed that seized and confiscated goods worth ₹ 647.06 lakh (**Appendix 44**) were awaiting disposal since 2001 even after becoming ripe for disposal contrary to the prescribed provisions/instructions resulting in blockage of Government revenue.

7.13 Loss due to delayed disposal of seized/confiscated goods

In four Commissionerates, Government suffered loss worth ₹ 48.83 lakh due to delay in disposal as discussed below:

(i) In Commissionerate of Customs (NER) Shillong under Shillong Customs Division, the seized/confiscated medicines worth ₹ 26.81 lakh (fair price) were not sold on third auction price of ₹ 8.70 lakh conducted in December 2011, as the price was too low. The medicines were not sold thereafter within the date of expiry and thus became unfit for human consumption resulting in loss of ₹ 8.70 lakh.

Department stated (June 2013) that the bid was rejected as the highest bid of ₹ 8.70 lakh was too meagre for consideration.

(ii) In Commissionerate of Customs (Preventive), Patna, medicines worth ₹ 23.25 lakh were disposed of by way of destruction at Forbesganj and Motihari Division after expiry date resulting in loss to the exchequer.

(iii) The Commissionerate of Customs (Export), Mumbai seized (October 2003) 250 packages containing drugs which were sub-standard and spurious and hence these drugs were destroyed (September 2011) without following the due process prescribed under Section 110 (1B) of the Customs Act, 1962. Further, destruction was carried out after eight years of seizure and without confiscation under Section 113(d) of the Customs Act, 1962.

(iv) Scrutiny of records of Malda Customs Division under Commissionerate of Customs (Preventive), West Bengal, revealed that medicines worth ₹ 16.88 lakh seized during May 2009 to November 2010, were rendered unfit for human consumption due to absence of proper infrastructure for storage.

7.14 Category IV All other goods

All other goods not listed in the above three categories come under this category. The disposal of goods falling under this category has to be effected after completion of all due formalities and when finality is reached about the disposal of the goods.

On 31 March 2013, goods worth ₹ 387.94 crore under category-IV were pending for disposal in 19 Commissionerates across the country.

Audit observed the following:

(i) Scrutiny of the records of eight Commissionerates revealed that the goods under Category IV (machinery, refrigeration gas, shoes and others) worth ₹ 5513.93 lakh were seized/confiscated (**Appendix 45**) but were lying without disposal since 1987 even after becoming ripe for disposal contrary to the provisions/instructions resulting in blockage of Government revenue.

Paragraph 16.8 (a) of the Manual on Disposal of seized and confiscated goods of the department prescribed that all wild life trophies, animal parts, products etc.

where no case is pending in a Court of law may be offered to the Regional Wildlife authorities situated at Delhi, Mumbai, Chennai and Kolkata or the Chief Wildlife Wardens of the State for the purpose of using the same as specimens for Government Organizations, public museums for education and awareness purpose.

Scrutiny of the records of the Commissionerate of Customs, (Preventive) Mumbai revealed that 42 pieces of elephant tusk were confiscated (1992). Although the prosecution process was complete by 1995 and no appeal was pending, the Commissionerate did not pursue the matter with the Wildlife authorities for handing over the elephant tusks after October 2010. Thus, due to lackadaisical approach of the Commissionerate, the elephant tusks are still lying with them.

7.15 Loss due to theft/pilferage and shortage of seized/confiscated goods

As per Board's Circular No.393/91/98-Cus (AS) dated 12 November 98, the custodian/officer in-charge of godown should take adequate precautions against theft and pilferage and keep watch over the condition of the goods. Further, all Chief Commissioners and Commissioners should pay personal attention to ensure that the guidelines/safeguards prescribed for custody, disposal of seized/confiscated goods including valuables are enforced scrupulously in their jurisdiction, so as to avoid instances of loss or theft or misappropriation or substitution of the goods.

(i) In Commissionerate of Central Excise, Siliguri Customs Division, the department suffered loss of revenue worth ₹ 81.30 lakh due to theft of medicines (cough syrups), Chinese mobiles, cloths and other goods during 2010-11 to 2011-12.

(ii) Eight cases of theft of goods during 2008 to 2012 worth ₹ 17.96 lakh were noticed at Petrapole Customs Circle under the Commissionerate of Customs (Preventive) West Bengal. Moreover, goods valued ₹ 0.92 lakh were also found short (December 2012) at the time of handing over and taking over of charge of the godown.

(iii) Scrutiny of records of Special Disposal Cell under Commissionerate of Customs (Port), Kolkata revealed that 48929 pieces of Integrated Circuits were short delivered to the buyer for which refund of ₹ 2.19 lakh was sanctioned. The shortage of goods could not be accounted for by the department.

(iv) In Commissionerate of Customs Patna, 490 bags of fertilizers valuing ₹ 2.62 lakh at Muzaffarpur Division were found be short during delivery of e-auction of October 2012.

7.16 Other observations

Audit observed deficiencies in sale of goods below the reserve price, prolonged auction process, misclassification of confiscated goods, and non-compliance with

the provisions of the Act regarding levy of penalty and delay in the disposal order. Some illustrative cases are as follows:

(i) Scrutiny of the records of the Customs Division, Lucknow of Commissionerate Customs (Preventive) Lucknow revealed that the following confiscated goods were sold much below the seizure value and reserve price of the JPC due to delay in forwarding the case in JPC and auction procedure resulting in loss to the exchequer:

(lakh ₹)

Sl. No.	Description of goods	Seizure value	Date of seizure	JPC's fair price	Sold at	Sold on	Remarks
1.	Cosmetic Items	2.02	07.11.09	1.07	0.23	13.04.11	The NCCF offered quite low price, which was not accepted and after lapse of one year, the Department went (March 2011) for auction and in 2 nd auction, highest bid worth ₹ 35,500 was received but goods were finally sold in 3 rd auction.
2.	Readymade garments	34.39	11.03.08	11.52	10.09	17.03.11	The goods were confiscated in Feb 2009 but after delay of 18 months, the goods were profferred (Dec 2010) to the JPC.
3.	Misc Indian goods	0.93	Feb 2010	0.85	0.36	27.07.12	The Deptt. went in auction in June 2012 after delay of eight months from non-acceptance of offer of NCCF in Nov 2011.

(ii) In Commissionerate of Customs (Port), Kolkata, due to failure of the JPC to fix a realistic price and non-acceptance of the highest bid in the third auction (₹ 28.50 lakh), ceramic goods were sold in the 8th auction at ₹ 14.41 lakh resulting in loss of revenue to the tune of ₹ 14.09 lakh (₹ 28.50 lakh - ₹ 14.41 lakh).

(iii) In Malda Customs Division under the Commissionerate of Customs (Preventive), West Bengal, incorrect fixation of the selling price of Vest and T-shirts by the Asstt. Commissioner (S&D) Kolkata on account of mis-classification of seized/confiscated garments under CTH 6107 instead of CTH 6109 resulted in loss of ₹ 8.24 lakh as compared to the JPC price of these garments under CTH 6109.

(iv) In Commissionerate of Customs, Delhi (ICD, PPG and TKD), 1460 containers of imported items (fabric, shoes, electronic goods, motor cycle, hazardous food stuff, chemicals etc.) having short span of life and reduced value with passage of time were lying without disposal from 1990 to 2012. The value of goods was not intimated by the Department.

(v) In Commissionerate of Customs, (Export), Mumbai, the Department seized Pan Masala containing tobacco packed in 1500 bags worth ₹ 226.07 lakh on improper export. The case was adjudicated (December 2011) and the goods confiscated by imposing a lump-sum penalty of ₹ 10 lakh, which was less than three times the value of the goods in contravention of Section 114 (i) of the Customs Act, 1962.

(vi) In Commissionerate of Customs, (Export-ACC), Mumbai, four packages containing 5 ISCO Arriscope lenses worth ₹ 50 lakh were seized in 2003 and were sold (March 2013) at ₹ 3.10 lakh through e-auction, which resulted in loss of ₹ 46.90 lakh due to delay of 17 months in issue of the disposal order (January 2009) after the final order (July 2007) of CESTAT, 22 months delay in valuation from date of disposal order as well as 48 months in final disposal from the date of disposal order.

Paragraph 6.5 of Disposal Manual provides that the highest bid in the auction-cum-tender shall be accepted by the Chairman of the JPC if the bid is more than or equal to or close (not less than by five per cent to 10 per cent) to the fair price. Otherwise, the goods shall be put up for auction-cum-tender the second time. However, if the goods are not being sold in the first two auction-cum-tenders, the goods shall be sold at the highest bid obtained in the third auction-cum-tender subject to the highest bid being more than 80 percent of the fair price.

In this regard, Audit observed the following:

a) In Bangalore Commissionerate, in respect of the seized (March 2008) electronics goods having seizure value of ₹ 27.35 lakh, the JPC fixed the fair price of ₹ 7.73 lakh and the goods were put to e-auctions two times. In the second e-auction, the highest bid of ₹ 5.02 lakh was accepted by the department and goods were sold off. The highest bid of the second e-auction was less than 35 per cent from the JPC fair price and its acceptance was in contravention of the aforesaid provisions. Reasons for not recommending for the third e-auction and acceptance of the low bid were not furnished by the Commissionerate.

b) In Commissionerate of Customs (Zone-II) Mumbai, the goods (Four Toyota Camry cars) having assessable value of ₹ 27 lakh were confiscated (May 2010) and were valued at ₹ 16 lakh (May 2012) by the Government approved valuer and the first e-auction was held during May 2012. Further, till March 2013, the goods were e-auctioned 13 times, but the bid amount was not accepted by the Department and the goods were lying in the godown in contravention of the provisions of the circular which specifically states that the goods shall be sold in third auction-cum-tender. If any lot remains unsold after the third auction, the Commissioner should ascertain whether the JPC has good reasons for the goods remaining unsold. But no such action has been initiated by the Department so far.

c) In Commissionerate of Customs, Mumbai, 100 lots of different goods, mainly perishable goods (chemicals, machinery parts, PVC resin, yarn, plastic film and light fuel oil etc.) were not auctioned even after 25th auction and goods were lying with Department since 1997 (plastic film, machinery) to 2012 (electronic goods) for disposal.

Non-disposal of the aforesaid goods due to laxity of the department resulted in loss to the public exchequer, as goods are bound to deteriorate over the period and would fetch a lesser or nil price ultimately.

d) 3360 imported polished marble slabs worth ₹ 22.44 lakh were seized and confiscated (March 2006) at ICD, Dadri under NOIDA Commissionerate. The JPC fixed (17 January 2008) the fair price as ₹ 11.83 lakh, but it was re-fixed (3 December 2008) by the JPC as ₹ 24.19 lakh without recording any reasons.

It was further observed that e-auction was held three times (on 20 January 2009, 26 February 2009 and 12 March 2009 respectively) in which the rates came around the first JPC price but the Department did not accept the bidder-quoted price. Besides, e-auction dated 26 February 2009 was cancelled by the Department on 13 March 2009 i.e. after third e-auction and thereafter, no e-auction has been held till date and goods are still lying with the Department. The departmental inspection (December 2007) revealed that the marble would become yellowish over the period of time.

e) In four Commissionerates, there was a difference between the book value and actual sale proceeds resulting in under recovery of ₹ 151.51 lakh as tabulated in **Appendix 46**.

7.17 Delivery of goods auctioned

Disposal Manual of the Department prescribed three working days as Free Period beyond the last date of payment. The Commissioner at his discretion may allow further time for taking delivery but not exceeding 10 days. In case of any default in lifting of goods by the buyers within the prescribed free time limit, the goods may be lifted only after payment of Ground Rent by the buyer to the Principal (Commissioner).

Scrutiny of the records of the Customs Division, Gorakhpur, under Commissionerate, Customs (Preventive) Lucknow for the year 2012-13 revealed that a notice for public auction of 15 of vehicles lying at the Division's godown, was issued (January 13) by the Division Office after the JPC meetings held on 5 March 2012 and 24 September 2012. The tender for public auction was opened on 24 January 2013 and seven vehicles out of the 15 vehicles were lifted by the bidders on 7 February 2013 and one vehicle on 21 February 13 after delay of more than 10 days of the allowed free period for which no ground rent was recovered.

In Commissionerate of Customs, Preventive Mumbai, two lots of Ladies handbags were put in e-auction (December 2010) and the rates of ₹ 0.31 lakh and ₹ 12.22 lakh respectively were offered in e-auction by a bidder who deposited (January 2011) security money worth ₹ 3.13 lakh with the Department but did not lift the goods. Thus, the Department was required to forfeit the security amount and call for further e-auction but no such action was initiated.

In Commissionerate of Customs, Patna the Muzaffarpur Division did not recover any ground rent for delay of 20 to 200 days in lifting the goods after the issue of delivery order from successful bidders.

7.18 Conclusion

The system of disposal of seized and confiscated goods by the department was characterized by lack of proper maintenance of records, inadequate quality of documentation, non-projection of targets, delays in adjudication as well as non-compliance with the prescribed guidelines resulting in delays in disposal of the goods, blockage of storage space and loss to the public exchequer.

B. Import General manifest and Export General manifest

7.19 Introduction

Section 30 of the Customs Act, 1962 prescribes that the person-in-charge of a vessel or an aircraft carrying imported goods or his agent as per section 148 of the Act shall deliver to the proper officer, an IGM in the prescribed form prior to the arrival of a vessel/aircraft at a custom station or 12 hours after arrival of a vehicle. The time limit for filing the manifest is extendable on sufficient cause on proper officer's satisfaction failing which person in-charge is liable to penalty not exceeding ₹ 50,000. Import manifest or report is permitted to be amended or supplemented, if it is held that it is incorrect or incomplete but with no fraudulent intention. No order could be given to the master of a vessel for unloading any imported goods until an import manifest has been delivered or the proper officer is satisfied that there was sufficient cause for not delivering it under section 31.

Export General Manifest (EGM) is a similar declaration to be filed under section 41 by the steamer agents on behalf of the master of the vessel/aircraft before sailing of the vessel. This would contain complete details of all cargo loaded on board as well as carried as bottom cargo, destination wise list of crew members with details of their personal property, ship's stores etc.

The Central Board of Excise and Customs (Board) have made regulations under section 157 read with section 30 of the Import Manifest (Aircraft) Regulations, 1976 / Import Manifest (Vessels) Regulations, 1971, for filing import manifests and prescribed the forms in which they should be filed. Accordingly, import manifests are to be filed in duplicate, covering all the goods carried in the aircraft/vessel. The manifest in respect of a vessel is to consist of:

(i) an application for entry inwards—Form I (ii) a general declaration—Form II (iii) a cargo declaration—Form III (iv) a vessels stores list—Form IV (v) a list in Form V of property (private) in the possession of the master, officers and crew.

Mis-declaration in the aforesaid documents attracts penal provisions under Sections 111 (f) and 112 of the Customs Act, 1962.

Audit test checked the IGM/EGM filed in 14 Custom Houses under 11 Customs Commissionerate during 1 April 2010 to 31 March 2013 (**Appendix 47**).

7.20 Audit Findings

7.20.1 Non receipt/Delayed receipt of IGM from Import (Noting) Department

As per Paragraph 3 (Appendix A, Sl.No.1) of the Manifest Clearance Department (MCD) manual, the IGMs have to be received in the MCD from the Import Department, within 60 days of the entry inwards of the Vessel. In order to ensure that all IGMs are received punctually, the MCD shall, in terms of Paragraph 5 of the MCD manual, maintain a register of "Receipt of Import

General Manifests' and enter all the manifests therein in the order of rotation number, with the date of receipt mentioned against the respective entries

Test check of records in four custom houses at Kolkata, Mangalore, Karwar & Bangalore revealed that out of 19366 IGMs filed in Import Department through EDI system during the period from April 2010 to March 2013, 15266 IGMs (79 percent) were not received by MCD (**Appendix 48**).

The Commissionerate of Customs (I&G), New Delhi intimated (June 2013) that the information on receipt of the IGMs were not available as MCD has become defunct after introduction of EDI system.

In Kandla Custom House delay upto 47 days (beyond prescribed period of time limit of 60 days) in sending 1347 IGMs to MCD ranging was noticed. The Department in their reply (June 2013) stated that necessary action has been taken for correction of the said procedural lapses.

In Kandla Custom House discrepancy was also noticed in the number of IGMs sent by Import Noting Department to MCD and number of IGMs received as per records of MCD during 2010-11 to 2012-13. Audit sought reconciliation of above discrepancy from the concerned sections. In reply, Import Noting section confirmed its figures, whereas the MCD section stated that the difference in figures was attributed to the receipt of IGMs by the MCD after two months (**Appendix 49**).

Audit maintained that the observations were indicative of lack of co-ordination/effective follow up action between the two departments. The department accepted (December 2013) the observation and assured for precaution in future. Ministry's reply was awaited (March 2014).

7.20.2 Non-levy of penalty for late filing of IGMs

Under Section 30(1) of the Customs Act, 1962, the import manifest is required to be submitted prior to arrival of a vessel or aircraft. If the import manifest is not delivered to the proper officer within the prescribed time and if the proper officer is satisfied that there was no sufficient cause for such delay, person-in-charge or any person acting as an agent is liable to penalty not exceeding ₹ 50,000.

Audit scrutiny revealed late filing of 1992 IGMs in five custom houses at Kolkata, Hyderabad, Ahmedabad, Mangalore and Bangalore for a period ranging from 1 to 23 days after arrival of aircraft/vessel for which penalty leviable to the extent of ₹ 9.96 crore was not imposed (**Appendix 50**).

Custom House, Air Cargo Complex (ACC), Ahmedabad informed (September 2013) that no penalty was leviable in respect of 178 IGMs as the proper authority was satisfied with the reasons for late submission of IGM. However, the department did not furnish the cause for delay in IGM filing based on which they decided not to impose penalty.

Commissionerate of Customs (Airport), Kolkata stated (July 2013) that action in this regard has been initiated.

Hyderabad-II Commissionerate stated (July 2013) that delay may be due to upgradation of EDI from 1.0 version to 1.5 during August to September 2011. However, audit noticed that there was delay even after upgradation of EDI beyond September 2011.

Commissionerate of Custom, Mangalore replied (July 2013) that the date of berthing of the vessel has to be considered instead of date of arrival. Reply is to be viewed in the context of the fact that IGM is to be filed before arrival of the vessel as per Section 30 (1) of the Custom Act. Ministry's reply was awaited (March 2014).

7.20.3 Non levy of penalty for short landed goods under Section 116 of the Customs Act

As per paragraph 70 of the MCD Manual prompt and expeditious steps need to be taken by the MCD against Steamer Agents for imposition and realization of penalty, in respect of short landed goods which are not accounted for by them, under section 116. Accordingly, as per Section 116 of Customs Act 1962, the person in charge of the vessel/conveyance or his agent is liable to penalty not exceeding twice the amount of duty that would have been chargeable on the goods not unloaded or the deficient goods, as the case may be, had such goods been imported.

Test check of records in four Customs Houses at Kolkata, Ahmedabad, Karwar and Tughlakabad ICD revealed short landing of goods in 82 cases. Penalty amounting to ₹ 37.88 lakh was ascertained in respect of 18 cases of short landed goods whereas same was not ascertainable in respect of remaining 64 short landing cases due to non availability of duty figure **(Appendix 51)**.

Custom House, Air Cargo Complex (ACC), Ahmedabad stated that short landed goods under 6 IGMs were received on a later date and BE was filed for full quantity for which full duty was paid. Hence, Government's revenue was fully protected and no penal action was warranted.

Department's reply may be viewed in the context of the fact that there exist penal provision in Custom Act for short landed goods only which could not be made good by importing the remaining quantity of short landed goods on a later date.

Kolkata Port Commissionerate reported (July 2013/ January 2014) that out of 74 cases, penalty was realized in 6 cases, in 5 cases penalty was imposed, Out Turn Reports (OTRs) have been received in 14 cases and 9 cases are under process **(Appendix 52)**.

This is indicative of non-compliance to the provisions of MCD Manual and lack of co-ordination between the monitoring Departments. Ministry's reply was awaited (March 2014).

7.20.4 Non receipt/delayed receipt of Out Turn Reports (OTRs)/Cargo Segregation Reports (CSRs) from Port Authority/Airport Authority

As per Paragraph 3 (Appendix A, Sl. No. XIV) of the MCD manual, OTR/ Cargo Segregation Reports are to be received in MCD from the Port Trust authorities/Airport authorities in the first week of second month from the date of arrival of the vessel. On receipt of the OTR, the MCD is to issue Letter of Calls to the steamer agents on account of short landed goods. MCD is to pursue the supply of OTR from the Port Trust authorities so that correlating the goods in the IGM and OTRs may not be abnormally delayed and to assure that possibility of non-imposition of penalty for short landing of goods is ruled out.

In Kolkata Custom House under Kolkata (Port) Commissionerate, out of 7378 IGMs filed during the year 2010-11 to 2012-13, OTR in respect of 6111 IGMs were not received in MCD from Port authorities for which the penal action leviable for short landing of imported goods, if any, could not be ascertained in audit.

Custom House, Kolkata (Port) intimated (January 2014) that 588 nos of 'Nil' OTR and 14 nos of short landed OTR were received from Port authority between August and December 2013 against 6111 objected IGMS. However, action taken by the department against short landed OTR was not furnished (March 2014).

Similarly, in respect of Kolkata (Airport) Commissionerate, it was noticed from the statement of IGM filed that 22818 IGMs were filed but the department could not produce any Cargo Segregation Report (CSR) in respect of these IGMs.

In Vishakhapatnam Port, OTRs in 64 cases were received in MCD after a delay of 6 to 582 days from the date of expiry of 60 days from the arrival of the vessel.

Custom House Vishakhapatnam (Port) accepted the observation.

In Custom House Kandla, under Kutch Commissionerate, OTRs in respect of IGMs were neither received nor pursued by the MCD with the Port authority during FY 2010-11 to 2012-13.

Department accepted (December 2013) the observation and assured for future compliance.

In the Air Cargo Complex, RGI Airport under Hyderabad-II Commissionerate, 5899 CSRS were not received against 25820 IGMs filed during FY 2010-11 to 2012-13. The department replied (July 2013) that the difference was due to non-submission of CSRs by custodians in respect of aircrafts where no cargo was landed.

The reply is not in consonance with the provisions of MCD Manual whereby the custodians are required to submit CSRs in respect of each IGM to ensure proper tracking of imported goods. Ministry's reply was awaited (March 2014).

7.20.5 Non issue or delays in issue of letters of calls

As per Paragraphs 62, 63, 64 and 65 of the Manual of MCD, the Manifest Clearance Department after scrutiny of the manifest ascertains the deficiency in the unloading of the imported goods, by reconciliation of the manifest with the OTRS, submitted by the Port Trust authority and in case of short landing of imported goods identified, issue Letter of Call (LOC) calling for explanation for the short-landed goods, within 120 days of arrival of the vessel. Delays in issue of LOCs could affect the recovery of penalty u/s 116 from the agent concerned.

In 17 cases at Visakhapatnam Custom House and Mangalore Custom House delays ranging from 26 days to 235 days beyond 120 days were noticed in issuing of LOCs (**Appendix 53**).

Custom House Vishakhapatnam (Port) accepted the observation. Ministry's reply was awaited (March 2014).

7.20.6 Adjudication and levy of penalty u/s 116 of the Customs Act, 1962

Chapter VII of the MCD manual deals with adjudication and levy of penalty under Section 116 of the Customs Act. The MCD in custom house is to take timely and expeditious steps against steamer agents for imposition and realization of penalty against short landed goods as per section 116 of Custom Act. According to Para 86 (a) of the MCD manual, the penalties imposed by the adjudicating authority are required to be realized expeditiously and effort should be made to recover outstanding amounts of penalties. In case of long outstanding penalty, the provision of section 142 should be invoked to recover penalties.

In Kolkata Custom House under Kolkata Port Commissionerate audit noticed that in 5 cases de-novo adjudication were not taken up and in 3 cases the department did not complete adjudicating formalities for imposition of penalty of ₹ 30.81 lakh (**Appendix 54**).

Department intimated (December 2013) that 3 cases involving penalty of ₹ 24.09 lakh were adjudicated, out of which one case involving penalty of ₹ 23.32 lakh was dropped, whereas two cases were confirmed with realization of ₹ 0.20 lakh in one case.

In another 3 cases at Visakhapatnam Custom House, penalty aggregating to ₹ 28.17 lakh was levied but the same remained unrealized as the steamer agents had preferred appeal against the levy of penalty (**Appendix 55**).

Failure of the Department to pursue the cases vigorously resulted in undue financial accommodation to importers. Ministry's reply was awaited (March 2014).

7.20.7 Uncleared/unclaimed imported cargo lying with the custodian after unloading

Under Section 48 of the Customs Act, 1962, if imported goods are not cleared for home consumption, warehousing or transshipment within 30 days of their landing or within such extended time as the Assistant Commissioner of Customs may allow or if the title to any imported goods is relinquished, such goods may after notice to the importer and with the permission of the proper officer be sold by the person having custody thereof. The duty involved should be given to the customs from the realised sale proceeds, as per provision of Section 150 (2) of Customs Act, 1962.

Test check of records at seven custom houses revealed that 8727 imported consignments were uncleared /unclaimed as on March, 2013 which led to non-closure of at least 2348 IGMs. Further, this also led to blockage of revenue which could be ascertained to the extent of ₹ 21.89 crore in 246 consignments where Bill of Entry was filed. However, the extent of blockage of revenue due to non-disposal of uncleared goods in rest of the cases could not be ascertained as the department did not furnish the assessable value of the uncleared goods **(Appendix 56)**.

7.20.8 Non-levy of Penalty on un-manifested / improperly imported goods

According to section 32 of the Customs Act, 1962, imported goods required to be mentioned in an import manifest shall not, except with the permission of the proper officer, be unloaded at any customs station unless they are specified in such manifest for being unloaded at that customs station. Any dutiable or prohibited goods required to be mentioned in an import manifest which are not so mentioned and brought from a place outside India shall be liable to confiscation under Section 111 (f) of the Act *ibid*. In addition, as per section 112 of the Act, the person involved in any act for which the goods were liable for confiscation under section 111, shall be liable, in the case of dutiable goods, other than prohibited goods, to a penalty not exceeding the duty sought to be evaded on such goods or five thousand rupees, whichever is greater.

Test check of records at Air Cargo Complex, Ahmedabad revealed that one un-manifested cargo was received with cargo of IGM No.304195 dated 22 July 2012 and was subsequently cleared vide BE No.7421149 dated 18 July 2012 on payment of duty of ₹ 3.10 lakh under IGM No.305809 dated 26 July 2012, although it did not cover the imported goods. However, the penalty of ₹ 3.10 lakh leviable in this un-manifested case was not imposed.

Custom House Air cargo Complex, Ahmedabad furnishing EDI screenshot stated (September 2013) that both Master Airways Bill (MAWB) (No 61860415191) and

BE (No 7421191 dated 18 July 2012) were reflecting IGM No (305809 dated 26 July 2012) which indicates that the goods under MAWB are contained in IGM (No 305809).

Department reply is to be viewed in the context of the fact that IGM report (Hard Copy) of M/s 'Singapore Airlines Cargo PTE Ltd' for IGM No 304195 dated 22 July 2012 clearly showed the MAWB No 6186051519 as Cargo received unmanifested and the list of AWB annexed with IGM No 305809 dated 26 July 2012 does not contain the above MAWB number. Ministry's reply was awaited (March 2014).

In Custom House Mangalore, 22 IGMs were amended to include un-manifested imported goods without adjudication and levy of Penalty, as required under Circular No.13/2005-Cus dated 11 March 2005 (**Appendix 57**).

Department stated (July 2013) that as per Circular No. 44/2005-Cus dated 24 November 2005, the adjudication is required only in case of major amendment involving fraudulent intention or substantial revenue implication.

Audit is of the view that as the amendment in the quantity of goods already declared is covered under major amendments category specified in Circular No.13/2005-Cus, all such cases need to be adjudicated before amendment. Ministry's reply was awaited (March 2014).

In Air Cargo Complex, Kolkata, it was noticed that 9308 packages were landed excess during 2010-11 to 2012-13, but no penal action was found to be initiated by the department.

7.20.9 Non closure of IGMs

Chapter VIII of MCD manual provides a time limit of 10 months (from the date of entry of the vessel) for closure of IGMs with the approval of Assistant/Deputy Commissioner of Customs (MCD) when all cargo imported under an IGM have been cleared on payment of duty or free of duty according to the notifications/orders in force, or on satisfactory accountal by way of transshipment permit or otherwise. If for any reason a few of the imports covered by an IGM are not cleared for long time, the manifest is closed after transferring the outstanding items to the "pending register/disposal register" for watching the disposal.

Year wise details of IGMs filed in EDI and their outstanding position during 2001-11 to 2012-13 in respect of 8 Custom Houses were as under:-

Year	IGMs filed	IGMs closed	IGMs pending
2010-11	35521	13089	22432
2011-12	33688	13348	20340
2012-13*	32453	12759	19694

*Some of the cases mentioned against 2012-13 may still have some time for closure as prescribed time limit is 10 months.

The statistics from eight Custom Houses revealed that the closure of IGMs did not keep pace with their receipt resulting in increase in the number of pendency. The high pendency of IGMs showed that the purpose of the laid down procedure for timely closure of IGM had not been fulfilled which in turn increases the possibility of pilferage, deterioration, damage etc., and consequential loss of revenue to the customs department.

Some illustrative cases are mentioned below:-

(a) Scrutiny revealed that none of the 7378 IGMs filed in Kolkata Custom House under Kolkata (Port) Commissionerate and 22,818 IGMs filed in Air Cargo Complex, NSCBI Airport under Kolkata (Airport) Commissionerate during the financial year 2010-11, 2011-12, 2012-13 were found closed (**Appendix 58**) (Source: EDI Import data received from the department). Kolkata Port Commissionerate stated (July 2013) that EDI system requires upgradation as there is no provision in EDI system to close the IGM at present.

(b) The Commissionerate of Customs (I&G), New Delhi intimated (June 2013) that the information on closure of the IGMs were not available as MCD has become defunct after introduction of EDI system.

(c) Custom House, Kandla stated (December 2013) that 2343 nos. of IGMs were pending for closure as on 31 March 2013.

Ministry's reply was awaited (March 2014).

7.20.10 Other cases of operational malfunction

i. Absence of Inward Date against IGMs

On arrival of the vessel, the shipping line needs to approach the Preventing Officer for granting Entry Inwards. Section 31 of the Customs Act, 1962 requires that the Master of the vessel shall not permit unloading of any imported goods until an order is given by the proper Officer granting Entry Inwards to such vessel. Normally, Entry Inwards is granted only after the IGM is delivered. The date of Entry Inward is crucial for determining the rate of duty in case of filing of prior Bill of Entry, as provided in Section 15 of the Customs Act, 1962. However, unloading of items like accompanied baggage, mail bags, animals, perishables and hazardous goods are exempt from this stipulation.

Test check of EDI records of Kolkata (Port) Commissionerate revealed that inward date was not mentioned in 318 IGMs out of 7378 IGMs filed in Kolkata Custom House during 2010-11, 2011-12 and 2012-13.

Similar test check of EDI records of Kolkata (Airport) Commissionerate revealed that inward date was not mentioned against 5906 IGMs out of 22818 IGMs filed at Air Cargo Complex, NSCBI Airport during 2010-11, 2011-12, 2012-13.

Commissionerate of Customs (Airport) Kolkata stated (July 2013) that where passenger flight is not carrying any cargo, question of submission of inward date

does not arise. Further, when cargo is not cleared through system, inward dates are not submitted in those cases.

The Department reply is to be viewed in the context of the fact that inward date was absent even against 1582 IGMs where flight was carrying cargo.

The Commissionerate of Customs (Port) Kolkata intimated (July 2013) that the lapse was on the part of AC/DC, NSD, Budge Budge and were asked to feed the inward date in the system for the entire vessel irrespective of their status. Ministry's reply was awaited (March 2014).

ii. Non-accountal of manually filed Bills of Entry and Bills of Entry particulars of clearances made by SEZ units against IGM in the EDI.

MCD Manual lays down the procedure for closing of IGMs by posting Bills of Entry against the IGM lines of the respective IGM and placing the respective Bills of Entry, Transshipment Permits in the Ship's file. The purpose of accounting of imports can also be achieved electronically by ensuring that all the clearances of imported goods are reflected in the EDI, against the respective lines of the IGMs.

Test check of IGM status in EDI at ACC, RGI Airport, under Hyderabad-II Commissionerate, revealed that clearances of imported goods through Manual Bills of Entry in 50 cases and clearance of imported goods by SEZ units in 20 cases were not reflected/ed against the respective lines of the IGM and status was shown as 'Bills of Entry not filed'. Similar cases were also noted in Visakhapatnam Customs Commissionerate. Thus, due to non-accountal of such clearances in the EDI, the IGMs remain pending for closure for indefinite period although imports have been completed, resulting in increase in pendency of IGM closure.

Hyderabad-II Commissionerate stated (June 2013) that action has been initiated for uploading the data of manual Bills of Entry but expressed inability to upload the SEZ import data as the same is assessed at the respective SEZs.

The Department's contention is misplaced because in SEZ clearances also the customs authority at Port/Airport can enter the details of the pre assessed Bill of Entry against which the goods were cleared from the Port/Airport to SEZ unit enabling timely closure of IGMs.

iii. Deficiency in maintenance of records and monitoring mechanism

Audit attempted to evaluate operations and check functioning of controls in a bid to identify weaknesses/strength of monitoring mechanism prescribed in MCD manual. However, shortcomings were noticed in the following areas:-

iv. Inadequate maintenance of records

Audit scrutiny revealed that records relating to receipt of IGM in MCD section from Import (Noting) Department were not adequately maintained. Persuasion in case of pending receipts of IGMs from Import Noting Department was also not

being done on a regular basis. After introduction of EDI system, MCD should not have waited for hard copy from Import (Noting) Department in respect of IGM filed through EDI for further action, as copy of the same may be obtained from EDI system itself. Records of uncleared/unclaimed imported cargo lying with the custodian after unloading were also not available with customs. Ministry's reply was awaited (March 2014).

v. Non-adherence to the provisions of MCD Manual and need for its revision

Audit observed that in almost all MCD the practice of opening ship's files IGM wise and their closure was not being followed scrupulously leaving the cargo landed at port/airport from a vessel un-accounted for years together. Consequently, the provision of MCD manual is not being followed, nor the department issued any fresh instructions in this regard after introduction of the EDI system. It was also felt that after introduction of the EDI system, various provisions of MCD Manual became redundant as MCD intervention was not required at different steps, provided a provision is made in the EDI system for closure of IGM. In Commissioner of Customs (I&G), New Delhi, MCD has almost become defunct after introduction of EDI, as the requirement of opening a Ship file against each IGM and their timely closure to ensure realization of all government revenue on imported goods is not being followed up. In view of this, provisions of the MCD Manual need to be reviewed and revised. Ministry's reply was awaited (March 2014).

7.21 Insufficient monitoring controls in EDI

ICES application of Customs introduced in 1998, provided for the facility to file IGM and EGM electronically but till date the application has failed to develop software for closure of IGM electronically. System has also not been developed to take care of/feed the data of manual clearances in the EDI data to enable timely closure of IGMs. Ministry's reply was awaited (March 2014).

7.22 Out-Turn Reports (OTRs) from Port Trust authority

In Kolkata (Port) Commissionerate, audit noticed that sending of OTRs by Port Trust authority to Customs was not being monitored centrally, as OTRs were directly sent to MCD from different berths at the Kolkata Port causing considerable delay in locating the IGMs against which OTR has not been issued. This, in turn, delays issue of letter of calls and imposition of penalty to the Steamer/shipping agents in case of reported short landings. Moreover, there is no system for attaching tally-sheets with OTRs on a regular basis in case of short/excess landed goods. As a result, such OTRs were not accepted as a valid document for imposition of penalty against concerned steamer agents for short-landing of goods either at adjudication or appellate authority level.

Custom House Kolkata (Port) intimated (January 2014) that efficiency in maintenance of records have already been made by the staff of MCD. Ministry's reply was awaited (March 2014).

7.23 Conclusion

The test audit of 14 Custom Houses under 11 Customs Commissionerate has revealed instances of violations of rules and procedures framed to give effect to the provisions in the Customs Act regarding filing/closure of IGMs.

Audit also noticed departure from the provisions of MCD manual in receipt of IGMs, in opening of Ship files, issue of LOC, timely receipt of OTR, non levy of penalty for short landed goods or clearance of un-manifested goods.

Audit found that the procedure for filing and closure of IGMs was not being scrupulously followed as per the codal provisions which may weaken the monitoring control over landing/movement of goods and collection of assessed duty/penalty.

C. Public and private bonded warehouses

7.24. Introduction

Warehousing is a facility allowed to importers to defer payment of duty on imported goods for a period permissible under the Customs Act, 1962 till their actual clearance on payment of appropriate duty to other warehouses or their supply to foreign going vessel or aircraft as provision or store. The statutory provisions of warehousing are contained in sections 57 to 73 of the Customs Act, 1962.

Records for three years from 2010-2011 to 2012-2013 maintained in Custom houses relating to 50 public and 76 private bonded warehouses (**Appendix 59**) appointed/licenced by Customs and Central Excise Department in 20 Commissionerates (**Appendix 60**) were examined during April 2013 to June 2013.

7.25 Audit findings are in the succeeding paragraphs:

7.25.1 Excess holding of goods in warehouse

Public bonded warehouses are appointed under section 57 while private bonded warehouses are licenced under section 58 of Customs Act, 1962. At the time of grant or renewal of a licence, the maximum stock in terms of value of goods and duty that can be stored in the warehouse are specified in the licence by the Customs department, wherein it is stipulated that the value of goods stocked in the warehouse and duty thereon should not at any point of time exceed the ceilings specified.

Test check revealed that in nine cases of four²⁸ Commissionerates excess stock amounting to ₹ 270.69 crore was held during the period 2010-13.

Illustrative cases are narrated below:

(a) Records of M/s PSL Ltd., a Private bonded warehouse under Ahmedabad Commissionerate, revealed that maximum value of goods permitted for warehousing was Rs.20 crore. However, goods amounting to 91.28 crore were warehoused.

(b) In five warehouses under Tuticorin Commissionerate, the stock held was excess to the extent of ₹ 179.30 crore.

7.25.2 Insufficient insurance coverage of warehoused goods

According to guidelines issued by Ministry of Finance, Department of Revenue vide their Circular No.99/95 dated 20 September 1995 in case of Private warehouses, warehoused goods are to be insured by the warehouse keeper against theft, pilferage, fire, accidents, other natural calamities, risk against rioting etc. at least for a value equal to the customs duty by a comprehensive

²⁸ {Tuticorin- 5 cases; ₹ 179.30 crore, Mundra-1case ₹ 72.41 crore, IGI Airport (New Delhi)- 1 case; ₹ 4.98 crore & JNCH, Mumbai – 2 cases; ₹ 14 crore}

insurance policy drawn in favour of the Commissioner of Customs. Similar guidelines for safeguarding revenue in respect of Public warehouses were not in existence except for a clause in the appointment/renewal of licence to the effect that the licence holder would be solely responsible for the safe custody of the bonded goods.

Audit scrutiny revealed that in 15 warehouses (5 public and 10 private) in five Commissionerates {Mumbai NCH, Mumbai JNCH, Pune, Jaipur and Chennai) there had been violations in this regard. Insurance policies of only ₹ 269.25 crore were taken and were woefully insufficient to safeguard duty amount of ₹ 819.96 crore. Insurance policy involving duty of ₹ 2924.92 crore in case of seven Public (Pune-1, Chennai-5, Jaipur-1) and 17 private warehouse (Chennai- 12, Gwalior-2, Pune- 3) of three Commissionerates (Chennai, Jaipur and Pune) was not drawn in favour of Commissioner of Customs but in favour of warehouse keepers.

Illustrative cases are narrated below:-

(a) Audit scrutiny revealed that in respect of Public / Private bonded warehouses licenced by the Chennai Commissionerate the comprehensive insurance policy taken by the warehouse-keepers for the insured amount of ₹ 2824.82 crore was not drawn in favour of the Commissioner of Customs. Instead the same was insured in their favour or in some other insurer's name which is contrary to the aforesaid provisions. This was brought to the notice of the department/Ministry in June /December 2013; their reply was awaited (March 2014).

(b) In a Public bonded warehouse under Mumbai-I Commissionerate the customs duty on stock held in the warehouse as on 31st March 2013 was ₹ 591.88 lakh against the insured value of ₹ 165.10 lakh resulting in inadequate insurance coverage and consequent risk of loss of duty. This was pointed out to the department/Ministry in May /December 2013. Ministry's reply was awaited (March 2014).

7.25.3 Loss due to theft, fire, shortage etc.

Test check of records of M/s Central Warehousing Corporation, Vashi under Mumbai- I Commissionerate revealed that in Public bonded warehouse, due to inadequate provisions for safeguard by the warehouse keepers according to aforesaid instructions (only 3 Home guards and 5 watchmen were deployed), theft of 250 meter of cable wire occurred leading to loss of revenue to the tune of ₹ 2 lakh and loss of ₹ 15 lakh occurred due to fire in which 6525 sulphur bags were destroyed.

7.25.4 Irregular/non- extension of warehousing period

According to section 61 of the Customs Act, 1962, the warehousing period prescribed is one year initially subject to its being extended by the Commissioner

of Customs up to six months, and by the Chief Commissioner of Customs for a further period as he may deem fit. The application for such extension is to be made in the prescribed format at least 15 days prior to the expiry of warehousing period, but there is no time limit for extension prescribed for by the Chief Commissioner.

- i. Audit scrutiny of Central Warehousing Corporation Vashi (Mumbai) revealed that M/s SMS Central System Pvt. Ltd imported "Van Xray system" amounting to ₹ 6.66 crore from USA and had entered into Bonded Warehouse on 16 December 2011. Despite expiry of bond period on 11 December 2012, the bond was neither further extended nor the goods were cleared for home consumption. No records for extension of the bond were available. This resulted in loss of revenue to the extent of ₹ 179.86 lakh (duty) and ₹ 32.37 lakh interest thereon.
- ii. M/s Flemingo DFS Ltd was granted extension for first time up to 7 September 2011 (file no. S/13-22/11-12 dated 31 May 2011). Further, on the expiry of the said bond a second extension was granted till 6 December 2011 (file no. S/13-22/11-12 dated 14 November 2011). Audit noticed that goods (11 pieces of Amarula Cream) remaining in the stock were sold on 7 December 2011 i.e. after expiry of the warehousing period. No certificate regarding extension of the bond was available.

7.25.5 Non submission/deficient warehousing bonds

According to section 59 of the Customs Act, 1962, the importer warehousing the goods is required to execute a bond binding himself to a sum equal to twice the amount of the duty assessed on such goods. Further, according to provisions of section 73 of the Act, these bonds are to be cancelled when all amounts due have been paid or the goods are duly accounted for.

- i. Audit scrutiny revealed that in 289 cases under Mumbai Commissionerate bonds for ₹ 446.56 crores only were executed against the required bonds at twice the amount of duty amounting to ₹ 553.10 crore.
- ii. Audit of records of Central Warehousing Corporation of M/s Jaquar and Company Pvt. Ltd. Unit –II Bhiwadi, and M/s Lloyd Electric & Engineering Ltd. 146 (B&C) Bhiwadi showed that they had executed bond for ₹ 20 crores whereas the bond had to be executed for a sum equal to twice the amount of duty assessed on such goods amounting to ₹ 70.12 crores.
- iii. M/s Bilcare Limited (Pune Commissionerate) had warehoused goods executing three Bonds vide Nos. 2000203249, 2000221353, 2000242635 dated 12 December 2011. The importer had ex-bonded all the goods from the warehouse but bonds were not cancelled resulting in non compliance of provisions of section 73 by the Customs Department.

When pointed out by Audit (June 2013), the department stated (June 2013) that the bonds have been cancelled.

7.25.6 Non-levy/short levy of duty on clearance of warehoused goods for home consumption

As per Section 15 of the Customs Act, 1962 the rate of Customs duty applicable is the rate on the date on which the goods are actually removed from the warehouse. However, when the warehousing period or the extended warehousing period has expired, the duty payable was with respect to the date when the warehousing/extended warehousing period expired and not the actual date of removal. In so far as value for assessment of duty for warehoused goods is concerned, it is not required to be re-determined and it is the original value as determined at the time of filing of Into-Bond Bill of Entry and assessments before warehousing.

(i) Audit scrutiny revealed that in case of M/s Wind power Energy Pvt.Ltd under Chennai Air commissionerate the duty and interest at the time of ex-bonding was short collected to the tune of ₹ 0.25 crore **(Appendix 61)**.

(ii) Similarly in case of ex-bond clearance made by M/s. Stylish Cement Products Pvt. Ltd at Bengal Bonded Warehouse Association (BBWA) warehouse at Kolkata, the importer paid the duty prevalent on the date of clearance of goods (after expiry of the bonding period) instead of payment of duty at the rate applicable on the date of expiry of bonding period i.e. deemed date of removal from the warehouse, which was in contravention to the circular no. 31/97 Cus. This resulted in short levy of duty and interest amounting to ₹ 6.44 lakh **(Appendix 61)**.

7.25.7 Non levy/short levy of interest on clearance of warehoused goods

If the warehoused goods remain in the warehouse beyond the initial warehousing period on account of extension or otherwise, interest is payable on the duty at the time of their clearance from the warehouse.

(i) Audit scrutiny of records of CWC Kalamboli & others in JNCH Commissionerate, Mumbai in respect of M/s Cipla Limited & others revealed that the interest to the tune of ₹ 1.07 crore was not levied/short levied on clearance after the initial warehousing period of 90 days.

(ii) Similarly, scrutiny of records of M/s Hazel Mercantile Ltd. Kandla, a Private bonded warehouse in Ahmedabad, and M/s Central Warehouse Corporation (CFS) (Adalaj), Ahmedabad, a Public bonded warehouse for the period of 2010-11 to 2012-13 revealed that the warehoused interest amounting to ₹ 6 lakh was short levied/non levied in case of clearance of goods after the initial period of 90 days **(Appendix 62)**.

Further, analysis of ICES 1.5 all india import data for the period April 2011 to March 2013 also revealed incorrect calculation of warehousing interest by ICES 1.5 application.

7.25.8 Irregular clearance of warehoused goods

Central Board's of Excise and Customs Circular No. 473/291/88-cus VII, dated 3 October 1988 read with Para 19.4 of chapter 9 of Customs manual prescribed the procedure for clearance of warehoused goods. As per its provisions, Bill of Entry in which the total value of goods exceeds ₹ 1 lakh should be invariably countersigned by the AC/DC in charge of the bonded warehouse. Further, all ex-bond Bills of Entry in respect of which there is any re-assessment done by the Superintendent should be countersigned by the AC/DC.

(i) Audit scrutiny of records of the Private Bonded warehouse of M/s J.K. Tyre & Industries Ltd. Kankroli, Rajsamand, Rajasthan for the period of 2010-13, revealed that ex-bond Bills of entry involving assessable value exceeding ₹ 1 lakh were cleared from the Bonded warehouse on assessment by the Superintendent, without being counter signed by the AC/DC in charge. Thus, clearance of warehoused goods exceeding ₹ 1 lakh without countersignature of AC/DC having value of ₹ 6.92 crore involving duty of ₹ 1.62 crore was irregular.

(ii) M/s Bil Care Limited (Pune Commissionerate) had imported PVC Films and warehoused it under bond vide B/E No. 3602573 dtd. 25 May 2011 in ICD Dighi. In the month of March 2012, 9 pellets of PVC Films were cleared (ex-bond B/E vide no. 6351502 dtd. 24 May 2012) leaving 3 pellets warehoused. Due to some error in the entry a certificate of amendment was issued in June 2012 after a lapse of one month from the date of final removal of goods (May 2012). The goods were removed with B/E No which never existed and were neither regularised by proper amendment.

7.25.9 Time expired uncleared goods awaiting disposal action

If the warehoused goods are not removed within the prescribed period, the proper officer has to demand full amount of duty chargeable on account of such goods together with all penalty, rent, interest and other charges payable in respect of the goods and the importer shall pay the demand and clear the goods (Section 61 (b) of the Customs Act, 1962). In case of failure to pay the amount demanded, the importer is liable for recovery action under section 142. Besides, the Assistant/Deputy Commissioner of Customs is required to immediately proceed to detain the goods and take action for recovery of duty by auctioning the goods according to the provisions of Section 72 of the Customs Act, 1962.

Test check of records in 11 Commissionerates {Hyderabad-II, Indore, NCH-Delhi, Tuticorin, Chennai (Sea), Chennai (Air), JNCH, Mumbai, NCH-Mumbai, Pune, Kolkata Custom House and Bangalore-Karwar) revealed that 6491 cases of time expired warehoused goods amounting to ₹ 1056.47 crore were awaiting disposal action for a period ranging from one to more than 20 years. With the passage of

time the goods were losing their commercial value and a considerable amount of revenue had also been blocked in the form of customs duty and interest thereon (**Appendix 63**).

7.25.10 Age wise analysis of un-disposed goods

Of the aforesaid time expired goods, age-wise analysis of 6491 cases involving revenue of ₹ 105646 crore awaiting disposal action in 11 Commissionerates is tabulated as under:-

(Cr. ₹)			
Years	No. of cases	Assessable value of the goods	Duty and interest involved
More than 20	653	1964	2404
Between 10 & 20	2382	30777	13975
Between 5 & 10	901	3554	1947
Between 1 & 5	2555	69351	6542
Total	6491	105646	24868

Illustrated cases are discussed below:-

(i) Audit scrutiny of records of C.W.C. Public Bonded Warehouse Pithampur, Dist. Dhar (M.P.), revealed that six time barred bonded goods amounting to total duty of ₹ 35.51 lakh against assessable value of ₹ 31.92 lakh were pending for disposal since March 1990.

(ii) In 261 cases goods warehoused in Public and Private bonded warehouses under Chennai Customs Commissionerate, involving a total duty of ₹ 37.41 crore were awaiting disposal for a period ranging up to 339 months from the date of expiry of warehousing period.

(iii) In CWC Vashi under NCH Commissionerate (Mumbai) seven consignments of Motor vehicles valued at ₹ 0.53 crore imported (November 2011) were not cleared after the expiry of warehouse period and expiry of bond. Customs duty involved in these cases amounting to ₹ 340.24 crore and interest amounting to ₹ 33.37 lakhs was recoverable.

7.25.11 Loss of revenue due to delay in auction/sale of uncleared goods

Test check revealed that in the case of 811 consignments of goods valued at ₹ 474.41 crore imported through five Commissionerates and warehoused in public and private customs bonded warehouses were not cleared, as such the Department detained the same to be sold through auction. With the passage of time the goods lost their commercial value with loss of duty and interest amounting to ₹ 146.73 crore (**Appendix 64**).

(i) Audit scrutiny of records of M/s CWC Vashi & Kalamaboli revealed that 122 cases involving a total duty of ₹ 22.01 crores were awaiting disposal for period ranging up to 112 months from the date of expiry of warehousing period.

(ii) During test check of Warehouse Register maintained at Import Bond section, Custom House, Kolkata it was noticed that 334 cases of imported goods warehoused during the period from June 1979 to March 2012, involving customs duty of at least ₹ 83.81 crore were lying uncleared even after expiry of warehousing period permissible under Section 61 of Customs Act, 1962.

7.25.12 Non recovery/short recovery of establishment charges

According to regulation No.4 (v) of manufacture and other operations in Warehouse Regulations 1966, read with Ministry of Finance instructions issued in April 1991, the cost of establishment charges in respect of posts created on cost recovery basis, shall be equivalent to 1.85 times the average cost of the post i.e average pay of the post and allowances including dearness allowance and other allowances.

(i) In Commissioner of Customs, Visakhapatnam, arrears of cost recovery charges of ₹ 1.94 crores from M/s Hindustan Shipyard Ltd (ship manufacturing Bonded Warehouse), Visakhapatnam, for the period from March 2004 to March 2013, were pending realization.

(ii) In respect of M/s Central Warehousing Corporation Vashi under Mumbai Commissionerate, establishment charges for the period 1996 to 2011 were not recovered/short recovered by Customs Department from warehouse keepers to the extent of ₹ 0.98 crores.

7.25.13 Short recovery of Merchant Overtime Fees

Test check revealed that in respect of five²⁹ bonded warehouses establishment charges to the extent of ₹ 2.42 crore for the period 2010 to 2013 were not recovered/short recovered from warehouse keepers by the Customs Department.

7.25.14 Non-furnishing of Re-warehousing Certificates

According to section 67 read with notification No.59-Cus dated 1 February 1963, if the warehoused goods are removed from one warehouse to another, in a different town for re-warehousing, the importer should execute a bond and give bank guarantee, binding himself to produce within three months or within the extended period, a certificate issued by the proper officer that the goods have arrived at the place of destination, failing which the bond equal to the amount of import duty leviable on such goods shall stand forfeited.

Test check revealed that in respect of three Commissionerates in 334 cases warehoused goods amounting to ₹ 19.08 crore had been removed to warehouses in different towns, during the period 2010 to 2013. Neither had re-warehousing certificates been produced by the proper officer nor had the Department taken action to forfeit the outstanding bonds/bank guarantees.

²⁹ {M/s Sterlite Ind. Ltd- Tuticorin; ₹ 0.88 lakh, C.W.C.Vashi-Mumbai; ₹ 0.98 crore, Raghava warehouse-Hyderabad; ₹ 0.05 lakh, J.K.Tyre Ind. Jaipur; ₹ 0.06 lakh & C.F.S, Pimpri/ICD, Dighi- Pune; ₹ 1.44 crore}

Customs duty amounting to ₹ 20.54 crore {Chennai-275 cases; ₹ 19.08 crore, Hyderabad- 58 cases; ₹ 0.35 crore and Ahmedabad- 1 case ₹ 1.11 crore} involved in these cases remained unrealized.

Cases are illustrated below:

(i) A test check of transfer Bond register maintained by the Chennai Sea Commissionerate, for the period (2010 – 2011) to (2012-2013) revealed that re-warehousing certificates for the receipt of goods at the warehouses/EOU in different stations had not been received in respect of 275 Transfer Bonds as on June 2013. Of this, customs duty amounting to ₹ 19.08 crore remained unrealized in respect of Transfer Bonds pertaining to the period 2010 – 2011 to 2012-2013. Even though Customs department informed the concerned Assistant Commissioner of Central Excise about the non-receipt of re-warehousing certificates, no follow-up action was taken to recover the duty as assured by the importers in the transfer bonds.

(ii) In the case of M/s Raghava Warehouse, (Hyderabad) it was noticed that in 58 cases the re-warehousing certificates have not been received although the three month period as stipulated has already expired. The duty recoverable for non-furnishing of re-warehousing certificate within 3 months, worked out to ₹ 0.35 crore. When brought to notice, it was replied that the objection would be looked into.

(iii) During scrutiny of records of Public bonded warehouse M/s Central Warehouse Corporation (CFS) Adalaj, Ahmedabad, for the period of 2010-11 to 2012-13, it was noticed that 154 MTS Melamine having value of ₹ 1.11 crore was transferred on ownership basis vide Ex-bond bill of entry, to M/s Durferrit Asea Pvt. Ltd. (EOU) Andhra Pradesh. There were no records of re-warehousing certificate received.

7.25.15 Storage of goods in warehouse beyond the permissible period

As per section 61 of the Customs Act, 1962, the warehousing period of goods deposited in a warehouse or in any other warehouse to which they may be removed, is as under:

- i. Capital goods intended for use in any EOU, may be kept for five years.
- ii. Goods other than the capital goods intended for use in any EOU, may be kept for three years.
- iii. Any other goods may be kept for one year.

The said warehousing period may be extended, on sufficient cause being shown, by the Commissioner of Customs, for a period not exceeding six months and by the Chief Commissioner of Customs for such further period as he may deem fit. Further, as per paragraph 4 of circular no. 47/2002- Cus. dated 29 July 2002, before consideration of a request for extension of warehousing period, Custom Houses

should ensure that the interest accrued on the goods in the preceding period are paid by the applicants before further extension is permitted.

M/s Maithan Ispat Ltd., Jajpur (Orissa) was permitted extension of warehousing periods of their goods stored under the Chief Commissioner of Customs, Kolkata thrice but accrued interest of ₹ 0.40 crore as per aforesaid circular was not collected by the department before grant of the said three extensions. This was brought to the notice of the department in June 2013, their reply is awaited (March 2014). Ministry's reply was awaited (March 2014).

7.25.16 Goods pending clearance under section 49 of Customs Act

Section 49 of Customs Act, 1962 provides that in the case of any imported goods, whether dutiable or not, entered for home consumption, the Assistant Commissioner of Customs or Deputy Commissioner of Customs is satisfied on the application of the importer that the goods cannot be cleared within a reasonable time, the goods may, pending clearance, be permitted to be stored in a public warehouse, or in a private warehouse if facilities for deposit in a public warehouse are not available; but such goods shall not be deemed to be warehoused goods for the purposes of this Act, and accordingly the provisions of Chapter IX shall not apply to such goods.

(i) Forty three consignments with assessable value of ₹ 185.94 lakh and involving duty of ₹ 3.40 crore warehoused during 2010 to 2013 under section 49 of the Customs Act, 1962, in private warehouses of JNCH Commissionerate, were awaiting clearance. With the passage of time these were losing their commercial value and also blocking Government revenue amounting to ₹ 3.40 crore. Though these goods were mentioned in the monthly statements of time barred goods furnished by the custodian to the Customs Department, no disposal action was taken by the Department as per section 48 of the Customs Act (**Appendix 65**).

(ii) Scrutiny of monthly bond statement submitted by CWC warehouse Import & Export, Kolkata for the month of March 2013, revealed that 46 consignments of imported goods amounting to ₹ 11.17 crore involving duty amount of at least ₹ 0.20 crore were kept in the warehouse during 1980 to 2002 under Section 49 of Customs Act, 1962 but were lying undisposed even after expiry of more than 11 to 32 years (**Appendix 66**).

7.26 Audit of warehouses

As per Circular No.52/98-Cus., dated 27 July 1998, Bonded warehouses shall be audited once in six months. In the course of audit, all the consignments which continue to lie in warehouse after expiry of the warehousing period should be taken up for scrutiny in order to guard against deterioration, substitution or other unlawful removal.

(i) In case of CONCOR, Hyderabad when the details of audit were called for, it was replied that the information would be submitted. And in case of M/s

Raghava Warehousing and Logistics Services Pvt. Ltd, it was replied that the departmental audit was not conducted.

(ii) In Delhi Commissionerate it was observed that only five units were visited once in three years, the remaining 55 units were not visited at all despite the fact that all the units visited had brought to light cases of deficiencies. Therefore, the frequency of visits of Special Investigation and Intelligence Branch (SIIB) inspections may be increased to safeguard Government revenue.

(iii) It was observed that in Indore Commissionerate, Custom revenue of ₹ 33.43 crore was received by the department from three bonded warehouses during the period 2010-11 to 2012-13 (Public Bonded warehouse, Pithampur; ₹ 1.39 crore, Private Bonded warehouse, Pithampur; ₹ 1.21 crore and Private Bonded warehouse, Ghatabillod; ₹ 30.83 crore), but no audit was conducted of any of the warehouses.

7.27 Improper control over warehoused goods

Provisions of section 62 of the Customs Act, 1962 read with provisions of Customs Manual stipulate that warehoused goods should not be removed from the warehouse without the permission of proper officer. Preventive officer of customs is to accompany the importer/agent with the key of customs lock and is to put his signature in the bond stock register maintained in the warehouse. The private warehouse keeper has to submit statement report of receipt, issue, balance in bond to customs bond department to locate time expired goods lying in warehouses and to ensure that there is no discrepancy in the stock of Custom house record vis-à-vis warehouse record.

(i) Audit scrutiny of records of Central Warehousing Corporation of M/s Jaquar and Company Pvt. Ltd. Unit –II Bhiwadi, and M/s Lloyd Electric & Engineering Ltd. 146 (B&C) Bhiwadi under Jaipur commissionerate for the period of 2010-11 to 2012-13 revealed (June 2013) that the Preventive Officer did not accompany the importer/custodian on the dates of entry/removal of warehoused goods which was evidenced by the fact that the Bond-stock register was not bearing signature of the Preventive officer. Thus there is a lapse in preventing risk of substitution and un-lawful removal of warehoused goods.

(ii) In Mumbai Commissionerate in respect of 1 Public and 5 private warehouses, it was noticed that the statement report of receipt, issue, and balance in bond was not submitted to Customs Bond Department. Non-submission of monthly report leads to improper control of warehouse goods. This was pointed out and accepted by the department.

(iii) The Ex-bond clearances need to be entered in the 'Warehouse Bill Register', and the entries need to be signed by the Bond Officer indicating the supervision of the removal of the warehoused goods. However, it was seen from the Warehouse Register furnished by M/s Container Corporation of India Ltd (CONCOR), and M/s Central Warehousing Corporation (CWC), under ICD,

Sanatnagar, Hyderabad –II Commissionerate, that in some cases listed under this para, the register showed 'none'/'only part' of the stock as cleared as at the end of the year. However, on verification by Audit in the EDI System, it was found that the stocks were completely cleared from the warehouse.

(iv) Similarly, scrutiny of records of private bonded warehouse M/s Indo Nippon Chemicals Co. Pvt. Ltd. (Kandla), for the period of 2010-11 to 2012-13 revealed that signature of Preventive officer (PO) was not found in the Bond Stock register which signifies the fact that the PO had not accompanied the importer/custodian on the dates of entry/removal/clearance of the warehoused goods.

7.28 Non authentication of into bond bills of entry/ex-bond bills of entry

Scrutiny of warehouse stock registers maintained by Commissionerates of Ahmedabad, Chennai, Jaipur and Hyderabad revealed instances of non-attestation of entries relating to Into-bond bills of entry and ex-bond clearances.

Illustrative case is narrated below:

Test check of warehouse stock register maintained at Public and Private bonded warehouses under the control of Chennai Sea Commissionerate revealed that there were five instances of non-attestation of entries relating to Into-Bond and Ex-Bond Bills of Entries. There was also no indication in the register to show that the Bond Superintendent has checked the entries of the register once a month.

7.29 Improper maintenance of records and lack of effective monitoring mechanism

Provisions in the manual envisaged that it was mandatory for the warehouses to submit status reports relating to consignments pending for one year and above and cross check position in the Custom house where the warehousing bills of entry originated. Further, Customs Preventive manual prescribed that the bond superintendent should check bond stock registers at least once a month and the officers posted in private bonded warehouses were required to send every month a statement of receipts, issues and balances in bond.

Audit of the procedures revealed that in most of the Commissionerates these instructions were not being followed, monitoring was weak and maintenance of records was improper. Monthly receipt/Issue/Balance statements were not given by the warehouse keeper. Bond Registers were not attested by the Superintendents/Preventive Officers.

(i) The scrutiny of Bond Registers at the Bond Section, NCH , New Delhi for the period 2010-13 revealed that the double duty bond registers were not properly maintained, not signed by the officer regularly, and were not checked by the Bond Superintendent monthly. Further, the officers posted at the Private Bonded Warehouses had also not been sending monthly statement to the Bond

Department on the last day of every month showing Receipt/issue and balances in hand.

(ii) In respect of M/s Taj Sats Air Catering under Goa Commissionerate and M/s Indo Rama Synthetics of Nagpur Commissionerate, monthly statement of receipt/issue and balances were not furnished monthly to the Bond Department. In the absence of such basic control measures, there is little assurance on the Department to guard against the risk of substitution of warehoused goods and their unlawful removal.

7.30 Conclusion

Audit of the procedures revealed that in most of the Public Warehouses under the Commissionerates test checked, monitoring was weak and maintenance of records was improper. There was insufficient coverage of inspection/audit by Departmental officers and customs audit parties. Non-initiation of action under section 72 of the Customs Act, 1962 also resulted in blockage of large amount of Government revenue, which would inevitably turn into loss with the passage of time due to deterioration, substitution and loss of commercial value of goods.

The audit check has also revealed several instances of violation of rules, regulations and procedures framed under the Customs Act, 1962 relating to warehousing and clearance of goods. Unjustified extensions and lack of timely and effective action for preventing misuse of the facilities led to blockage of substantial revenue.

Audit maintained that the Department should improve the compliance to rules and regulations laid down and strengthen its internal controls.

New Delhi

Dated:

**(NILOTPAL GOSWAMI)
Principal Director (Customs)**

Countersigned

New Delhi

Dated:

**(SHASHI KANT SHARMA)
Comptroller and Auditor General of India**

ANNEXURE - I

Annexure - I
(Reference: Paragraph 1.29)

(lakh ₹)

Sl No.	Draft Audit Paragraph	Field office name	Brief subject	Amount objected	Amount Accepted	Amount recovered	Name of the Commissionerate/DGFT/DC
1	B1	Delhi	Non levy of anti dumping duty	12.40	12.40	12.20	ICD, Patparganj
2	B2	Delhi	Short levy of duty due to misclassification	60.28	60.28	68.58	ICD, Patparganj
3	B3	Chennai	Non levy of safeguard duty	24.12	24.12	28.17	Chennai (Sea)
4	B4	Chennai	Short levy of duty due to misclassification	26.02	26.02	29.96	Chennai (Air)
5	B5	Delhi	Short levy of duty due to incorrect grant of notification benefit	14.76	14.76	15.58	ICD, Patparganj
6	B6	Delhi	Short levy of duty due to misclassification	7.99	7.99	7.66	ICD, Patparganj
7	B7	Delhi	Short levy of duty due to misclassification	16.74	16.74	8.06	ICD, Tughlakabad
8	B8	Chennai	Short levy of duty due to misclassification	42.30	42.30	22.73	Chennai (Sea)
9	B9	Chennai	Short collection of duty due to misclassification	15.25	15.25	16.97	Chennai (Sea)
10	B10	Chennai	Short collection of duty due to misclassification	9.18	9.18	11.42	Chennai (Air)
11	B11	Chennai	Non levy of duty due to misclassification	31.68	31.68	38.16	Chennai (Sea)
12	B12	Chennai	Short collection of duty due to misclassification	80.37	80.37	57.13	Chennai (Sea)
13	B13	Chennai	Short collection of duty due to misclassification	13.30	13.30	15.47	Chennai (Sea)
14	B14	Delhi	Short levy of additional duty due to incorrect grant of notification benefit	11.56	11.56	11.32	ICD, Tughlakabad
15	B15	Bangalore	Excess duty credit under SFIS scheme	34.04	34.04	34.04	JDGFT, Bangaluru
16	B16	Bangalore	Non levy of anti dumping duty on domestic tariff area sales	17.47	17.47	22.93	Commissioner of Central Excise, Bangalore -1
17	B17	Ahmedabad	Short debit of customs duty in EPCG licence due to misclassification	14.39	14.39	16.04	Custom Hosue, Jamnagar

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SI No.	Draft Audit Paragraph	Field office name	Brief subject	Amount objected	Amount Accepted	Amount recovered	Name of the Commissionerate/DGFT/DC
18	B18	Ahmedabad	Short levy of duty due to incorrect application of basic customs duty rate	52.44	52.44	63.15	Custom House, Dahej
19	B19	Ahmedabad	Short levy of duty due to misclassification and irregular grant of duty exemption	13.93	13.93	15.23	Custom House, kandla
20	A4	Hyderabad	Excess grant of duty credit under VKGUY scheme	14.65	14.65		JDGFT, Hyderabad
21	A6	Chennai	Short collection of duty due to misclassification	17.55	17.55		Chennai (Sea)
22	A7	Bangalore	Non-fulfillment of export obligation in respect of EPCG licence	18.36	18.36		ICD, Bangaluru
23	A9	Ahmedabad	Non levy of duty on used drums/IBC tank cleared in DTA	29.52	29.52	32.78	Vapi
24	A10	Mumbai	Short levy of duty due to misclassification	11.94	11.94		JNCH, Mumbai
25	A13	Kolkata	Short levy due to irregular assessment of DTA sale	17.62	17.62	3.86	Dy. Commissioner of Customs, Falta SEZ
26	A14	Delhi	Short levy of duty due to misclassification	7.62	7.62	2.88	New Custom House & ICD Patparganj
27	A15	Kochi	Non-fulfillment of export obligation	26.49	26.49	44.34	JDGFT, Kochi
28	A18	Chennai	Short levy of duty due to misclassification	19.69	19.69	1.36	Chennai (Sea) Customs
29	A20	Chennai	Short levy of customs duty due to incorrect grant of concessional rate of duty	14.52	14.52	8.67	Chennai(Sea) Customs
30	A21	Chennai	Short levy of customs duty due to misclassification	89.57	89.57	8.03	Chennai (Sea)Customs
31	A22	Chennai	Short levy of basic customs duty due to misclassification	19.67	19.67		Chennai (Sea) Customs
32	A23	Chennai	Short levy of customs due to incorrect application of exemption notification	16.31	16.31	17.00	Chennai (Sea) Customs
33	A24	Chennai	Non levy of additional duty of customs due to misclassification	28.77	28.77	15.37	Chennai (Sea) Customs

SI No.	Draft Audit Paragraph	Field office name	Brief subject	Amount objected	Amount Accepted	Amount recovered	Name of the Commissionerate/DGFT/DC
34	A26	Chandigarh	Irregular grant of duty credit scrip under served from India scheme	12.43	12.43	12.43	JDGFT, Ludhiana
35	A27	Delhi	Short levy of duty due to incorrect declaration of quantity	13.80	13.80	14.82	Delhi Commissionerate, ICD/TKD.
36	A28	Chennai	Short levy of customs duty due to misclassification	8.06	8.06	9.01	Chennai (Sea) Customs
37	A29	Delhi	Short levy of duty due to incorrect calculation of assessable value	8.10	8.10	8.25	ICD Tughlakabad. ICD Patparganj & New Custom House
38	A30	Bangalore	Non fulfillment of export obligation under EPCG scheme	11.75	11.75		The Additional Commissioner of Customs, Inland Container Depot, Bangalore
39	A34	Kolkata	Non recovery of drawback for failure to realize export proceeds	37.87	37.87		Customs (Airport), Kolkata
40	A37	Mumbai	Non levy of additional duty of customs	15.61	15.61		JNCH, Mumbai
41	A40	Lucknow	Non recovery of duty drawback	29.93	29.93		ICD Chakeri, Kanpur
42	A41	Delhi	Short levy of duty due to incorrect calculation of assessable value	8.10	8.10	2.45	ICD Tughlakabad & New Custom House
43	A42	Bangalore	Non fulfillment of export obligation under Advance Authorization Scheme	37.77	37.77	37.77	ACC, Bangalore
44	A43	Kochi	Application of incorrect rate of exchange and grant of ineligible exemption	8.11	8.11		Central Excise & Customs, Trivandrum
45	A44	Kochi	Non levy of duty for failure to achieve export obligation	131.00	131.00		Custom House, Kochi
46	A45	Chennai	Incorrect exemption for levy of additional duty due to misclassification	36.26	36.26		Chennai (Sea) Customs
47	A47	Chennai	Excess grant of duty credit under SFIS	251.48	251.48		RLA Coimbatore, RLA, Chennai
48	A50	Ahmedabad	Non levy of anti dumping duty	169.00	169.00		Kandla (Customs) and MP&SEZ (Mundra)
49	A51	Delhi	Non levy of CVD on RSP/MRP basis	7.82	7.82	8.58	ICD, Tughlakabad, Delhi

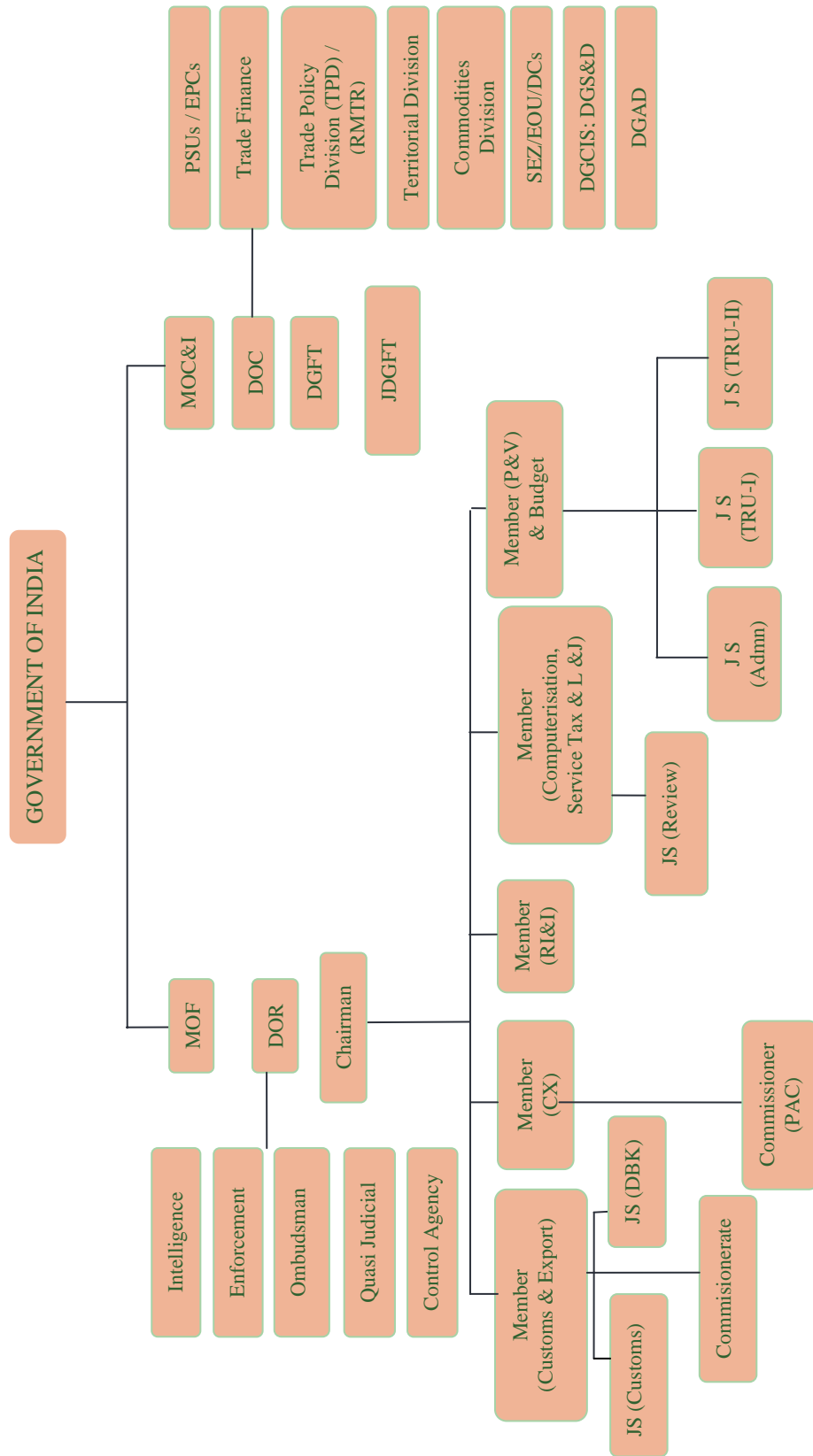
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SI No.	Draft Audit Paragraph	Field office name	Brief subject	Amount objected	Amount Accepted	Amount recovered	Name of the Commissionerate/DGFT/DC
50	A52	Delhi	Short levy of duty due to misclassification	9.06	9.06	3.03	New Customs House, Delhi
51	A53	Delhi	Short levy of duty due to misclassification	8.31	8.31	7.35	New Custom House & ICD Patparganj, Delhi
52	A54	Delhi	Short levy of duty due to misclassification	7.80	7.80	2.55	ICD Tughlakabad, Delhi
53	A56	Delhi	Short levy of duty due to incorrect grant of notification benefit	7.63	7.63	8.09	ICD, Tughlakabad & ICD Patparganj, Delhi
54	A57	Bangalore	Excess duty credit under SFIS schemes	16.73	16.73	16.73	JDGFT, Bangalore
55	A58	Bangalore	Excess credit under SFIS	64.63	64.63	64.63	JDGFT, Bangalore
56	A61	Ahmedabad	Short recovery of establishment charges	78.47	78.47	70.18	ICD, Valvada, Ch, Surat, CH, Surat, CH GPPL, Pipavav
57	A63	Bangalore	Non fulfillment of export obligation under Advance Authorization Scheme	13.61	13.61	13.61	ACC, Bangalore
58	A64	Bangalore	Non fulfillment of export obligation under Advance Authorization Scheme	14.79	14.79	26.07	ICD, Bangalore and ACC, Bangalore
59	A65	Mumbai	Non levy of anti dumping duty	101.00	101.00		JNCH, Mumbai
60	A66	Hyderabad	Short levy of duties due to incorrect classification	53.11	53.11		Hyderabad-II
61	A67	Hyderabad	Non fulfillment of export obligation	159.98	159.98		JDGFT, Visakhapatnam
62	A68	Ahmedabad	Incorrect grant of final exit to EOU	78.26	78.26	19.07	Central Excise, Surat II
63	A69	Mumbai	Non levy of anti dumping duty	100.00	100.00		JNCH, Mumbai
64	A70	Mumbai	Non levy of anti dumping duty	13.35	13.35	12.24	JNCH, Mumbai
65	A71	Mumbai	Short levy of duty	10.01	10.01		JNCH, Mumbai
66	A73	Mumbai	Short levy of duty due to misclassification	10.15	10.15		JNCH, Mumbai
67	A77	Mumbai	Non levy of anti dumping duty	9.30	9.30		JNCH, Mumbai
68	A78	Chennai	Short levy of customs duty due to misclassification	39.27	39.27	10.09	Chennai (Sea) Customs
69	A82	Chennai	Short collection of duty due to misclassification	15.15	15.15	17.23	Chennai (Sea) Customs
70	A83	Chennai	Short levy of duty due to misclassification	7.62	7.62	4.13	Chennai (Sea)

Sl No.	Draft Audit Paragraph	Field office name	Brief subject	Amount objected	Amount Accepted	Amount recovered	Name of the Commissionerate/DGFT/DC
71	A85	Kolkata	Non levy of additional duty of customs on import of jute articles	127.64	127.64		Customs (Preventive) West Bengal
72	A92	Kolkata	Short levy due to incorrect assessment of assessable value	126.00	126.00		Customs (Airport)
73	A93	Kolkata	Short levy due to grant of duty concession on DTA sale of ineligible products	67.54	67.54		Commissioner of Central Excise-IV, Kolkata
74	A94	Mumbai	Non levy of anti dumping duty	21.19	21.19	21.19	JNCH, Mumbai
75	A98	Mumbai	Non levy of SAD on clearances of finished goods in to DTA	7.00	7.00	9.41	SEEPZ, Mumbai & Thane-I
76	A99	Kolkata	Non-fulfillment of export obligation against EPCG licence	22.49	22.49		ZJDGFT, Kolkata
77	A103	Ahmedabad	Non recovery of duty drawback to the various exporters	340.00	340.00		ACC, Sanganer, Jaipur
78	A104	Ahmedabad	Non-realization of cost recovery charges	696.00	696.00		Commissioner (Cus.), Jodhpur HQrs., Jaipur , Addl. Commissioner (Cus.), Jodhpur, AC- ICD, Basni, Jodhpur
79	A106	Kolkata	Non-fulfillment of export obligation	20.21	20.21		Customs (Port) Kolkata
80	A108	Mumbai	Short levy of duty due to misclassification	20.75	20.75		JNCH, Mumbai
81	A110	Delhi	Short levy of duty due to misclassification	11.26	11.26		ICD, Tughlakabad, Delhi
82	A112	Hyderabad	Non fulfillment of export obligation	7.52	7.52		JDGFT, Hyderabad
83	A113	Mumbai	Non levy of SAD on clearances of finished goods in DTA	47.86	47.86	53.00	Thane-1
84	A121	Delhi	Advance authorization scheme	14.37	14.37	6.30	ICD, Tughlakabad, Delhi
			TOTAL	3967.46	3967.46	1087.95	

APPENDICES

Appendix -1 (Reference Paragraph 1.3)



**Appendix 2: Trade agreements concluded by Department of Commerce
(Reference Paragraph 1.7)**

- i. Agreement of Cooperation with Nepal to Control Unauthorised Trade.
- ii. Agreement on Economic Cooperation between India and Finland
- iii. Agreement on South Asia Free Trade Area SAFTA
- iv. Asia Pacific Trade Agreement APTA
- v. Comprehensive Economic Cooperation Agreement between India and Malaysia
- vi. CECA between The Republic of India and the Republic of Singapore
- vii. Global System of Trade Preferences GSTP
- viii. India Africa Trade Agreement
- ix. India Chile PTA
- x. India Afghanistan PTA
- xi. India ASEAN Agreements
- xii. India Bhutan Trade Agreement
- xiii. India Japan CEPA
- xiv. India Korea CEPA
- xv. India MERCOSUR³⁰ PTA
- xvi. India Nepal Trade Treaty
- xvii. India Sri Lanka FTA
- xviii. SAARC Agreement on Trade in Services SATIS
- xix. Treaty of Transit between India and Nepal

Source: <http://commerce.nic.in/trade/international>

³⁰ MERCOSUR is a trading bloc in Latin America comprising Brazil, Argentina, Uruguay and Paraguay.

Appendix 3: Duty evasion cases detected by DRI (Scheme-wise)
(Reference Paragraph 1.23)

Cr.₹

S. No	SCHEME	FY 09		FY 10		FY 11		FY 12		FY 13	
		NO. OF CASES	DUTY	NO. OF CASES	DUTY	NO. OF CASES	DUTY	NO. OF CASES	DUTY	NO. OF CASES	DUTY
1	Undervaluation	144	509.33	105	166.18	197	132.12	184	466.17	210	282.43
2	Mis-declaration	66	100.76	100	215.24	91	110.19	111	844.44	298	2392.26
3	Misuse of DEEC/ Advance licence	5	22.71	10	5.66	18	264.62	1	0.10	6	139.73
4	Misuse of DEPB	12	7.60	21	7.40	34	3.80	26	23.93	16	22.77
5	Misuse of EPCG	23	67.20	3	0.90	10	3.33	6	25.72	13	179.55
6	Misuse of EOU/EPZ/SEZ	7	34.75	9	3.28	4	0.04	6	9.66	7	39.07
7	Misuse of End- Use & Other Notn .	17	145.16	15	24.60	26	100.55	54	304.84	39	67.79
8	Drawback	7	21.80	38	91.76	102	81.42	13	25.93	71	1590.14
9	Others	59	619.28	90	100.21	99	130.4	97	27.43	49	28.92
Total		340	1528.59	391	615.23	581	826.47	498	1728.22	709	4742.66

Source: CBEC, Deptt. of Revenue, Ministry of Finance

Appendix 4: SEIZURES OF SPECIFIED COMMODITIES (Reference Paragraph 1.24)

Cr.₹

S. NO	Commodity	FY 09		FY 10		FY 11		FY 12		FY 13	
		ALL INDIA	DRI	ALL INDIA	DRI	ALL INDIA	DRI	ALL INDIA	DRI	ALL INDIA	DRI
I	GOLD	5.39	2.50	27.46	13.95	9.34	0.25	46.43	8.25	99.35	44.80
II	FOREIGN CURRENCY	8.32	1.09	3.79	0.39	3.83	1.36	35.55	0.27	9.96	0.06
III	NARCOTIC DRUGS	64.69	14.11	116.23	37.52	58.33	16.72	1711.93	1653.81	969.16	194.84
IV	ELECTRONIC ITEMS	31.69	14.12	120.03	13.94	167.04	21.49	189.98	4.06	71.66	13.14
V	COMPUTERS/PARTS	127.40	117.60	15.95	7.28	5.29	2.26	4.99	1.19	18.60	0.36
VI	FABRIC/SILKY YARN ETC	435.14	19.20	71.95	30.74	187.70	36.45	158.79	52.38	49.89	5.45
VII	BEARINGS	0.64	0	0.66	0	0.14	0	6.10	1.98	0.32	0.00
VIII	DIAMONDS	9.09	3.85	13.83	7.77	11.52	1.00	24.66	15.50	9.46	5.00
IX	INDIAN CURRENCY	4.30	1.67	3.95	2.06	2.11	1.16	18.20	0.31	4.87	2.44
X	WATCHES/PARTS	2.07	0.35	0.82	0	4.31	3.06	7.30	2.78	8.88	1.41
XI	MACHINERY/PARTS	86.51	78.51	480.20	9.58	249.76	106.61	133.71	113.34	69.50	38.78
XII	VEH./VESS./AIRCRAFTS	72.04	10.63	69.98	39.78	24.89	1.13	415.40	274.61	306.08	191.15
XIII	INDIAN CURRENCY FAKE	2.00	1.87	0.65	0.55	1.81	1.50	2.64	2.19	2.24	2.02
XIV	MISC./OTHER	707.52	480.89	1231.00	516.61	1749.63	620.27				
TOTAL		1556.80	746.39	2156.50	680.17	2475.70	813.26	2755.68	2130.67	1619.97	499.45

Appendix 5 (para no.2.4.2)
Non application of late cut on belated applications resulting in excess grant of duty credit

Sl. no.	File no./Authorization No.	Authorisation holder	Difference of duty credit (₹)
RA- Ahmedabad			
1	08/91/87/467/AM12	AIA Engineering Ltd	9916
2	08/91/87/920/AM12	AIA Engineering Ltd	32747
3	08/91/87/127/AM12	Crystal Quinone Pvt Ltd	9530
4	08/93/87/416/AM12	Sandvik Asia Pvt Ltd	4142
		Sub total	56335
RA-Hyderabad			
1	910053026		1997
2	910054469		25818
3	910053187		2034
4	910054042		325
5	910053751		25884
6	910053753		56192
		Sub total	112250
RA-Jaipur			
1	13/21/087/1804/AM13	M/s Curio crafts, Jodhpur	280
2	13/22/87/705/AM13	M/s Navkar Woolens Pvt. Ltd., Bikaner	5973
3	13/21/87/1664/AM13	M/s ABC Industries, Jaipur	4769
4	13/22/87/551/AM13	M/s Savi Exports, Jaipu	3092
5	13/22/087/730/AM13	M/s Saraf Seasoning udyog, Sardarshahar	15042
6	13/21/087/0222/AM13	M/s Suncity Art Export, Jodhpur	3781
7	1310042527/20.3.13	M/s Curio crafts, Jodhpur	536
8	1310037989/13.12.11	M/s Sopra Overseas, Jaipur	292
9	1310033801/18.11.10	M/s Shree Rishabh Marmo P. Ltd., Udaipur	3484
10	13/21/087/01166/AM12	M/s Malgo Exports, jaipur	1099
11	13/21/078/00133/AM11	M/s Devgiri Exports, Jaipu	3097
12	13/21/087/00106/AM12	M/s Nehal Exim, Jaipur	1163
13	1310042072	M/s Seet Kamal International, Jaipur	1322
14	13/21/87/249/AM13	M/s Durga Impex Unc., Jaipur	829
15	13/21/87/1474/AM13	M/s Impressions , Jodhpur	108273
		Sub total	153032
RA-Mumbai			
1	310707366 dtd 3/9/2012	M/s Ram Fashion Export Ltd	20711
		Sub total	20711
RA-Surat			
1	461/AM11	Bharati creation	20856.36

Sl. no.	File no./Authorization No.	Authorisation holder	Difference of duty credit (₹)
2	401/AM11	Pioneer International	6756.26
3	454/AM11	Dhankrupa Enterprises	8851.54
4	274/AM11	Mystik Exports	18578.16
5	309/AM11	Salasar Polyfab Pvt Ltd	23680.36
6	342/AM11	Chevli Textiles	18270.12
7	592/AM11	Ravi Exports Ltd	16920.48
8	2/AM12	Meenaxi EXPORTS	6097.90
9	1/AM09	Nemlaxmi Books (India) Pvt Ltd	162113.00
10	52/AM11	Panchi Creation	10484.28
11	24/AM11	Vibha Interntnl	13687.80
12	36/AM13	Shushila Indus.	41519.65
13	182/AM13	Krishna Terine Pvt. Ltd	144906.50
14	527/AM13	Khazana Overseas	552150.00
15	170/AM13	Meenaxi Exports	117169.80
16	582/AM12		19243.84
		Sub total	11,81,286.05
		Grand total	15,23,614.05

Appendix 6 (para no.2.4.3)

Incorrect consideration of invalid shipping bills having no declaration of availing chapter 3 benefits on it

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
RA-Ahmedabad		
1. Adani Wilmar Ltd	3505810/5/3/2011	2000878
	3505850/5/3/2011	1976596
2. Adani Wilmar Ltd	2498361/2/12/2011	1662345
	3053508/3/31/2011	357253
3.. Adani Wilmar Ltd	3053432/3/31/2011	178626
	3053187/3/31/2011	178626
	3053238/3/31/2011	178626
	3052872/3/31/2011	107176
	3052721/3/31/2011	357253
	3051497/3/31/2011	250077
	3051617/3/31/2011	250077
	3052146/3/31/2011	1071759
	3052280/3/31/2011	107176
	3052528/3/31/2011	107176
	3052433/3/31/2011	357253
	3053060/3/31/2011	71451
	4. Adani Wilmar Ltd	2938056/3/24/2011
2540813/2/17/2011		1238632
2939651/3/24/2011		1512998
5. Adani Wilmar Ltd	3616829/5/11/2011	1013119
	3616926/5/11/2011	641761
	3553734/5/6/2011	936686
	3553802/5/6/2011	2649000
	3345153/4/22/2011	1494695

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	3345067/4/22/2011	744240
	3345324/4/22/2011	1714663
	2969015/3/26/2011	2616579
6. Adani Wilmar Ltd	2664844/3/7/2011	2914299
		124329
		60421
		946731
7. Adani Wilmar Ltd	2159341/1/5/2011	95658
	2233758/1/13/2011	2749318
	2208602/1/11/2011	2789280
8. Adani Wilmar Ltd	2273001/1/19/2011	2775620
9. Adani Wilmar Ltd	2409140/2/3/2011	1148775
	2453771/2.8.2011	867122
	2432976/2/5/2011	1419976
	2335259/1/27/2011	2907824
	2432889/2/5/2011	1405776
	24539542/18/2011	1280451
	24534812/8/2011	1631125
10. Adani Wilmar Ltd	2746803/3/9/2011	2917253
	2735372/3/8/2011	1187441
	2688805/3/3/2011	1701216
	2688608/3/3/2011	1695578
	2688462/3/3/2011	429600
	2370972/1/31/2011	2500680
	2432827/2/5/2011	1132557
	2393342/2/12/2011	873474
11. Adani Wilmar Ltd	2408996/2/3/2011	1765960
	2187589/1/7/2011	1168521
	1287637/1/7/2011	774919
12. Adani Wilmar Ltd	2759938/3/10/2011	982452
	2760051/3/10/2011	3081318
	2734467/3/8/2011	3118896
13. Gokul Refoils & Solvents Ltd.	2406927/2/2/2011	1802000
14. Mahalaxmi Exports	2408997/2/3/2011	33282
	2423634/2/4/2011	63265
	2479861/2/10/2011	62289
	2491919/2/11/2011	57505
	2556271/2/18/2011	62957
	2606805/2/23/2011	24470
15. Arvind Ltd	3662744/5/13/2011	140215
	3776402/5/23/2001	144393
	3739834/5/19/2011	175840
	3776807/5/23/2011	82207
	3846173/5/27/2011	179504
	3863364/5/28/2011	137703
	3795371/5/24/2011	99080
	3801759/5/24/2011	116819
	3777627/5/23/2011	189871
	3865026/5/28/2011	55415
	3795160/5/24/2011	63539
	3876634/5/30/2011	152223
16. Arvind Ltd	3491750/5/2/2011	110835
	3556638/5/6/2011	100669
	3560826/5/6/2011	23057
	3603636/5/10/2011	172005

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	3573928/5/7/2011	88642
	3668281/5/14/2011	170387
	3676697/5/16/2011	93797
	3635439/5/12/2011	50954
	3708945/5/18/2011	186184
	3504619/5/3/2011	160203
17. Raghuveer Exim	All 19 SBs between 2.4.2011 and 17.5.2011/between 2.4.2011 and 17.5.2011	2078505
18. Asian Spices	2332657/1/25/2011	134911
	2360072/1/29/2011	43077
	2417953/2/3/2011	49673
	2454734/2/8/2011	52781
	2476757/2/10/2011	49803
	2558717/2/18/2011	162315
	2283816/1/20/2011	73027
19.Gokul Refoils & Solvent	2406923/2/2/2011	360400
	2406944/2/2/2011	180200
	2406948/2/2/2011	180200
	2406947/2/2/2011	180200
	2288784/1/20/2011	1430400
	2406943/2/2/2011	180200
	2288781/1/20/2011	107280
	2406965/2/2/2011	122536
	2406922/2/2/2011	180200
	2406928/2/2/2011	360400
	2288780/1/20/2011	71520
	2326346/1/25/2011	17880
	2289460/1/20/2011	1788000
	2406924/2/2/2011	360400
	2406962/2/2/2011	122536
	2288778/1/20/2011	178800
	2499083/2/12/2011	1883090
	2517057/2/14/2011	112985
	2499088/2/12/2011	376618
	2499086/2/12/2011	188309
	2499087/2/12/2011	188309
	2500152/2/12/2011	188309
	2517042/2/14/2011	376618
	2517043/2/14/2011	372369
	Sub total	89026691
RA-Gandhidham		
1. Hind steels	2290453/2/1/2011	246202.80
	2290448/1/20/2011	246202.80
2. Hind Steels	2204049/1/10/2011	243194.80
	2204045/1/10/2011	243194.80
3. Hind Steels	2279088/1/19/2011	277636.20
	2278011/1/19/2011	209871.80
4. Hind Steels	2766133/3/10/2011	249235.10
	2766138/3/17/2011	243641.40
	214387/1/10/2011	242870.80
	2143589/1/3/2011	243328.90
	2742076/3/8/2011	244804.90
	2742077/3/8/2011	244804.90
5. Hind Steels	2221646/1/12/2011	247262.50

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
6. Hind Steels	2221652/1/12/2011	234825.00
	2529765/2/15/2011	246203.00
	2529766//2/15/2011	246203.00
7. Friends Mercantile Ltd	12 SBs dated 23/5/2011 to 24/5/2011	486735.90
8. Thain Trading Co.	91/1/10/2011	72346.96
	90/1/10/2011	44521.20
	102/1/21/2011	176229.80
	Sub total	4689316
RA-Hyderabad		
1. Aurobindo Pharma Ltd	4386682/2/7/2011	1022
2. Glochem Industries Ltd	431294/28.6.2011	269
	7715202/24/2/2011	296
3. Neuland Laboratories	2246871/25/5/2011	7225
	2248110/31/5/2011	7814
4. Hartik Exim	2917483/23/3/2011	342939
5 .Aurobindo Pharma Ltd	15 SBs from September 2010 to December 2010	3015421
6. Aurobindo Pharma Ltd	43 SBs from April 2010 to August 2010	3110800
7. Aurbindo Pharma Ltd	3 SBs from October 2009 to December 2009	264067
8. Aurobindo Pharma Ltd	24 SBs from December 2010 to January 2011	5598745
9. Aurobindo Pharma Ltd	50 SBs from April 2010 to January 2011	2712545
	Sub total	15061143
RA-Jaipur		
1 M/s Mayur Uniquoters Ltd., Jaipur	000004/1.1.11	89840
	000021/4.1.11	19998
	000023/4.1.11	79837
	00054/7.1.11	92820
	000059/10.1.11	73510
	000058/10.1.11	18398
	000102/13.1.11	18707
	000103/13.1.11	84011
	000141/18.1.11	7928
	000140/18.1.11	75688
	000163/21.1.11	27935
	000162/21.1.11	59307
	000177/24.1.11	76099
	000176/24.1.11	43480
	000178/24.1.11	28887
	000196/25.1.11	52998
	000197/25.1.11	22423
	000203/27.1.11	17931
	000222/29.1.11	88747
	000221/29.1.11	5429
	000252/1.2.11	28250
000250/1.2.11	38283	
000251/1.2.11	92063	
000268/3.2.11	11126	
000304/7.2.11	646	
000305/7.2.11	6244	
000306/7.2.11	98239	

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	000303/7.2.11	18988
	000321/9.2.11	27147
	000322/9.2.11	76824
	000267/3.2.11	75444
2. M/s J.C.Faishons, Tonk Road, Jaipur	2153974/04.01.11	2604
	2142704/03.01.11	8279
	2142676/03.01.11	16536
	2143042/03.01.11	7318
	2154110/04.01.11	13157
	2185583/07.01.11	9537
	2217808/12.01.11	8055
	2218435/12.01.11	9250
	2254236/17.01.11	7104
3. M/s Shree Mahadeo Cotton Mills Ltd., Bhilwara	9315364/01.02.11	63141
	9387741/21.02.11	60756
	9369130/15.2.11	60756
	9514970/28.3.11	50348
4. M/s Aryavart, Sitapura, Jaipur.	3512718/03.05.11	21057
	3228578/14.4.11	90206
		6430
5. Handmade Rugs, Jaipur	868/21/3/2011	9190
6. M/s Ambika Exports, Naila House, Jaipur.	2175717/06.01.11	4240
	2471397/09.02.11	18772
7. Mona Handicrafts, Jaipur	9332905/ 04.02.11	30533
8. M/s S.P.Enterprises, Barmer.	3309863/20.4.11	8973
	3904436/31.5.11	15799
	3741232/19.5.11	10560
	3741233/19.5.11	11539
	3741230/19.5.11	15748
	3055218/30.3.11	15769
	3035243/30.3.11	15968
	2803686/14.3.11	30533
	3062994/01.04.11	13715
9 .S.P.Enterprises, Barmer	2568782/19.2.11	9632
	2668734/01.03.11	12435
10. M/s J.C.Fashions, Jaipur.	3040057/31.3.11	3823
	3047881/31.3.11	7056
	3047710/31.03.11	24735
11. M/s Mona Handicrafts, Jaipur.	2184315/07.01.11	282561
12. M/s Garima Castings, Jaipur	9 SBs (15.02.11 to 28.03.11)	734
13. M/s Carpet And Textile House, Jaipur	3226508/13.4.11	25665
14. M/s K.G. Petrochem Ltd., Jaipur	000472/5.2.11	40516
	000399/1.2.11	46916
	000400/1.2.11	68373
	000373/31.1.11	
15. M/s Saraf Exports, Sardarshahar	2146512/3.1.11	40610
	2343106/27.1.11	19655
	2445010/7.2.11	54045
	2572928/19.2.11	39393
	2688974/3.3.11	40230
	2645425/26.2.11	31904
	2938164/24.3.11	52303

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
16. M/s Saraf Seasoning Udyog, Sardarshahar	2251505/15.1.11	58930
	2320463/24.1.11	41749
17. M/s K.K. Concepts, Jaipur	3308990/20.4.11	429751
18. M/s Ratoomals, Jaipur	3497561/2.5.11	12880
19. M/s Sun Moon Exports, Jodhpur	3709143/18.5.11	78243
20. M/s Somani Fabrics, Jaipur	3065612/1.4.11	20775
	3347411/22.4.11	10099
	3346254/22.4.11	19353
	3380957/25.4.11	27264
	3461960/29.4.11	24899
	3501286/2.5.11	7988
	3602488/10.5.11	12376
	3638661/12.5.11	942
	3738649/19.5.11	26829
	21. M/s Cheer Sagar, Jaipur	3463343/29.4.11
3320867/20.4.11		9983
22. M/s VNL Exports, Jaipur	9322205/2.2.11	10214
	9357134/11.2.11	12470
	9360868/14.2.11	6247
	9366476/17.2.11	6146
	9366624/15.2.11	3006
	9396097/23.2.11	20753
	9423978/2.3.11	5505
	9463545/12.3.11	2386
23. M/s Seasons International Pvt. Ltd., Bhilwara	9492041/19.3.11	3504
	2230262/13.1.11	8716
	2311223/23.1.11	17019
	2292348/20.1.11	81176
	2392957/1.2.11	15545
	2564770/18.2.11	11839
	24. M/s Aanchal Creations, Jaipur	3579374/7.5.11
3352078/23.4.11		6687
3326210/21.4.11		13605
3278694/18.4.11		34549
3228498/14.4.11		17564
3207052/12.4.11		3571
3176214/11.4.11		781
3134378/7.4.11		11421
3100990/5.4.11		13234
25. M/s Indian Craft, jaipur		3403859/26.4.11
26. M/s MA AM Arts, Jaipur	3476319/30.4.11	8466
	3475622/30.4.11	13373
	3345084/22.4.11	4658
	3337806/21.4.11	6849
27. M/s Rainbow TexFab Pvt. Ltd., Jaipur	000140/18.4.11	13303
	000588/24.5.11	4056
	000591/24.5.11	9662
	000608/25.5.11	8855
	2749557/9.3.11	12912
28. M/s Sopra Overseas, Jaipur	2631888/25.2.11	15371
	2444936/7.2.11	3490
	2247973/15.1.11	1216

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	2275380/19.1.11	5085
	2247972/15.1.11	37653
	2240873/14.1.11	5750
	2231851/13.1.11	16309
	2141260/3.1.11	28177
	2141220/3.1.11	5171
	2998429/28.3.11	16253
29. M/s Aryavart, Jaipur	2388593/1.2.11	1281
	2724648/7.3.11	51848
	2614357/24.2.11	33066
	2553014/18.2.11	3469
30. M/s Sopra Overseas, Jaipur	2617066/24.2.11	23186
31. M/s MAAM Arts, Jaipur	2826423/16.3.11	2497
	2826236/16.3.11	15815
	2737118/8.3.11	43973
	2931677/24.3.11	27121
32. M/s Aryavart, Jaipur	9215453/4.1.11	72358
	9280014/21.1.11	95756
33. M/s Indian Craft, Jaipur	2633573/25.2.11	14183
	2777005/11.3.11	6700
	2780963/11.3.11	21309
	2887345/22.3.11	5250
34. M/s Ultimate Expressions, Jaipur	2591553/22.2.11	5549
	2642193/26.2.11	2787
	2724593/7.3.11	6947
35. M/s J.C. Fashions, Jaipur	17 SBs out of 18 SBs of dated 16.3.11 to 29.3.11	128352
36. M/s J.C. Fashions, Jaipur	All 50 SBs relating to the period 17.1.11 to 1.3.11	463807
37. M/s Jaipuria Vastra Udyog, Jaipur	9265199/17.1.11	5983
38. M/s Somani Fabrics Pvt. Ltd., Jaipur	9240359/10.1.11	26347
	9291076/25.1.11	52484
39. M/s Somani Fabrics , Jaipur	2479792/10.2.11	3185
	2213979/11.1.11	26573
40. M/s Rainbow Texfab Pvt. Ltd., Jaipur	000904/29.3.11	37590
41 .M/s Rainbow Texfab Pvt. Ltd., Jaipur	3003864/28.3.11	15541
	3003910/28.3.11	6229
42. M/s Sarc Original, Jaipur	9346484/9.2.11	25584
43. M/s Rainbow Tex Fab Pvt. Ltd., Jaipur	23 SBs out of 29 SBs pertaining to period 17.1.11 to 16.3.11	304791
44. M/s Triveni Exports, Jaipur	9214516/4.1.11	42853
45. M/s VNL Exports, Jaipur	30 SBs out of total 44 pertaining to period	313524
46. M/s Namdev Exports, Jaipur	9211730/1.1.11	13160
	9211721/1.1.11	15867
	9211722/1.1.11	10518
	9211731/1.1.11	13817
	9226105/6.1.11	12976
	9227205/6.1.11	8931
	9226071/6.1.11	11345
	9226097/6.1.11	7338
	9226073/6.1.11	13672
	9229548/7.1.11	57455
	9263135/17.1.11	20769
	9266854/18.1.11	12912

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	9273521/19.1.11	35155
	9309941/29.1.11	8471
	9340566/8.2.11	53503
47. M/s Village Crafts India, Jaipur	000772/5.2.11	10279
48. M/s Cheer Sagar Exports, Jaipur	3241601/15.4.11	15463
49. M/s Hues India Pvt. Ltd., Jaipur	2867839/18.3.11	110357
	2867836/18.3.11	2252
50. M/s Hues India Pvt. Ltd., Jaipur	2606531/23.02.11	31582
	2608520/23.2.11	61807
	2354185/28.01.11	1264
51. M/s Cheer Sagar Exports, Jaipur	000068/08.04.11	14909
	000067/08.04.11	15854
52. M/s ABC Industries, Jaipur	9246488/11.1.11	119221
53. M/s Kaaveri Fashions Pvt. Ltd., Jaipur	888/26.3.11	23524
	823/4.3.11	17740
54. M/s Kaveri Fashions Pvt. Ltd., Jaipur	9415408/28.2.11	16422
	9370284/15.2.11	36640
	9317253/1.2.11	17159
	9289767/24.1.11	23512
55. M/s Goverdhan Creations, Jaipur	9394301/22.2.12	203266
56. M/s MA AM Arts, Jaipur	9233066/8.1.11	29502
	9409596/26.2.11	32861
	9409600/26.2.11	5328
	9263235/17.1.11	14886
	9266827/18.1.11	8188
	96266260/18.1.11	9102
	9266216/18.1.11	8818
	9285029/22.1.11	22681
57. M/s Anchal Creations, Jaipur	2202767/10.1.11	29645
	2421755/4.2.11	18375
	2438256/11.2.11	20272
	2625031/24.2.11	10209
	2654204/28.2.11	9053
	2703468/4.3.11	3815
	2731956/7.3.11	4285
	2254533/17.1.11	10678
	2505394/14.2.11	11814
	2554177/18.2.11	21818
	2861420/18.3.11	13529
	2966321/23.3.11	11727
58. M/s Kaizen Organics Private Limited, Jaipur	3670487/14.5.11	259470
59. M/s Goodwill Impex Ltd., Jaipur	3098020/5.4.11	3353
Total SB 39 FOB 25476604 credit 509531)	3276836/18.4.11	35716
	3259301/16.4.11	15093
	3242397/15.4.11	23350
	3279997/18.4.11	52087
	3315149/20.4.11	42617
	3360893/23.4.11	13847
60. M/s Devgiri Exports, Jaipur	2212758/11.1.11	63735
Total SB 11 FOB 22342806 credit 1563997)	2157609/4.1.11	90599
61. M/s Kapoor Carpets, Jaipur	2408888/3.2.11	2912

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
(Total SB 12 FOB2921683 Cedit 195497)	2492040/11.2.11	16935
	2650985/28.2.11	6093
	2571003/19.2.11	12566
	2684634/3.3.11	22629
	2997665/28.3.11	9153
62. M/s Kataria Exports, Jaipur	6287486/6.4.09	8975
	6296627/11.5.09	8452
	6313901/2.7.09	14460
	6317138/13.7.09	20687
	6318872/17.7.09	13131
63. M/s A.L. Paper House, Jaipur	8808963/1.9.10	87483
	8774415/20.8.10	10569
64. M/s A.L. Paper House, Jaipur	8894199/28.9.10	125471
65. M/s Nitin Spinners Ltd., Bhilwara	3136631/7.4.11	82638
	3411693/27.4.11	96397
	3439520/28.4.11	108645
66. M/s Abhshek Enterprises, Jaipur	00106/12.1.11	42262
67. M/s Art & Craft Exclusives, Jaipur	2143675/3.1.11	14172
	2454891/8.2.11	121326
68. M/s Unique Organics Ltd, Jaipur	9391167/22.2.11	60543
	9391174/22.2.11	112397
	9386385/21.2.11	188098
	9385789/21.2.11	197323
	9386394/21.2.11	30540
	9390983/22.2.11	67810
	9385974/21.2.11	61360
	2625206/24.2.11	10425
69. M/s Goyal International, Jaipur	2625197/24.2.11	4138
	2723195/7.3.11	8585
	2804349/14.3.11	13719
	2901038/23.3.11	9117
	2932689/24.3.11	6758
	2985549/28.3.11	9282
	9234393/8.1.11	24631
	7292744/28.4.2009	4925
71. M/s Art India, Jaipur	7584330/10.8.2009	2025
	7411713/10.6.2009	4190
72. M/s Saraswati Global Ltd., Jaipur	9461045/11.3.11	97791
73. M/s Saraf Export Place, Sardarshahar 13/21/087/01200/AM12 (39 SB out of 44)	2152972/4.1.11	
	2179566/7.1.11	50737
	2212831/11.1.11	67296
	2225155/12.1.11	52855
	2180518/7.1.11	66724
	2225330/17.1.11	75006
	2291850/20.1.11	63151
	2301711/21.1.11	53469
	2308960/22.1.11	61905
	2341143/27.1.11	56509
	2352826/28.1.11	62672
	2352683/28.1.11	56520
	2381028/31.1.11	59438
	2381073/31.1.11	58342
	2400/217/2.2.11	70559
	2450798/7.2.11	72747

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	2514369/14.2.11	51412
	2571537/19.2.11	62270
	2569696/19.2.11	65288
	2569813/19.2.11	66641
	2582906/21.2.11	63874
	2669858/1.3.11	60606
	2698165/4.3.11	58829
	2689274/30.3.11	53992
	2706902/4.3.11	64554
	2704216/4.3.11	54381
	2757399/9.3.11	59831
	2787793/12.3.11	71048
	2963046/25.3.11	54269
	2787932/12.3.11	63024
	2793523/14.3.11	64940
	2954655/25.3.11	80394
	2856862/17.3.11	67815
	2856852/17.3.11	67325
	2867110/18.3.11	63768
	2910769/23.3.11	88354
	2931759/24.3.11	60106
	2966035/25.3.11	87427
	3009191/29.3.11	50737
74. M/s Mona Handicrafts, Jaipur	3008603/29.1.11	51571
	2549952/17.2.11	157991
	2329092/24.1.11	72977
		158293
	Sub total	12604738
RA-Kolkata		
1. Sreepriya Exports	956212/4/4/2009	2522
	9564179/17/4/2009	5050
	9566844/2/5/2009	811
	9568623/14/5/2009	663
	9571569/30/5/2009	10763
	9570151/22/5/2009	374
	9570728/26/5/2009	1454
	9574390/16/6/2009	812
	9573957/12/6/2009	664
	9573962/12/6/2009	409
	9574707/17/6/2009	13990
	9576391/26/6/2009	3112
	9578837/10/7/2009	1196
	9579503/14/7/2009	4810
	9579160/11/7/2009	992
	9580813/20/7/2009	7536
	9582933/30/7/2009	927
	9587901/24/8/2009	1208
	9562216/6/4/2009	1574
	9561951/3/4/2009	1441
	Sub total	60763
RA-Rajkot		
1. 24/21/087/01253/AM12	3000644/3/28/2011	17811
	2338638/1/27/2011	9954
	2317827/1/24/2011	9853
	2313970/1/24/2011	6762

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	2278124/1/24/2011	10211
	2208038/1/11/2011	15280
	2162019/1/5/2011	125789
2. 24/21/087/00778/AM12	3058289/4/1/2011	57725
	3058316/4/1/2011	49228
	3058289/4/1/2011	54369
	3060753/4/1/2011	51799
	3060745/4/1/2011	50061
	3060724/4/1/2011	58221
	3060746/4/1/2011	57487
	3060751/4/1/2011	47520
	3082769/4/4/2011	53387
	3061472/4/1/2011	47422
	3067160/4/1/2011	40371
	3083725/4/4/2011	57051
	3071039/4/2/2011	46513
	3077419/4/2/2011	47318
3. 24/21/087/00773/AM12	All Shipping Bill	1174276
4. 24/21/087/00803/AM12	All Shipping Bill except 3447242, 3447321, 3447288, 3446777, 3499041, 3499358, 3099526	689779
5. 24/21/087/01079/AM12	2410672/1/3/2011	44096
	2169685/1/6/2011	17702
	2427107/2/4/2011	24062
	2567921/2/19/2011	37477
	2684356/3/3/2011	3870
6. 24/21/087/01184/AM12	All Shipping Bill	541591
7. 24/21/087/01271/AM12	All shipping bill falling under the said period	822160
8. 24/21/087/01213/AM12	3102620/4/5/2011	19312
	3586728/5/9/2011	21786
9. 24/21/087/01189/AM12	All shipping bill falling under the said period	262320
10. 24/21/087/01114/AM12	2133840/1/1/2011	43657
	2197426/1/10/2011	43441
	2332941/1/25/2011	41492
	2375650/1/31/2011	890
11. 24/21/087/01216/AM12	All shipping bill	955477
12. 24/21/087/01149/AM12	9211118/1/1/2011	13355
	9211127/1/1/2011	7690
	9522561/3/29/2011	2914
	9521671/3/29/2011	36386
	9522553/3/29/2011	79812
	9490486/3/19/2011	74229
	9360942/2/14/2011	7110
	9358268/2/12/2011	7726
	9495298/3/21/2011	3257
	9313863/	3025
	9315282/2/1/2011	21498
	9277164/1/20/2011	8306
	9467324/3/14/2011	5720
	9277159/1/20/2011	8036
	9467310/3/14/2011	14505
	9418184/3/1/2011	9879
	9413976/2/28/2011	5937

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
	9474470/3/15/2011	30042
	9473908/3/15/2011	4263
	9403778/2/24/2011	1882
	9403736/2/24/2011	1669
	9497593/3/22/2011	7955
	9497612/3/22/2011	3974
	9411579/2/26/2011	51195
	9410628/2/26/2011	2019
	9418041/2/28/2011	16414
	9417742/2/28/2011	20695
	9414339/2/28/2011	56998
	9414467/2/28/2011	17411
	9377176/2/17/2011	22099
	9377215/2/17/2011	4992
13. 24/21/087/01435/AM12	2672042/3/1/2011	79869
	Sub total	6288382
RA- Surat		
1. Kejriwal Industries Ltd	3508463/3.5.2011	42008
	389672/31.5.2011	46875
2. Kris International	9428670/3.3.100	59148
	9275584/20.1.2011	89660
	9268906/18.1.2011	34366
	9248875/12.1.2011	46676
	9214642/4.1.2011	61961
3. G.N. Textiles Pvt. Ltd.	9238038/10.1.2011	100106
	9243656/11.1.2011	83867
	9291599/25.1.2011	79097
	9312375/31.1.2011	20291
	9367215/15.2.2011	15916
	9412323/26.2.2011	94480
	9477652/16.3.2011	96620
	9515596/28.3.2011	101473
	9525598/29.3.2011	96547
	9441834/7.3.2011	97828
	9445325/8.3.2011	51746
	9386169/21.2.2011	102973
	9391504/22.2.2011	98745
4. Tru Biz Inc.	9299573/27.21.2011	63056
	9506074/24.3.2011	73509
5. Meenaxi Exports	9217464/4.1.2011	51157
	9226303/6.1.2011	53589
	9243971/10.1.2011	42938
	9266443/18.1.2011	53768
	9270089/18.1.2011	54610
	9276550/20.1.2011	32280
	9326314/3.2.2011	46698
	9334274/5.2.2011	42893
	9345396/8.2.2011	39824
	9440457/7.3.2011	43846
	9463129/12.3.2011	58913
	9475559/16.3.2011	54115
6. Rainbow Overseas	All 11 SBs of January, 2011/ 10/1/11 to 31/1/2011	541241
7. Oswal Prints Pvt. Ltd.	All 24 SBs except 1 SB No.8983167 dtd	1508813

Name of Authorisation holder	SB No and date which require declaration	Duty credit (lakh ₹)
8. Devika Fibres Pvt. Ltd.	26/10/10/21/1/11 to 10/2/2011	
	3523856/4.5.2011	53580
	3706292/18.5.2011	51698
	3706306/18.5.2011/18.5.2011	45527
9. Oswal Prints Pvt. Ltd.	3706344	20116
	All 16 SBs between date 16/2/11 and 24/2/2011/24/2/11 to 4/3/11	843999
	Sub total	51,96,553
Grand total		13,29,27,586

Appendix 7 (Para No.2.4.4)

Grant of duty credit to EOUs without obtaining evidence of non-availing of direct tax benefits

Details of authorisation	SB No.	Date	Duty credit allowed (₹)	
RA-Ahmedabad				
1. Astra Lifecare (I) Pvt. Ltd. 08/91/87/622/AM11 Lic. No.0810097707 dtd 30/3/11	1133533	3/30/2010	132515	
	1341719	7/22/2010	151703	
	1358334	7/30/2010	109349	
	1392108	8/10/2010	136865	
	1449112	8/26/2010	155254	
	1502595	9/7/2010	184719	
	1502556	9/7/2010	23292	
	1589913	9/27/2010	301795	
	1651461	10/11/2010	157292	
	1672301	10/15/2010	22487	
	1683298	10/19/2010	153330	
	2 .Astra Lifecare (I) Pvt. Ltd. 08/91/87/701/AM11 Lic. No.0810097790 dtd 30/3/11	1149158	4/9/2010	83867
		1181197	4/29/2010	138886
		1197043	5/10/2010	148515
1210431		5/17/2010	71724	
1236693		6/1/2010	59393	
1248404		6/7/2010	112928	
1260262		6/14/2010	157296	
1712272		10/25/2010	115677	
3. Astra Lifecare (I) Pvt. Ltd. 08/91/87/713/AM11 Lic. No.0810097726 dtd 29/3/11	1817202	11/16/2010	173066	
	1325794	7/15/2010	45246	
	1285952	6/26/2010	216278	
	2385010	2/1/2011	257809	
	2050318	12/22/2010	388882	
	Sub total		3498168	
RA-Hyderabad				
1. HRITIK EXIM 092108700254AM13 14.05.2012			1849891	
	Sub total		1849891	
RA-Jaipur				
1. Atlantic Marbles Pvt. Ltd.,	1182478	29.4.10	11812	

Details of authorisation	SB No.	Date	Duty credit allowed (₹)
Jhalrapatan 1310037436/9.11.11	1182479	29.4.10	7598
	1214492	19.5.10	26592
	1500546	6.9.10	12846
	1660734	13.10.10	12516
	1742036	30.10.10	5576
	1742893	30.10.10	6421
		Sub total	
	Grand total		54,31,420

Appendix 8 (Para No.2.4.5)
Authorization issued without obtaining self declaration

Details of authorisation	Shipping bill no. & date	Duty Credit allowed (lakh ₹)
1. M/s Annapurna overseas p Ltd, Jaipur 1310039411/13.4.2012 13/21/087/0072/AM13	4039/15.10.2011	1.06
	4129/21.10.2011	1.39
2. M/s ABC Industries, Jaipur 1310039495/19.4.2012 13/21/087/00118/AM13	6717568/17.12.2011	1.18
	6733688/19.12.2011	1.45
	6732982/19.12.2011	1.69
3. M/s Abhishek Enterprises, Jaipur 1310039809/23.05.12 13/21/087/00211/AM13	7044272/9.1.2012	1.20
	8864376/18.09.10	0.13
	9030693/10.11.10	0.19
	9285499/22.01.11	0.37
4. M/s Devgiri Exports, Jaipur 1310039379/11.4.12 31/21/87/0014/AM13	5731333/5.10.11	2.58
	5723613/5.10.11	6.64
5. M/s Devgiri Exports, Jaipur 1310039361/4.4.12 31/21/87/0007/AM13	5397106/13.9.11	1.25
	6934284/2.1.12	0.86
	6653008/13.12.11	0.94
	5906490/19.10.11	0.07
	7340651/30.1.12	0.12
	6084768/2.11.11	0.12
	6084808/2.11.11	0.04
	3494786/2.5.11	0.12
	3494491/2.5.11	0.05
	3494555/2.5.11	0.08
	3494783/2.5.11	0.10
	6331999/21.11.11	0.62
	5460431/17.9.11	0.17
	4409563/4.7.11	0.94
	6409564/4.7.11	1.47
5752164/7.10.11	0.31	
5211253/12.11.11	0.38	
6211372/12.11.11	0.38	
6084982/2.11.11	0.14	
4560330/15.7.11	0.30	
6. M/s Devgiri Exports, Jaipur	7537934/13.2.12	7.91

Details of authorisation	Shipping bill no. & date	Duty Credit allowed (lakh ₹)
1310039368/9.4.12 31/21/87/0009/AM13	5864521/17.10.11	1.25
	7150875/17.1.12	0.84
	6990607/5.1.12	0.97
	6928368/31.12.11	1.78
	6954604/3.1.12	1.38
	5395963/13.9.11	2.14
7. M/s Devgiri Exports, Jaipur 1310039378/11.4.12 31/21/87/0015/AM13	5100423/23.8.11	1.04
	6350178/22.11.11	4.41
	5098980/23.8.11	1.11
	6052310/31.10.11	0.28
	5297830/6.9.11	0.56
	5255079/2.9.11	0.99
	6052385/31.10.11	3.12
8. M/s Devgiri Exports, Jaipur 1310039380/11.4.12 31/21/87/0012/AM13	7263067/24.1.12	4.17
	7150289/17.1.12	4.55
	6928366/31.12.11	1.25
	7150912/17.1.12	0.27
	6928329/31.12.11	0.31
	6692856/15.12.11	0.06
	5777384/10.10.11	0.14
	6412412/26.11.11	0.18
	6350169/22.11.11	0.05
	6350209/22.11.11	0.39
	6569074/7.12.11	0.85
	6656350/13.12.11	0.42
	6504655/2.12.11	0.67
9. M/s Devgiri Exports, Jaipur 1310039381/11.4.12 31/21/87/0008/AM13	4409803/4.7.11	1.44
	4409961/4.7.11	0.98
	4171146/18.6.11	0.27
	4228192/23.6.11	0.04
	4107169/14.6.11	0.36
	3842474/26.5.11	0.46
	3842446/26.5.11	0.05
	5925556/20.10.11	0.32
	5925506/20.10.11	0.27
	6778505/21.12.11	0.43
	6778797/21.12.11	0.44
10. M/s Devgiri Exports, Jaipur 1310039371/9.4.12 31/21/87/0003/AM13	4624/25.11.11	1.21
	4037/15.10.11	0.65
	4336/5.11.11	1.46
	4337/5.11.11	0.57
	4808/7.10.11	1.43
	4807/7.12.11	0.95
	4806/7.12.11	1.60
	4546/19.11.11	0.30
	117/11.1.12	1.57
	4543/19.11.11	0.34
	4713/1.12.11	4.16

Details of authorisation	Shipping bill no. & date	Duty Credit allowed (lakh ₹)
11. M/s Degiri Exports, Jaipur 1310039401/13.4.12 31/21/87/0010/AM13	7183368/19.1.12	20.08
12. M/s Abhishek enterprises, Jaipu1310040180/22.6.12 r 13/21/87/588/AM13	5878045/18.10.11	0.29
	4709256/26.7.11	0.43
	3774375/22.5.11	0.33
	3425289/27.4.11	0.28
13. M/s Devgiri Exports, Jaipur 1310036941/27.9.11 13/21/087/1003/AM12	3479058/30.4.11	0.38
	3985861/6.6.11	1.55
	4162088/18.6.11	0.44
	4162122/18.6.11	1.27
	4434453/6.7.11	0.12
	4677420/22.7.11	0.01
	4672409/22.7.11	0.12
	4661596/22.7.11	1.48
	4672435/22.7.11	0.11
	4677200/23.7.11	0.97
	4738431/27.7.11	1.93
14. M/s Annapurna Overseas P. Ltd. Jaipur 13/21/087/1087/AM11 10034583/9.2.11	1146847/8.4.10	0.61
	1239437/2.6.10	0.50
	1240797/3.6.10	0.53
	12246522/5.6.10	0.58
	1256180/11.6.10	0.69
	1267804/17.6.10	0.60
	1771620/4.11.10	2.29
	1653637/12.10.10	0.61
	1566791/22.9.10	0.60
	1453624/26.8.10	0.62
15. M/s Devgiri Overseas Pvt. Ltd., Jaipur 1310034593/10.2.11 13/21/087/1060/AM11	2024491/14.12.09	0.39
	2011470/30.10.09	0.71
	2006637/14.10.09	0.81
	2004381/7.10.09	3.88
	2015286/13.10.09	1.14
	2032717/7.1.10	1.07
	2041958/4.2.10	1.20
16. M/s K.K. Concepts, Jaipur1310037141/14.10.11 087/1133/AM12	4551277/14.7.11	3.12
17. M/s Art Age Pvt. Ltd., Jaipur 1310034780/4.3.11 13/21/078/00331/AM11	7286910/25.4.09	0.72
	7342852/18.5.09	0.07
18. M/s Ram Chander Moti Lal Exports, Jaipur 1310041167/27.9.12 13/22/087/00192/AM13	5412979/14.9.11	0.10
	6214624/14.11.11	0.05
	5990102/25.10.11	0.19
	4864878/4.8.11	0.32
19. M/s Abhishek Enterprises, Jaipur 1310033868/23.11.10 (13/21/078/00272/AM11)	7439747/20.6.09	0.26
	7508303/15.7.2009	0.43

Details of authorisation	Shipping bill no. & date	Duty Credit allowed (lakh ₹)
	4306474/28.6.11	15.28
20. M/s Devgiri Exports, Jaipur 1310036521/6.9.1113/21/087/00797/AM12	4089622/13.6.11	1.56
21. M/s. Ramchander Moti Lal Exports, Jaipur 1310041352	13/22/087/00156/AM13/ 6837119/26.12.11	0.12
	6750085/20.12.11	0.10
	7874052/5.3.12	1.09
	6035301/29.10.11	2.37
	5173390/27.8.11	0.49
	5375067/12.9.11	0.25
	7853922/3.3.12	0.40
	6283970/17.11.11	0.22
	6807830/23.12.11	0.15
	5697037/3.10.11	1.69
	6826733/24.12.11	0.20
	8185446/26.3.12	0.91
	8206263/27.3.12	0.07
	Total	163.51

**Appendix 9 (Para No.2.4.7)
Incorrect splitting of authorization**

File No. & Date	Name of the Exporter	Authorization No. & date	No. of authorization	Duty credit (₹)
RA-Hyderabad				
092108700072AM11/15.06.2010	Hartex Rubber Private Limited	910043162/ 20.08.2010	1	
		910043163/ 20.08.2010	1	
		910043164/ 20.08.2010	1	
		910043165/ 20.08.2010	1	
		910043166/ 20.08.2010	1	451107
092108700529AM12/21.10.2011	Matrix Laboratories Limited	910054658/ 02.01.2013	1	
		910054659/ 02.01.2013	1	
		910054660/ 02.01.2013	1	
		910054661/ 02.01.2013	1	
		910054662/ 02.01.2013	1	
		910054663/ 02.01.2013	1	
		910054664/ 02.01.2013	1	426980
092108700527AM12/21.10.2011	Matrix Laboratories Limited	910054745/ 09.01.2013	1	
		910054746/ 09.01.2013	1	118856
			Total	9,96,943

Appendix 10 (Para No.2.4.8)
Non filing of separate application for year wise exports/port wise exports

File No. & Date	Name of the Exporter	Authorization No. & date	SB No./Date which pertains to different year	Duty credit (₹)			
1. RA-Jaipur							
13/21/87/266/AM11	M/s Manoj Kumar & Com	1310033812/ 18.11.2010	3637876/ 6.3.2009	7393			
			3669610/ 24.3.2009	922			
2. RA-Ahmedabad							
08/9187/395/AM11	M/s Bajaj Herbal Pvt. Ltd	810094246/ 30.11.2010	1136788/ 3.31.2010	84276.88			
			1144638/ 4/6/2010	53110.62			
			1150952/ 4/10/2010	29682.98			
			1202367/ 5/12/2010	29050.28			
			1197075/ 5/10/2010	29583.82			
			1209535/ 5/17/2010	63012.1			
			1223216/ 5/25/2010	38755.36			
			3. RA-Surat				
			58/AM11	M/s Vidhaan Overseas	5210033225/ 1/3/2011	8368762/ 4/19/2010	80862
						8368756/ 4/19/2010	80885
8368754/ 4/19/2010	80885						
8368759/ 4/19/2010	80885						
57/AM11	M/s Bright India Exports	5210033354/ 1/10/2011	8346788/ 4/12/2010	84931			
			8346779/ 4/12/2010	84903			
			8346783/ 4/12/2010	86910			
			8346785/ 4/12/2010	86910			
41/AM11	M/s Shree Dev Textiles	5210033457/ 1/12/2011	8337773/ 4/8/2010	77813			
			8337775/ 4/8/2010	79306			
			8337788/ 4/8/2010	78936			
			8336030/ 4/8/2010	84684			
			8358867/ 4/15/2010	79578			
			8358865/ 4/15/2010	80239			

File No. & Date	Name of the Exporter	Authorization No. & date	SB No./Date which pertains to different year	Duty credit (₹)
			8358861/ 4/15/2010	75888
			8358870/ 4/15/2010	75559
297/AM11	M/s Maa Ambe Textiles	5210033204/ 12/31/2010	8344391/ 4/10/2010	87266
			8344384/ 4/10/2010	84816
			8344370/ 4/10/2010	88143
			8219373/ 3/6/2010	60399
114/AM1	M/s Jinal Impex	5210035258/ 5/18/2011	8306055/ 3/30/2010	103186
			8306059/ 3/30/2010	98018
			8306062/ 3/30/2010	87968
4.RA-Hyderabad				
092108700759AM13	M/s tecumseh products india private limited,	910053572/ 27.08.2012	7929947/ 9.03.2012	66590
092108701328AM13	M/s Usha international limited	910055141/ 21.02.2013	1189473/ 4/5/2010	62120
			1505329/ 7/9/2010	66506
			1673308/ 15/10/2010	22556
			1829870/ 19/11/2010	23969
			2366814/ 29/1/2011	51413
			2366863/ 29/1/2011	51413
			2680583/ 2/3/2011	54371
			2705018/ 4/3/2011	21672
			2763849/ 10/3/2011	26286
			2990485/ 28/3/2011	25442
			2990485/ 28/3/2011	26443
Total				27,42,538

Appendix 11 {Para No.2.4. 9 (a)}
Incorrect issue of authorizations due to belated action to define 'technical textile'

Sl No.	file no	Name of authorisation holder	Authorisation No	Authorisation issue date	Description of goods as per SB/invoices	Duty Credit allowed (₹)
RA-surat						
1	352/AM11	Bhavin Textile	5210033346	1/10/2011	Dyed and printed fabrics made from 100% polyster filament yarn, texturised yarn with or without embroidery and with or without metallised yarn	761565
2	466/AM11	Dhankrupa Enterprises	5210033568	1/19/2011	--do----	1246363
3	452/AM11	Laxmi Exports	5210033551	1/19/2011	--do----	1703433
4	710/AM11	Madhusudan Internatin	5210034012	2/8/2011		1916966
5	763/AM11	G.L. Textiles	5210034373	3/1/2011	Dyed or printd fabrics made from 100% PFY with or without embroidery and with or without metallised yarn (satin patti, khaddi),	1019277
6	716/AM11	Desire Enterprises	5210034016	2/8/2011	Dyed and printed fabrics made from 100% polyster filament yarn, texturised yarn with or without embroidery and with or without metallised yarn	1176305
7	826/AM11	Gokul Tex	5210034651	3/15/2011	--do----	757429
8	818/AM11	Mahalaxmi textiles	5210034509	3/15/2011	Dyed and or printed fabrics made from 100% Poly filament yarn with or without embroider and with or without metallised yarn, Zig zag Shiffon liquer	972617
9	271/AM11	Pooja Enterprises	5210033081	12/23/2010	Dyed and printed fabrics made from 100% polyster filament yarn, texturised yarn with or without embroidery and with or without metallised yarn	552584
10	260/AM11	Bluestar Exports	5210033039	12/21/2010	--do----	508593
11	387/AM11	Kunal Exports	5210033297	1/15/2011	--do---	834942

Sl No.	file no	Name of authorisation holder	Authorisation No	Authorisation issue date	Description of goods as per SB/invoices	Duty Credit allowed (₹)
12	12/AM11	Desire Enterprises	5210030536	5/3/2010	--do---	687782
13	276/AM11	Mystik Exports	5210033082	12/23/2010	---do---	693739
14	310/AM11	Salasar Polyfab Pvt. Ltd.	5210033205	12/31/2010	---do---	1107484
15	293/AM11	Deep Jyoti Fabrics	5210033133	12/27/2010	---do---	741688
16	28/AM11	Vrushank Impex	5210033220	1/3/2011	---do---	794629
17	683/AM11	Rehan International	5210034009	2/8/2011	---do---	985547
18	543/AM11	Suryanarayan Synthetics Pvt Ltd.	5210034293	2/25/2011	---do---	1498996
19	573/AM11	Mahalaxmi Fashion	5210033735	1/27/2011	---do---	753259
20	587/AM11	Krish International	5210033773	1/31/2011	---do---	959481
21	642/AM11	R.D. Exports	5210034061	2/10/2011	Dyed and printed fabrics made from 100% polyester filament yarn, texturised yarn (unhemmed/unstich)	1460274
22	399/AM11	Jitu Textiles	5210033490	1/17/2011	Dyed and printed fabrics made from 100% polyester filament yarn, texturised yarn with or without embroidery and with or without metallised yarn	967344
23	427/AM11	Ishwar Impex	5210033461	1/12/2011	---do---	922373
24	391/AM11	A.K.U.International	5210033371	1/10/2011	---do---	1258423
25	398/AM11	Sheth Textiles	5210033402	1/11/2011	---do---	1007345
26	490/AM11	R.M. Corporation	5210033583	1/20/2011	---do---	903242
27	459/AM11	Royal Exports	5210033517	1/18/2011	---do---	1528985
28	451/AM11	Dharam Fabrics	5210033565	1/19/2011	---do---	321743
29	445/AM11	Mahalaxmi textiles	5210033564	1/19/2011	---do---	2027549
30	443/AM11	Laxmi Exports	5210033521	1/19/2011	---do---	1767594
31	446/AM11	G.T. Synthetics	5210033550	1/19/2011	---do---	1107732
32	436/AM11	N.H. Synthetics	5210033450	1/12/2011	---do---	1020473
33	390/AM11	Krishna Fibres	5210033409	1/11/2011	---do---	842230
34	848/AM11	Radhey Govind Synthetics	5210034611	3/23/2011	---do---	1011980
35	539/AM11	Chirag Fabrics	5210033895	2/4/2011	---do---	772090
36	896/AM11	Aangan Impex Pvt Ltd	5210034739	3/31/2011	---do---	1089137
37	318/AM11	Shri Hari Fashion Industries Pvt Ltd	5210033229	1/3/2011	---do---	1003870
38	340/AM11	Sonu Textiles	5210033287	1/5/2011	---do---	765268
39	303/AM11	Sonu Textiles	5210033198	12/31/2010	---do---	1934447
40	21/AM11	Vividh International	5210033456	1/12/2011	---do---	908299
41	98/AM11	Ashra Polyfab Pvt Ltd	5210033766	1/31/2011	---do---	794044
42	254/AM11	Jinal Impex	5210033116	12/24/2010	---do---	966338
43	34/AM11	Vinayak Impex	5210033223	1/3/2011	---do---	989432

Sl No.	file no	Name of authorisation holder	Authorisation No	Authorisation issue date	Description of goods as per SB/invoices	Duty Credit allowed (₹)
44	50/AM11	Vidhisha Overseas	5210033249	1/4/2011	---do---	651545
45	337/AM11	Rohini Enterprises Pvt Ltd	5210033352	1/10/2011	---do---	593413
46	899/AM11	Batra International	5210034780	4/6/2011	---do---	510451
47	504/AM11	H.I. Trading	5210033558	1/19/2011	---do---	924539
48	531/AM11	Kelving Sewing Machine	5210033733	1/27/2011	---do---	1192000
49	553/AM11	Sangam Overseas	5210033739	1/27/2011	---do---	927779
50	840/AM11	Laxmi Exports	5210034551	3/16/2011	---do---	2031557
51	829/AM11	Bharati Creations	5210034546	3/16/2011	---do---	1680611
52	727/AM11	Nangalia Fabrics Pvt. Ltd	5210034265	2/24/2011	---do---	807345
53	281/AM11	Meridian INC.	5210033131	12/27/2010	---do---	1097769
54	94/AM12	GN textiles Pvt. Ltd.	5210035252	5/18/2011	---do---	1544264
55	151/AM11	Sahiba Fabrics Ltd.	5210035549	6/15/2011	---do---	1658193
56	280/AM12	Shree Vinayak Fabrics	5210035805	7/7/2011	---do---	1564494
57	18/AM12	Aangan Impex Pvt Ltd	5210035244	5/18/2011	---do---	913175
58	661/AM11	Besto Creations	5210034005	2/8/2011	---do---	973634
59	66/AM12	Diwan Brother Texim Pvt. Ltd.	5210035050	5/3/2011	---do---	615338
60	92/AM12	GN textiles Pvt. Ltd.	5210035250	5/18/2011	---do---	1506656
61	349/AM11	Fashions Fabrics	5210033334	1/7/2011	---do---	949879
62	18/AM11	GN textiles Pvt. Ltd.	5210033640	1/24/2011	---do---	1594504
63	24/AM11	Suryanarayan Synthetics Pvt Ltd.	5210034992	4/29/2011	---do---	2833686
64	558/AM11	Dolphin Overseas	5210033998	2/8/2011	---do---	949674
65	235/AM12	G.L. Textiles	5210035688	6/27/2011	---do---	793762
66	81/AM12	International Creations Pvt. Ltd.	5210035155	5/12/2011	---do---	1211343
67	163/AM12	Deep Jyot Fabrics	5210035497	6/13/2011	---do---	915578
68	902/AM11	Bhavin Textile	5210034814	4/8/2011	---do---	1190496
69	222/AM12	Kreepa Expot	5210035743	6/12/2011	---do---	649976
70	219/AM12	Akshat Overseas	5210035603	6/17/2011	---do---	697026
Total						7,60,21,578

**Appendix 12 {Para No.2.4. 9 (a)}
Incorrect issue of authorizations due to belated action to define 'technical textile'**

Sl No.	file no	Name of authorisation holder	Authorisation No, & date	Description of goods as per SB/invoices	Duty Credit allowed (₹)
RA- Surat					
1	747/AM11	Sahiba Fabrics Ltd	5210034741 3/31/2011	Dyed and printed fabrics made from 100% polysger filament yarn, texturised yarn with or without embroidery and	963426

Sl No.	file no	Name of authorisation holder	Authorisation No, & date	Description of goods as per SB/invoices	Duty Credit allowed (₹)
2	290/AM11	Akshat Overseas	5210033157 12/28/2010	with or without metallised yarn (Saree, Duppata,) Dyed and printed fabrics made from 100% polyster filament yarn, texturised yarn with or without embroidery and with or without metallised yarn (Saree, Duppata,)	837711
3	439/AM11	Jinal Impex	5210033498 1/17/2011	Dyed and printed fabrics made from 100% polyster filament yarn, texturised yarn with or without embroidery and with or without metallised yarn	295690
4	498/AM11	Jagriti Impex	5210033556 1/19/2011	100% Polyster printed texturised yarn with or w/o embroidery fabrics, dyed/printed/dyed duppata fabrics (each ladies suits)	1253780
5	711/AM11	Bindal Exports Pvt Ltd	5210034066 2/10/2011	Dyed/printed fabrics from 100% filament yarn/texturised yarn, dress materials/unhemmed sarees etc	824574
6	708/AM11	Astha Creation	5210034258 2/24/2011	Dyed and printed fabrics made from 100% polyster filament yarn, texturised yarn with or without embroidery or 100% Polyster suit, viscose suit	149379
7	333/AM11	Rohini Enterprises Pvt Ltd	5210033233 1/3/2011	100% Polyster printed texturised yarn with or w/o embroidery fabrics, dyed/printed/dyed duppata fabrics	1072562

Sl No.	file no	Name of authorisation holder	Authorisation No, & date	Description of goods as per SB/invoices (each suits 6.86 mtr)	Duty Credit allowed (₹)
8	246/AM12	Yash Fashions Pvt Ltd	5210035803 7/6/2011	Dyed and printd fabrics made from 100% Filament yar with or without printed and embroidery sweey (top and dupatta fabrics)	3146940
9	58/AM12	Calison Fibres Pvt Ltd	5210035062 5/4/2011	Fabrics made out of one or more MMF yarn with or without and/or with or without metalised yarn. Dyed and polyster (bottom), made ups fancy work (top), fancy work duppata etc.	52592
10	573/AM11	Morning Impex	5210033999 2/8/2011	Fabrics made out of one or more MMF yarn 100% Grey fabrics, shiffon grey fabrics	781692
11	514/AM11	Satyam Creation	5210033653 1/24/2011	made ups of out of one or more MMF Yarn and or with or without MET Yarn Polyster french and micro duppata	993316
12	687/AM11	Jai Prabha Impex Pvt Ltd	5210034368 3/1/2011	made ups of out of one or more MMF Yarn and or with or without embroidery and/or with MET Yarn Fancy sarees, Fancy suit	1015134
13	834/AM1	J.Tex (India)	5210034559 3/17/2011	Dyed and printd fabrics made from 100% Filament yarn unhemmed Anamika, magic shiffon etc	2181358
14	845/AM11	Akshat Overseas	5210034721 3/30/2011	Dyed and printd fabrics made from 100% Filament yarn /texturised yarn and with or without metallised yarn	312293

Sl No.	file no	Name of authorisation holder	Authorisation No, & date	Description of goods as per SB/invoices	Duty Credit allowed (₹)
15	684/AM12	Deeprekha Impex Pvt Ltd	5210034114 2/11/2011	Dyed or printed fabrics made form 100% FY/Text yarn with or without embroidery and with or without metalised yarn fancy machine embroidery sarees	332138
16	885/AM11	G.R.S Creation	5210034756 3/31/2011	Dyed or printed fabrics made form 100% FY/Text yarn with or without embroidery heavy sarees, heavy suit, dress	104508
17	174/AM12	Jai Prabha Impex Pvt Ltd	5210035571 6/16/2011	Dyed or printed fabrics made form 100% FY/Text yarn with or without embroidery and with or without metalised yar	757262
18	3/AM12	Value added fashion fabrics Pvt Ltd	5210034800 4/7/2011	Dyed poly fabrics (Salwar, kameez, butta, duppata	462756
19	614/AM11	Kala Textiles	5210033787 2/1/2011	Made ups made out of one or more MMF Y with or without embroidery and with or without metallised yartn, dyed sarees and suits	359531
20	835/AM11	J.Tex (India)	5210034560 3/17/2011	Dyed and printd fabrics made from 100% Filament yarn unhemmed Anamica	1462159
21	637/AM11	King world Overseas	5210033905 2/4/2011	Dyed and printd fabrics made from 100% Filament yarn with or without embroidery with or witous metalised yarn	854786
22	145/AM11	Lucky Corpoation	5210032141 10/6/2010	Dyed and printed fabrics made from 100% PFY with or without embroidery with or without met.	119116

Sl No.	file no	Name of authorisation holder	Authorisation No, & date	Description of goods as per SB/invoices	Duty Credit allowed (₹)
23	20/AM13	G-TEX PRINTS	5210038370 5/7/2012	Yarn. Poly printed fabrics Dyed and printed fabrics made from 100% polysger filament yarn, texturised yarn with or without embroidery and with or without metallised yarn (Saree, Duppata,)	59876
Total					1,83,92,579
RA-Kolkata					
1	116/AM11	Eastern traders	210141257 26.4.2010	Man Made filament yarn synthetic fabrics w/wo embroidery and/ or w /wo Metalised Yarn	3284035
2	3516/AM11	Apex Internatonal	210153868 20.1.2011	Woven man made filament yarn fabrics w/wo embroidery and w/wo metalised yarn	1383623
3	4467/AM11	Rajkumar shaw, sundary fashion	210157045 31.3.2011	Man made fabrics w/wo embriodery and/or w/wo metalised yarn-synthetic fabrics	1194310
Total					58,61,968

Appendix 13 {Para No.2.4.9 (c)}
Grant of duty credit to ineligible goods

Sr. No.	Details of authorisation	Shipping bill No. & date	Goods classified under ITC HS Code as per SB	Duty Credit allowed (lakh ₹)
RA-Jaipur				
1	M/s Balaji Industrial Proudcts Ltd., Jhotwara, Jaipur (Lic. No. 1310041205 dt. 29.9.12)	5868011/ 17.10.11	73261100 High chromium grinding balls 60 MM	0.65
2	do	5868022/ 17.10.11	73261100 High chromium grinding balls 60 MM	1.30
3	do	5979733/ 24.10.11	73261100 High chromium grinding balls 60 MM	0.10

Sr. No.	Details of authorisation	Shipping bill No. & date	Goods classified under ITC HS Code as per SB	Duty Credit allowed (lakh ₹)
4	do	6261736/ 16.11.11	73261100 High chromium grinding media balls 60 MM	1.31
5	do	6261756/ 16.11.11	73261100 High chromium grinding media balls 60 MM	0.66
6	M/s Balaji Industrial Proudcts Ltd., Jhotwara, Jaipur (Lic. No. 1310041206 dt. 28.9.12)	6582323/ 08.12.11	73261100 High chromium grinding balls 60 MM	1.21
7	do	6582315/ 8.12.11	73261100 High chromium grinding balls 60 MM	1.21
8	do	6281831/ 17.11.11	73259920 Alloy steel casting Rough	0.49
9	M/s K.G.Petrochem Ltd., VKI Jaipur	25 SB of the period 06/12 to 8/12	63026000 Cotton Made ups toilet linen and kitchen linen of terry tolwelling of cotton	9.78
10	do	25 SB of the period 05/12 to 10/12	63026000 Cotton Made ups toilet linen and kitchen linen of terry tolwelling of cotton	10.33
11	M/s Nitin Spinners Ltd., Hamirgarh, Bhilwara	3210433/12.04.2011	60069000 Combed single jersy grey knitted fabrics of cotton	1.11
12	M/s Bothra International, Jodhpur	4563945/15.7.11 (Item No.2 SB)	94017100-Artistic Iron Furniture Items IR.Chair.	0.13
13	M/s Balaji Industrial Proudcts Ltd., Jhotwara, Jaipur	6344465/ 12.11.11	73261100 High chromium grinding balls 60 MM	1.31
14	do	6344457/ 22.11.11	73261100 High chromium grinding balls 60 MM	0.66
15	do	9069/ 26.4.10	85749000-Alloys Steel Casting (Rough) for cement grinding mills	0.31
16	M/s K.G.Petrochem Ltd., VKIA, Jaipur	25 SB for the period 08/12 to 11/12	63026000-Cotton Made ups toilet linen and kitchen linen of terry tolwelling of cotton	10.55
Total				41.09

Appendix 14 {Para No.2.4.9 (e)}
Other cases of grant of duty credit to ineligible goods

Sr. No.	Authorization No. , date & Authorization name	Item exported	Duty credit allowed (₹)
RA-Ahmedabad			
1	810119753/3/25/2013 M/s Bansal Impex	Red Chilly	4277
		-do-	8417
2	810119160/3/8/2013 M/s Geo Fresh Orgnaics	-do-	54238
3	810112333/6/6/2012 M/s. Shreeraj Industries		150681
RA-Hyderabad			
1	910051834/21.3.2012		71837
RA-Mumbai			
1	310649324/8/8/11 M/s Zeus International	Hanger	46459
2	0310699326/20.6.12 M/s Essar Steel	Coil	407300
RA-Surat			
1	.5210038779 M/s Kavyalon Impex Pvt Ltd		68136
Total			8,11,345

Appendix 15 (Para No.2.4.12)
Acceptance of invalid amendments to SBs for issue of authorization

Sl. No.	File No. & name of port	Duty credit allowed (₹)
RA-Gandhidham		
1	37/21/87/6/AM13 - MP&SEZ, Mundra	1176460
2	37/21/87/32/AM13 - MP&SEZ, Mundra	1021349
3	37/21/87/49/AM13 - MP&SEZ, Mundra	1176376
4	37/21/87/49/AM13 – Kandla	1646009
5	37/21/87/114/AM12 - MP&SEZ, Mundra	1145526
Total		61,65,720

Appendix 16 (Para No.2.4.15)
Incorrect grant of bonus duty credit

Sr. No.	Authorization No. & name of exporter	Duty credit allowed (₹)
RA-Jaipur		
1	1310039638/4.5.2012 M/s Suncity Art Export, Jodhpur	289601
2	1310035172/19.4.11 M/s ABC Industries, Jaipur	142867
Sub total		4,32,468
RA-Ahmedabad		
1	810119147 - M/s Gujarat Handicrafts Enterprise	43,573

Appendix 17 {Para No.2.4.16 (iv)}
Improper internal control mechanism to monitoring pre-realisation cases

Sl. No.	Exporter	Authorization No. & Date	Date of expiry of LUT	Expiry of 12 months period for submission of BRC
RA-Kolkata				
1	Shivam Iron & Steel Co. Ltd.	210159661 5/27/2011	5/24/2011	5/26/2012
2	Van Udyog, Proprietor-Pankaj Kumar Agarwal	210157445 4/7/2011	3/21/2013	4/6/2012
3	Laxmi Narayan Udyog Pvt.Ltd.	210158299 4/28/2011	4/1/2013	4/27/2012
4	Laxmi Narayan Udyog Pvt.Ltd.	210158301 4/28/2011	4/1/2013	4/27/2012
5	Van Udyog, Proprietor-Pankaj Kumar Agarwal	210157444 4/7/2011	3/9/2013	4/6/2012
6	Maithan Alloys Ltd.	210155165 22.02.2011	2/8/2013	21.02.2012
7	Maithan Alloys Ltd.	210155168 22.02.2011	2/8/2012	21.02.2012
8	Maithan alloys ltd.	210158916 16/05/11	08/02/13	15.05.2012
9	Maithan alloys ltd.	210158812 12/05/11	08/02/13	11.05.2012
10	Maithan alloys ltd.	210158818 13/05/11	08/02/13	12.05.2012
RA-Jaipur				
1	M/s K.K.Concepts, Jaipur	1310038458 13.01.12	12.12.13	
2	M/s Jaipur Rugs Company Pvt. Ltd., Jaipur	1310038107 21.12.11	9.10.13	
3	M/s Jaipur Rugs Company Pvt. Ltd., Jaipur	1310036631 09.09.11	29.3.13	
4	M/s Jaipur Rugs Company Pvt. Ltd., Jaipur	1310038678 03.02.12	26.12.13	
5	M/s Jaipur Rugs Company Pvt. Ltd., Jaipur	1310038111 21.12.11	29.11.13	
6	M/s Nash Fashion (India) Ltd., Jaipur	1310035543 2.6.11	18.2.13	
7	M/s K.K. Concepts, Jaipur	1310037880 5.12.11	17.2.13	
8	M/s K. K. Concepts, Jaipur	1310037141 14.10.11	21.7.13	
9	M/s Jaipur Rugs Company Pvt. Ltd., Jaipur	1310039000 2.3.12	16.1.14	
10	-do-	1310038999 2.3.12	17.1.14	
11	-do-	1310038998 2.3.12	30.1.14	
12	M/s K. K. Concepts, Jaipur	1310039073 7.3.12	-	
13	M/s Dileep Industries P. Ltd., Jaipur	1310038022 14.12.11	7.10.13	
RA-Hyderabad				
1	Aurobindo Pharma Limited	910050071 07.12.2011	15.11.2011	30-Mar-2013
2	Aurobindo Pharma Limited	910047040	23.05.2011	30-Mar-2013

Sl. No.	Exporter	Authorization No. & Date	Date of expiry of LUT	Expiry of 12 months period for submission of BRC
3	Aurobindo Pharma Limited	08.06.2011 910046689	30.04.2011	27-Mar-2013
4	Tecumseh products india private limited,	10.05.2011 910051954	26.03.2012	25-Mar-2013
5	Nosch Labs Private Limited	29.03.2012 910051941	26.03.2012	25-Mar-2013
6	Nosch Labs Private Limited	28.03.2012 910051940	26.03.2012	25-Mar-2013
7	Nosch Labs Private Limited	28.03.2012 910051939	26.03.2012	25-Mar-2013
8	Aurobindo Pharma Limited	28.03.2012 910047063	31.05.2011	24-Mar-2013
9	Tecumseh products india private limited,	09.06.2011 910051960	22.03.2012	21-Mar-2013
10	Tecumseh products india private limited,	29.03.2012 910051959	22.03.2012	21-Mar-2013
11	Tecumseh products india private limited,	29.03.2012 910051958	22.03.2012	21-Mar-2013
12	Tecumseh products india private limited,	29.03.2012 910051957	22.03.2012	21-Mar-2013
13	Tecumseh products india private limited,	29.03.2012 910051956	22.03.2012	21-Mar-2013
14	Tecumseh products india private limited,	29.03.2012 910051955	22.03.2012	21-Mar-2013
15	Aurobindo Pharma Limited	29.03.2012 910046579	20.04.2011	21-Mar-2013
16	Aurobindo Pharma Limited	29.04.2011 910046329	28.03.2011	10-Mar-2013
17	Aurobindo Pharma Limited	12.04.2011 910046949	21.05.2011	6-Mar-2013
18	Nosch Labs Private Limited	30.05.2011 910051707	05.03.2012	4-Mar-2013
19	Nosch Labs Private Limited	12.3.2012 910051706	05.03.2012	4-Mar-2013
20	Nosch Labs Private Limited	12.3.2012 910051704	05.03.2012	4-Mar-2013
21	Nosch Labs Private Limited	12.3.2012 910051698	05.03.2012	4-Mar-2013
22	Nosch Labs Private Limited	12.3.2012 910051649	05.03.2012	4-Mar-2013
23	Nosch Labs Private Limited	08.03.2012 910051700	03.03.2012	2-Mar-2013
24	Nosch Labs Private Limited	12.03.2012 910051705	02.03.2012	1-Mar-2013
25	Nosch Labs Private Limited	12.03.2012 910051703	02.03.2012	1-Mar-2013
26	Nosch Labs Private Limited	12.03.2012 910051701	02.03.2012	1-Mar-2013
27	Nosch Labs Private Limited	12.03.2012 910051699	02.03.2012	1-Mar-2013
28	Aurobindo Pharma Limited	12.03.2012 910046688	26.04.2011	28-Feb-2013

Sl. No.	Exporter	Authorization No. & Date	Date of expiry of LUT	Expiry of 12 months period for submission of BRC
29	Aurobindo Pharma Limited	10.05.2011 910046331	28.03.2011	28-Feb-2013
30	Aurobindo Pharma Limited	12.04.201 910046330	28.03.2011	27-Feb-2013
31	Aurobindo Pharma Limited	12.04.201 910046706	20.04.2011	25-Feb-2013
32	Tecumseh products india private limited,	11.5.2011 910051518	22.02.2012	21-Feb-2013
33	Tecumseh products india private limited,	28.02.2012 910051517	22.02.2012	21-Feb-2013
34	Tecumseh products india private limited,	28.02.2012 910051516	22.02.2012	21-Feb-2013
35	Tecumseh products india private limited,	28.02.2012 910051515	22.02.2012	21-Feb-2013
36	Tecumseh products india private limited,	28.02.2012 910051513	22.02.2012	21-Feb-2013
37	Tecumseh products india private limited,	28.02.2012 910051512	22.02.2012	21-Feb-2013
38	Tecumseh products india private limited,	28.02.2012 910051511	22.02.2012	21-Feb-2013
39	Tecumseh products india private limited,	28.02.2012 910051508	22.02.2012	21-Feb-2013
40	Osi systems pvt.ltd.	28.02.2012 910051502	22.02.2012	21-Feb-2013
41	Tecumseh products india private limited,	28.02.2012 910051514	21.02.2012	20-Feb-2013
42	Tecumseh products india private limited,	28.02.2012 910051510	21.02.2012	20-Feb-2013
43	Tecumseh products india private limited,	28.02.2012 910051507	21.02.2012	20-Feb-2013
44	Tecumseh products india private limited,	28.02.2012 910051506	21.02.2012	20-Feb-2013
45	Tecumseh products india private limited,	28.02.2012 910051505	21.02.2012	20-Feb-2013
46	Tecumseh products india private limited,	28.02.2012 910051504	21.02.2012	20-Feb-2013
47	Tecumseh products india private limited,	28.02.2012 910051503	21.02.2012	20-Feb-2013
48	Tecumseh products india private limited,	28.02.2012 910051519	18.02.2012	17-Feb-2013
49	Tecumseh products india private limited,	28.02.2012 910051509	18.02.2012	17-Feb-2013
50	Osi systems pvt.ltd.	24.02.2012 910051421	16.02.2012	15-Feb-2013
51	Tecumseh products india private limited,	24.02.2012 910051435	13.02.2012	12-Feb-2013
52	Tecumseh products india private limited,	24.02.2012 910051434	13.02.2012	12-Feb-2013
53	Tecumseh products india private limited,	24.02.2012 910051433	13.02.2012	12-Feb-2013
54	Tecumseh products india	24.02.2012 910051432	13.02.2012	12-Feb-2013

Sl. No.	Exporter	Authorization No. & Date	Date of expiry of LUT	Expiry of 12 months period for submission of BRC
55	private limited, Tecumseh products india	24.02.2012 910051431	13.02.2012	12-Feb-2013
56	private limited, Tecumseh products india	24.02.2012 910051430	13.02.2012	12-Feb-2013
57	private limited, Tecumseh products india	24.02.2012 910051420	13.02.2012	12-Feb-2013
58	private limited, Tecumseh products india	24.02.2012 910051415	13.02.2012	12-Feb-2013
59	private limited, Tecumseh products india	24.02.2012 910051414	13.02.2012	12-Feb-2013
60	private limited, Tecumseh products india	24.02.2012 910051418	09.02.2012	8-Feb-2013
61	private limited, Tecumseh products india	24.02.2012 910051417	09.02.2012	8-Feb-2013
62	private limited, Tecumseh products india	24.02.2012 910051416	09.02.2012	8-Feb-2013
63	private limited, Tecumseh products india	14.2.2012 910051283	09.02.2012	8-Feb-2013
64	private limited, Tecumseh products india	14.2.2012 910051282	09.02.2012	8-Feb-2013
65	Aurobindo Pharma Limited	910046687 10.5.2011	25.04.2011	8-Feb-2013
66	private limited, Tecumseh products india	14.02.2012 910051285	06.02.2012	5-Feb-2013
67	private limited, Tecumseh products india	14.02.2012 910051287	30.01.2012	29-Jan-2013
68	private limited, Tecumseh products india	13.02.2012 910051238	30.01.2012	29-Jan-2013
69	private limited, Tecumseh products india	13.02.2012 910051237	30.01.2012	29-Jan-2013
70	private limited, Tecumseh products india	13.02.2012 910051236	30.01.2012	29-Jan-2013
71	private limited, Tecumseh products india	13.02.2012 910051220	30.01.2012	29-Jan-2013
72	private limited, Tecumseh products india	13.02.2012 910051219	30.01.2012	29-Jan-2013
73	private limited, Tecumseh products india	13.02.2012 910051217	30.01.2012	29-Jan-2013
74	private limited, Tecumseh products india	3.2.2012 910051106	30.01.2012	29-Jan-2013
75	private limited, Tecumseh products india	3.2.2012 910051105	30.01.2012	29-Jan-2013
76	private limited, Tecumseh products india	3.2.2012 910051104	30.01.2012	29-Jan-2013
77	private limited, Tecumseh products india	14.02.2012 910051281	27.01.2012	27-Jan-2013
78	private limited, Tecumseh products india	03.02.2012 910051099	27.01.2012	27-Jan-2013
79	private limited, Tecumseh products india	14.02.2012 910051286	27.01.2012	26-Jan-2013
80	Tecumseh products india	910051280	27.01.2012	26-Jan-2013

Sl. No.	Exporter	Authorization No. & Date	Date of expiry of LUT	Expiry of 12 months period for submission of BRC
81	private limited, Tecumseh products india	14.02.2012 910051218	27.01.2012	26-Jan-2013
82	private limited, Tecumseh products india	13.02.2012 910051098	27.01.2012	26-Jan-2013
83	private limited, Tecumseh products india	3.2.2012 910051097	27.01.2012	26-Jan-2013
84	private limited, Tecumseh products india	3.2.2012 910051074	23.01.2012	22-Jan-2013
85	private limited, Tecumseh products india	02.02.2012 910051072	23.01.2012	22-Jan-2013
86	private limited, Tecumseh products india	02.02.2012 910051070	23.01.2012	22-Jan-2013
87	private limited, Tecumseh products india	02.02.2012 910051069	23.01.2012	22-Jan-2013
88	private limited, Tecumseh products india	02.02.2012 910051068	23.01.2012	22-Jan-2013
89	private limited, Tecumseh products india	02.02.2012 910051067	23.01.2012	22-Jan-2013
90	private limited, Tecumseh products india	02.02.2012 910051066	23.01.2012	22-Jan-2013
91	private limited, Tecumseh products india	31.01.2012 910051043	23.01.2012	22-Jan-2013
92	private limited, Tecumseh products india	02.02.2012 910051071	19.01.2012	18-Jan-2013
93	private limited, Tecumseh products india	02.02.2012 910051065	19.01.2012	18-Jan-2013
94	private limited, Tecumseh products india	31.01.2012 910051045	19.01.2012	18-Jan-2013
95	private limited, Tecumseh products india	31.01.2012 910051040	19.01.2012	18-Jan-2013
96	private limited, Tecumseh products india	31.01.2012 910051039	19.01.2012	18-Jan-2013
97	private limited, Tecumseh products india	25.01.2012 910050971	19.01.2012	18-Jan-2013
98	private limited, Tecumseh products india	25.01.2012 910050967	19.01.2012	18-Jan-2013
99	private limited, Tecumseh products india	02.02.2012 910051073	13.01.2012	12-Jan-2013
100	private limited, Tecumseh products india	18.01.2012 910050836	12.01.2012	11-Jan-2013
101	Aurobindo Pharma Limited	08.03.2011 910045838	02.02.2011	9-Jan-2013
102	Aurobindo Pharma Limited	11.03.2011 910045894	23.02.2011	3-Jan-2013
103	Aurobindo Pharma Limited	29.04.2011 910046580	20.04.2011	17-Dec-2012
104	Aurobindo Pharma Limited	21.02.2011 910045634	29.01.2011	17-Dec-2012
105	Aurobindo Pharma Limited	03.02.2011 910045397	27.01.2011	14-Dec-2012
106	Aurobindo Pharma Limited	910045348	11.01.2011	12-Dec-2012

Sl. No.	Exporter	Authorization No. & Date	Date of expiry of LUT	Expiry of 12 months period for submission of BRC
107	Aurobindo Pharma Limited	01.02.2011 910045349	19.01.2011	29-Nov-2012
108	Aurobindo Pharma Limited	01.02.2011 910045072	21.12.2010	1-Nov-2012
109	Aurobindo Pharma Limited	06.01.2011 910045071	21.12.2010	1-Nov-2012
110	Aurobindo Pharma Limited	06.01.2011 910044926	22.11.2010	15-Oct-2012
111	Aurobindo Pharma Limited	29.12.2010 910049953	17.11.2011	24-Sep-2012
112	Aurobindo Pharma Limited	29.11.2011 910044925	10.12.2010	24-Sep-2012
113	Aurobindo Pharma Limited	29.12.2010 910044477	18.11.2010	9-Sep-2012
114	Aurobindo Pharma Limited	26.11.2010 910043745	10.09.2010	7-Jul-2012
115	Aurobindo Pharma Limited	29.09.2010 910044509	17.09.2010	1-Jul-2012
116	Aurobindo Pharma Limited	30.11.2010 910045351	30.10.2010	30-Jun-2012
117	Aurobindo Pharma Limited	01.02.2011 910044156	15.10.2010	29-Jun-2012
118	Aurobindo Pharma Limited	03.11.2010 910045127	03.01.2011	25-Jun-2012
119	Aurobindo Pharma Limited	13.01.2011 910043954	06.10.2010	22-Jun-2012
120	Aurobindo Pharma Limited	19.10.2010 910044478	17.11.2010	13-Jun-2012
121	Aurobindo Pharma Limited	26.11.2010 910043744	09.09.2010	18-May-2012
122	Aurobindo Pharma Limited	29.09.2010 910044508	10.11.2010	2-May-2012
123	Aurobindo Pharma Limited	30.11.2010 910046327	11.02.2011	30-Mar-2012
124	Aurobindo Pharma Limited	12.04.2011 910044511	21.09.2010	25-Mar-2012
125	Aurobindo Pharma Limited	30.11.2010 910044510	24.09.2010	18-Mar-2012
126	Aurobindo Pharma Limited	30.11.2010 910046328	17.02.2011	4-Jan-2012
127	Aurobindo Pharma Limited	12.04.2011 910041797	02.03.2010	3-Dec-2011
128	Aurobindo Pharma Limited	26.04.2010 910043905	02.09.2010	1-Sep-2011
129	Aurobindo Pharma Limited	14.10.2010 910043915	01.09.2010	31-Aug-2011
130	Aurobindo Pharma Limited	14.10.2010 910043911	27.08.2010	26-Aug-2011
131	Aurobindo Pharma Limited	14.10.2010 910043588	27.08.2010	26-Aug-2011
132	Aurobindo Pharma Limited	22.09.2010 910043587	27.08.2010	26-Aug-2011

Sl. No.	Exporter	Authorization No. & Date	Date of expiry of LUT	Expiry of 12 months period for submission of BRC
133	Aurobindo Pharma Limited	22.09.2010 910043530	24.08.2010	23-Aug-2011
134	Aurobindo Pharma Limited	16.09.2010 910043576	17.08.2010	16-Aug-2011
135	Aurobindo Pharma Limited	22.09.2010 910043532	17.08.2010	16-Aug-2011
136	Aurobindo Pharma Limited	16.09.2010 910043949	13.08.2010	12-Aug-2011
137	Aurobindo Pharma Limited	19.10.2010 910043573	05.08.2010	4-Aug-2011
138	Aurobindo Pharma Limited	22.09.2010 910043906	04.08.2010	3-Aug-2011
139	Aurobindo Pharma Limited	14.10.2010 910043746	26.07.2010	25-Jul-2011
140	Aurobindo Pharma Limited	29.09.2010 910043907	16.09.2010	13-Jul-2011
141	Aurobindo Pharma Limited	14.10.2010 910043909	16.09.2010	24-Jun-2011
142	Aurobindo Pharma Limited	14.10.2010 910042827	22.06.2010	21-Jun-2011
143	Aurobindo Pharma Limited	22.07.2010 910042831	02.06.2010	1-Jun-2011
144	Aurobindo Pharma Limited	22.07.2010 910042832	01.06.2010	31-May-2011
145	Aurobindo Pharma Limited	22.07.2010 910042300	10.05.2010	9-May-2011
146	Aurobindo Pharma Limited	22.07.2010 910042379	05.05.2010	4-May-2011
147	Aurobindo Pharma Limited	11.06.2010 910041995	15.04.2010	14-Apr-2011
148	Aurobindo Pharma Limited	17.06.2010 910042299	13.04.2010	12-Apr-2011
		11.06.2010		

Appendix 18 (Para No.2.4. 17)

Clean energy cess was allowed to be debited from FPS authorization

Sl No.	Name of importer	Total amount debited from FPS scrips(₹)
RA-Kandla		
1	BGH Exim Ltd	1192
2	Welspun India Ltd	425000
3	Welspun India Ltd	100000
4	Welspun India Ltd	195100
5	BGH Exim Ltd	9200
6	BGH Exim Ltd	27229
7	Welspun India Ltd	150000
	Welspun India Ltd	125079
8	Welspun India Ltd	250000
9	Welspun India Ltd	98822
	Welspun India Ltd	166033

SI No.	Name of importer	Total amount debited from FPS scrips(₹)
10	Welspun India Ltd	259550
	Welspun India Ltd	140450
11	Welspun India Ltd	186803
		213197
12	Welspun India Ltd	450000
13	Welspun India Ltd	165000
	Total	29,62,655

**Appendix 19 {Para No.4.10.2 (a)}
Sanction of refund on sale of goods**

SI No.	F.No.	O-I-O No.and date	Name of applicant	Sale invoice No. and date	BE No.and Date	Date of payment of duty/out of charge	Amount of refund sanctioned (₹)
1 DGA-Chennai							
i. Commissioner of Customs (Sea) Chennai							
1	S24/SAD/1 231/12	19218/12 .31-7-12	M/s.Evershin Timber International Pvt.Ltd	K-120 30.8.11	4434219/ 23-8-11	OOC 30.8.11	10970
2	S24/SAD/2 025/2012	19775/12 .16-11-12	M/s.Office equipment Pvt.Ltd	269/2011-12 16.07.11	3782887/ 14-6-11	OOC: 18..-11	27076
3	S24/SAD/2 541/2012	20360/13	M/s.Jain agencies	221/19-12-11	5463002/ 14-12-11	OOC 20.12.11	55355
4	S24/SAD/3 50/13	20663/13	M/s.3M India Ltd	16698 and other 17 Sale invoices in Correlation Sheet dt.30-3-11	3086077/ 30-3-11	6.4.11	1856
5	S24/SAD/3 50/13	20663/13	M/s.3M India Ltd	1015 17.5.11	3514136/ 16-5-11	18.5.11	3480
6				197,619,771,978 17.5.11	3514136/ 16-05-11	18.5.11	1192
7	S24/SAD/3 50/13	20663/13	M/s.3M India Ltd	15636,6544/ 17.3.11	797963	OOC 8.3.11	2806
8				15607 6.3.11	797874/ 04.3.11	OOC 8.3.11	2380
9				15626 7.3.11	797874/ 04.03.11	OOC 8.3.11	1073
10	S25/SAD/3 94/12	19152/12 17.07.12	M/s. Oriental Trade Linkers	2893 10.10.10 and other invoices mentioned in the correlation sheet	696927 23.11.10	25.11. 10	93872
11	Refunds S24/4%SAD /196/13 Refunds	20357/13 27.02.13	Delhi M/S.Universal metal impex	128 31.12.11	5598245 2.1.10	2.1.12	96101
12	S24/AD256 /13	20665/13 10.04.13	M/s. Poly Pipies	208D .24.11.11	5263131 24.11.11	1.12.12	239597

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Sl No.	F.No.	O-I-O No.and date	Name of applicant	Sale invoice No. and date	BE No.and Date	Date of payment of duty/out of charge	Amount of refund sanctioned (₹)
	Refunds dt.		PVT,Chennai	(Sale invoices not available) and other invoices in the correlation sheet			
13	S24/SAD/2 19/12 Refunds	Not available dt 5/12	M/s. Krishi tech power Equipments Pvt. Ltd	KA 01 to 04 28.8.11 (invoice not available)	4290386 6.9.11	29.7.11	51076
Sub total							586834
ii. Commissioner of Customs (Air) Chennai							
1	S25A/SAD/ 17/12 REF	327/12 27.6.12	M/s Sartech International	575 24.2.11	2921653	16.3.13	62236
Sub-total							62236
iii. (i) Commissioner of Customs, Tuticorin							
1	VIII/20/332 4/2012 RF	3307/12 30.7.12	M/s Ashapura Timber & Saw Mills	12040 21.7.11	4126265	22.7.12	11624
Sub-total							11624
iii. (ii) Dy. Commissioner of Customs, ICD, St. John, Tuticorin							
1	VIII/20/345 /2012RF	Nil/ 02.04.12	M/s. Elegant Associates	3.4.11	2996902	30.3.11	7785
2	VIII/20/126 1/2012RF	981/12 16.11.12	M/s Sri Lakosha polymer pvt.ltd	4205 16.12.11	5343078	17.12.11	54029
3	VIII/20/325 /2012RF	274/2012 02.04.12	M/s.Mahalaks hmi Timbers	688,689 302.11	W83669	15.3.11	22448
4	VIII/20/873 /2012RF	680/2012 11.0712	M/s.Mahalaks hmi Timbers	713 12.4.11	W83920	18.5.11	12581
Sub Total							96843
2 DGA-Kolkata							
1	S107- 3532/12 ARS dt 18/10/12	KOL/CUS/A C/2835 ARS 12-13 15.11.2012	Rohan Enterprises, Kolkata	RE/T/016/12-13 17.4.12 RE/T/017/12-13 1704.12 RE/T/018/12-13 17. 4.12	6488901 9.4.12	13.4.12 19.4.12	237683

Sl No.	F.No.	O-I-O No.and date	Name of applicant	Sale invoice No. and date	BE No.and Date	Date of payment of duty/out of charge	Amount of refund sanctioned (₹)
				RE/T/019/12-13. 1704.12			
				RE/T/020/12-13 17.4.12			
				RE/T/021/12-13 17.4.12			
				RE/T/022/12-13 17. 4.12			
				RE/T/023/12-13 17.4.12			
				RE/T/024/12-13 17. 4.12			
				RE/T/025/12-13 17. 4.12			
				RE/T/026/12-13 17. 4.12			
				RE/T/026/12-13 17. 4.12			
						Sub total	237683
3 PDA - Mumbai							
1(i)	S/12/SAD-826/12-13 ACC(R)	3422/22.11.2012	M/s. Eternity Life styles Pvt.ltd	DMN/00339/1112/3.5.11	3489153 13.5.11	16.5.11	656
(ii)				DMN/00368/1112 3.5.11			656
(iii)				MUM/00195/1112 6.5.11			656
(iv)				MUM/00165/1112/ 04.511			656
(v)				MUM/00201/1112/ 7.5.11			637
(vi)				DMN/00338/1112/ 3.5.11			678
(vii)				DMN/00434/1112			394
2(i)				MUM/00173/1112	3420920 6.5.11	7.5.11	353
(ii)				DMN/00382/1112			2471
(iii)				MUM/00173/1112			353
(iv)				MUM/00158/1112			353
(v)				MUM/00173/1112			353
(vi)				DMN/00382/1112			353
						Sub total	8569
4 PDA - Hyderabad							
1	C.No.S/47/REF/148/2012-ACC	235/2012-ACC(R) 25.082012	M/s Elico Marketing Pvt.Ltd, Hyderabad	55/11-12/ 26.08.11	4461792/ 28.08.2011	30.8.11	13999

Sl No.	F.No.	O-I-O No.and date	Name of applicant	Sale invoice No. and date	BE No.and Date	Date of payment of duty/out of charge	Amount of refund sanctioned (₹)
2	C.No.S/47/ REF/153/2 012-ACC	231/2012- ACC(R) 25.08.2012	M/s Swan Environmental Pvt. Ltd, Hyderabad	291/11-12 20.08.11	4405649/ 19.08.2011	22.8.11	5693
Sub total							19692
Grand total							10,23,481

**Appendix 20 {Para No.4.10.2 (b)}
Time barred claims**

Sl.No	File No	Name of applicant	Date of Application	BE. No & Date	Date of payment of duty/Dt. of Out of charge	Amount of refund sanctioned (₹)
1. DGA - Chennai						
i. Commissioner of Customs (Air) Chennai						
1	S25A/SAD/476,477	M/s. Dax Net Works Ltd	31.03.2011	140951/ 04.03.10 142700/ 06.03.10 143802/ 08.03.10 149942/ 16.03.10 149945/ 16.03.10 151958/ 18.03.10 152003/ 18.03.10 152342/ 18.03.10 152571/ 18.03.10 152668/ 18.03.10 152669/ 18.03.10 155101/ 20.03.10	05.03.10 09.03.10 09.03.10 17.03.10 17.03.10 19.03.10 19.03.10 19.03.10 19.03.10 19.03.10 19.03.10 20.03.10 22.03.10	39233 14978 2643 16340 20862 10182 49474 20822 13793 16652 33243 24094
2	S25/A/SAD/102/11	Madras Malabar Corpn.	11.11.11	957034/ 05.11.11	06.11.09	3283
Sub total						265599
PDA – Chennai (Br. Office Cochin)						
1	S18/483/2012	Falcon Glass Palace	03.08.12	14/2013/ 02.01.2013	01.08.11	180473
Sub total						180473

Sl.No	File No	Name of applicant	Date of Application	BE. No & Date	Date of payment of duty/Dt. of Out of charge	Amount of refund sanctioned (₹)
2. PDA - Mumbai						
1.	F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH 21.12.12	M/S Prakash Chemical	21.12.2012	4624046/ 13.09.2011	21.09.12	135792
2	F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH 21.12.12	M/S Prakash Chemical		4948046/ 18.10.2011	20.10.11	76389
3	F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH 21.12.12	M/S Prakash Chemical		5018706/ 25.10.2011	01.11.11	37648
4	F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH 21.12.12	M/S Prakash Chemical		5109463/ 04.11.2011	11.11.11	38702
5	F.No. S/12-Mis-867/12-13/CRA II A (SAD)JNCH 10.05.12	M/S Eximincorporation	10.05.2012	5926247/ 06.02.2011	21.02.11	164774
6	F.No. S/12-Mis-7792/11-12/CRA II A (SAD)JNCH 30.03.12	M/s. Bambooo Ram HariChand	30.03.2012	6015812/ 15.02.2012	20.02.11	62813
Sub total						516118
3. PDA - Hyderabad						
1	C.No.S/47/REF/302/2012-ACC	M/s Randox Laboratories (India) Pvt. Ltd, Mumbai	29.11.2012	5317477/ 28.11.2011	29-11-2011	44263
Sub total						44263
4. PDA - Bangalore						
1	546/D-421/ 2012 Refunds BACC	M/s Enterprise Software Solutions, Lab, Ltd	05.12.2012	5368589/ 12.03.2011	5.12.2011	198874
Sub total						198874
Grand Total						12,05,327

Appendix 21 {Para No.4.10.2 (c)}
Sanction of refund claim on sale of goods mis-matched with imported goods

Sl. No.	BE No.and date	O-I-O	Imported goods as per BE and sellers invoice	Description goods as per sales invoice	Sale invoice	SAD paid (₹)
I. Commissioner of Customs (Air) Chennai						
1	357433/ 29-11-10	430/ 3-8-12	MTL 20 DS Ecom vacuum With D 40 access. Kit Inds. Cleaning machine	Roots delfin Mistral 202 DS Eco Single Phase (contin) Heavy Duty Indl.Vac.Cleaner with Manual Filter Cleaning system Including Std	CI-204/ 10-12-10	2336

Sl. No.	BE No.and date	O-I-O	Imported goods as per BE and sellers invoice	Description goods as per sales invoice	Sale invoice	SAD paid (₹)
				accessories	CI-205/ 10-12-10	2336
					CI-206/ 11-12-10	2336
					CI-221/ 29-12-10	4672
2	364783/ 8-12-10	430/ 3-8-12	Trough Battery 24V/240 Spare parts for Inds. Cle. machine	Trough Battery 12V/240 AH,Parts with aquamatic	CI-212/ 20-12-10	6472
3	364783/ 8-12-10	430/ 3-8-12	Brush Head plate Brush 8 Spare parts for Inds. Cle.Mac.	Plate Brush Head 85 cm	CI-212/ 20-12-10	10290
4	364783/ 08-12-10	430/ 03-8-12	Brush SIC PA 180B 900Spare parts Ind.Cle Mach.	Very Heavy dirt and Basic Cleaning/SIC PA 6 grain	CI-212/ 20-12-10	986
5	386413/ 3-1-11	430/ 03-8-12	MTL 20 DSEco M vacuum with D 40 access. Kit model no.ASMTL 202 DSEcom 40 E Indus. Cle. Mac	Roots delfin Mistral 202 DSEco single with manual filter clea. System inclu. Std accessories	CI-249/ 22-1-11	2276
					CI 267/ 22-2-11	2276
					CI 270/ 25-2-11	2276
					CI 271/ 25-2-11	2276
					CI 276/ 28-2-11	2276
6	3549601/ 19.05.11	192/12/ 24.04.12	M/s.multiplexers panal kit surver	EIL SDPTS220INST MT	DEL-12-100033/ 27.06.11	16743
Sub Total						57551
II. Commissioner of Customs (Sea) Chennai						
1	4040446/ 11.07.11	Nil/6/12	C25 Art board 210GSM 585 X 914	C25 Art board 635 X 914	183/ 21.07.11	11093
2	4113895/ 19.07.11	20624/13 04.04.13	Wooden dowel 8X 35 mm	Wooden dowel 8X 50 mm	9741000007/ 28.07.11	3208
3	4237398/ 01.08.11	20455/ 12.03.13	Elephant Brand GS Spray dried powder	Imported wattle extract elephant GS Board	EGS 25/ 23.09.11	62855
4	4493333/ 29.08.11	20455/12.0 3.13	do	do	EGS/119/ 14.09.11	62855

Sl. No.	BE No.and date	O-I-O	Imported goods as per BE and sellers invoice	Description goods as per sales invoice	Sale invoice Sub Total	SAD paid (₹) 140011
III. Commissioner of Customs, Tuticorin						
1	4101136 18.07.11	883/2012	Radiata pine logsT1/70	Radiata pine round logs	T1/70 / 30.07.11 T1/76/ 01.08.11	16717
2	577184 19.01.12	4190/2012 26.11.12	Ghana Gmelina round logs	Gmelina logs	1. 354 04.02.12 2. 355 04.02.12 3. 357 10.02.12 4. 358 10.02.12 5. 359 10.02.12 6. 372 12.03.12 7. 1015 19.04.12 8. 1018 27.04.12 9. 1019 27.04.12 10. 1020 02.05.12	133393
3	5048676 29.10.11	4332/2012 12.12	Round logs	Imported teak logs	971,976,977,265 ,266,273,and 274	86889
4	5373157 03.12.11	4327/2012 14.12.12	Teak roun logs	Imported teak logs	991,992,995,998 ,999,1002,1004 and 1006	153291
5	5389607 06.12.11	26/2012 12.12	Teal round logs & teak round logs (off cut)	Imported teak logs	996,1007,1009 and 1010	63343
6	5866295 31.01.12	3857/2012 31.10.12	Teak clean square in different type.	Imported teak wood sawn	12246,12247,12 255,12256,1225 7,12273,12277,1 2286,12294,123 00,12302,12303, 12304,12306,12 309,12313,1231 4,12315, 12316,12317,12 323,12324,1232 6 and 12327	61573
Sub total						515206
DGA - Kolkata						
1	8025130/ 24.09.2012	R/O- 4071/12-13 04.01.13	Defective/Secondary Tinplate Coil	Defective/ Secondary Tinplate coil cut in pcs	TS99/228/1213 TS99/229/12-13 TS99/230/12-13	160625

Sl. No.	BE No.and date	O-I-O	Imported goods as per BE and sellers invoice	Description goods as per sales invoice	Sale invoice	SAD paid (₹)
	8352521/ 30-10-12				TS99/267/12-13 TS99/268/12-13 TS99/269/12-13 TS99/270/12-13 TS99/271/12-13	168893
2	7188820/ 22-06-12	S107- 4358/12ARS	Defective and Secondary Cold rolled steel Sheet Cutting/Coil	D Sec CR Coil cut to Sheet	125/ 04-11-12 126/ 04-11-12 127/ 05-11-12 128/ 05-11-12 129/ 05-11-12 130/ 05-11-12 131/ 06-11-12 132/ 06-11-12 133/ 06-11-12	271095
	8053504/ 26-09-12	S107- 4358/12ARS	Secondary/Defective Galvanised Coils	Def Sec Galvanised Coil cut in Pcs	347/ 15-11-12 348/ 15-11-12 349/ 16-11-12 350/ 16-11-12 351/ 16-11-12 352/ 16-11-12	193109
3	7875007/ 06-09-12	S107- 4358/12ARS	Defective/Secondary Tinplate Coils	D/Sec TP Sheet cut from Coil	362/ 20-11-12 363/ 20-11-12 364/ 20-11-12 365/ 21-11-12 366/ 21-11-12	175695
	8362003/ 31.10.2012 8362003/ 31.10.2012	S107- 4358/12ARS	polyester fabrics with pvc backing	polyester coated Fabrics	5409/ 6.11.2012	

Sl. No.	BE No.and date	O-I-O	Imported goods as per BE and sellers invoice	Description goods as per sales invoice	Sale invoice	SAD paid (₹)
					5970/ 27.11.2012	518.40
					5968/ 27.11.2012	424.15
					5967/ 27.11.2012	471.28
					5476/ 9.11.2012	659.79
					5475/ 9.11.2012	471.28
4	8362003/ 31.10.2012	S107- 4358/12ARS	polyester fabric with pvc backing	polyster coated Fabrics	3210/ 8.11.2012	29612.10
					5922/ 26.11.2012	777.72
					5916/ 26.11.2012	807.51
					5913/ 26.11.2012	699.95
					5912/ .26.11.2012	388.86
					5813/ 22.11.2012	839.94
					5923/ 26.11.2012	1290.08
					5964/ 27.11.2012	1166.58
					5975/ 27.11.2012	839.94
					5974/ 27.11.2012	544.41
					5973/ 27.11.2012	824.38
					5972/ 27.11.2012	964.37
					5971/ 27.11.2012	808.83
					5969/ 27.11.2012	466.63
5	8375886/ 01.11.2012	S107- 4358/12ARS	spare parts for		No sale invoice attached	52038.90
	8362014/ 31.10.2012	S107- 4358/12ARS	polyster coated fabrics	polyster fabricks with pvc baking	5593/ 15.11.2012	1006.57
					5390/ 5.11.2012	745.60
					Sub total	10,66,550
					Grand total	17,79,318

Appendix 22 {Para No.4.10.2 (d)}
Incorrect sanction of refunds to manufacture

SI No.	File No.	Name of applicant	BE No.	Date	Amount of refund sanctioned (₹)
DGA - Kolkata					
1	S107-3842/12/ARS 20/11/2012	Prateek Patodia	5255839	22-11-11	669158
			5549213	23-12-11	
			5609625	30-12-11	
			5820504	24-01-12	
			5820500	24-01-12	
			Sub total		669158
PDA - Hyderabad					
	C.No.S/47/R/109/2012- ICD	M/s Chowdary Enterprises, Hyderabad	4154439	7-2011	37247
	C.No.S/47/R/89/2012- ICD	M/s Chowdary Enterprises, Hyderabad	3441982	9/5/2011	96240
			Sub total		133487
			Grand total		8,02,645

Appendix 23 {Para No.4.10.2 (e) (i)}
Co-relation sheet not properly matched with cargo

SI No.	File No.	Name of Company	Name of the goods imported	Order in original number
DGA- Chennai				
1	VIII/20/1228/12/RF	M/s Andaman Timber Company, Chennai	Kwila Logs (3 Varieties)	960/12 dt. 31.10.12
2	VIII/20/3681/12/RF	M/s. eastern bulk trading & shipping pvt ltd.	Limestone in Bulk	NIL dt.24.09.2012

Appendix 24 {Para No.4.10.2 (e) (v)}
Irregular refunds made despite non availability of sales invoices

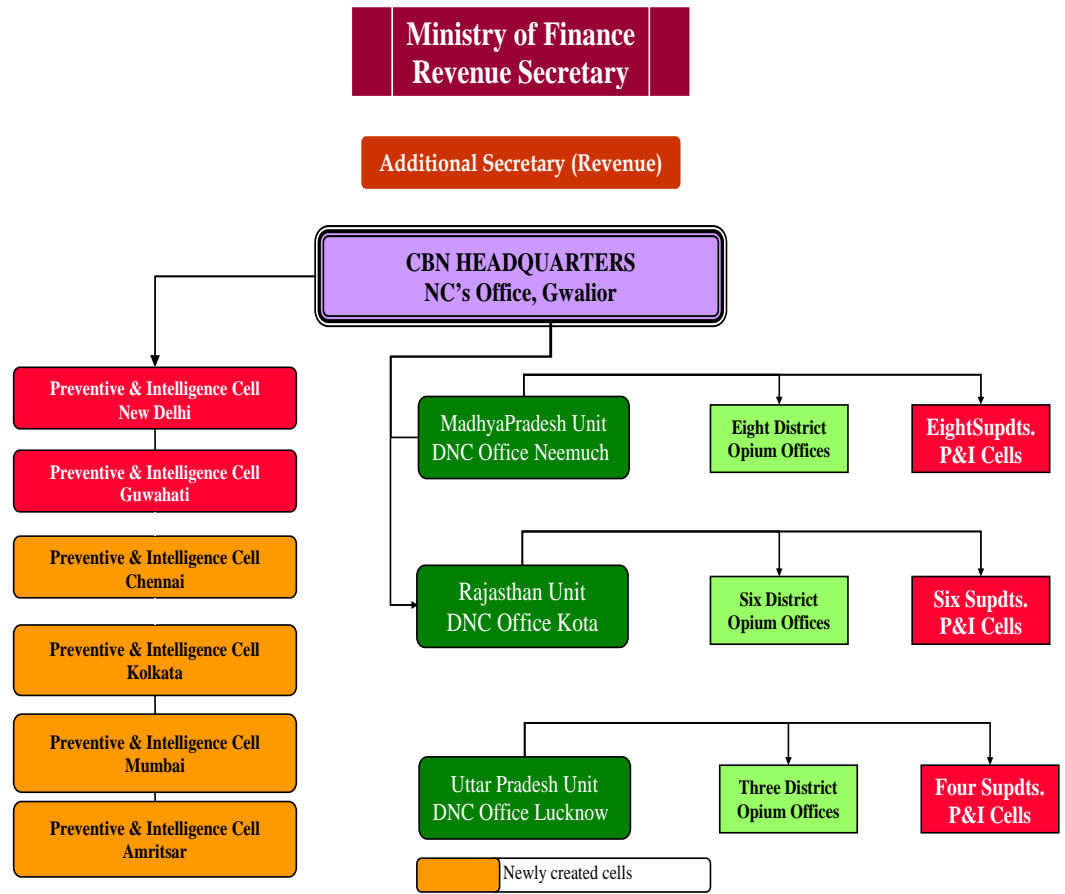
SI No.	Refund file No.	Importer's name	Refund order No. & date	Refund Amount (₹)
DGA - Kolkata				
1	F.NoS107-2001/12 ARS dt.8.06.12	JMD Trading Jahanabad,	1496/2012-13 13.08.2012	716614
2	F.NoS107- 2511/12ARS dt.27.07.12	Huber and Suhner Electronic Pvt. Ltd., Kolkata	1970/2012-13 24.09.2012	4030304
3	F.NoS107- 2596/12ARS dt.02.08.12	M/s R. K. Impex Co.(India)	1987/2012-13 25.09.2012	2946222
			Total	76,93,140

Appendix 25 {Para No.4.10.2 (e) (ix)}
Sanction of SAD refunds without payment of appropriate CST

Sl No.	File No.	Name of applicant	BE No./SB No.	Date	Amount of refund sanctioned (₹)
PDA - Cochin					
1	S18/159/2012	Vallabhadas & Co., Ernakulam	5565065	26.12.11	33712
2	S18/569/2012		7496370	26.07.12	126006
3	S18/688/2012	7531105	30.07.12	62854	
		7650904	13.08.12	72088	
		7821104	31.08.12	5936	
		8037333	25.09.12	62597	
		8061150	27.09.12	62372	
		8154915	08.10.12	60178	
			Total		4,85,743

Appendix 26 (Para No.6.2)

Organizational set up



- P&I Cell (MP)
- 1 Garoth
 - 2 Mandsour
 - 3 Ratlam
 - 4 Indore
 - 5 Singoli
 - 6 Ujjain
 - 7 Jaora
 - 8 Supdt. (Preventive),
Neemuch

- P&I Cell (Rajasthan)
- 1 Kota
 - 2 Chittorgarh
 - 3 Bhawani Mandi
 - 4 Jaipur
 - 5 Udaipur
 - 6 Pratapgarh

- P&I Cell (UP)
- 1 Lucknow
 - 2 Bareilly
 - 3 Ghazipur
 - 4 Barabanki

Appendix 27 (Para No.6.13.9)
Mechanism in preliminary checks of quality and weight of opium

Particulars	2010-11	2011-12	2012-13	Grand Total
Total no. of cultivators who deposits opium	9380	7443	8387	25210
I. Samples sent to factory as good by department	9372	7440	8373	25185
Pass/good declared by factory	9119	7309	8313	24741
Inferior/adulterated declared by factory	253	131	60	444
Consistency/class more than two level difference	4	20	9	33
Consistency/class two level difference	52	115	18	185
II. Samples sent to factory as suspected by department	8	3	14	25
Passed as good by GOAW	6	2	11	19
Adulterated declared by factory	2	1	3	6

Appendix 28 (Para No.6.13.9)
Mechanism in preliminary checks of quality and weight of opium

Particulars	2010-11	2011-12	2012-13	Grand total
Total Number of cultivators	13576	10904	11298	35778
Sample sent to factory as good by department	13352	10813	11273	35438
Pass/good declared by factory	12101	10471	10893	33465
Inferior/adulterated declared by factory	919	172	90	1181
Consistency more than two level difference	77	36	124	237
Consistency two level difference	255	134	166	555
Suspected sample sent to factory by department	224	91	25	340
Good/pass by factory	58	19	16	93
Inferior/adulterated declared by factory	166	72	8+1	247 (246+1)
			(Report not received)	

Appendix 29 (Para No.6.13.11)
Payment made to other than cultivators

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
Neemuch-I					
Year 2010-11					
1	Omkarlal/Bhera	Kundla		Ramvilash, Son	27900
2	Sitaram/Gameta	---do---	---do---	Bhawaniram, Son	12900
3	Nandubai/Mangiram	---do---	---do---	Durga	28000
4	Kashturibai/Rupnath	---do---	---do---	Prakash, Son	35100
5	Chhaganlal/Keshuram	---do---	---do---	Bherulal, Son	27610
6	Ghanshyam/Shivlal	---do---	---do---	Shivlal, Father	20600
7	Mann Singh/Bhakhtawar Singh	---do---	---do---	Hemant Singh	45100
8	Bardichandra/Bhera	---do---	---do---	Devilal	19400

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
9	Ramkuwarbai/Satyanarayan	---do--	---do--	Binod	25200
10	Dakhibai/Ramchandra	BabalJuni	---do---	Phatehalal, Grandson	27700
11	Ramchandra/Shree lal	---do---	---do---	Tarachand, Son	39200
12	Indrabai/Bhawanibai	---do---	---do---	Rameshchanra, Husband	23200
13	Prabhulal/Nanalal	---do---	---do---	Devilal, Son	36857
14	Ramkuwarbai/Badrilal	---do---	---do---	Motilal, Son	44900
15	Madhulal/Kaluji	---do---	---do---	Rameshchandra, Son	31600
16	Nathulal/Shukhdev	---do---	---do---	Bagdiram, Son	33200
17	Madholal/Laxmichandra	---do---	---do---	Balkishan, Son	27100
18	Bhagwantibai/Ratanlal	---do---	---do---	Shankarlal, Son	52369
19	Shankar/Prithivilal	---do---	---do---	Motilal/Son	21600
20	Motiyabai/Bhawarlal	---do---	---do---	Mangilal, Son	40258
21	Balibai/Pannalal	---do--	---do--	Anil, Son	32333
22	Sohanlal/Keshuram	Ruppura	---do---	Ashok Kumar, Son	28400
23	Ramibai/Rameshwar	---do---	---do---	Mohanlal, Son	21149
24	Lalibai/Magniram	---do---	---do---	Ramchandra, Son	19100
25	Prema/Partha	---do---	---do---	Radheshyam	31600
26	Nanibai/Nanuram	---do---	---do---	Shyamlal, Son	39400
27	Bansilal/Pyara	---do---	---do---	Chaturbhuj	41200
28	Prabhubai/Shankarlal	---do---	---do---	Bherulal, Son	25373
29	Nawalram/Udda	---do---	---do---	Kishanlal, Son	46412
30	Takhat Singh/Vedraj	---do---	---do---	Balwant, Son	37800
31	Hari Singh, Chain Singh	---do---	---do---	Balwant, Son	44100
32	Ratanlal/Narayan	Tumba	---do---	Sureshchandra, Son	14400
33	Nanibai/Kishanlal	---do--	---do--	Radheshyam, Son	35200
34	Nathibai/Premchand	---do---	---do---	Kamlesh, Son	39225
35	Gangabai/Hiralal	Kelukheda	---do---	Banshilal, Son	26900
36	Kamalabai/Shantilal	---do---	---do---	Shantilal, Husband	19300
37	Chhaganlal/Bhawarlal	---do---	---do---	Amaritlal	25300
38	Narayanibai/Kaniram	---do---	---do---	Bhawarlal	20800
39	Sitabai/Nathulal	---do---	---do---	Mukesh	17900
40	Sukhibai/Motilal	---do---	---do---	Bhagwanlal, Son	34326
41	Badrilal/Mathuralal	---do---	---do---	Nandlal	24300
42	Mohanbai/Prabhulal	---do---	---do---	Omprakash	24800
43	Gopilal/Moti	---do---	---do---	Madanlal, Son	35100
44	Kanhelal/Nanuram	Subakheda	---do---	Subhash, Son	41172
45	Gabbubai/Nathuji	---do---	---do---	Prabhulal, Son	25553
46	Ramchandra/Ramnarayan	---do---	---do---	Keshuram, Son	39600
47	Ramchandra/Bapulal	---do---	---do---	Binod, Son	36100
48	Ratanlal/Nanalal	---do---	---do---	Satyanarayan	39800
49	Ballabhram/Ramnarayan	---do---	---do---	Tulsiram, Nephew	32900
50	Shringarbai/Radhakishan	---do---	---do---	Shobharam	26600
51	Devali/Surajmal	---do---	---do---	Kanhaiyalal, Son	34450
52	Bhawarlal/Chunnilal	---do---	---do---	Bherulal	16700
53	Lal Singh/Bhuwani Singh	---do---	---do---	Mangu Singh	20200
54	Prabhulal/Moda	---do--	---do--	Shukhlal	31700
55	Bansilal/Ramnarayan	---do---	---do---	Vijay, Son	38800
56	Ramgopal/Mangilal	---do---	---do---	Rajesh, Son	43700
57	Amnibai/Chhaganlal	---do---	---do---	Sundarlal, Grandson	28200
58	Jagdish/Ratanlal	---do---	---do---	Radheshyam	27800
59	Shambulal/Bhuwaniram	---do---	---do---	Kanhaiyalal, Son	29700

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
60	Rukmanibai/Balwant Singh	---do---	---do---	Tulsiram, Son	24887
61	Vikram Singh/Badan Singh	---do---	---do---	Rajendra Singh, Son	37000
62	Mangilal/Nanuram	---do---	---do---	Vijay	44100
63	Mangibai/Bherulal	---do---	---do---	Dinesh, Son	47900
64	Satyanarayan/Hiralal	---do---	---do---	Bharatlal, Son	45600
65	Sushilabai/Sitaram	Manda	---do---	Vijay Kumar, Son	41582
66	Laxmi Narayan/Bhawarlal	---do---	---do---	Gopal, Son	14200
67	Udayram/Bhawarlal	---do---	---do---	Ramvilash, Son	29700
68	Gopal/Bhawarlal	---do---	---do---	Lalaram. Brother	41700
69	Devaji/Ramphul	---do---	---do---	Laxman, Son	42100
70	Bhagwantibai/Shankarlal	---do---	---do---	Ashok kumar, Son	25200
71	Hiribai/Prabhulal	---do---	---do---	Prahlad, Son	42700
72	Shambulal/Ramratan	---do---	---do---	Ghisalal	29300
73	Prabhulal/Ramchandra	---do---	---do---	Narendra, Son	46900
74	Balu Singh, Badu Singh	Rup Pura Chadaul	---do---	Rup Singh, Son	31400
75	Gulab Kuwar/Rai Singh	---do---	---do---	Chandra Singh, Son	3700
76	Umraw Singh/Khuman Singh	---do---	---do---	Keshar Singh	3600
77	Dhapubai/Laxmichand	Keshar Pura	---do---	Kishor, Grand Son	40095
78	Dhapubai/Parashuram	---do---	---do---	Rodilal, Son	30744
79	Prabhubai/Shukhlal	---do---	---do---	Manohar	20568
80	Magnibai/Bhagwanlal	---do---	---do---	Nandlal	32828
81	Chatabhuj/hiralal	---do---	---do---	Tulsiram, Brother	24900
82	Modiram/Ramchandra	---do---	---do---	Shyamlal, Son	30347
83	Ramchandra/Lala	---do---	---do---	Rameshchandra, Son	24700
84	Chandrakant/Nanuram	Janakpur	---do---	Kailash, Son	11700
85	Rameshchandra/Raghulal	---do---	---do---	Kush, Son	17700
86	Prahalad/Sobhram	---do---	---do---	Premasukh, Son	18500
87	Nehrulal/Bhuwaniram	---do---	---do---	Dinesh, Son	31100
88	Gangabai/Chhaganlal	---do---	---do---	Rakesh, Grand Son	31200
89	Santoshbai/Mohanlal	---do---	---do---	Rajendra, Grand Son	19200
90	Laxmi Narayan/Rupaji	---do---	---do---	Mohanlal	32100
91	Kaluram/nanuram	---do---	---do---	Kailashchandra, Son	60132
92	Bhawaribai/Nanuram	---do---	---do---	Ramnivash, Son	47471
93	Barjibai/Nathulal	Chadol	---do---	Ratanlal	30600
94	Rukmanibai/Ramlal	---do---	---do---	Ambalal, Son	41900
95	Dhapubai/Narayan	---do---	---do---	Badrilal, Son	32000
96	Omkarlal/Udayram	---do---	---do---	Jagdish, Son	43100
97	Udda/Navala	---do---	---do---	Laxminarayan, Son	40100
98	Daula/Kalu	---do---	---do---	Bharat, Son	27800
99	Ghisalal/Omkarlal	---do---	---do---	Ambalal, Son	35100
100	Chataribai/Bherulal	---do---	---do---	Gopal, Son	45000
101	Girdhari/Ramnarayan	---do---	---do---	Dinesh, Son	38900
102	Bagdiram/Ramnarayan	---do---	---do---	Prakashchandra, Son	47200
103	Gitabai/Ramchandra	---do---	---do---	Rameshchandra, Son	26500
104	Nagjiram/Pyarji	---do---	---do---	Bherulal	53800
				Sub total	3304041
Year 2011-12					
105	Basantibai/Gyan Singh	Chauthkheda	---do---	Mahendra Singh, Son	27000

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
106	Radhkisan/Girdhari	---do---	---do---	Dinesh, Son	23300
107	Mangilal/keshuram	Bhadbhdiya	---do---	Omprakash, Son	16700
108	Rampyaribai/Mangilal	---do---	---do---	Rameshchandra, Son	29400
109	Sundarbai/Bhawarlal	---do---	---do---	Omprakash, Son	16900
110	Jaikuwar/Chatarbhuj	---do---	---do---	Yashwant, Grand Son	54071
111	Motilal/Kachru	---do---	---do---	Kailash, Son	19557
112	Jankuwar/Ramgopal	---do---	---do---	Mukesh, Son	35600
113	Ram Prasad/Mangilal	---do---	---do---	Bal Gopal, Son	35987
114	Radheshyam/Bhima	---do---	---do---	Gopal, Son	25600
115	Radheshyam/Khayali	---do---	---do---	Devilal, Son	14300
116	Basantibai/Bardichand	---do---	---do---	Shankarlal, Son	18900
117	Bhawarlal/Prabhulal	---do---	---do---	Gordhanlal, Son	26000
118	Chowkhilal/Laxman	---do---	---do---	M P Patidar, Son	16054
119	Mangilal/Pannalal	---do---	---do---	Premshukh, Son	47500
120	Meghraj/Pannalal	---do---	---do---	Bagdiram	30300
121	Ghisu/Rathu	---do---	---do---	Bherulal, Son	20600
122	Chaganlal/Dhanraj	---do---	---do---	Nandkishore, Grandson	9000
123	Bhawarlal/Bhawanilal	---do---	---do---	Gopal, Son	31800
124	Kawarlal/Mangilal	---do---	---do---	Omprakash, Son	23100
125	Mangilal/Kachru	---do---	---do---	Dashrath, Son	46119
126	Bapulal/Kawarlal	---do---	---do---	Gordhanlal, Son	46500
127	Banshilal/Ghansi	---do---	---do---	Ramnarayan, Son	28100
128	Hajarilal/Mohanlal	---do---	---do---	Rakesh, Grand Son	38400
129	Sunil/Jagdish	---do---	---do---	Prakash	25800
130	Babulal/Ramnayan	Kanakheda-I	---do---	Ashok, Brother	29500
131	Prabhulal/Bhuwaniram	---do---	---do---	Mohanlal, Son	39800
132	Basantilal/Gaurilal	---do---	---do---	Mukesh, Son	49100
133	Mohanlal/Ratanlal	---do---	---do---	Manoharlal	39300
134	Mukesh Kumar/Karulal	---do---	---do---	Ramesh, Brother	31900
135	Bhagwantibai/Salagram	---do---	---do---	Prahalad, Son	38200
136	Karulal/Bauthlal	---do---	---do---	Ramesh, Son	11300
137	Chunnilal/Ratanlal	---do---	---do---	Jagdish, Son	36000
138	Nanibai/Mathuralal	---do---	---do---	Madanlal, Son	29700
139	Radheshyam/Bhawaniram	---do---	---do---	Mohan, Son	12200
140	Santilal/Ramnarayan	---do---	---do---	Ashok, Brother	34200
141	Kisanlal/Ramchandra	Girdaura	---do---	Gautamlal, Son	26375
142	Kanhaiyalal/Shankar	---do---	---do---	Mahesh Kumar	34200
143	Santibai/Jainarayan	---do---	---do---	Rajendra, Son	15400
144	Dulichand/Kaluram	---do---	---do---	Rohit, Son	16900
145	Bhawarlal/Dhannaji	Dhaneriakala	---do---	Devilal, Son	20200
146	Radheshyam/Ganesh	---do---	---do---	Kamlesh, Son	20900
147	Chandibai/Mangilal	---do---	---do---	Mukesh, Son	9400
148	Mulchand/Babru	---do---	---do---	Ganpatlal, Son	13800
149	Panibai/Chhaganlal	---do---	---do---	Madanlal, Son	18700
150	Mohanlal/Mathuralal	Bholiabash	---do---	Mukesh, Son	22300
151	Dhapubai/hiralal	---do---	---do---	Bhagwanlal, Son	18000
152	Babribai/Prabhulal	---do---	---do---	Sureshchandra	28200
153	Rama/Ghasi	Dulakheda	---do---	Viram, Son	22100
154	Kalabai/Uddaram	---do---	---do---	Kamal, Son	12600
155	Devubai/Girdhari	---do---	---do---	Shyamlal, Son	22600
156	Balmukund/Khayaliram	Kanawati	---do---	Mukesh, Son	26300
157	Rampratap/jaichand	---do---	---do---	Hariom	35900

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
158	Prakashchandra/Kaluram	---do---	---do---	Dinesh Kumar, Son	34770
159	Matharibai/Nanuram	---do---	---do---	Jagdishchandra, Son	9200
160	Khemraj/Prabhulal	---do---	---do---	Shyamlal, Son	23400
161	Jaichand/Daluram	---do---	---do---	Mukesh, Grand Son	10500
162	Sitabai/Bapulal	---do---	---do---	Mukesh, Son	21500
163	Devilal/Rashakishan	---do---	---do---	Mukesh, Grandson	46200
164	Ghisalal/Dhurilal	---do---	---do---	Badrilal, Son	19100
165	Jamnalar/Jhamkubai	---do---	---do---	Shyamsundar, Son	22300
166	Kaniram/Khayaliram	---do---	---do---	Ramnarayan, Son	34000
167	Mohanlal/Motilal	Newad	---do---	Bharat Pawar,	31900
168	Nandubai/Gordhanlal	---do---	---do---	Jagdish	29700
169	Ratanlal/Bajeram	---do---	---do---	Dashrath	20700
170	Bhawarlal/Shivlal	Borkhedikala	---do---	Bherulal, Son	23400
171	Kanchanbai/Rameshwar	---do---	---do---	Kamlesh, Son	26400
172	Nonduram/Omkar	---do---	---do---	Shambhulal, Son	27700
173	Bhawarlal/Mulchand	---do---	---do---	Dashrath, Son	39900
174	Magnibai/Kanhaiyalal	---do---	---do---	Tulsiram, Son	18000
175	Kankubai/Chhaganlal	---do---	---do---	Devilal, Son	27700
176	Prabhulal/Rama	---do---	---do---	Bharatlal, Son	27100
178	Tulsiram/Omkar	---do---	---do---	Kanhaiyalal, Son	48200
179	Kamalibai/Bhagwan	---do---	---do---	Nandlal, Nephew	9400
180	Ramnarayan/Gabbulal	---do---	---do---	Ram Prasad, Son	16400
181	Dhapubai/Nanuram	Durdarshi	---do---	Shambhulal, Son	51317
182	Kawarlal/Bhagirath	---do---	---do---	Ram Prasad, Son	39600
183	Hudibai/Shrilal	---do---	---do---	Ghanshyam, Son	31400
184	Hajarilal/Laxmichand	---do---	---do---	Satyanarayan, Son	19700
185	Ratanlal/Bhima	Bhadbhadiya	---do---	Sureshchandra, Son	8200
186	Ghisibai/Badrilal	---do---	---do---	Premshukh	5600
187	Babulal/Ratanlal	---do---	---do---	Shyamlal, Son	23300
188	Mathuralal/Moda	---do---	---do---	Mohanlal, Son	27800
189	Narayan/Nathu	---do---	---do---	Suresh, Son	22000
190	Liladhar/Baluram	---do---	---do---	Dashrath, Brother	27000
191	Ebrahim/Phakira	---do---	---do---	Shaid Mohamad, Son	26300
192	Jagdish/Bhawarlal	---do---	---do---	Madanlal, Son	20200
193	Samandbai/Ratanlal	---do---	---do---	Dashrath, Son	27910
194	Kamalabai/Ratanlal	---do---	---do---	Vishnulal, Son	25247
195	Indrabai/Ramnarayan	---do---	---do---	Amaritram, son	36000
196	Narayan/Omkar	Piplon	---do---	Dhanlal, Son	39000
197	Nathulal/Ramlal	---do---	---do---	Satyanarayan, Son	25034
198	Dhanraj/Shobhram	---do---	---do---	Santilal, Son	18000
199	Ambalal/Mohanlal	---do---	---do---	Jashwant, Brother	21800
200	Govindram/Motilal	---do---	---do---	Rajaram, Son	24900
201	Mathuralal/Ramlal	---do---	---do---	Madanlal, Son	37800
202	Bhagwan/Chhatamal	Dau	---do---	Ramesh, Son	31100
203	Kalu Singh/Govind Singh	---do---	---do---	Pratap Singh, Son	39000
204	Ghisaji/Dhannaji	---do---	---do---	Sureshchandra, Son	31900
205	Daulatram/Chhotelal	---do---	---do---	Satynarayan, Son	41300
206	Modiram/Bherulal	---do---	---do---	Bhagchand, Grand Son	22700
207	Mohanlal/Laduram	---do---	---do---	Laxminarayan, Son	25500
208	Kamalabai/Tulsiram	---do---	---do---	Vishnuram, Son	41587
209	Ramgir/Chetangir	---do---	---do---	Ragunathgir, Brother	32400

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
210	Kawarlal/Dhura	---do---	---do---	Shivnarayan, Son	42400
211	Ghasi/Shankar	---do---	---do---	Daluram, Son	47964
212	Mangibai/Ramchandra	---do---	---do---	Madanlal, Son	46377
213	Pushpabai/Chhaganlal	---do---	---do---	Satyanarayan, Son	68645
				Sub total	3018114
Mandsour-III					
2010-11					
1	Bherulal/Barda	Akiabika part-II	Mandsour-III	Banshilal, Son	15200
2	Inderbai/Bhawarlal	---do---	---do---	Karulal, Son	16600
3	Nanibai/Devaji	---do---	---do---	Bherulal	34100
4	Ghisibai/Bhawarlal	---do---	---do---	Sitaram, Son	16237
5	Laxminarayan/Ramchandra	---do---	---do---	Kamlesh Brother	21352
6	Pannalal/Motilal	---do---	---do---	Shantilal, Son	20100
7	Mangilal/Daulatram	---do---	---do---	Nandlal	22800
8	Kashibai/Daulatram	---do---	---do---	Devilal, Son	18400
9	Bhawarlal/Devilal	---do---	---do---	Bhagwan, Son	33400
10	Ram Gopal/Hiralal	---do---	---do---	Chandrashekhar, Son	13900
11	Mathurabai/Mangilal	---do---	---do---	Dineshchandra, Son	28451
12	Debubai/Badrilal	---do---	---do---	Suresh, Son	21700
13	Kaluram/Devilal	---do---	---do---	Balmukund, Son	19500
14	Chandibai/Dayaram	---do---	---do---	Shyamlal	17400
15	Parasram/Tulsiram	---do---	---do---	Manoharlal, Son	46400
16	Bishnudas/Shridas	---do---	---do---	Rameshwardas, Son	38900
17	Kailashbai/Bagdiram	---do---	---do---	Shayamlal, Son	15500
18	Balusingh/Chain Singh	---do---	---do---	Bharat Singh	30697
19	Damordas/Shridas	---do---	---do---	Dashrath, Son	21200
20	Chatar Kuwar/Shabhu Singh	Sesdi	---do---	Bane Singh, Son	20700
21	Ramlal/Dhura	---do---	---do---	Satyanarayan, Son	40786
22	Jujhar/Udda	---do---	---do---	Mangilal, Son	15800
23	Bheru Singh/ Gopal Singh	---do---	---do---	Vikram Singh, Son	34100
24	Sukhibai/Ramlal	---do---	---do---	Mangilal	26100
25	Omkarlal/Udda Dangi	Banshkhedhi	---do---	Ramchandra, Son	44200
26	Sitaram/Kachru	---do---	---do---	Jagdish	29700
27	Kashibai/Shankar	---do---	---do---	Jagdish, Son	19000
28	Basudev/Mohanlal	---do---	---do---	Govindram, Brother	36100
29	Hukumal/Mangilal	---do---	---do---	Govindram, Brother	27500
30	Kanhaiyalal/Mohanlal	---do---	---do---	Dinesh, Son	39300
31	Sitabai/Rupa	---do---	---do---	Karan Singh, Son	27600
32	Kawarlal/Hira	---do---	---do---	Amar Singh, Son	26300
33	Kanchanbai/Mohandas	---do---	---do---	Ramchandra, Son	18000
34	Mohanlal/Udda	---do---	---do---	Ramchandra, Son	9600
35	Baludas/Purandas	---do---	---do---	Karudas, Son	29300
36	Bhuwaniram/Kana	---do---	---do---	Rahul, Son	35100
37	Kishandas/Rupdas	---do---	---do---	Amardas, Son	18100
38	Naharji/Kachru	---do---	---do---	Satyanarayan, Son	15200
39	Parmeshwar/ Bherulal	---do---	---do---	Jagdish, Brother	20600
40	Mohanlal/Laxman	---do---	---do---	Mukesh, Son	22700
41	Kashibai/Monda	---do---	---do---	Bardichandra, Son	10800
42	Bardichandra/Bhawarlal	Ratan Pipalia	---do---	Jagdish	32400
43	Nandram/Rajaram	---do---	---do---	Asharam, Son	42699
44	Pura/Narayan	---do---	---do---	Binod, Son	22022
45	Karulal/Nandram	---do---	---do---	Kailashchandra, Son	33100
46	Phakirchanra/Prabhulal	---do---	---do---	Devilal, Brother	34796

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
47	Ghisabai/Gangaram	---do---	---do---	Kanhaiyalal, Son	34648
48	Kamlabai/Mangilal	---do---	---do---	Shivnarayan, Son	38375
49	Devilal/Narayan	---do---	---do---	Amblal, Son	44100
50	Bhwaribai/Omkar	---do---	---do---	Vikram	22000
51	Karbai/Moriram	---do---	---do---	Ramesh, Son	18600
52	Shriram/Ramchandra	---do---	---do---	Nandkishore	20845
53	Rameshwar/Balu	---do---	---do---	Dilip, Son	33242
54	Lilabai/Tulsiram	---do---	---do---	Shyamlal	46400
55	Shantibai/Mangilal	---do---	---do---	Phakirchand	44900
56	Buwanisingh/Amarsingh	---do---	---do---	Udairam, Brother	35400
57	Shankarlal/Bhawarlal	---do---	---do---	Babulal, Son	41900
58	Gopal/Prabhulal	---do---	---do---	Mukesh, Son	15700
59	Prabhulal/Nathu	Hingoria Bada	---do---	Satyanarayan, Son	30900
60	Udelal/Shrilal	---do---	---do---	Gopal, Son	13000
61	Rora/Shankar	---do---	---do---	Shambhulal, Son	19965
62	Bhawarlal/nanda	---do---	---do---	Amarlal, Son	25700
63	Shankarlal, Nandram	---do---	---do---	Ram Prasad, Son	24482
64	Sukhlal/Kanwarlal	---do---	---do---	Rameshchandra	40600
65	Badrilal/Ramlal	---do---	---do---	Bardilal, Son	32580
66	Gitabai/Kachrulal	---do---	---do---	Karulal	30600
67	Samrath/Udayram	---do---	---do---	Radheshyam	17100
68	Amaribai/Karulal	---do---	---do---	Deepak, Son	11587
69	Deva/Hira	---do---	---do---	Deepak	26900
70	Bagdiram/Gokul	---do---	---do---	Omprakash, Son	46800
71	Ramratan/Nathu	---do---	---do---	Madanlal	28000
72	Bala Shankar/Bardiram	---do---	---do---	Dinesh, Son	27900
73	Ramchandra/Nanuram	---do---	---do---	Ramnivash	27900
74	Gangabai/Shankarlal	---do---	---do---	Durgalal, Son	17516
75	Nirbhayram/Nanda	---do---	---do---	Ramesh Chandra	24100
76	Uday Singh/Bhuwani Singh	Sudwas	---do---	Shyam Singh	22809
77	NandKunwar/Shambhu Singh	---do---	---do---	Dalpat Singh	38900
78	Baggibai/Panna	---do---	---do---	Rajaram, Son	10400
79	Udda/Gulab	---do---	---do---	Jai Singh, Brother	41400
80	Laxman/Kishan	---do---	---do---	Nagulal, Son	42800
81	Ratanibai/Ramchandra	---do---	---do---	Mangilal, Son	40000
82	Rukmanibai/Nanda	---do---	---do---	Rai Singh, Son	14700
83	Bhwaribai/Nanuram	---do---	---do---	Prabhulal, Son	16909
84	Bapulal/Bhagwan	---do---	---do---	Shravan, Son	23300
85	Udayram/Kachru	---do---	---do---	Krishanpal, Son	18100
86	Karan Singh/Bhagwan	---do---	---do---	Shravan, Nephew	24100
87	Rameshchandra/Amra	---do---	---do---	Nagulal, Son	8100
88	Rameshchand/Bherulal	---do---	---do---	Lokesh, Son	14900
89	Reshambai/Kawarlal	---do---	---do---	Nagulal, Son	43800
90	Mohan/Kisan dangi	---do---	---do---	Bagdiram, Son	23276
91	Ramlal/jetram	---do---	---do---	Mangilal, Brother	9000
92	Bhwar Singh/Chauhan Singh	---do---	---do---	Shiv Singh, Son	11872
93	Radhabai/Narsingh	---do---	---do---	Lokesh, Son	13600
94	Hira/Bhera	---do---	---do---	Ratanlal, Brother	10600
95	Hangamibai/Kachru	---do---	---do---	Nanuram, Son	19800
96	Nandubai/Hemraj	Barkheda Dangi-I	---do---	Narbhe Singh, Son	10500
97	Bhera/Gulab	---do---	---do---	Jujharlal, Son	22053
98	Motilal/Dunga	---do---	---do---	Narbhe Singh, Son	25200

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
99	Omkar/ Nathu	---do---	---do---	Gopal, Son	12500
100	Kashturibai/Khemraj	---do---	---do---	Hari Shingh, Son	41000
101	Ramesh/Bagdiram	---do---	---do---	Samrath, Son	29700
102	Kashibai/Pura	---do---	---do---	Radheshyam, Son	23400
103	Bherulal/Kisan	---do---	---do---	Bhagwan, Brother	27800
104	Harlal/Bhawar	---do---	---do---	Radheshyam	10800
105	Dhapubai/Devilal	---do---	---do---	Arun Sharma, Son	13600
				Sub total	2707799
Year 2011-12					
106	Chunnilal/Bagdiram	Hanthi Bolia	---do---	Mahesh	30900
107	Karulal/Mangilal	---do---	---do---	Radheshyam	21300
108	Shrilal/Deva	---do---	---do---	Kamal	26700
109	Jujharlal/Mangilal	---do---	---do---	Radheshyam	10500
110	Bharat Singh/Mohanlal	---do---	---do---	Devilal	23200
111	Udda/Amara	---do---	---do---	Narsingh	40200
112	Narayanibai/Balu	---do---	---do---	Hiralal, Son	11724
113	JuJhar/Motilal	---do---	---do---	Narsingh	44200
114	Koshalyabai/Nagendra Prasad	---do---	---do---	Anil Sharma	16100
115	Narsingh/mangilal	---do---	---do---	Rameshwar	32700
116	Brdichand/Pyara	---do---	---do---	Mukesh	11400
117	Hudibai/Amara	---do---	---do---	Bhagatram	34600
118	Tulshiram/Bherulal	---do---	---do---	Kamal Singh	44900
119	Lal Singh/Laxman	---do---	---do---	Madanlal	27900
120	Inder Singh/Bheru Dangi	---do---	---do---	Ratanlal	26800
121	Chaina/Kishan	---do---	---do---	Pappu Dangi	26500
122	Kasturibai/Pyara	---do---	---do---	Mukesh	21700
123	Motilal/Khema	---do---	---do---	Narsingh	17300
124	Dhanna/Nathu	---do---	---do---	Bharatlal	33100
125	Rameshwar/Baluram	---do---	---do---	Jujharlal	27700
126	Maganibai/Bhawarlal	---do---	---do---	Jujharlal	51700
127	Ratanlal/Bhera	---do---	---do---	Ram Singh	28800
128	Jagdishchand/Badrilal	Sanjeet	---do---	Laxmi Narayan	13400
129	Sohanbai/Mangilal	---do---	---do---	Ramesh	35100
130	Dhapubai/Badrilal	---do---	---do---	Jagdish, Son	36428
131	Shyamabai/Bherulal	---do---	---do---	Nandlal	20653
132	Gafur B/Pharid Kha	---do---	---do---	Rasid Kha	17100
133	Bharatlal/Devilal	Araniya jatia	---do---	Nand Kishore	40100
134	Shankarlal/Nanulal	---do---	---do---	Bharat	23100
135	Bansilal/Mangilal	---do---	---do---	Pappu	41300
136	RasalKumar/Chaincsingh	Sudhar Bolia	---do---	Kamal Singh	19100
137	Nanuram/Nanda	---do---	---do---	Amrit ram, Son	17600
138	Raghunath/Udda	---do---	---do---	Amara	18700
139	Kankubai/Karulal	---do---	---do---	Shankarlal, Son	20277
140	Lalitabai/Bhulibai	---do---	---do---	Anand Kumar	15900
141	Debubai/Bherulal	---do---	---do---	Luvkush	29600
142	Surajbai/Sitaram	Pipalkhedi	---do---	Champalal	14700
143	Nathu/Bhuan	---do---	---do---	Paras Ram	31500
144	Amar Singh/Viram	---do---	---do---	Ramesh Chandra	31400
145	Kishanlal/Pyara	---do---	---do---	Balu	33000
146	Kawarlal/Daulla	---do---	---do---	Rai Singh	20500
147	Ranglal/Daulla	---do---	---do---	Kushkumar	23800
148	Narsingh/Champa	---do---	---do---	Arjun	19800
149	Bagdiram/Jadab Bai	---do---	---do---	Bherulal	39000
150	Ramesh/Kishanlal	---do---	---do---	Balu	36900

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
151	Mangilal/Daulat ram	Akiya Bika Part-I	---do---	Manoharlal, Brother	12317
152	Rugnath/Omkar Singh	---do---	---do---	Parvat Singh	18000
153	Bhwarbai/Kaludas	---do---	---do---	Haridas Bairagi	19400
154	Khemraj/Mangilal	---do---	---do---	Govind	22400
155	Bhagatram/Chunnilal	---do---	---do---	Ram Prahalad, Son	18600
156	Bheru/Megha	---do---	---do---	Kailash	7400
157	Lilabai/Ramchandra	---do---	---do---	Karulal, Son	12700
158	Dhapubai/Sukhlal	---do---	---do---	Dinesh	26500
159	Rukmanbai/Ambalal	---do---	---do---	Sitaram	22300
160	Bherulal/Chunnilal	---do---	---do---	Nand Kishore	25100
161	Bhagirath/Chunnilal	---do---	---do---	Praksh	18400
162	Ramesh/Bhagatram	---do---	---do---	Shreeram	17400
163	Pannalal/Motilal	---do---	---do---	Shantilal, Son	25600
164	Kawarlal/Bhagatram	---do---	---do---	Ghanshyam, Brother	15500
165	Kawarlal/Keshuram	---do---	---do---	Bhawarlal, Son	15000
166	Radhakisan/Narayan	Chhayan	---do---	Mohan	19200
167	Radhabai/Gangaram	---do---	---do---	Bapulal	43100
168	Sitaba/kisanlal	---do---	---do---	Babulal	53000
169	Ramdayal/Laloram	Magrana	---do---	Mukesh, Brother	32800
170	Radhakisan/Daulatram	---do---	---do---	Ghanshyam	13300
171	Anokhilal/Hajarilal	---do---	---do---	Pappu	21100
172	Ramkuwar/Mangilal	---do---	---do---	Praksh	12600
173	Radheshyam/Kanhiyalal	---do---	---do---	Eswarlal	17800
174	Ramlal/Amra	---do---	---do---	Kailash	19100
175	Mangilal/Hira	---do---	---do---	Radheshyam	29200
176	Kaludas/Narayandas	---do---	---do---	Sureshdas	19200
177	Nathulal/Daulatram	---do---	---do---	Ghanshyam	22200
178	Naga/Chunya Chamar	---do---	---do---	Janmalal	13000
179	Gitabai/Radhakisan	---do---	---do---	Bhuwaniram, Son	35563
180	Sohanlal/Ganpat	---do---	---do---	Karulal	17100
181	Prabhulal/Gendibai	---do---	---do---	Harishchandra	13000
182	Ratan /Bagdu	---do---	---do---	Govind	21600
183	Mangilal/Ramkisan	---do---	---do---	Vinod Kumar, Son	30099
184	Kailashchandra/Ramratan	---do---	---do---	Daulatram, Brother	40700
185	Rewa Shankar/Bhagwan	---do---	---do---	Bansilal	29200
186	Kanhiyalal/Bhwarlal	---do---	---do---	Binod, Son	17400
187	Balmukund/Ramratan	---do---	---do---	Nandkishor	27100
188	Mangilal/Parasram	---do---	---do---	Ambalal	27300
189	Bhagatram/Mulchand	---do---	---do---	Gopal	36900
190	Ranchibai/Omkarlal	---do---	---do---	Nandrm	18300
191	Kanhaiyalal/Harlal	---do---	---do---	Dinesh	13400
192	Pratapbai/Mangilal	---do---	---do---	Karulal	18700
193	Ganeshram/Kanhaiyalal	---do---	---do---	Eshwarlal	23300
194	Jamanalal/Devram	---do---	---do---	Prem Prakash	13900
195	Shivnarayan/Rampratap	---do---	---do---	Sunderlal	14400
196	Kaushalyabai/Ramdayal	---do---	---do---	Govindram	17395
197	Dhapubai/Bhanwarlal	---do---	---do---	Moolchand	25323
198	Berdichand/Ratanlal	---do---	---do---	Eshwaerlal	10300
199	Mangibai/Maganiram	---do---	---do---	Bhagirath	28876
200	Raisingh/lalu	Ruparel	---do---	Deelip	30200
201	Mohankuwar/Madan singh	---do---	---do---	Sharvan Singh	32700
202	Rama/kachru	---do---	---do---	Binod	17100
203	Kawarlal/Bhawarlal	---do---	---do---	Narsingh, Son	27200

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
204	Baghu/Bhuwan	---do---	---do---	Ramlal. Son	28900
205	Samadbai/Bhawarlal	---do---	---do---	Rameshchandra, Son	18900
206	Nandlal/Ratanlal	---do---	---do---	Badrilal, Brother	25100
207	Ratan/Amara	---do---	---do---	Badrilal, Son	30600
208	Kalabai/Bhagirath	---do---	---do---	Mukesh, Son	29000
209	Motyabai/Jai singh	Aardi	---do---	Balwant Singh	24300
210	Prem singh/Girwar Singh	---do---	---do---	Sital Singh	31400
211	Pyaribai/Gobar Singh	---do---	---do---	Bhopal Singh	32200
212	Bhwarbai/Mangu Singh	---do---	---do---	Arjun singh	24900
213	Bapu Singh/Devi singh	---do---	---do---	Rajendra Singh	24800
214	Prem Singh/Kalu Singh	---do---	---do---	Bhagat Singh	13800
215	Bharat Singh/Ram singh	---do---	---do---	Govind Singh, Son	23508
216	Sampat bai/Bhagu singh	---do---	---do---	Bharat Singh	30300
217	Kacharibai/Bhoona	Garnai	---do---	Binod	19900
218	Kisanlal/Ramlal	---do---	---do---	Biram	17100
219	Shantibai/Pyara	---do---	---do---	Bhagwanlal	22400
				Sub total	2818108
Jaora-II					
Year 2010-11					
1	Hira lal/Sobha Ram	Rojana-II	Jaora-II	Laxmi Narayan Son	34900
2	Balaram/Bherulal	--do--	Do	Bharat lal Son	40200
3	Kishanlan/Dulchanji	Do	Do	Laxmichand Brother	18700
4	Pilubai/Ramlal	Do	Do	Nandram	30800
6	Mohanlal/Kaluram	Do	Do	Phulchand Son	18900
7	Pannalal/Bagdiram	Do	Do	Kanchan lal Son	18100
9	Nandlal/Bherulal	Do	Do	Gourishankar Son	12600
10	Sunderbai/Hemraj	Do	Do	Ghanshyam Son	42500
11	Pannalal/Keshuram	Do	Do	Radheshyam Son	45200
12	Dariyabai/Mewalal	Do	Do	Bherulal Son	28300
13	Arjun/Bhawarlal	Do	Do	Rishav Nephew	25400
14	Bheru/Gangaram	Dabdiya		Kanhaiyalal Son	30200
15	Babulal/Laxminarayan	--do--	--do--	Omkar Son	31300
16	Nandram/Kaniram	Do	Do	Samrath Son	45200
17	Ambaram/Jhujhar	Do	Do	Samrath Son	42400
18	Ranglal/Hiralal	Do	Do	Devilal Son	30500
19	Gokul/Govind	Do	Do	Rameshwar Son	46000
20	Hariram/Amarchand	Do	Do	Radheshyam	31900
21	Kacharu/Balaram	--do--	--do--	Dineshchandra Son	42100
22	Bhawarlal/Hiralal	Do	Do	Mulchand Son	46100
23	Bhulibai/Shukhlal	Do	Do	Rughnath Son	42700
24	Daulatram/Bhera	Do	Do	Mohanlal Uncle	33000
25	Gangaram/Jujhar	Do	Do	Binod Son	46600
26	Mohanlal/Jujhar	Do	Do	Prakah Son	44900
27	Kalulal/Hira	Do	Do	Sanjay Son	49500
28	Durgalal/Gangaram	Do	Do	Rina Daughter	44800
29	Kamalabai/Ratanlal	Do	Do	Gopal Son	31900
30	Bhulibai/Bhagwan	Bilandpur	Do	Vir singh	18568
31	Balmukund/Kalu	Bamankhdi	Do	Kachrulal Son	35375
32	Ramkanyabai/Jagnath	Do	Do	Shankarlal Son	34852
33	Keshibai/Rama	Do	Do	Radheshyam Son	27700
34	Shankarlal/Hemraj	Do	Do	Balaram Son	28152
35	Ramchandra/Chenram	Gondi	Do	Omprakash Son	33006
		Dharamsi			
36	Chimanlal/Parasram	Do	Do	Nageshwar Son	30327

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
37	Napibai/Nandlal	Do	Do	Bapulal Son	50424
38	Omkarlal/Parasram	Do	Do	Bhagwatilal Son	34217
39	Mulchand/Radhakishan	Do	Do	Dinesh Son	36170
40	Badrilal/Pannalal	Do	Do	Jagdish Son	25106
41	Gitabai/Kanhiyalal	Do	Do	Radheshyam Son	31500
41	Baluram/Naturam	Do	Do	Nageshwar Son	24620
42	Gendalal/Nanuram	Do	Do	Balaram Son	47965
43	Kanhayalal/Radhakishan	Do	Do	Nanalal Son	34384
44	Sohanbai/Hajarilal	Do	Do	Shantilal Son	30026
45	Gangabai/Nathulal	Do	Do	Ramkishan Son	19665
46	Yamunabai/Shankarlal	Do	Do	Umedram Son	19147
47	Ramibai/Rameshwar	Do	Do	Mohanlal son	51830
48	Basantilal/Champalal	Do	Do	Kamlesh Son	11600
49	Bhwar singh/Kaishar singh	Daulatganj	Do	Balu singh Son	33800
50	Jawan singh/Shiv singh	Do	Do	Nepal singh Son	41500
51	SardarSingh/Mooti Singh	Do	Do	Badri Singh Son	36300
52	Nojanbai/Parwat singh	Do	Do	Kalu Singh Son	47100
53	Ganga Singh/Bhuwani Singh	Do	Do	Dilip Son	46400
54	Rajabai/Man singh	Do	Do	Shankar singh	46800
55	Dhapubhai/Devilal	Do	Do	Rajesh Son	37500
56	Rama/Deva	Manunia	Do	Sundarlal Mukhia	2180
57	Sundarbai/Lalu	Do	Do	Shankarlal	19900
58	Laxman/Kalu	Do	Do	Dasharath Son	24200
59	Arjunsingh/Bhwar Singh	Do	Do	Jitendra Singh	19100
60	Gattubai/Nanda	Naweli	Do	Jujhar Son	19219
61	Gulab/Kamal Singh	Do	Do	Anar Singh Son	24500
62	Bhagirath/Rama	Do	Do	Ganeshlal Mukhiya	11900
63	Bhulibai/Jujhar	Do	Do	Ganeshlal Mukhiya	11100
64	Ramnayan/Kachru	Do	Do	Ram Prasad Son	19900
65	Gordhan Singh/Phate Singh	Do	Do	Balwant Singh Son	21300
66	Prem Singh/Mehtab Singh	Do	Do	Dayu Singh Son	34500
67	Sambhu Singh/Hari Singh	Do	Do	Kamal Singh	13500
68	Ramkanya/Nandram	Do	Do	Karu Singh Son	26065
69	Rama/Rugnath	Do	Do	Mukesh Son	13900
70	Lilabai/Rajaram	Do	Do	Kachrulal Son	39201
71	Bherulal/Keshoram	Do	Do	Badrilal	33700
72	Prabhulal/Maganbai	Do	Do	Suresh Son	28300
73	Radheshyam/Nathulal	Do	Do	Eshwarlal Son	24400
74	Bhim Singh/Lal Singh	Do	Do	Son	22900
75	Mangilal/Ranchhod	Do	Do	Dinesh Son	42600
76	Pannalal/Kawarlal	Do	Do	Prakash Son	31300
77	Hammubai/bhawarlal	Jethana	Do	Parwat Singh	11800
78	Shyanibai/Mannalal	Do	Do	Amritlal Son	9300
79	Samita/Champalal	Do	Do	Ramnath Son	9000
80	Narayan/Mannalal	Do	Do	Shankarlal Brother	11100
81	Shankar/Bheru	Do	Do	Devi Singh Son	9900
82	Omkarlal/Partha	Do	Do	Karulal Son	9800
83	Kaniram/Nanda	Do	Do	Rameshchandra	9500
84	Bhawarkuwar/Nagu Singh	Do	Do	Son	8700
Sub total					2495999
Year 2011-12					
85	Juvan Singh/Shiv Singh	Daulatganj	Do	Nepal Singh Son	26600
86	Rajabai/ManSingh	Do	Do	Shankar Singh	30700
87	Dhapubai/Devilal	Do	Do	Rajesh Son	43600
88	Sadhu Singh/Girwar Singh	Binoli	Do	Magu Singh Mukhia	18219

Sl. No.	Name of cultivators	Village	DOO	Name of Payee	Amount paid (₹)
89	Indu Singh/Hindu Singh	Do	Do	Magu Singh Mukhia	22500
90	Kishore Singh/Chatar Singh	Do	Do	Vikram Singh Son	27100
91	Kamal Kuwar/Chatar Singh	Do	Do	Son	43100
92	Jujhar/Rupa	Do	Do	Suresh Son	15200
93	Bisram/Nanda	Belara	Do	Hariram Son	32300
94	Gitabai/Durga Shankar	Patan	Do	Dhanalal Son	21688
95	Jagnath/Bhera	Do	Do	Prabulal Son	42300
96	Ramibai/Mangi	Do	Do	Son	29600
97	Devilal/Balmukund	Do	Do	Tej Singh Mukhiya	41900
98	Bhulibai/Kachru	Do	do	Gopal Son	52368
99	Kantilal/Nandkishore	Chipiya	Do	Balaram Mukhiya	25987
100	Prasadibai/Udayram	Do	Do	Kishandas Son	28100
101	Lilabai/Kishan	Do	do	Nandulal Son	16242
102	Gitabai/kawarlal	Do	Do	Shivnaraya Son	17275
103	Ramchandra/Pyarchand	Do	Do	Lokesh Son	22900
104	Basantibai/Nanda	Do	do	Bhagwatilal Son	27582
105	Bawarlal/Bagdiram	Jhalwa	Do	Gordhan Son	14300
106	Nagu/Dola	Do	Do	Chimanlal Son	12900
107	Mohan/Nathu	Do	do	Prahalad Son	21300
108	Mohan/Keshuram	Do	Do	Ganpati	22500
109	Ramnarayan/Ratanlal	Do	Do	Kanhaiya lal Son	19710
110	Anokhilal/Gangaram	Semalia	Do	Radheshayam	31900
111	Lal Singh/Karan Singh	Do	Do	Gordhan Singh Son	32600
112	Rambhabai/Bhawarlal	Do	Do	Satyanarayan	28100
113	Lilabai/Nandkishore	Do	Do	Bhawarlal	41300
114	Hari Singh/Karan Singh	Do	Do	Prem Singh	39500
				Sub total	8,49,371
				Grand total	1,51,94,432

Appendix 30 (Para No.6.13.11)
Payment made to other than cultivators

Sl. No.	Name of license holder cultivator	Village	Tehsil	Name of payee	Amount paid (₹)
DOO, Bhilwara					
2010-11					
1	Mangi Bai/Hardev	Khajina	Bijolia/Kotri	Savar	33600
2	Shyamlal/Shriram	Khajina	-do-	Chunnilal	34000
3	Rameshwar/Gopi	Khajina	-do-	Ram lal	43900
4	Surajmal/Ramsukh	Khajina	-do-	Shankar lal	45500
5	Rampal/Balu	Khajina	-do-	Prabhu lal	44700
6	Jodha/Bhura	Nimbodh	-do-	Shivnarayan	18400
7	Bhanwar/Boola	Nimbodh	-do-	Narendra	29700
8	Prabhulal/Shiv lal	Nimbodh	-do-	Dinesh	17500
9	Amku Bai/Mauji	Nimbodh	-do-	Ranglal	27400
10	Bhola/Chatarbhuj	Nimbodh	-do-	Kishan lal	39300
11	Devi lal/Bheru lal	Nimbodh	-do-	Murli	24300
12	Dakhi Bai/Godha	Bhattkehdi	-do-	Bhagwanji	23400
13	Narain lal/Jai ram	Bhattkehdi	-do-	Ratanlal	45900
14	Mangi/Bardha	Bhattkehdi	-do-	Rattan	42800
15	Lalu/Lailla	Bhattkehdi	-do-	Shankar	24800
16	Ratta/Dhonkal	Dolatpura	-do-	Pappulal	25400
17	Sohani/Dhanna	Dolatpura	-do-	Tulsi	24400
18	Udai lal/Heera	Dolatpura	-do-	Hazari	44200
19	Bhanwar lal/Hemraj	Dolatpura	-do-	Nandlal	41400

Sl. No.	Name of license holder cultivator	Village	Tehsil	Name of payee	Amount paid (₹)
20	Gaindi/Gopi	Dolatpura	-do-	Badri	30400
21	Bali Bai/Nana	Anoppura	-do-	Umashankar	28400
22	Mangi Bai/Mangu	Anoppura	-do-	Ramu	30600
23	Madan/Balu	Anoppura	-do-	Shantilal	33400
24	Pyari Bai/Choga	Anoppura	-do-	Kamlesh	36700
25	Barji Bai/Jagnath	Anoppura	-do-	Arjun	52800
2011-12					
1	Pyari/Baxa	Samro ka leva	Begu	Dhanna	34700
2	Dinesh/Devi lal	-do-	Begu	Kailash	26400
3	Narayan/Uda	Kantharia	Begu	Madholal	37400
4	Laxma/Gopi	Kantharia	Begu	Bhagwati	24800
5	Bhola/payara	Kantharia	Begu	Nandkishore	38700
6	NaniBai/Rooplal	Kantharia	Begu	Shankar	32300
7	Jhamku/Rang lal	Nimboda	Rawatbhata	Rang lal	35200
8	Gori lal/Amar chand	Nimboda	Rawatbhata	Udai	35600
9	Bhola/Chaturbhu	Nimboda	Rawatbhata	Kishan	35600
10	Chunni lal/Bhura	Nimboda	Rawatbhata	Prakash	47800
11	Kering/Amar chand	Takarda	Rawatbhata	Devilal	26900
12	Dunga/chuna	Takarda	Rawatbhata	Vinod	45100
13	Kamli/Narayan	Takarda	Rawatbhata	Shantilal	43700
14	Prabhu/Shola	Takarda	Rawatbhata	Bhimraj	35100
15	Mani ram/Pema	Takarda	Rawatbhata	Balu ram	40100
16	Magan/Uda	Londiyana	Mandalgarh	Nagna	40400
17	Har lal/ Rupa	Londiyana	Mandalgarh	Remeshwar	41300
18	Sundi Bai/Rupa	Londiyana	Mandalgarh	Nandlal	22600
19	Ramchandra/Uda	Londiyana	Mandalgarh	Bheru	19000
20	Kana/Megha	Londiyana	Mandalgarh	Kirmal	42800
21	Nanda/Mohan	Sawaipur	Mandalgarh	Shyam	32400
22	Nani Bai/Sunda	Sawaipur	Mandalgarh	Bansilal	44100
23	Ladu/Sunda	Sawaipur	Mandalgarh	Chandmal	46100
24	Gattu Bai/Kalu	Kabri	Jahajpur	Ravana	29600
25	Devilal/Mangi	Kabri	Jahajpur	Sita ram	45200
26	Kuma Bai/Sangram	Kabri	Jahajpur	Gopal	30600
27	Choti/Balu	Kabri	Jahajpur	Bhura	39800
Sub total					1811200
DOO, Kota					
2010-11					
1	Motya	Dhamania	Chipabarod	Son	26900
2	Kajor	Dhamania	Chipabarod	Son	33800
3	Narottam	Dhamania	Chipabarod	Relative	21600
4	Champa Bai	Dhamania	Chipabarod	Son	34700
5	Girraj	Dhamania	Chipabarod	Brother	46100
6	Navalsingh	Dhamania	Chipabarod	Relative	40500
7	Narain lal	Dehlanpur	Chipabarod	Son	30000
8	Radhakrishan	Dehlanpur	Chipabarod	Son	15200
9	Bakshi	Balukhedi	Chipabarod	Son	33200
10	Gulab Bai	Balukhedi	Chipabarod	Son	4200
11	Kishore	Gangti	Chipabarod	Son	14000
12	Ram rattan	Gangti	Chipabarod	Son	14800
13	Dev lal	Gangti	Chipabarod	Son	3100
14	Bhura lal	Gangti	Chipabarod	Brother	20200
15	Keshar Bai	Gangti	Chipabarod	Grandson	5300
16	Mohan lal	Chachoda	Chabra	Mukhia	3600
17	Narain	Chachoda	Chabra	Mukhia	3500

Sl. No.	Name of license holder cultivator	Village	Tehsil	Name of payee	Amount paid (₹)
18	Dhanna lal	Chachoda	Chabra	Son	4200
19	Ishwar lal	Pipalkhedi	Chabra	Brother	3700
20	Jagnath	Kedia nohar	Chabra	Son	6500
21	Dhanni bai	Bholu	Ramganjmandi	Mukhia	9900
22	Sunita bai	Bholu	Ramganjmandi	Mukhia	11600
2011-12					
1	Ramcharan	Rasulpura	Jhalawar	Son	27200
2	Raniprasad	Rasulpura	Jhalawar	Son	31700
3	Pouni bai	Dehlanpur	Chipabarod	Son	20700
4	Mathura lal	Dehlanpur	Chipabarod	Son	42500
5	Omkar	Dehlanpur	Chipabarod	Son	22600
6	Rem Prasad	Phalia	Chabra	Son	32100
7	Ram nath	Bholu	-	Son	16300
8	Raghnathi bai	Ruparel	Chabra	Son	31800
9	Rang lal	Umedganj	Jhalawar	Brother	30900
10	Ram dayal	Ruparel	Chabra	Dhanraj	30300
11	Amar lal	Ruparel	Chabra	Balram	2800
12	Babu lal	Ruparel	Chabra	Girraj	38900
13	Kasturi bai	Ruparel	Chabra	Hariram	27800
14	Jalam singh	Ruparel	Chabra	Haricharan	39300
15	Gajraj singh	Ruparel	Chabra	Laxmi chand	44600
16	Prabhu lal	Ruparel	Chabra	Nandkishore	32100
17	Ashok kumar	Umedganj	Jhalawar	Sodan	21300
Sub total					879500
DOO, Pratapgarh					
2010-11					
1	Amba lal/Suva lal	Yashvantpura	Pratapgarh	Suvalal	26400
2	Devil al/Raghnath	Yashvantpura	Pratapgarh	Ashok	40500
3	Sita Bai/Rampratap	Yashvantpura	Pratapgarh	Kailashchand	28400
4	Rameshchand/Sawa	Yashvantpura	Pratapgarh	Mukesh	43900
5	Guli bai/Sri lal	Kamalia	Pratapgarh	Kamalsingh	14300
6	Ishwar singh/Jujhar S.	Kamalia	Pratapgarh	Nepalsingh	40500
7	Heera das/Amba das	Kamalia	Pratapgarh	Bhagwandas	21700
8	Mohan lal/Manna lal	Kamalia	Pratapgarh	Pokarmal	24200
9	Champa lal/Prithvi raj	Kamalia	Pratapgarh	Pokarmal	55400
10	Rama/Moti lal	Rajora	Pratapgarh	Dashrath	32000
11	Shankarlal/Sukh lal	Rajora	Pratapgarh	Kamlesh	30000
12	Onkar/Banda lal	Nagdera	Arnod	Dashrath	19000
13	Pokarmal/Jadu Ram	Nagdera	Arnod	Dashrath	24200
14	Ghanshyam/Balmukand	Nagdera	Arnod	Dashrath	42400
15	Dhumri bai/Hamir Bhai	Nagdera	Arnod	Hamir	21600
16	Maxu/Pyara	Nagdera	Arnod	Bherulal	44300
17	Dhapaui bai/Naga	Nagdera	Arnod	Badri	17300
18	Prabhu lal/Anandi	Nagdera	Arnod	Ppoonamushkar	34400
19	Ganga Ram/ Keshu ram	Moheda	Arnod	Rattan lal	15300
20	Sita bai/Champa	Moheda	Arnod	Kachru lal	13600
21	Kamla bai/Ratan	Moheda	Arnod	Kishore	45000
22	Gordhan/Kastur	Paduni	Arnod	Munnalal	28800
23	Vishnu/Heera	Paduni	Arnod	Vikram	13100
24	Nihal bai	Paduni	Arnod	Shankarlal	32200
25	Hariram/Kakka	Paduni	Arnod	Bhagwan	29400
26	Lila bai/Shankar	Paduni	Arnod	Shyاملal	18100
27	Vikram/Ratan	Paduni	Arnod	Balram	35300
28	Heera/Lala	Paduni	Arnod	Vikram	29800
29	Ramashwer/Nathu	Paduni	Arnod	Bhanwarlal	33300

Sl. No.	Name of license holder cultivator	Village	Tehsil	Name of payee	Amount paid (₹)
30	Omprakash/Ratan	Paduni	Arnod	Balram	27500
31	Gobi lal/Kastoor	Paduni	Arnod	Bhuwan	43300
32	Champalal/Panna	Gothra	Choti Sadri	Poonam	29100
33	Badrichand/Udasi	Gothra	Choti Sadri	Poonam	18500
34	Bhura/Kalu	Gothra	Choti Sadri	Jhumru lal	14200
35	Sunder bai/Naru	Gothra	Choti Sadri	Onkar	13900
36	Lachiram/Uda	Gothra	Choti Sadri	Prithvi raj	38900
37	Suhagi bai	Gothra	Choti Sadri	Motilal	37800
38	Moolchand/Babu lal	Gothra	Choti Sadri	Tulsiram	13500
39	Bhagat ram/Bhanwar	Gothra	Choti Sadri	Kamal	33200
40	Mangi lal/Ghashi	Swaroopganj	Choti Sadri	Lalchand	21500
41	Bhagwanti bai/Bhanwar	Swaroopganj	Choti Sadri	Kishan	23700
42	Chagni bai/Chaturbuj	Swaroopganj	Choti Sadri	Shyam lal	30200
43	Ganga bai/Champalal	Swaroopganj	Choti Sadri	Gopal	42000
44	Mangu bai/Lekhraj	Karunda	Choti Sadri	Jhamku lal	20300
45	Bagdi ram/Ganesh	Karunda	Choti Sadri	Dhanraj	36200
46	Nathu/Chaturbuj	Karunda	Choti Sadri	Ramnarayan	34900
47	Champa/Nanu	Karunda	Choti Sadri	Suva lal	43800
48	Shani/Kanwar lal	Karunda	Choti Sadri	Udai	41300
2011-12					
1	Motilal/Meghraj	khermalia	Choti Sadri	Sokin lal	26400
2	Chandi bai/Mohanlal	khermalia	-do-	Rameshwar lal	27100
3	Gopal/Prabhulal	khermalia	-do-	Mahesh kumar	27200
4	Balmukand/govindram	khermalia	-do-	Bherulal	25200
5	Prabhulal/Ganeshram	Basedi kundal	-do-	Kamalkishore	32300
6	Jagdish/Heeralal	Basedi kundal	-do-	Basantilal	11200
7	Kaluram/Kashiram	Basedi kundal	-do-	Basantilal	23500
8	Ramlal/Bapulal	Basedi kundal	-do-	Basantilal	34300
9	Birchand/Doonga	Basedi kundal	-do-	Dinesh	18500
10	Bagdu/Bala	Gariavas	-do-	Mishrilal	23900
11	Mohanlal/Amara	Gariavas	-do-	Bansilal	36800
12	Mangilal/Peva	Karkari	-do-	Madanlal	32700
13	Lali bai/Shankar lal	Karkari	-do-	Jujhar	32000
14	Shankarlal/Chagan	Saroopganj	-do-	Gerilal	41900
15	Maina bai/Jeevandas	Saroopganj	-do-	Ganpatdas	16100
16	Mangilal/Toriram	Saroopganj	-do-	Omprakash	42100
17	Nandu bai/Chunnilal	Saroopganj	-do-	Dinesh chand	30800
18	Dhapu bai/Radhakishan	Saroopganj	-do-	Remchandra	26900
19	Phoolchand/Nathulal	Saroopganj	-do-	Radheyshyam	30400
20	Mangilal/Ghasi	Saroopganj	-do-	Lalchand	34100
21	Mangi bai/Champalal	Saroopganj	-do-	Poonamchand	25100
22	Prithviraj/Birdhichand	Gomana	-do-	Shankarlal	34500
23	Prem bai/Bhagwanlal	Gomana	-do-	Rajkumar	31000
24	Mohanlal/Kishanlal	Jalodia khurd	-do-	Omprakash	38700
25	Mohanlal/Jagnath	Jalodia khurd	-do-	Banwari	36900
26	Sitaram/Gopal	Jalodia khurd	-do-	Kishore lal	33200
27	Shivnarain/Shankarlal	Kharemalia	-do-	Ramprasad	39700
28	Nandlal/Motilal	Bhatukhera	-do-	Lachi ram	34900
29	Rukmani bai/Khemraj	Bhatukhera	-do-	Mukesh	21500

Sl. No.	Name of license holder cultivator	Village	Tehsil	Name of payee	Amount paid (₹)
30	Bhawan/Ghisalal	Bhatukhera	-do-	Jagdish	36900
31	Ramchandi bai/Gautam	Narani	-do-	Bhagat ram	35400
32	Badi bai/Shankar	Narani	-do-	Ramesh chand	43600
33	Kalu/Shankar	Narani	-do-	Bhagat ram	37200
34	Chunnilal/Kabru	Narani	-do-	Jagdish	29600
35	Ranglal/Nanu ram	Narani	-do-	Amrat lal	31800
36	Sathiram/Tarachand	Narani	-do-	Sita ram	35300
37	Bihari lal/Chunni lal	Narani	-do-	Radheyshyam	32100
38	Bagdiram/Babru	Narani	-do-	Nonram	45900
39	Motilal/Ram lal	Narani	-do-	Bheru lal	44100
40	Onkar lal/Mangi lal	Bagdari	-do-	Ramchandra	42900
41	Bhanwar lal/Ratanlal	Bagdari	-do-	Manohar	38000
42	Bansi lal/Kishan lal	Bagdari	-do-	Omprakash	40200
43	Chatar singh/Gordhan	Bagdari	-do-	Rajendra singh	42200
44	Prahalad singh/Manohar	Bagdari	-do-	Laxman	44500
45	Raghuveer singh/Basant	Bagdari	-do-	Pappu	43400
46	Amratlal/Bhera	Jakhania	-do-	Premchand	45000
				Sub total	29,54,600
				Grand total	56,45,300

Appendix 31 (Para no. 6.13.12)

Non-disposal of seized goods opium & other psychotropic drugs ripe for disposal

Name of unit	Seized goods/material (quantity in kg.)								
	Opium (No. of cases)	Poppy Husk (No. of cases)	Ganja (No. of cases)	Bhang (No. of cases)	Charas (No. of cases)	Brown sugar (No. of cases)	Poppy Straw (No. of cases)	Heroin (No. of cases)	Alpro-zolam (No. of cases)
DOO Bhilwara	18.665 (9)	-	-	-	-	0.700 (2)	19.500 (2)	-	-
DOO Kota	62.270 (18)	148.500 (2)	-	5.350 (3)	-	-	-	1.420 (1)	-
DOO Pratapgarh	1.800 (1)	-	-	-	-	-	-	-	-
DNC Kota	1.000 (1)	-	-	-	-	-	-	-	-
P & I Cell Jaipur	4.650 (1)	24941 (5)	23.950 (3)	27.000 (1)	2.250 (2)	-	-	-	0.220 (1)
Total-	88.385 (30)	25089.50 (7)	23.9500 (3)	32.350 (4)	2.250 (2)	0.700 (2)	19.500 (2)	1.420 (1)	0.220 (1)

Appendix 32 (Para No.6.13.13)

Irregularities in preliminary weighment register – Madhya Pradesh

Sl No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
Neemuch-I						
1	Vashraj	Jeeran	Harwar	Neemuch-I	2012-13	(+)210g
2	Shyamlal	-do-	-do-	-do-	-do-	(-)190g
3	Netram	-do-	-do-	-do-	-do-	(+)430g
4	Chenram	-do-	-do-	-do-	-do-	(+)370g
5	Dakhibai	-do-	-do-	-do-	-do-	(+)390g
6	HulasiBai	-do-	Lakhami	-do-	-do-	(+)200g

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
7	Mohan lal	-do-	-do-	-do-	-do-	(+)150g
8	Satyanarayan	-do-	-do-	-do-	-do-	(-)230g
9	Phulibai	-do-	Bhimpura	-do-	-do-	(+)250g
10	Kesharimal	-do-	-do-	-do-	-do-	(-)240g
11	BulakBai	-do-	Sakrani Jagir	-do-	-do-	(+)200g
12	Bahadur	-do-	-do-	-do-	-do-	(-)210g
13	Ambalal	-do-	Kacholi	-do-	-do-	(+)310g
14	Shyamlal	-do-	-do-	-do-	-do-	(+)210g
15	Bhagilal	-do-	-do-	-do-	-do-	(+)210g
16	Ram singh	-do-	-do-	-do-	-do-	(+)530g
17	Arjunlal	-do-	Baskheda	-do-	-do-	(-)330g
18	Badrilal	-do-	-do-	-do-	-do-	(-)530g
19	Madanlal	-do-	Rabadia	-do-	-do-	(-)820g
20	Sunderlal	-do-	-do-	-do-	-do-	(-)190g
21	Gangaram	-do-	-do-	-do-	-do-	(-)110g
22	Mangilal	-do-	-do-	-do-	-do-	(+)170g
23	Champalal	-do-	Amba	-do-	-do-	(+)250g
24	Daulat ram	-do-	-do-	-do-	-do-	(-)300g
25	Dulichand	-do-	-do-	-do-	-do-	(-)560g
26	Mangilal	Nimuch	Bhadwamata	-do-	-do-	(+)450g
27	Mangilal	-do-	-do-	-do-	-do-	(-)270g
28	Bagdibai	-do-	-do-	-do-	-do-	(-)520g
29	Om prakash	-do-	-do-	-do-	-do-	(+)210g
30	Mohan lal	-do-	-do-	-do-	-do-	(+)350g
31	Vikash	-do-	-do-	-do-	-do-	(+)170g
32	Udaylal	-do-	-do-	-do-	-do-	(-)330g
33	Prabhulal	-do-	Hanumantia Taka	-do-	-do-	(+)290g
34	Hari das	-do-	-do-	-do-	-do-	(+)210g
35	Prem das	-do-	-do-	-do-	-do-	(+)230g
36	Narayan	-do-	Raisinghpura	-do-	-do-	(+)410g
37	Deep singh	-do-	-do-	-do-	-do-	(-)250g
38	Durgalal	-do-	-do-	-do-	-do-	(-)300g
39	Shravan	-do-	-do-	-do-	-do-	(+)330g
40	Shyam Singh	-do-	-do-	-do-	-do-	(-)280g
41	Nathu	-do-	-do-	-do-	-do-	(+)240g
42	Bahadursingh	-do-	-do-	-do-	-do-	(-)330g
43	Kishna	-do-	-do-	-do-	-do-	(+)280g
44	KamaliBai	-do-	-do-	-do-	-do-	(-)290
45	Amar singh	-do-	-do-	-do-	-do-	(+)310g
46	Bansilal	-do-	-do-	-do-	-do-	(+)290g
47	Manoharlal	-do-	-do-	-do-	-do-	(+)420g
48	Devilal	-do-	-do-	-do-	-do-	(+)600g
49	Durgashanker	-do-	-do-	-do-	-do-	(+)540g
50	Shanti lal	-do-	-do-	-do-	-do-	(+)210g
Mandsour-III						
1	Badrilal	Suwasra	Khand Dhamania	III Mandsour	2010-11	(+)320g
2	Shiv Narayan	-do-	Suwasra	-do-	-do-	(+)220g
3	Nahar Singh	-do-	Ghasoi	-do-	-do-	(+)470g
4	Bhuwan	-do-	-do-	-do-	-do-	(+)1.320kg
5	Laxmi Narayan	-do-	-do-	-do-	-do-	(+)360g
6	Nagusingh	-do-	-do-	-do-	-do-	(+)300g
7	Savitri	-do-	-do-	-do-	-do-	(+)390g

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
8	HimmatBai	-do-	-do-	-do-	-do-	(-)340g
9	Kamala Bai	-do-	Guradia Pratap	-do-	-do-	(+)1.930kg
10	Bhagat ram	-do-	-do-	-do-	-do-	(+)430g
11	MukundLal	-do-	-do-	-do-	-do-	(+)230g
12	SajjanBai	-do-	-do-	-do-	-do-	(+)780g
13	Pappulal	-do-	-do-	-do-	-do-	(+)390g
14	Pannalal	-do-	-do-	-do-	-do-	(+)540g
15	Prahalad	-do-	-do-	-do-	-do-	(+)470g
16	Tulsi ram	-do-	-do-	-do-	-do-	(+)1.230g
17	Mangilal	-do-	-do-	-do-	-do-	(+)510g
18	Ram Sukh	-do-	Pratappura	-do-	-do-	(+)680g
19	Bhagat ram ji	-do-	-do-	-do-	-do-	(+)260g
20	NihalBai	-do-	-do-	-do-	-do-	(+)1.360g
21	Nand ram	-do-	-do-	-do-	-do-	(+)250g
22	Bhagwantabai	-do-	-do-	-do-	-do-	(+)370g
23	Kaluram	-do-	-do-	-do-	-do-	(+)270g
24	Ratannbai	-do-	Tokda	-do-	-do-	(+)500g
25	MotyaBai	-do-	-do-	-do-	-do-	(+)500g
26	Shanker Singh	-do-	-do-	-do-	-do-	(+)860g
27	SarjuBai	-do-	-do-	-do-	-do-	(+)1.640kg
28	Dulle Singh	-do-	-do-	-do-	-do-	(+)1.460kg
29	Ram Lal	-do-	-do-	-do-	-do-	(+)370g
30	KesharBai	-do-	-do-	-do-	-do-	(-)210g
31	SahayataBai	-do-	Dhanwada	-do-	-do-	(+)820g
32	Arjun Singh	-do-	-do-	-do-	-do-	(+)1.440kg
33	Man Singh	-do-	-do-	-do-	-do-	(+)550g
34	Ram Gopal	-do-	-do-	-do-	-do-	(+)290g
35	Radheshyam	-do-	Kishorpura	-do-	-do-	(+)440g
36	Nandlal	-do-	-do-	-do-	-do-	(+)300g
37	SitaBai	-do-	Dhamania	-do-	-do-	(+)450g
38	Mahan Lal	-do-	-do-	-do-	-do-	(+)300g
39	KishanBai	-do-	-do-	-do-	-do-	(+)450g
40	Nathu Singh	-do-	-do-	-do-	-do-	(+)450g
41	Kana	-do-	-do-	-do-	-do-	(+)540g
42	ChatarBai	-do-	-do-	-do-	-do-	(+)410g
43	Ram Narayan	sitamau	Kachanara	-do-	2011-12	(+)510g
44	Kamala Bai	-do-	-do-	-do-	-do-	(+)550g
45	Bherunath	-do-	-do-	-do-	-do-	(+)310g
46	BhuliBai	-do-	-do-	-do-	-do-	(+)420g
47	Bhwarlal	-do-	-do-	-do-	-do-	(+)660g
48	KamlaKuar	-do-	-do-	-do-	-do-	(+)460g
49	Bapulal	-do-	-do-	-do-	-do-	(+)310g
50	Gajraj Singh	-do-	-do-	-do-	-do-	(+)360g
51	Bhawarsingh	Malhargarh	Koyla	-do-	-do-	(+)290g
52	Kanhaiyalal	sitamau	kachnari	-do-	-do-	(+)390g
53	Bhwarlal	-do-	-do-	-do-	-do-	(+)420g
54	Amar lal	Malhargarh	Khutti	-do-	-do-	(-)550g
55	Ram Ratan	-do-	-do-	-do-	-do-	(+)260g
56	Devilal	-do-	-do-	-do-	-do-	(+)940g
57	Ishwarlal	-do-	-do-	-do-	-do-	(+)330g
58	Rukmani	-do-	-do-	-do-	-do-	(+)240g
Jaora-II						
1	Balwantsingh	Jaora	Binoli	Jaora-II	2010-11	(+)350g
2	Raghuveer	-do-	-do-	-do-	-do-	(+)710g

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
	Singh					
3	Mangu Singh	-do-	-do-	-do-	-do-	(+)250g
4	Laxman Singh	-do-	-do-	-do-	-do-	(+)230g
5	Balu Singh	-do-	-do-	-do-	-do-	(+)580g
6	Jujhar	-do-	-do-	-do-	-do-	(+)410g
7	Sadhu Singh	-do-	-do-	-do-	-do-	(+)260g
8	Jagarnath	-do-	Patan	-do-	-do-	(+)780g
9	Ramibai	-do-	-do-	-do-	-do-	(-)220g
10	Devi Singh	-do-	-do-	-do-	-do-	(+)450g
11	Shanti lal	-do-	-do-	-do-	-do-	(+)510g
12	Parvat Singh	-do-	-do-	-do-	-do-	(+)600g
13	GeetaBai	-do-	-do-	-do-	-do-	(+)620g
14	Nagu	-do-	-do-	-do-	-do-	(+)230g
15	Mod Singh	-do-	Jamunia	-do-	-do-	(+)620g
			Shanker			
16	Chanpalal	-do-	-do-	-do-	-do-	(+)520g
17	Keshar Singh	-do-	-do-	-do-	-do-	(+)1.580kg
18	Gajraj Singh	-do-	-do-	-do-	-do-	(+)640g
19	Ram lal	-do-	-do-	-do-	-do-	(+)2.040kg
20	TejaBai	-do-	-do-	-do-	-do-	(+)900g
21	ManguBai	-do-	-do-	-do-	-do-	(+)760g
22	Ghuralal	-do-	-do-	-do-	-do-	(+)480g
23	Pawan Singh	-do-	-do-	-do-	-do-	(+)890g
24	Bhawalal	-do-	-do-	-do-	-do-	(+)590g
25	Rugnath	-do-	-do-	-do-	-do-	(+)1.290kg
	Singh					
26	Mohan Lal	-do-	-do-	-do-	-do-	(+)580g
27	LeelaBai	-do-	-do-	-do-	-do-	(+)530g
28	Himmat Singh	-do-	-do-	-do-	-do-	(+)680g
29	Babu shah	-do-	-do-	-do-	-do-	(+)420
30	Gulab Singh	-do-	-do-	-do-	-do-	(+)870g
31	Shiv Singh	-do-	-do-	-do-	-do-	(+)1.020kg
32	KanchanBai	-do-	-do-	-do-	-do-	(+)890g
33	Satynarayan	-do-	-do-	-do-	-do-	(+)1.530kg
34	KanchanBai	-do-	Dhudhakhedi	-do-	-do-	(+)730g
35	Ram Lal	-do-	Manyakhedi	-do-	-do-	(+)420g
36	Dev ram	-do-	-do-	-do-	-do-	(+)510g
37	BadriLal	-do-	-do-	-do-	-do-	(+)860g
38	Balaram	-do-	Chipia	-do-	-do-	(+)350g
39	Ram Narayan	-do-	-do-	-do-	-do-	(+)730g
40	Amrit raj	-do-	Mawata	-do-	-do-	(+)340g
41	Smt. Kamala bai	-do-	-do-	-do-	-do-	(+)270g
42	Bhawalal	-do-	-do-	-do-	-do-	(+)650g
43	Rukamanibai	-do-	-do-	-do-	-do-	(+)540g
44	Jagdish	-do-	-do-	-do-	-do-	(+)360g
45	Ram chandra	-do-	-do-	-do-	-do-	(+)920g
46	Ram Narayan	-do-	-do-	-do-	-do-	(+)840g
47	Harisingh	-do-	Somaliya	-do-	-do-	(+)1.060kg
48	Lalsingh	-do-	-do-	-do-	-do-	(+)1.540kg
49	Bhopal Singh	-do-	-do-	-do-	-do-	(+)1.090kg
50	Shanker Singh	-do-	-do-	-do-	-do-	(+)1.830kg
51	Bhawalal	-do-	-do-	-do-	-do-	(+)1.690kg
52	Dasharath	-do-	-do-	-do-	-do-	(+)2.040kg
	Singh					

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
53	Bhawarlal	-do-	-do-	-do-	-do-	(+)1.460kg
54	Babulal	-do-	Kalukheda	-do-	-do-	(+)230g
55	Ram Gopal	-do-	Pipliasisodia	-do-	-do-	(+)690g
56	Satya Narayan	-do-	-do-	-do-	-do-	(+)350g
57	Narayan	-do-	-do-	-do-	-do-	(+)460g
58	Nagu	-do-	-do-	-do-	-do-	(+)260g
59	Jagdish	-do-	-do-	-do-	-do-	(+)250g
60	Gangaram	-do-	-do-	-do-	-do-	(+)240g
61	BadriLal	-do-	Naya Nagar	-do-	-do-	(-)580g
62	LeelaBai	-do-	-do-	-do-	-do-	(+)830g
63	BalMukund	-do-	-do-	-do-	-do-	(+)680g
64	DudhKuwar	-do-	-do-	-do-	-do-	(+)1.750g
65	RukmaniBai	-do-	Rasulpur	-do-	-do-	(+)690g
66	BalMukund	-do-	-do-	-do-	-do-	(+)200g
67	Mohan bai	-do-	-do-	-do-	-do-	(+)270g
68	Mewalal	-do-	-do-	-do-	-do-	(+)640g
69	Laxmichand	-do-	-do-	-do-	-do-	(+)290g
70	Prabhulal	-do-	-do-	-do-	-do-	(+)340g

Appendix 33 (Para No.6.13.13)
Irregularities in preliminary weighment register –Rajasthan

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
1	Heera Lal S/o Pannalal	Chhabada	Bhuvakhedi	Kota	2010-11	0.570
2	Mangilal S/o Radhakishan	-do-	-do-	-do-	"	2.730
3	Bhanwari Bai W/o Amarlal	-do-	-do-	-do-	"	0.870
4	Gajanand S/o Devlal	Chhipabadod	Guradi	-do-	"	2.830
5	Sundar bai W/o Mathuralal	-do-	-do-	-do-	"	1.130
6	Pushpa bai W/o Heera	-do-	Patadi	-do-	"	2.740
7	Nand Kishore S/o Mangilal	-do-	-do-	-do-	"	3.860
8	Anil S/o Kailash chand	-do-	Ajanavar	-do-	"	4.780
9	Dhannalal S/o Gyarsilal	-do-	-do-	-do-	"	3.520
10	Mangilal S/o Mannalal	Chhabada	Dehari	-do-	"	-
11	Amrat Lal S/o Kishanlal	Ataru	Motipura	-do-	"	(-) 0.400
12	Dropati Bai W/o Mangilal	-do-	-do-	-do-	"	2.210
13	Ratan Lal S/o Kanwarlal	-do-	-do-	-do-	"	(-) 0.750
14	Jagannath S/o Heeralal	-do-	Motpur	-do-	"	2.380
15	Kanti bai W/o Omprakash	-do-	Ummedgang	-do-	"	6.230
16	Chandra Mohan S/o	-do-	-do-	-do-	"	8.410

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
17	Harpal Ram Bharose S/o	Chhabada	Phaliya	-do-	2011-12	2.778
18	Harlal Jai Narayan S/o	-do-	-do-	-do-	-do-	-
19	Jamunalal Prabhulal S/o	Chhipabadod	Motipura	-do-	-do-	2.230
20	Motilal Gulab bai W/o	-do-	-do-	-do-	-do-	2.620
21	Prabhulal Gyarsi bai W/o	-do-	-do-	-do-	-do-	-
22	Harak Chandra Ram Kalyan S/o	-do-	-do-	-do-	-do-	1.290
23	Hajarilal Ram Niwas S/o	-do-	Setukol-II	-do-	-do-	1.364
24	Mohanlal Kanhyalal S/o	-do-	-do-	-do-	-do-	1.149
25	Mohanlal Janki bai W/o Bal	-do-	-do-	-do-	-do-	1.161
26	chand Mohan lal S/o Panna	-do-	-do-	-do-	-do-	1.563
27	lal Geeta Bai W/o	-do-	-do-	-do-	-do-	1.759
28	Mathuralal Chhotelal S/o	-do-	-do-	-do-	-do-	3.894
29	Sukhalal Dhannalal S/o Harlal	-do-	-do-	-do-	-do-	1.867
30	Jagannath S/o Ram	-do-	Setu Kol	-do-	-do-	1.595
31	Chandra Ram Kanya bai W/o	-do-	-do-	-do-	-do-	2.322
32	Mool chand Ram Prasad S/o Kalu	-do-	Devarimund	-do-	-do-	3.692
33	Dhanshyam S/o	-do-	-do-	-do-	-do-	4.364
34	Shankarlal Laxmibai W/o	Chhabada	Hanumant	-do-	-do-	1.255
35	Dhannalal Girdhari S/o Janki	-do-	-do-	-do-	-do-	0.608
36	bai Lali bai W/o	Ramganj	Gudayala	-do-	-do-	4.109
37	Chhotelal Bhanwari Bai S/o	Mandi	-do-	-do-	-do-	2.631
38	Rodu Ram Dayal S/o	-do-	-do-	-do-	-do-	0.959
39	Dhulilal Gokul bai W/o	-do-	Haripura	-do-	-do-	0.904
40	Bheru Arjun Singh S/o	-do-	-do-	-do-	-do-	1.292
41	Bheru Singh Mdholal S/o Bihari	Chhabada	Gaphurpura	-do-	-do-	1.597
42	Kailash S/o Babaru	Ramganj	Kishorepura	-do-	-do-	2.499
43	Mandi Puri lal S/o Babaru	-do-	-do-	-do-	-do-	3.402
44	Ram Nath S/o	-do-	Bholu	-do-	-do-	3.303
45	Nandlal Kalyan S/o Shoram	-do-	-do-	-do-	-do-	2.648
46	Ram Pyaribai W/o	-do-	-do-	-do-	-do-	1.685

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
47	Moduram Hari Shankar S/o Jaipal	Ataru	Ummedgang	-do-	-do-	5.548
48	Ashok Kumar S/o Madanlal	-do-	-do-	-do-	-do-	2.281
49	Bharat lal S/o Rajendra Singh	-do-	-do-	-do-	-do-	6.504
50	Man Singh Meena S/o Ganga ram Meena	Chhabada	Gaphurpura	-do-	2012-13	-
51	Mohan Lal S/o Bansilal	Chhipabadod	Barsat	-do-	-do-	-
52	Champalal S/o Badrilal	-do-	-do-	-do-	-do-	0.970
53	Latur S/o Panchhiva	-do-	Rasulpur	-do-	-do-	1.080
54	Purilal S/o Pannalal	Ramganj Mandi	Kanwarpur	-do-	-do-	1.310
55	Haricharan S/o Devlal	Chhebada	Pharidpur	-do-	-do-	0.740
56	Kalyan S/o Shoran	Ramganj Mandi	Bholu	-do-	"	0.900
57	Babulal S/o Dhanji ram	Chhabada	Phaliya	-do-	-do-	0.570
58	Karan Singh S/o Ram Singh	Chhotisadadi	Barwarda Deval	Pratap- garh	2010-11	0.530
59	Devi lal S/o Moda	-do-	-do-	-do-	-do-	(-) 0.440
60	Bhagwan S/o Kasiram	-do-	-do-	-do-	-do-	0.560
61	Badrilal S/o Chunnilal	-do-	-do-	-do-	-do-	1.192
62	Tulsibai W/o Ambalal	-do-	Subi (B)	-do-	-do-	2.380
63	Shiv Narayan S/o Ganga Ram	-do-	-do-	-do-	-do-	1.702
64	Tek Chandra S/o Heeralal	-do-	-do-	-do-	-do-	0.942
65	Ram Narayan S/o Chhaganlal	-do-	-do-	-do-	-do-	(-) 0.329
66	Phatah lal S/o Hariram	-do-	-do-	-do-	-do-	1.041
67	Nana lal /S/o Bholiram	-do-	-do-	-do-	-do-	1.011
68	Gopal S/o Shrilala	-do-	-do-	-do-	-do-	1.150
69	Sohan bai W/o Gangaram	Pratapgarh	Jhansadi	-do-	-do-	0.660
70	Mangilal S/o Kapoor Chand	-do-	-do-	-do-	-do-	0.520
71	Bagadi Ram S/o Pyara	-do-	-do-	-do-	-do-	0.540
72	Gobilal S/o Pyara	-do-	-do-	-do-	-do-	0.570
73	Ram Narayan S/o Gopal	-do-	-do-	-do-	-do-	0.990
74	Dev Ram S/o Bheru	-do-	-do-	-do-	-do-	0.650
75	Bal Mukund S/o Ram Narayan	-do-	-do-	-do-	-do-	0.740

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
76	Laxman S/o Lala	-do-	-do-	-do-	-do-	0.760
77	Bherulal S/o Nathu	-do-	-do-	-do-	-do-	1.830
78	Gordhan S/o Onkar	-do-	-do-	-do-	-do-	1.490
79	Arjun Singh S/o Hari Singh	Aranod	Mandavara	-do-	-do-	0.590
80	Manak Chand S/o Dadam Chand	-do-	-do-	-do-	-do-	0.630
81	Vishanu Lal S/o Bhenro	-do-	-do-	-do-	-do-	0.660
82	Mohan S/o Nanda	-do-	-do-	-do-	-do-	1.510
83	Lal Singh S/o Jay Singh	-do-	-do-	-do-	-do-	0.640
84	Maruti Singh S/o Prathvi Singh	-do-	-do-	-do-	-do-	(-) 0.350
85	Eshwar Singh S/o Bheru Singh	-do-	-do-	-do-	-do-	(-) 0.750
86	Badri Das S/o Dhannadas	Chhotisadadi	Achalpura	-do-	2011-12	2.050
87	Ganpat Lal S/o Chunnilal	-do-	-do-	-do-	-do-	0.780
88	Jagdish S/o Kanheyalal	-do-	-do-	-do-	-do-	1.360
89	Hariram S/o Heeralal	-do-	-do-	-do-	-do-	1.020
90	Balwan Singh S/o Prathavi Raj	-do-	-do-	-do-	-do-	1.320
91	Kanheya Lal S/o Ratan Lal	-do-	-do-	-do-	-do-	1.600
92	Madan Lal S/o Ratan Lal	-do-	-do-	-do-	-do-	(-) 0.320
93	Prathavi Raj S/o Motilal	-do-	-do-	-do-	-do-	1.500
94	Jagram S/o Ratanlal	-do-	-do-	-do-	-do-	2.690
95	Ram Chandra S/o Bhuwani Shankar	-do-	-do-	-do-	-do-	1.140
96	Tara Chandra S/o Bhenro	Pratapgarh	Dhamlu	-do-	-do-	2.090
97	Javan Singh S/o Champalal	-do-	-do-	-do-	-do-	0.920
98	Nathu S/o Vajinga	-do-	-do-	-do-	-do-	0.990
99	Ram Man S/o Roop chand	-do-	-do-	-do-	-do-	1.080
100	Kalu S/o Hankiya	-do-	-do-	-do-	-do-	1.910
101	Bagadi Ram S/o Nanda	-do-	-do-	-do-	-do-	1.110
102	Ambalal S/o Manna	-do-	-do-	-do-	-do-	1.050
103	Sukhalal S/o Prathavi Ram	Chhotisadadi	Pratappura	-do-	-do-	1.110
104	Dinesh Kumar S/o Junilal	-do-	-do-	-do-	-do-	1.070
105	Babulal S/o Onkarmal	-do-	-do-	-do-	-do-	1.070
106	Sukhlal S/o Onkarmal	-do-	-do-	-do-	-do-	1.140
107	Chhaganlal S/o	-do-	-do-	-do-	-do-	0.860

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
	Shambhu					
108	Jai Narayan S/o Lalu	Arnod	Kanad	-do-	-do-	1.210
109	Lalu Ram S/o	-do-	-do-	-do-	-do-	1.900
	Keshuram					
110	Kedar bai W/o	-do-	Kotadi	-do-	-do-	0.830
	Kholiya					
111	Nanu Ram S/o	-do-	-do-	-do-	-do-	(-) 0.490
	Deepa					
112	Ramprasad S/o Ram	-do-	-do-	-do-	-do-	0.620
	Narayan					
113	Laxman Singh S/o	-do-	Ram Narar	-do-	-do-	0.980
	Bhagirath					
114	Babulal S/o	-do-	-do-	-do-	-do-	1.850
	Bhagchand					
115	Rukani bai W/o	-do-	-do-	-do-	-do-	1.020
	Sawa					
116	Bherulal S/o Nathu	-do-	-do-	-do-	-do-	2.060
117	Badri S/o Bhagirath	Aranod	Dalot-B	-do-	2012-13	0.720
118	Smt. Geeta Bai W/o	-do-	-do-	-do-	-do-	1.150
	Vinod Kumar					
119	Mangilal S/o Kalu	-do-	Lupadi	-do-	-do-	0.440
120	Smt. Dhapu Bai W/o	-do-	-do-	-do-	-do-	0.580
	Gobilal					
121	Kacharu S/o Bagdi	-do-	-do-	-do-	-do-	0.530
	Ram					
122	Mohan Singh S/o	Pratapgarh	Bilesari	-do-	-do-	0.560
	Devi Singh					
123	Ganpat Lal S/o Nand	-do-	Jahajpur	-do-	-do-	0.660
	Lalji					
124	Smt. Gotami Bai	-do-	-do-	-do-	-do-	0.570
	W/o Dalla					
125	Kalu S/o Kanha	-do-	-do-	-do-	-do-	0.630
126	Gotam S/o Deva	-do-	-do-	-do-	-do-	(-) 0.230
127	Govind Ram S/o	-do-	Kulthana	-do-	-do-	0.700
	Sawa					
128	Dalla S/o Kishan	-do-	-do-	-do-	-do-	0.730
129	Ram Ratan S/o	-do-	-do-	-do-	-do-	0.570
	Bhagwan					
130	Heera Lal S/o	-do-	-do-	-do-	-do-	0.680
	Keshuram					
131	Jaswant Singh S/o	-do-	-do-	-do-	-do-	(-) 0.400
	Ratan Singh					
132	Nanu Ram S/o	-do-	Bajrang-garh	-do-	-do-	(-) 0.250
	Heera					
133	Shankar lal S/o	-do-	Kherot	-do-	-do-	0.510
	Samak lal					
134	Mangilal S/o Magani	-do-	-do-	-do-	-do-	0.640
	ramji					
135	Bhogga S/o Bhav	-do-	-do-	-do-	-do-	(-) 0.240
	Singh					
136	Harlal S/o Mangu	-do-	Bamottar (A)	-do-	-do-	0.560
137	Kushala S/o Bhajia	-do-	-do-	-do-	-do-	0.490
138	Mangu S/o Hema	-do-	-do-	-do-	-do-	(-) 0.330
139	Mangilal S/o	-do-	-do-	-do-	-do-	0.590
	Bachcha					

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
140	Amrat Ram S/o Ratanlal	Chhotsadadi	Barwada Gurjar	-do-	-do-	0.650
141	Heeralal S/o Kehuram	-do-	-do-	-do-	-do-	0.710
142	Bapulal S/o Kishanlal	-do-	-do-	-do-	-do-	0.700
143	Nandlal S/o sukhlal	-do-	-do-	-do-	-do-	0.610
144	Prabhu lal S/o Narayan	-do-	-do-	-do-	-do-	0.670
145	Champa Lal S/o Devilal	-do-	Semrada	-do-	"	0.670
146	Bapulal S/o Bhoniram	-do-	-do-	-do-	"	(-) 0.470
147	Babulal S/o Hajarilal	-do-	-do-	-do-	"	0.630
148	Ghasilal S/o Prabhulal	-do-	-do-	-do-	"	(-) 0.160
149	Chatarbhu S/o Roopa	Aranod	Veeravali	-do-	"	0.720
150	Devilal/Shochand	Bengu	Rayati	Bhilwar	2010-11	0.478
151	Bherulal/Dunga	-do-	-do-	-do-	"	0.666
152	Bhura/Pema	-do-	-do-	-do-	"	0.551
153	Kelash Chandra/ Tejpal	-do-	-do-	-do-	"	0.487
154	Nandubai/Khemraj	-do-	-do-	-do-	"	0.526
155	Bhura/Dhola	-do-	-do-	-do-	"	0.524
156	Devilal/Moti	-do-	-do-	-do-	"	0.557
157	Ghisalal/Laxman/ Ramlal	-do-	Ravadadaa	-do-	"	0.436
158	Ratanlal/Kashiram	-do-	-do-	-do-	"	(-) 0.757
159	Mohanlal/Balu	-do-	-do-	-do-	"	0.485
160	Subhash Chandra	-do-	-do-	-do-	"	0.631
161	Jayshankar/Kajod	-do-	Uthenkala	-do-	"	0.454
162	Sohanlal/Dalla	-do-	-do-	-do-	"	0.487
163	Madanlal/Bherulal	-do-	-do-	-do-	"	0.506
164	Nandlal/Balu	-do-	Palaka	-do-	"	0.810
165	Devilal/Hajari	-do-	-do-	-do-	"	0.502
166	Jairam/Nanda	Bengu	Dolatpura	-do-	"	0.487
167	Mukesh Kumar/Girdhari	-do-	-do-	-do-	"	0.923
168	Nathu/Laxman	-do-	-do-	-do-	"	0.787
169	Chunnilal/Bhura	-do-	Jhadol Tumba	-do-	2011-12	0.420
170	Ramlal/Mohan	-do-	-do-	-do-	"	0.540
171	Bhanwarlal/Bhuvana	-do-	Shonagar	-do-	"	0.690
172	Kalu/Narayan	-do-	-do-	-do-	"	0.500
173	Nandu bai/ Kashiram	-do-	-do-	-do-	"	0.500
174	Gokal/Nanda	-do-	-do-	-do-	"	(-) 0.560
175	Yuribai/Kashiram	-do-	-do-	-do-	"	0.640
176	Gangabai/Bhoja	-do-	Bandoda	-do-	"	0.700
177	Bhoja/Bhuvana	-do-	-do-	-do-	"	0.430
178	Jagdish/Bhanwarlal	-do-	-do-	-do-	"	0.450
179	Khana/Jairam	-do-	-do-	-do-	"	0.790
180	Ghisa/Dunga	-do-	-do-	-do-	"	0.550
181	Jodha/Chunnilal	-do-	-do-	-do-	"	0.400
182	Laxman Singh /	-do-	Gopalpura	-do-	"	0.500

SI No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
	Shobhag Singh		(Rajgarh)			
183	Prathaviraj / Kana	-do-	Jaynarag	-do-	"	0.550
184	Pyaribai/Devram Urf Devilal	-do-	-do-	-do-	"	0.430
185	Pyar Chandra/Jagannath	-do-	-do-	-do-	"	0.460
186	Peeta/Hajari	Gangrar	Kachanariya	-do-	2012-13	0.510
187	Geetadevi/ Miththu	-do-	-do-	-do-	"	0.150
188	Ghasibai/champa	-do-	-do-	-do-	"	0.690
189	Chunnibai/Hajari	-do-	-do-	-do-	"	0.550
190	Pokar/Gheesa	-do-	-do-	-do-	"	0.420
191	Hansu/Nanajat	-do-	Bonla ka Savanta	-do-	"	0.570
192	Mohani/Nathu	-do-	-do-	-do-	"	0.750
193	Gamer/Ansu Rebari	-do-	-do-	-do-	"	0.880
194	Kalu Ram/Balu Ram	-do-	-do-	-do-	"	0.580
195	Gulabi/Dalchand	-do-	-do-	-do-	"	1.260
196	Bheru/Hajari	-do-	-do-	-do-	"	1.000
197	Uday/Hajari	-do-	-do-	-do-	"	0.610
198	Amarchandra/ Gopal	-do-	-do-	-do-	"	0.720
199	Nandlal/Kalu	-do-	Tumadiya	-do-	"	0.410
200	Kishanlal/Gopi	-do-	-do-	-do-	"	0.560
201	Pyara/Khemaji	Rashami	Chatavati	-do-	"	0.460
202	Udaylal/Lalu Luhar	-do-	-do-	-do-	"	0.500
203	Rajkanwar/Bahadur Singh	-do-	-do-	-do-	"	(-) 0.300
204	Mitthu lal/Pyara	-do-	-do-	-do-	"	0.560
205	Barajibai/Udaylal	-do-	-do-	-do-	"	1.110
206	Chandibai/Chuna	-do-	Narayanpura	-do-	"	0.660
207	Maadhu/Hajari	-do-	-do-	-do-	"	0.510
208	Shankarlal/Rooplal	-do-	-do-	-do-	"	0.500
209	Shambhu/Nana	-do-	-do-	-do-	"	0.680
210	Heeralal/Javahar-mal	-do-	-do-	-do-	"	0.550
211	Maadho/Javaharmal	-do-	-do-	-do-	"	0.740
212	Gopilal/Nagajiram	-do-	-do-	-do-	"	0.790
213	Narayan/Nathu	-do-	-do-	-do-	"	0.580
214	Ramchandra/ Bhagirath	Bengu	Amalda	-do-	"	(-) 0.530
215	Ugama/Narayan	-do-	-do-	-do-		(-) 0.670
216	Sitaram/Narayan	-do-	-do-	-do-		(-) 0.420
217	Kanheyalal/Kuka	-do-	Muroli	-do-		0.490
218	Mangilal/Nathulal	Rawatbhata	Sukhpura	-do-		0.180
219	Jadavbai/Badrichand	-do-	-do-	-do-		0.470
220	Ramchandra/Uda	Mandagarh	Lodiyana	-do-		0.500
221	Kanha/Medha	-do-	-do-	-do-		0.420
222	Maganlal/Uda	-do-	-do-	-do-		0.510
223	Harlal/Roopa	-do-	-do-	-do-		0.590
224	Uda/Ambalal	-do-	-do-	-do-		0.580
225	Mohan/Dhanna	Jahahpur	Hanseda	-do-		0.890
226	Kalyan/Dhanna	-do-	-do-	-do-		0.420
227	Hajari/Deva	-do-	-do-	-do-		0.450
228	Rampal/Deva	-do-	-do-	-do-		0.450
229	Gopal/Mangu	Kotadi	Badala-A	-do-		0.460

Sl No.	Name of cultivators	Tehsil	Village	DOO	Year	Excess (+) shortage (-)
230	Devbaksh/Ramji	-do-	-do-	-do-		0.600
231	Uday lal/Pratap	-do-	-do-	-do-		0.570
232	Ladudevi/Javana	-do-	-do-	-do-		0.540
233	Chandubai/Balu	-do-	-do-	-do-		0.600
234	Jamna/Gokal	-do-	-do-	-do-		0.530
235	Ramlal/Mangu	-do-	-do-	-do-		0.510
236	Devalal/Onkar	Bijoliya	Chandji ki	-do-		0.500
	Dhakad		khedi			
237	Jagannath/laluji	-do-	-do-	-do-		0.430

Appendix 34 {Para No.7.1 (iv)}

(lakh ₹)

Sl. No.	Commissionerate	Year	O B	Received	Disposal	C B	Break-up of closing balance			
							Cat-I	Cat-II	Cat-III	Cat-IV
1.	Customs, Central Excise & Service Tax Kanpur	2010-11 2011-12 2012-13	265.13 3312.28 3376.18	3069.84 65.31 45.00	22.69 1.41 2412.00	3312.28 3376.18 1009.18	Pertains to Category-II			
2.	Commissionerate, Customs (Prev), Lucknow	2010-11 2011-12 2012-13	1180.793 1238.833 1912.173	721.07 1140.02 1225.62	663.03 466.68 906.59	1238.833 1912.173 2231.203	0.17 0.27 0.51	58.11 150.06 445.02	60.27 47.96 94.31	1120.283 1713.883 1691.363
3.	Customs, Central Excise & Service Tax, NOIDA	2010-11 2011-12 2012-13	29.00 29.00 29.00	0.00 0.00 0.00	0.00 0.00 0.00	29.00 29.00 29.00	Pertains to Category-IV			
4.	Customs, Central Excise & Service Tax, Ghaziabad	2010-11 2011-12 2012-13	0.00 58.97 161.87	58.97 102.90 500.00	0.00 0.00 0.00	58.97 161.87 661.87	Pertains to Category -IV			
5.	Commissionerate, Customs (Port), Kolkatta	2010-11 2011-12 2012-13	242.00 39.00 9.79	14.00 0.00 328.54	217.00 29.21 23.14	39.00 9.79 315.19	Pertains to Category -IV			
6.	Commissionerate Customs (Prev) West Bengal	2010-11 2011-12 2012-13	0.00 97.68 284.94	167.52 192.21 212.99	69.84 4.95 19.77	97.68 284.94 478.16	11.08 23.25 28.05	17.85 84.71 86.38	47.22 155.45 342.20	21.53 21.53 21.53
7.	Commissionerate Bangalore	2010-11 2011-12 2012-13	119.35 122.15 122.92	4.76 4.14 9.15	1.95 3.37 0.78	122.15 122.92 131.30		1.62 1.72 8.70		120.53 121.20 122.60
8.	Commissionerate Mangalore	2010-11 2011-12 2012-13	340.39 242.80 135.14	116.56 36.99 136.59	214.15 144.65 9.63	242.80 135.14 262.10	136.42 28.76 69.57	98.26 98.26 184.41	7.05 7.05 7.05	1.07 1.07 1.07
9.	Commissionerate Customs, Jodhpur	2010-11 2011-12 2012-13	1107.19 1150.85 1258.70	63.36 196.04 1641.99	19.70 88.19 316.82	1150.85 1258.70 2583.87	0.17 0.09 0.03	374.88 346.14 675.43	81.80 105.17 123.39	694.00 807.30 1785.02
10.	Commissionerate Customs, Air Cargo, Delhi	2010-11 2011-12 2012-13	736.00 736.00 935.00	0.00 199.00 63.00	0.00 0.00 0.00	736.00 935.00 998.00	0.00 199.00 262.00	41.00 41.00 41.00		695.00 695.00 695.00
11.	Commissionerate Customs, I&G, Delhi	2010-11 2011-12 2012-13	115.27 41.77 101.49	0.00 60.50 109.78	73.50 0.78 116.67	41.77 101.49 94.60		18.87 18.87 17.91		22.90 82.62 76.69
12.	Commissionerate, Customs, ICD, TKD, Delhi	2010-11 2011-12 2012-13	5.00 5.00 0.00	251.17 241.98 560.19	251.17 246.98 437.46	5.00 0.00 122.73				5.00 0.00 122.73
13.	Addl. Commissioner, IGI, Terminal-III, Delhi	2010-11 2011-12 2012-13	3718.35 3602.20 3714.89	125.67 682.69 2402.24	241.82 570.00 1406.00	3602.20 3714.89 4711.13	0.00 0.24 8.94	3225.73 3338.18 4325.72	6.67 6.67 6.67	369.80 369.80 369.80

Sl. No.	Commissionerate	Year	O B	Received	Disposal	C B	Break-up of closing balance			
							Cat-I	Cat-II	Cat-III	Cat-IV
14.	Commissionerate, Indore ³¹	2010-11	158.12	0.00	0.00	158.12	90.65		67.47	
		2011-12	158.12			158.12	90.65		67.47	
		2012-13	158.12	156.80	108.48	206.44	80.37		126.07	
15.	Commissionerate, Bhopal ³²	2010-11	2584.20			2584.20	8.40	4.80	2571.00	
		2011-12	2584.20			2584.20	8.40	4.80	2571.00	
		2012-13	2584.20			2584.20	8.40	4.80	2571.00	
16.	Commissionerate, Zone-I, Mumbai	2010-11	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2011-12	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2012-13	0.00	0.00	0.00	8341.27	Category wise details not furnished			
17.	Commissionerate, Zone-II, Mumbai ³³	2010-11	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2011-12	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2012-13	0.00	0.00	0.00	16602.00	Category wise details not furnished			
18.	Commissionerate, Zone-III, Mumbai (ACC & Airport)	2010-11	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2011-12	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2012-13	0.00	0.00	0.00	4939.07	Category wise details not furnished			
19.	Commissionerate, Customs (Prev), Patna	2010-11	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2011-12	0.00	0.00	0.00	0.00	Category wise details not furnished			
		2012-13	0.00	0.00	0.00	322.32	Category wise details not furnished			

Appendix 35 (Para No.7.4)
Non-projection of targets of revenue realization

(lakh ₹)

Sl.No.	Name of the Commissionerate	Target Realization of revenue			Actual Realization		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
1	Kanpur	NA	NA	NA	0.43	0.29	160
2	NOIDA	NA	NA	NA	0	0	0
3	Ghaziabad	NA	NA	NA	0	0	0
4	Customs (Prev), Lucknow	NA	NA	NA	269.15	124.62	187.78
5	Bangalore	NA	334.89	239	47.16	484.99	53.36
6	Mangalore	NA	NA	NA	68.68	22.42	0.02
7	customs (Port), Kolkata	NA	NA	10	666.05	24.26	26.12
8	Customs (Prev), West Bengal	NA	NA	NA	6.39	0	19.48
9	Customs (I&G), Delhi	NA	NA	NA	21.38	0.16	39.24
10	Customs (Air Cargo) Delhi	NA	NA	NA	0	231.2	347.22
11	Customs (ICD), TKD Delhi	NA	NA	700	251.17	246.98	437.46
12	AC Customs. (IGI), Terminal-III Delhi	NA	NA	NA	39	556	1467
13	Indore	NA	NA	NA	0	0	128
14	ICD, Pithampur Indore	NA	NA	NA	0	0	31.3
15	Customs (Prev). Patna	NA	472	413	199.01	246.63	730.66
Total					1568.42	1937.55	3627.64

Appendix 36 (Para No.7.5)

(lakh ₹)

Sl. No.	Commissionerate	Delay (in months)	No. of cases	Seizure value
1.	Customs (Preventive), Lucknow	2 to 7	11	44.24
2.	Customs (Preventive), West Bengal	60 to 204	3	122.99
3.	Bangalore	1 to 25	6	N. A.
4.	Mangalore	4	1	N. A.

³¹ Including ICD, Ratlam, Ujjain, Dhannad, Pithampur and Kheda), Air Cargo Indore, Division-Ratlam, Pithampur.

³² Including ICD Mandideep, Division-I & II.

³³ New Customs House, R&I Preventive.

Sl. No.	Commissionerate	Delay (in months)	No. of cases	Seizure value
5.	Customs, Jodhpur	1 to 5	6	N. A.
6.	Customs, Air Cargo, Delhi	14 to 16	2	77.39
7.	Customs, I&G, Delhi	6 to 18	9	226.41
8.	Customs, Bhopal	2	1	2571.11
9.	Customs (Preventive), Patna	1 to 42	26	275.43
Total			65	3317.57

Appendix 37 (Para No.7.5)

Sl. No.	Commissionerate	Divisions	Delay (in months)	No. of cases	Seizure value (lakh ₹)
1.	Customs (Preventive), Lucknow	Lucknow, Gorakhpur and Bareilly	1 to 23	207	176.56
2.	Customs (Preventive), West Bengal		1 to 3	3	8.48
3.	Customs, Jodhpur	ICD, Jaipur	3 to 7	3	N. A.
4.	ICD, TKD, Delhi		14	2	1.13
5.	Customs, I&G, Delhi		7 to 11	2	6.07
6.	Customs (Preventive), Patna	Muzaffarpur, Forbesganj and Motihari	1 to 23	126	79.16
Total				343	271.40

Appendix 38 (Para No.7.5)

Sl. No.	Commissionerate	Divisions	Delay (in months)	No. of cases	Seizure value (lakh ₹)
1.	Customs, Jodhpur	FPO, Jaipur	9 to 24	2	N. A.
2.	Customs (Preventive), Patna	Muzaffarpur, Forbesganj and Motihari	1 to 11	266	24.92
Total				268	24.92

Appendix 39 (Para No.7.6)

Sl. No.	Commissionerate	Goods lying at	Value of goods (lakh ₹)
1.	Customs, Mumbai	Nanawati Warehouse, Mumbai	22.93
		Todi (LP & CWC) Warehouse, Mumbai	205.68
		NCH basement Warehouse, Mumbai	286.03
2.	Customs (Preventive), Patna	Patna, Muzaffarpur, Forbesganj and Raxaul	322.32
Total			836.96

Appendix 40 (Para No.7.6)

Entry No. & year	Description of goods	Quantity	Date of seizure	Book Value	Sale proceeds	Under recovery (lakh ₹)
54/2003	Wooden floor panel	501 Sq Mtr	11.08.10	13.27	5.39	7.88
06/2006	Canon Lens EPI 1.500 mm	1 No	10.09.08	3.00	1.10	1.90
16/2006	Air gun 35 T03	1 No	31.03.06	0.45	0.25	0.20
107/2010	One Mobile HTC TYTH	1 No	26.05.06	0.43	0.27	0.16
Total				17.15	7.01	10.14

Appendix 41 {Para No.7.10 (i)}

(lakh ₹)

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
1.	Customs, Central Excise & Service Tax, Kanpur	Godown	Mobile phone & electronic goods	9 Pkt	38.72	Nov 2011
				10 Pkt	26.59	March 2012
2.	Customs, Mumbai	Division, Agra	Electronic goods	85 Nos.	3.36	
			Electronic goods and mobile phone		634.23	2009 to 2011
3.	Customs (Port), Kolkatta	Special Disposal Cell	Mobile Batteries	451700 Pcs	143.59	June 2010
		Appraising Disposal Unit	Electronic goods	95255 Pcs	59.88	June 2010
4.	Customs (Prev), West Bengal	Seizure & Disposal Unit	Mobile batteries	5 cases	121.16	2009 to 2012
5.	Customs, Jodhpur	General Malkhana, Jaipur	Electronic goods of control panel		7.88	2006-07
6.	Customs, Delhi	ICD, PPG	Electronic goods	23 cases	2658.30	1991 to 2007
7.	Customs (Prev), Kolkatta	Shed-I & II	Compact Disc	8 cases	1541.01	1998
			Electronic goods	84 cases	19.48	1974
8.	Customs (Prev), Patna	Shed-I & II	Electronic goods	97 cases	344.58	1972 to 2010
		Forbesganj, Motihari, Muzaffarpur and Patna	Electronic goods	4 cases	138.60	2001 to 2012
9.	Customs (Prev), Lucknow	Gorakhpur	Compact Disc/DVD	1 case	0.04	2011
			Vodafone sim	125 Pcs	0.03	2010
10.	Dy. Commissioner, Air Cargo, Sanganer	FPO Jaipur	Emergency light	51 Pcs	0.15	2012
			Wireless Internet Phone with accessories		0.11	2009
Total					5737.71	

Appendix 42 {Para No.7.10 (iii)}

(lakh ₹)

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
1.	Customs (Prev) Lucknow	Division, Lucknow	Scotch Johnnie	38 bottle	1.98	Nov 2011
			Walker double black Idols	5 Pcs	0.21	1976
			Semi precious stone	50 Kgs	0.55	2001 & 2005
			Stones	550 Pcs	0.12	2003
		Division,	Bhola gutkha		0.003	March 2012

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
		Gorakhpur	Nepali sharab and gutkha	12100 pouchs	0.11	April 2011
			Indian gutkha	20850 pouches	0.21	March 2011
			Nepali gutkha	3060 pouches	0.018	Sept. 2011
			F/O Wine	65 Pcs.	0.012	May 2012
			Kachhi Sharab	12 Bottle	0.001	
			Statues of Buddha & Other	4 Pcs	1.50	2008 & 2009
			Ball bearings	684 Pcs	3.59	2010
			Indian Mix Stone	5667 Gms	1.59	2010
2.	Customs, Central Excise & Service Tax, Kanpur	Division, Agra	Liquor	26 bottle	0.12	1985 to 2001
3.	Customs (Prev), Kolkatta	Shed I & II	Whisky/ liquor	25 cases	3.32	
		Shed I & II	Chemicals	1 case	1.09	1994
4.	Customs (Prev), Patna	Forbesganj	Whisky/ liquor	6 cases	0.03	2004 to 2006
		Muzaffarpur	Chemicals	1 case	0.30	2008
		Motihari, Muzaffarpur	Wrist watches	2 cases	3.02	2012
		Motihari, muzaffarpur	Petroleum products	2 cases	0.14	2011-12
5.	Customs, Central Excise & Service Tax, NOIDA	ICD, Dadri	OWC (drilling chemical additive)	1000 MT	207.02	June 2011
6.	Customs, Central Excise & Service Tax, Ghaziabad	ICD, Loni	Rubber process oil	180.84 MT	34.48	Dec 2011 & May 2012
			Total		259.41	

Appendix 43 {Para No.7.12 (i)}

(lakh ₹)

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
1	Customs (Preventive), Lucknow	Division, Lucknow	Mediinal powder	100 kg	0.60	Oct 2004
		Division, Gorakhpur	Medicines		0.80	
			Oxytocin	15000 ampoules	1.50	2010
			Injection			
			Aluminum Phosphide	216 box	0.54	2010
			Medicines	1 case	0.09	2010
2	Customs, Delhi	ICD, PPG	Medicines	10 cases	57.40	2004 to 2010
3	Customs (Preventive), Kolkatta	Shed 1 & II	Medicines	2 cases	20.15	2008
		Shed I & II	Medicines	5 cases	3.00	1988
		Seizure & Disposal Unit	Medicines	5 cases	22.02	2008 to 2011
		Malda Division	Medicines	143 cases	26.69	2000 to 2009
4	Customs (Preventive), Patna	Forbesganj	Medicines		8.07	2005 to 2012
		Mothihari	Medicines		18.27	2009 to 2012
		Muzaffarpur	Medicines		47.24	2012
			Total		206.37	

Appendix 44 {Para No.7.12 (ii)}

(lakh ₹)

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
1.	Customs, Jodhpur	ICD, Kanakpur, Jaipur	Readymade garments	15435 Pcs	40.94	2003
			Readymade garments	37800 Pcs.	9.45	Nov 2010
2.	Customs (Preventive), Patna	Muzaffarpur Forbesganj, Motihari, Muzaffarpur and Patna	Cloths	1 case	0.08	2010
			Readymade garments	5 cases	57.13	2006 to 2012
			Small cardamom	2 cases	0.33	2012
			Motihari	1 case	0.20	2012
			Forbesganj	2 cases	4.22	2010
			Muzaffarpur	2 cases	0.30	2010
3.	Customs (Preventive), Lucknow	Lucknow	Vegetable oil	6226 Pcs.	0.62	2001
			Metalice Paper	28650 Pcs.	41.32	2009
4.	Customs, Delhi	ICD PPG	Cosmetics	2 cases	0.88	2008
			Imitation jewellery	5 cases	491.59	2012
			Total		647.06	

Appendix 45 {Para No.7.14 (i)}

(lakh ₹)

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
1.	Customs (Prev), West Bengal	Shed I & II	Machinery	65 cases	44.09	1987 to 2002
		Shed I & II	Other Misc goods	294 cases	72.98	1971 to 2012
		Seizure & Disposal Unit	Other Misc goods		413.97	1997 to 2010
2.	Customs, Mumbai		Machinery	1 case	5.08	2011
3.	Customs (Prev), Patna	Motihari	Machinery	1 case	1.50	2005
		Patna	Refrigeration gas	1 case	20.79	2006-07
		Patna, Forbesganj, Motihari & Muzaffarpur	Other goods	55 cases	55.77	2004-05
4.	Dy. Commissioner, Air Cargo, Sanganer and FPO Jaipur		Side bars	10000 Nos	7.55	1996
			Metal bezel	596 Pcs		
		FPO Jaipur	Sword-3 wooden support for Sword-I		0.09	2009
5.	Customs (Prev), Lucknow	Lucknow	AC gas cylinders	3 filled 1 empty	0.11	2002
			Gas Cylinders	16 Pcs	1.28	2007

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
		Gorakhpur	Brass scrap	292 Kg	0.73	2007
			Battery terminated	710 doz	2.05	2007
			TCO.32Bore Pistol cartridges	105 Pcs	0.14	2010
			TCO.380 Bore Pistol cartridges	10 Pcs	0.007	2010
			Chinese Misc items		0.19	2012
			CPU cooling Fan, Iron press and others	303 Pcs	0.27	2011
			Handicrafts	12 Pcs	0.05	2012
			Small gas cylinders	121 Pcs	0.33	2012
6.	Customs, Delhi	ICD PPG	Shoes	5 cases	42.64	2005-06
			Industrial raw materials	1 case	6.74	2009
			Misc. items	9 cases	36.93	2003 to 2009
			Mounted PCB	2 cases	33.88	2005
			Others i.e. House hold, leather fancy, marble etc.	10 cases	52.20	2002 to 2012
			Packing materials	3 cases	10.89	2003 to 2006
			Parts	17 cases	121.91	2001 to 2008
			Sports goods	5 cases	45.77	2007 to 2010
			Tools	12 cases	192.18	2002
			Vinayl Floorings	3 cases	125.77	2002 & 2012
			Wooden/H/C	1 case	0.14	1995
			Baby carriage parts	26 cases	328.87	2002 to 2006
			Barrel Bolts	1 case	0.17	1987
			Carpets, hand knotted woolen carpets etc.	16 cases	1673.93	2010
			Fabrics	11 cases	418.27	2011
			Garments, Polyster suits, handmade woolen rugs etc.	153 cases	1654.49	1998 to 2010
			General cargo	2 cases	5.96	1996 to 1998
			Handicrafts	2 cases	28.80	1992 to 2004
7.	Customs (Preventive),		Tartaric Acid	67 bags	N A	1993

Sl. No.	Commissionerate	Lying at	Items	Quantity	Value	Lying since
	Mumbai					
8.	Customs, Central Excise & Service Tax, NOIDA	ICD, Dadri	Iron scrap	205.06 MT	56.63	2010
		ICD, Dadri	Heavy Melting Scrap	204.03 MT	50.78	2012
			Total		5513.93	

Appendix 46 {Para No.7.16 (e)}

Sl. No.	Commissionerate	Lying at	Goods	Quantity	Book value	Lying since	Sold at	Under realization (lakh ₹)
1.	Customs (Preventive)	Patna	Cigarette	48000 Pkt	48.00	2011	4.95	43.05
		Patna	Mobile battery	1 case	4.12	2010	0.15	3.97
		Patna	Card reader	10000	5.00	2010	0.86	4.14
		Motihari	Memory card	2400	9.60	2011	0.11	9.49
2.	Customs (NER), Shillong	Division	Cigarette	8.40 lakh Pcs	12.60	2011 - 2012	2.58	10.02
3.	Customs, Bangalore	Bangalore	SS Welded tube & Saffron	3 cases	66.93	2010	9.33	57.60
4.	Customs, Mangalore	Mangalore	Saffron	14.29 Kg	26.03	2011	2.79	23.24
					172.28		20.77	151.51

Appendix 47 (Para No.7.19)

Sl. No.	Commissionerate	Custom House
1	Kolkata(Port)	Custom House, Kolkata
2	Kolkata(Airport)	Air Cargo Complex, NSCBI, Kolkata
3	Visakhapatnam(Port)	Custom House, Visakhapatnam
4	Hyderabad-II(Airport)	Custom House, Hyderabad
5	Ahmedabad(Airport)	Custom House, Ahmedabad
6	Kutch(Port)	Custom House, Kandla
7	Mangalore(Port)	i. Custom House, Mangalore ii. Custom House, Karwar
8	Bangalore(Airport)	i. Air Cargo Complex, Bangalore ii. ICD
9	ICD, Tughlakabad	i. ICD, Tughlakabad ii. ICD, Patparganj
10	New Delhi(Airport)	Custom House(I&G), New Delhi
11	Mumbai	JNCH, Mumbai

Appendix 48 (Para No.7.20.1)

Sl. No.	Name of Custom House	No. of IGMs filed during 2010-11 to 2012-13	No. of IGMs received in MCD during 2010-11 to 2012-13	Pending receipt of IGMs in MCD	Remarks
1	Custom House, Kolkata (Port)	7378	3920	3458	
2	Custom House, Mangalore	3436	Not furnished	870	
3	Custom House, Karwar	252	Not furnished	359	Non existence of MCD
4	Air Cargo Complex, Bangalore	8300	Not furnished	10579	No. of IGMs pending receipt in MCD is more than the No. of IGMs filed in EDI system due to IGMs outstanding prior to 01.04.2010
	Total:	19366	3920	15266	
	$\frac{15266}{19366} \times 100 = 78.82\%$				

Appendix 49 (Para No.7.20.1)

Kandla - Commissionerate

Year	Information as per MCD		As per information by Import Noting Deptt.	
	No. of IGM sent by IND to MCD	No. of IGM received as per MCD	No. of IGM sent by IND to MCD	No. of IGM received as per MCD
2010-11	2507	2507	2364	2364
2011-12	2548	2548	2384	2384
2012-13	2828	2828	2716	2716

Appendix 50 (Para No.7.20.2)

Sl. No.	Name of custom House	No. of IGMs filed late during 2010-11 to 2012-13	Extent of penalty liviable @ ₹ 50000/IGM (Lakh ₹)	Detail information in	Remarks
1	Air Cargo Complex, Kolkata	1145	572.50	Annex.-III A	In reply (July, 13), deptt. stated that action has been initiated.

Sl. No.	Name of custom House	No. of IGMs filed late during 2010-11 to 2012-13	Extent of penalty liviable @ ₹ 50000/IGM (Lakh ₹)	Detail information in	Remarks
2	Air Cargo Complex, RGI Airport, Hyderabad	210	105.00	Annex.-III B	Department (July, 2013) stated that delay may be due to up gradation of EDI frfom 1.0 version to 1.5 during August to September 2011. However, audit noticed that delay even after up gradation of EDI beyond Sept., 2011.
3	Air Cargo Complex, Ahmedabad	178	89.00	Annex.-III C	Department stated (7.6.2013) that detailed reply would be furnished.
4	Custom House, Mangalore	23	11.50	Annex.-III D	Reply awaited.
5	Air Cargo Complex, Bangalore	436	218.00	Annex.-III E	Reply awaited.
Total:		1992	996.00		

Appendix 51 (Para No.7.20.3)

Sl. No.	Name of custom House	No. of cases of short landing of goods	Duty involved on the short landed goods (₹)	Extent of penalty leviable on the short landed goods (lakh ₹)	Remarks
1	Custom House, Kolkata	74	447781	8.96	Kolkata Port Trust (KoPT) intimated 74 short landing cases. Out of 74 cases, duty leviable amount in 13 cases were ascertained to ₹ 447781 for which maximum penalty to the extent of ₹ 8.95 was leviable. In reply, Custom Deptt. reported realisation of ₹.2000/- in one case and initiated action in respect of 19 cases. In respect of remaining 54 cases Deptt sttaed that the OTRs were not received by them.

Sl. No.	Name of custom House	No. of cases of short landing of goods	Duty involved on the short landed goods (₹)	Extent of penalty leviable on the short landed goods (lakh ₹)	Remarks
2	ICD, Tughlakabad, Delhi	1	869688	17.39	Examination of imported cargo sought to be cleared under B/E No.-8778503 dt.17.12.12 against IGM No. 2258201/10/12 revealed that some of the goods in the IGM were not landed instead some other goods were unloaded. Audit pointed out that due to short landing of IGM goods penalty to the extent of ₹ 17.39 lakh (double of duty amount of ₹ 8.69 lakh) was leviable. <i>Note:- Calculation of duty amount was not shown in the Report.</i>
3	Air Cargo Complex, Ahmedabad	6	518685	10.37	In respect of six IGM cases the short landed goods were subsequently received un-manifested and cleared under different BE without getting the IGMs amended and initiation of penal provisions for short landing by the customs. The duty amount was ascertained in respect of only 3 cases to ₹ 518685/-
4	Custom House, Karwar	1	57649	1.15	In one case, short landing of 33.813 MT of RBD Palmolien involving duty amount of ₹ 57,649/- was noticed for which no penal provisions was invoked.
Total		82	1893803	37.88	

Appendix 52 (Para No.7.20.3)

SL. No.	Name of Custom House	IGM No.	Date	Descn. Of goods	Qty Igm (Pcs)	Qty Landed (Pcs)	Short (Pcs)	Action Taken by the Department	Duty amount	Penalty leviable
1	Kolkata	802/10	03/05/2010	Logs	1339	1323	16	Penalty imposed	135000	270000
2	-do-	2018049/11	11/08/2011	Logs	1517	1516	1	Only OTR received		

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SL. No.	Name of Custom House	IGM No.	Date	Descn. Of goods	Qty Igm (Pcs)	Qty Landed (Pcs)	Short (Pcs)	Action Taken by the Department	Duty amount	Penalty leviable
3	-do-	2012651/11	20/05/2011	Logs	2151	2149	2	SCN issued	5940	11880
4	-do-	2016646/11	21/07/2011	Logs	2242	2239	3	OTR just received by LC I Section		
5	-do-	2019008/12	26/08/2011	Logs	2588	2582	6	SCN issued	16332	32664
6	-do-	2029282/12	1/27/2012	Logs	1075	1072	3	SCN issued	36787	73574
7	-do-	2041336/12	7/29/2012	Logs	2227	2223	4	SCN issued	10448	20896
8	Kolkata	2044948/12	21/09/2012	Logs	1259	1248	11	SCN issued	30950	61900
9	-do-	2044220/12	9/10/2012	Logs	1591	1587	4	Ready to issue SCN	13402	26804
10	-do-	2049556/12	11/29/2012	Logs	1509	1503	6	Ready to issue SCN	35422	70844
11	-do-	2004902/11		Logs	273	270	3	SCN issued	20420	40840
12	-do-	2032856/12		Logs	218	215	3	SCN issued	119064	238128
13	-do-	2010959/11		Logs	493	492	1	KLC/SCN issued on 7/13	8002	16004
14	-do-	2015166/11		Logs	134	133	1	SCN issued 7/13	14149	28298
15	-do-	2031911/12		Logs	392	391	1	Penalty realised Rs. 2000	1865	3730
16	-do-	2037584/12		Logs	1266	1265	1	Letter issued for tally sheet		
17	-do-	2041142/12		Logs	396	381	15	Letter issued for tally sheet		
18	-do-	2048184/12		Logs	465	464	1	OTR along with Tally sheet received		
19	-do-	2050959/12		Logs	737	736	1	OTR just received by LC I Section		
20	-do-	2056379/12		Logs	134	132	2	OTR along with Tally sheet received		
21	-do-	856/10	10/05/2010	Logs	2377	2374	3	Department stated (July 2013) that the OTRs may not have been received by the MCD		
22	-do-	1654/10	01/09/2010	Logs	1570	1568	2			
23	-do-	1026/10	03/06/2010	Logs	1323	1421	2			
24	-do-	1555/10	18/08/2010	Logs	1015	1008	7			
25	-do-	2094/10		Logs	979	973	6			

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SL. No.	Name of Custom House	IGM No.	Date	Descn. Of goods	Qty lgm (Pcs)	Qty Landed (Pcs)	Short (Pcs)	Action Taken by the Department	Duty amount	Penalty leviable
		03/11/2010								
26	-do-	20039832/10	14-12-10	Logs	837	836	1			
27	-do-	2004202/10	20/12/2010	Logs	2646	2643	3			
28	-do-	2163/10	08/11/2010	Logs	1053	1049	4			
29	-do-	2006189/11	27/01/2011	Logs	2918	2914	4			
30	-do-	2007602/11	11/02/2011	Logs	1623	1618	5			
31	Kolkata	2006321/11	27/01/2011	Logs	592	590	2			
32	-do-	2008933/11	22/03/2011	Logs	1851	1848	3			
33	-do-	2007184/11	15/02/2011	Logs	2508	2507s	1			
34	-do-	2012087/11	12/05/2011	Logs	2260	2257	3			
35	-do-	2015530/11	04/07/2011	Logs	2064	2058	6			
36	-do-	2012337/11	16/05/2011	Logs	1686	1683	3			
37	-do-	2030430/12	14/02/2012	Logs	1716	1713	3			
38	-do-	2013463/11	02/06/2011	Logs	2241	2216				
39	-do-	676/10		Logs	400	395	5			
40	-do-	676/10		Logs	355	347	8			
41	-do-	676/10		Logs	379	375	4			
42	-do-	1826/10		Logs	340	337	3			
43	-do-	1826/10		Logs	231	230s	1			
44	-do-	1826/10		Logs	265	264	1			
45	-do-	2004902/11		Logs	206	204	2			
46	-do-	707/10		Logs	503	502	1			
47	-do-	707/10		Logs	485	484	1			
48	-do-	1814/10		Logs	168	167	1			
49	-do-	1814/10		Logs	171	170	1			
50	-do-	1814/10		Logs	164	163	1			
51	-do-	2005870/11		Logs	869	868	1			
52	-do-	2007543/11		Logs	96	94	2			
53	-do-	2007543/11		Logs	151	150	1			
54	-do-	2032856/12		Logs	336	333	0 3			
55	-do-	2038055/12		Logs	290	286	4			
56	-do-	2038055/12		Logs	482	478	4			
57	-do-	2038055/12		Logs	149	144	5			
58	-do-	2042672/12		Logs	220	219	1			
59	-do-	2042672/12		Logs	100	99	1			
60	-do-	2042672/12		Logs	75	74	1			
61	-do-	2044517/12		Logs	250	249	1			

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SL. No.	Name of Custom House	IGM No.	Date	Descn. Of goods	Qty Igm (Pcs)	Qty Landed (Pcs)	Short (Pcs)	Action Taken by the Department	Duty amount	Penalty leviable
62	-do-	2055654/12		Logs	579	574	5			
63	-do-	2056379/12		Logs	166	162	4			
64	-do-	2018466/11		Logs	1944	1942	2			
65	-do-	2019369/11		Logs	2105	2101	4			
66	-do-	2022228/11		Logs	2433	2431	2			
67	-do-	2026968/11		Logs	405	404	1			
68	-do-	2036603/12		Logs	1854	1847	7			
69	-do-	2038317/12		Logs	1699	1698	1			
70	-do-	2040354/12		Logs	3430	3429	1			
71	Kolkata	2050588/12		Logs	3160	3141	19			
72	-do-	2027151/12		Logs	1669	1668	1			
73	-do-	2051943/13		Logs	686	594	92			
74	-do-	2051875/13		Logs	1535	1519	16			

Appendix 53 (Para No.7.20.5)

Sl. No.	Custom	IGM No. & Date	Date of Arrival	Date of LOC	Delay in days (beyond 120 days)	Penalty levied after adjudication (₹)
1	Vishkhapatnam	256/01-03-09	3/1/2009	12/18/2009	173	Nil
2	Vishkhapatnam	485/11-05-10	5/11/2010	12/27/2010	120	Nil
3	Vishkhapatnam	1044/09-08-10	7/17/2010	1/24/2011	41	7500
4	Vishkhapatnam	1462/09-11-10	11/12/2011	4/6/2011	26	2000
5	Vishkhapatnam	1497/18-11-10	12/17/2010	5/13/2011	27	450000
6	Vishkhapatnam	1185/10-09-10	9/21/2010	8/4/2011	197	100000
7	Vishkhapatnam	657/08-05-11	5/21/2011	2/17/2012	152	150000
8	Vishkhapatnam	977/25-07-11	7/29/2011	3/14/2012	98	22000
9	Vishkhapatnam	1073/11-08-11	8/24/2011	5/4/2012	123	Nil
10	Vishkhapatnam	1468/08-11-11	11/8/2011	5/8/2012	61	Nil
11	Vishkhapatnam	368/01-04-12	4/1/2012	8/23/2012	22	Nil
12	Vishkhapatnam	1242/24-09-11	9/24/2011	8/21/2012	235	Nil
13	Vishkhapatnam	1397/28-10-11	10/28/2011	8/17/2012	173	Nil
14	Vishkhapatnam	1323/04-10-11	10/17/2011	8/17/2012	184	Nil

Sl. No.	Custom	IGM No. & Date	Date of Arrival	Date of LOC	Delay in days (beyond 120 days)	Penalty levied after adjudication (₹)
15	Vishkhapatnam	1535/17-11-11	11/25/2011	9/4/2012	163	Nil
16	Vishkhapatnam	394/04-04-12	4/9/2012	10/4/2012	58	8000
17	Mangalore	2043928/06.09.12	07.09.12	11.06.13	126	

Appendix 54 (Para No.7.20.6)

Sl. No.	File No.	Name of shipping agent	Letter Of Calls/Show Cause Notice issued on	Order in original issued on	Amount of Penalty involved (₹)	Action taken
Custom House, Kolkata [Kolkata Port Commissionerate]						
1	S2-04/12 MCD	M/s. Relay Shipping Agency	01.02.2012	Not issued	2332474	The matter was adjudicated by the department after pointed out by audit and subsequently dropped by AC (MCD) by issuing order in original on 1.10.2013
2	S2-09/12 MCD	Span Oceanic Services Pvt. Ltd.	05.11.2012	Not issued	56526	The matter was adjudicated by the department on 10.12.2013 after pointed out by audit
3	S2-10/12 MCD	Sohom Shipping (P) Ltd	06.12.2012	Not issued	26426	₹ 20000 has been realized after pointed out
4		Marine Container Services		56/03 dtd. 26.6.2003	325666	
5		P & O Nedlloyd		63/03 dtd. 18.9.2009	160000	
6		Shipping Corporation of India		78/09 dtd. 31.03.2009	40000	
7		Singapore Airlines		07/03 dtd. 21.02.2003	35382	
8		Lee Murir head Ltd.		66/03 dtd. 29.8.2003	105000	
				Total	3,081,474	

Appendix 55 (Para No.7.20.6)

Year	Name of Custom House	Adjudication No. & Date	Amount of penalty imposed	Outstanding amount of penalty (₹)	Remarks/Action taken
Custom House, Kolkata [Kolkata Port Commissionerate]					
2012-13	Visakhapatnam	824/4-12-12	600000	600000	Steamer agent preferred appeal
		830/5-12-12	956000	956000	
		757/18-12-12	1260724	1260724	
Total			28,16,724	28,16,724	

Appendix 56 (Para No.7.20.7)

Sl. No.	Name of Custom House	No. of IGM involved	No. of consignments uncleared	Duty involved (lakh ₹)	Remarks
1	Custom House, Kolkata	24	22	1033.74	Out of the total 22 consignments, Audit was able to ascertain the duty in 01 consignment amounting ₹ 1033.74 lakh.
2	Air Cargo Complex, Kolkata	527	569		Audit was unable to ascertain the duty involved on the uncleared goods.
3	Air Cargo Complex, Hyderabad	1797	2041	1126.54	Out of the total 2041 consignments, Audit was able to ascertain the duty in 204 consignments amounting to ₹ 1126.54 lakh.
4	Custom House, Vishakapatnam		136		Audit was unable to ascertain the duty involved on the uncleared goods.
5	Custom House, Kandla		66	29.20	In 15 cases, department initiated disposal action. In 10 cases, audit was unable to ascertain duty involved. In remaining 41 cases, duty involved is ₹ 29.20 lakh.
6	Air Cargo Complex, Bangalore		5569		Reply from department with regard to duty involved and action taken to dispose of the goods awaited.

Sl. No.	Name of Custom House	No. of IGM involved	No. of consignments uncleared	Duty involved (lakh ₹)	Remarks
7	I.C.D, Bangalore		324		Reply from department with regard to duty involved and action taken to dispose of the goods awaited.
Total		2348	8727	2189.48	

Appendix 57 (Para No.7.20.8)

Sl. No.	Name of Custom House	IGM No & Date	No. of Packages	Item & Description	Excess Duty	Extent of penalty leviable on excess landed cargo	Remarks
1	Mangalore	2056703/18/3/13		Heavy Crude Oil	332.397 MT	Not ascertained by audit	Amended without adjudication
2	-do-	2056257/11.3.13		Mixed Crude Oil	72.308 MT		
3	-do-	2056229/11.3.13		Mixed Crude Oil	276.627 MT		
4	-do-	2055835/4.3.13		Crude Oil	436.926 MT		
5	-do-	2055634/26.2.13		A-140 Propane Liquified Petroleum Gas	11.355 MT		
6	-do-	2056909/21.3.13		Murban Crude Oil	60.434 MT		
7	-do-	2057253/26.3.13		Arab Super Light Crude Oil	48.158 MT		
8	-do-	2055131/21.2.13		M.H. Crude Oil	62.309 MT		
9	-do-	2008689/17.3.11		Iranian Mix Crude Oil	448.699 MT		
101	-do-	2008163/7.3.11		Iranian Mixed Crude Oil	16.85 MT		
11	-do-	2009200/28.3.11		Naphtha	10.336 MT		
12	-do-	2008980/23.3.11		Iranian Light Crude Oil	125.594 MT		
13	-do-	2006454/1.2.11		Iranian Mix Crude Oil	130.197 MT		

Sl. No.	Name of Custom House	IGM No & Date	No. of Packages	Item & Description	Excess Duty	Extent of penalty leviable on excess landed cargo	Remarks
145	Mangalore	2008687/17.3.11		Butane	39.966 MT		
15	-do-	2032116/12.3.12		Furnace Oil (Fuel)	132.584 MT		
167	-do-	2054933/18.2.13		Iranian Mixed Crude Oil	34.59 MT		
17	-do-	2053101/21.1.13		Iranian Mixed Crude oil	256.927 MT		
18	-do-	2054179/6.2.13		Iranian Heavy Crude Oil	88.615 MT		
19	-do-	2055130 /21.2.13		Kuwait Export Crude Oil	186.561 MT		
20	-do-	2055343/25.2.13		Iranian Heavy Crude Oil	56.666 MT		
212	-do-	2054016/4.2.13		Iranian mixed crude oil	94.650 MT		
22	-do-	2055001/19.2.13		Naphtha	17.128 MT		

Appendix 58 {Para No.7.20.9 (a)}

Sl. No.	Year	Name of Custom House	No. of IGMs filed	No. of IGMs closed	No. of IGMs pending for closure	Remarks
1	2010-11	Kolkata	2559	0	2559	Information received from Custom Deptt.
	2011-12		2412	0	2412	
	2012-13		2407	0	2407	
	Total:		7378	0	7378	
2	2010-11	Air Cargo Complex, Kolkata	8035	0	8035	Information supplied by deptt in soft copy only
	2011-12		7643	0	7643	
	2012-13		7140	0	7140	
	Total:		22818	0	22818	
3	2010-11	Vishakapatnam	1740	1740	0	
	2011-12		1692	1685	7	
	2012-13		1436	1401	35	
	Total:		4868	4826	42	

Sl. No.	Year	Name of Custom House	No. of IGMs filed	No. of IGMs closed	No. of IGMs pending for closure	Remarks
4	2010-11	Air Cargo	8848	0	8848	
	2011-12	Complex, RGI Air	8697	0	8697	
	2012-13	Port, Hyderabad	8275	0	8275	
		Total:	25820	0	25820	
5	2010-11	Kandla	2142	2142	0	IGM closed includes the IGMs filed prior to April, 2010
	2011-12		2283	1710	573	
	2012-13		2461	1442	1019	
		Total:	6886	5294	1592	
6	2010-11	Mangalore	1438	1257	181	IGM filed & closed includes the IGMs filed prior to April, 2010
	2011-12		702	689	13	
	2012-13		1635	1334	301	
		Total:	3775	3280	495	
7	2010-11	Karwar	296	171	125	IGM filed & closed includes the IGMs filed prior to April, 2010
	2011-12		60	0	60	
	2012-13		50	186	-136	
		Total:	406	357	49	
8	2010-11	Air Cargo Complex, Bangalore	10463	7779	2684	IGM filed & closed includes the IGMs filed prior to April, 2010
	2011-12		10199	9264	935	
	2012-13		9049	8396	653	
		Total:	29711	25439	4272	

Appendix 59 (Para No.7.24)

Sl No.	Commissionerate	Public	Private	Total
1.	Chennai	36	26	62
2	Calcutta	2	7	9
3.	Jaipur	1	2	3
4.	Hyderabad	2	3	5
5.	Ahmedabad	2	6	8
6.	New Delhi	0	15	15
7.	Gwalior	1	2	3
8.	Mumbai	6	13	19
9.	Bangalore	0	2	2
	Total	50	76	126

Appendix 60 (Para No.7.24)

Sl No.	Office	Cases	Commissionerate
1.	Chennai	5	Sea, Air Tiruchipailly, Coimbatore, Tuticorin
2	Calcutta	1	Calcutta
3.	Jaipur	2	Jaipur I, Jaipur II
4.	Hyderabad	2	Hyderabad I, Hyderabad II

Sl No.	Office	Cases	Commissionerate
5.	Ahmedabad	2	Vadodara, Kandla
6.	New Delhi	2	NCH, Airport
7.	Gwalior	2	Indore, Bhopal
8.	Mumbai	3	NCH, JNCH & Pune
9.	Bangalore	1	Bangalore, Karwar
	Total	20	

Appendix 61 (Para No.7.25.6)

Name of the Importer	Date of Warehousing	Period of goods stored in warehouse expired on	Date of clearance/ removal of goods	AV of goods	Duty leviable	Duty paid	Short payment of duty	Interest	(lakh ₹)
									Total
1.M/s Wind Power Energy Pvt.Ltd., Chennai.6	16.05.2011 vide Bond No.841490	15.05.2012	6. 5.2013	134.18	32.06	12.55	19.51	5.04	24.55
2. M/s Stylish Cement Products Pvt. Ltd Kolkatta.	3/7/2006	3/6/2007	28/6/2011	38.1	14.00	10.23	3.77	2.67	6.44
									30.99

Appendix 62 (Para No.7.25.7)

Commissionerate	Name of the importer	Period for which goods stored	Duty leviable	Interest leviable	Interest paid	(lakh ₹)
						Short levy of interest
Mumbai	M/s Akry Organics & others	2011-13	109.96	112.23	5.50	106.73
Hyderabad	M/s Sachdeva sports	2010-11	8.63	0.04	0	0.04
Ahhmedabad	M/s GSP Crop. Science & others	2010-13	413.76	5.88	0	5.88
Total			532.35	118.15	5.50	112.65

Appendix 63 (Para No.7.25.9)

	No of warehouses	No of cases	Assessable value of the goods	(lakh ₹)
				Duty and interest
1. Goods pending disposal action for more than 20 years	Delhi -1	4	3.47	13.48
	Mumbai -2	626	1514.03	1868.99
	Chennai - 4	11	435.84	430.83
	Hyderabad-1	12	10.92	90.91
	Sub total	653	1964.26	2404.21
2. Goods pending disposal action for more than 10 years but less than 20 years	Delhi - 1	2	28.45	22.03
	Mumbai-2	2191	27795.74	11571.21
	Chennai - 7	151	2557.08	1754.70

	No of warehouses	No of cases	Assessable value of the goods	Duty and interest
	Gwalior – 1	6	31.92	35.51
	Hyderabad-1	32	364.19	591.73
	Sub total	2382	30777.38	13975.18
	Mumbai-5	867	2187.48	1284.67
3. Goods pending disposal action for more than 5 years but less than 10 years	Chennai – 5	25	1323.42	609.12
	Hyderabad-1	9	43.59	53.15
	Sub total	901	3554.49	1946.94
	Mumbai-10	3478	5217.21	1370.5
4. Goods pending disposal action for more than 1 year but less than 5 years	Chennai – 14	76	5003.39	1958.61
	Bangalore-2	4	3.69	3.63
	Hyderabad-1	23	319.24	167.42
	Kolkata-8	74	58820.71	3066.31
	Sub total	3655	69364.24	6566.47
	Grand total			1,05,660.40

Appendix 64 (Para No.7.25.11)

(lakh ₹)

Name bonded warehouse	No. of cases	Total assessable value of goods	Duty involved at the time of warehousing
Chennai	264	8330.73	3749.16
Mumbai	122	5379.82	2201.11
Kolkata	334	32992.81	8381.28
Hyderabad	91	737.95	341.24
Grand total	811	47,441.31	14,672.79

Appendix 65 {Para No.7.25.16 (i)}

S.No.	Importer	Unit	Description	AV (₹)	Duty (₹)
1	Krishna Agri Foods	20	Soap	11953	3793
2	Time Technoplast Ltd	2040	HDPE HD Resin Tr 144	3425963	782939
3	Bascon Traders	594	Fancy Lantern Plastic	636371	167461
4	Dhamm Steel Services Pvt. Ltd	67	Non Alloy steel Rods	3281971	687278
5	Allied Propack	75	Rejected Mixed stock	661964	191964
6	C A Galiakotwals & Co	300	Sudan Gezira Barakat	10153703	0
7	Dhamm Steel Services Pvt. Ltd	67	Non Alloy steel Rods	3281971	687278
8	Evergreen Exports	2	Re-Import of Nutmeg	553198	3791
9	Impex Steel & Bearing	26	Ball Bearing KB Gold	3240015	800325
10	Uniqure Enterprises	132	Old & Used Digital Mul	957615	141287
11	Kamat Trading	1261	Body Spray	1225789	397875
12	Standard Conduits Pvt. Ltd	218	Coil	75374342	11900009
13	Standard Conduits	47	Coil	17444771	2754159

S.No.	Importer	Unit	Description	AV (₹)	Duty (₹)
14	Pvt. Ltd Standard Conduits	4	Coil	381995	60309
15	Pvt. Ltd Dhamm Steel	66	Non Alloy Steel	3281971	687278
16	Services Pvt. Ltd Evergreen Exports	2	Rods Re-Import of Nutmeg	553198	3791
17	Wadhawani Commodities	0	Betel Nots Split	10290828	0
18	Milestone Eximp Pvt. Ltd	3553	PVC Cadated Fabrics	4850160	1063575
19	Trade Fair	3	Auto Parts	10177	0
20	Good Samarthan	34	Used Material	103300	188217
21	Kellogs India Pvt. Ltd	3	Vitamin Spray	998955	266093
22	S R Date Associates Impere Steel	16	Steel Melting Scrap	471535	70753
23	Impere Steel	3431	Elect. Goods lamps	1159217	531751
24	Taurus Telcom	6	Computer parts	69129	11460
25	3M India Ltd	1	Tack pad	202289	35899
26	Evoluk Solutions	1	Elect. Parts	58669	15841
27	Hygiene Tech	5	Toilet spray	336170	104163
28	Hygiene Tech	4	Dispenser	87399	21874
29	Steel & Scrap	140	Scrap	2555494	362344
30	Abinandan Impex	285	Rubber	87272	34271
31	Neoteric Info	10	Battery	2311	849
32	Autolake Industries	452	Glass panels	153923	78809
33	Parshwanath Exports	23	Srap	203939	0
34	Pegasun Imports	662	Washing liquid	185356	68579
35	City Enterprises	100	Flakes	36410	39071
36	Tulip Lab Pvt. Ltd	325	Injector	4908445	0
37	Pusham Health	6	Green Tea	283684	98865
38	Ravi Fords	897	Cocco Powder	4820168	0
39	Keltech Engg.	800	Moss Feat	449769	100670
40	Mardigras Restaurants	870	Royal Scotch	3441708	5506734
41	Bhupinder Singh Inderjit Singh	23	Tapered Rolier Bearing	12259954	2929499
42	Bhupinder Singh Inderjit Singh	16	Ball Bearing	11668566	2788188
43	Link Herbal Prodcut India	750	Samaharm	1784549	386415
Total				1,85,9,46,166	3,39,73,457

Appendix 66 {Para No.7.25.16 (ii)}

S.No.	Commodity	No. of units	Customs duty (₹)	Value + duty (₹)
1	Mod. Supply	1		505
2	Elec. Supply	1		76958
3	Old Engine	73		916791
4	Old Engine	109		742332

S.No.	Commodity	No. of units	Customs duty (₹)	Value + duty (₹)
5	Old Engine	104		207490
6	B. Compart	1804		413637
7	Dressing Mat	25		26825
8	P.F. Yamm	231		9440
9	Footware Cor	1		6735
10	Glycerine	216		1724760
11	X-mas Tree	339		468837
12	Damar B atu	213		168057
13	Old syn. Rag	81		1874414
14	Diesel Engine	221		336018
15	Machinery	5		63408966
16	Copper screa	15		1037838
17	A. Toxide	20		1591212
18	Slide Gate	20		1409532
19	Slide Gate	20		1409532
20	F.D. Clothing	44		89425
21	Umbrella	8	509272	1769846
22	S.P. Acid	2		24000
23	Poly. Mone	132	248851	803944
24	M.M. Tapes	140		164700
25	M. Cloth. T	625		25000000
26	P. Fabric	256	408517	1496082
27	P. Fabric	256	399740	1463940
28	P. Fabric	256	400219	1465693
29	Wafer	10	588	8609
30	Cosmetics	816		397948
31	Cosxmetics	1		498554
32	Cosmetics	763		126293
33	MP 4 Air Phone	39	19063	74917
34	Photocopies	13		57487
35	Comp. Phtcopies	1	520	1465
36	Old & used	1	667	2338
37	Old & used	1	633	2267
38	Old & used	1	686	2456
39	Old & used	1	524	1876
40	Old & used	1	660	2363
41	Old & Syn. Rag	522		372343
42	Old & Syn. Rag	468		394813
43	Old & Syn. Rag	61		396785
44	Old & Syn. Rag	59		389501
45	Old & Syn. Rag	54		438498
46	Old & Syn. Rag	76		427705
	Total		19,89,940	11,17,03,777