

Report of the  
Comptroller and Auditor General  
of India

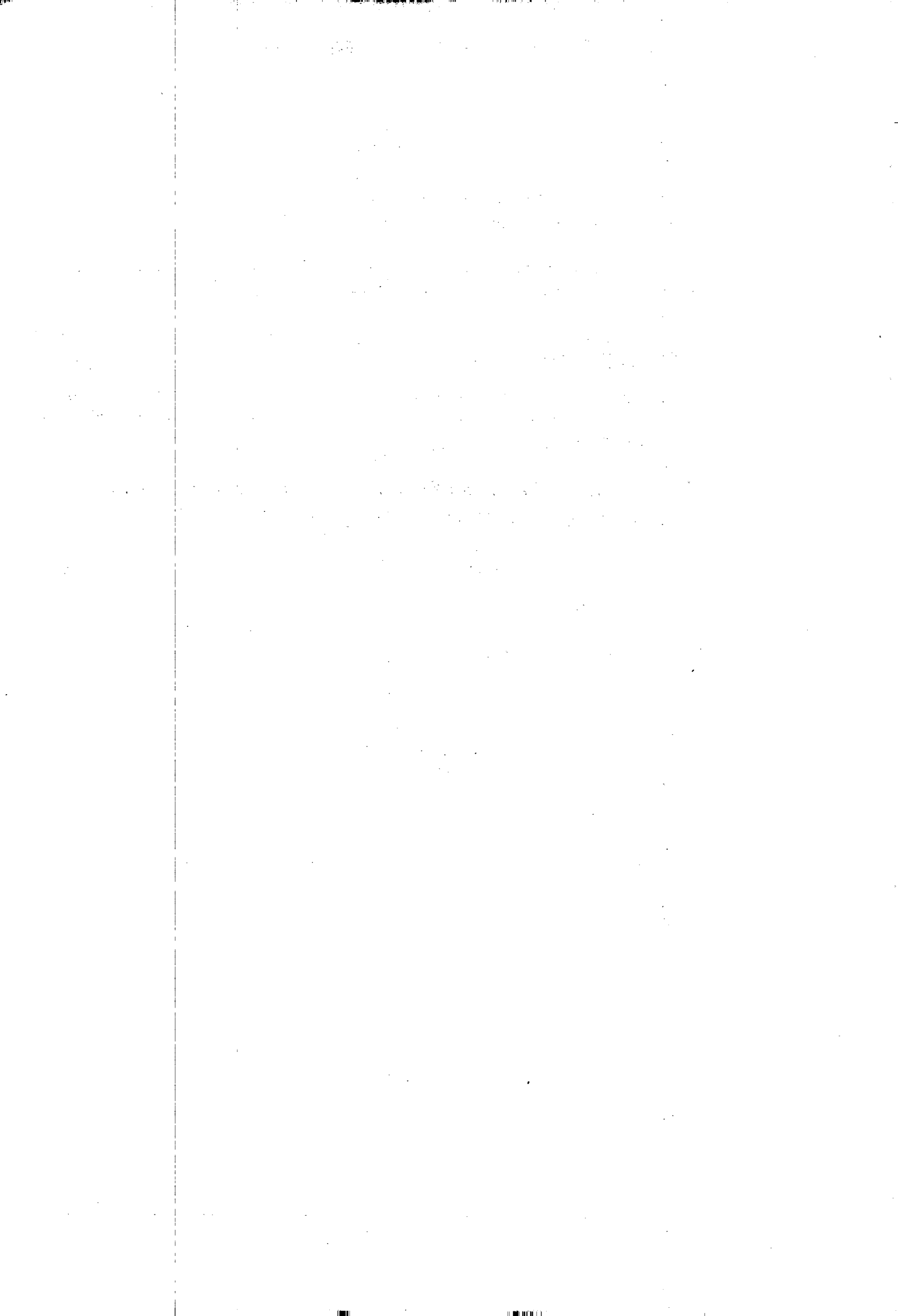
for the year ended March 2013

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

Laid on the table of Lok Sabha/Rajya Sabha 1 August 2014

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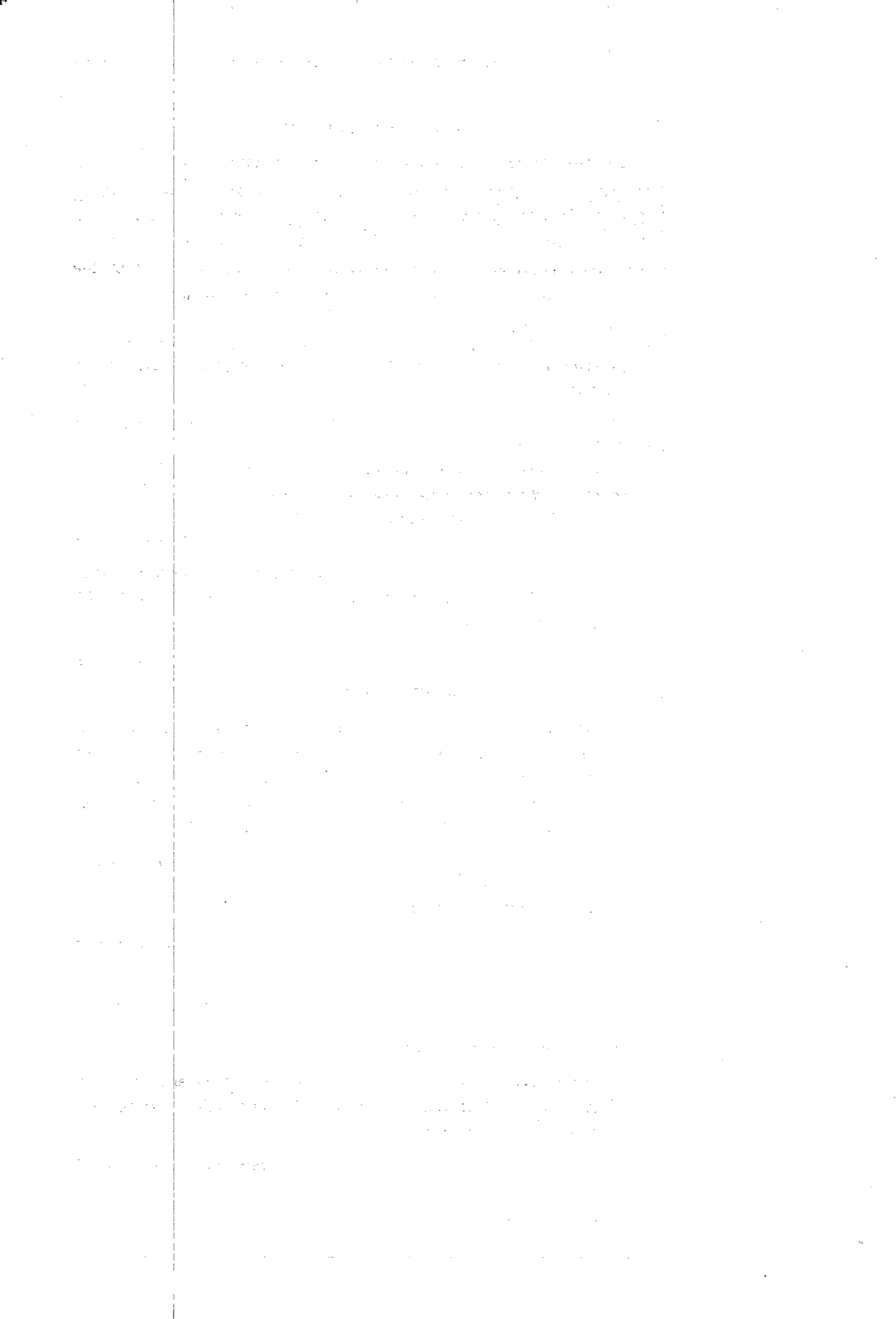
## **PREFACE**

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**

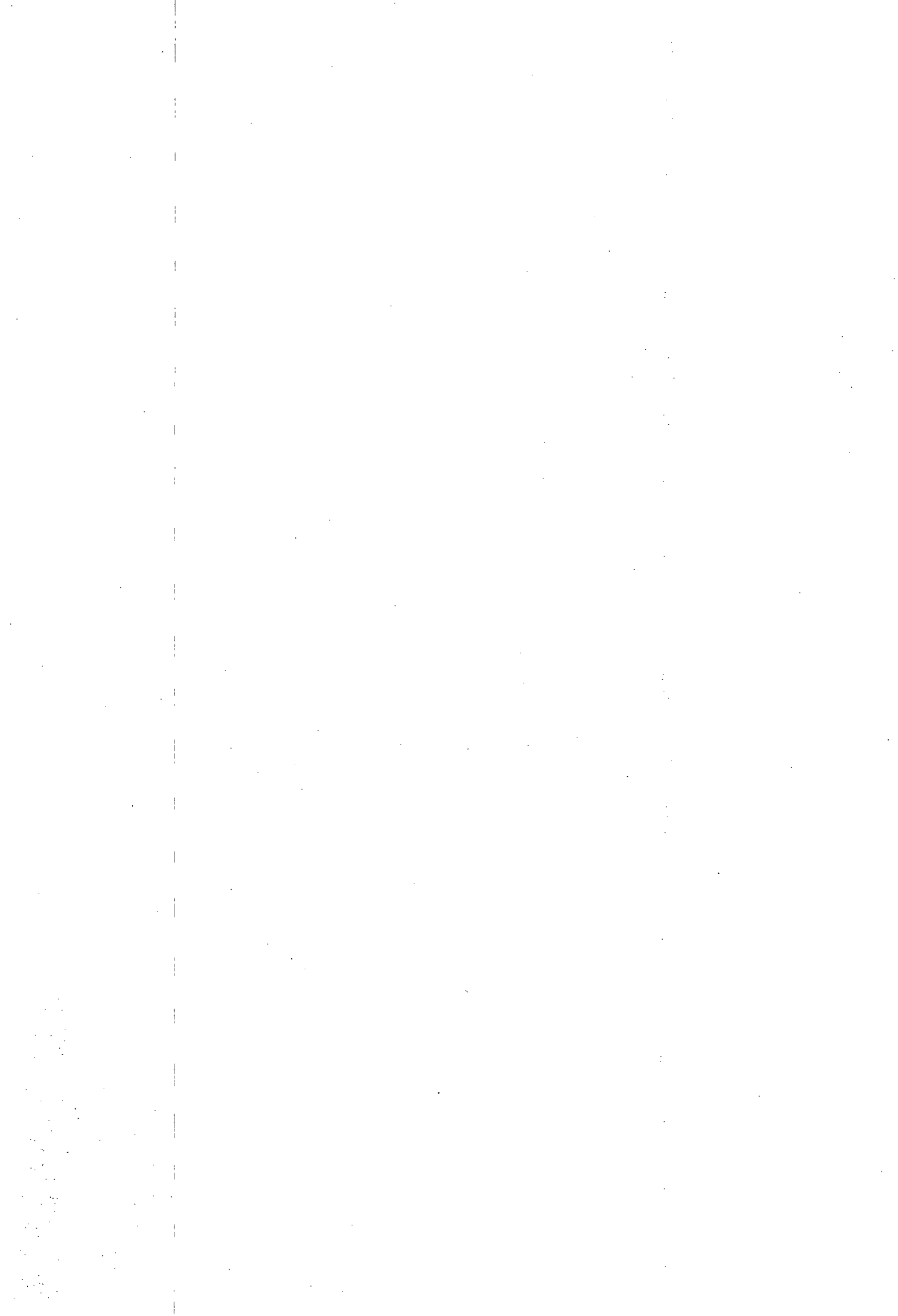
- **Monitoring of the warehouses was weak and maintenance of records was improper. There was insufficient coverage of inspection/audit by Departmental officers and customs audit parties. Non-initiation of action under section 72 of the Customs Act, 1962 also resulted in blockage of large amount of Government 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             |

| <b>Expanded form</b>                              | <b>Abbreviation</b> |
|---|---------------------|
| 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 crore<sup>1</sup> 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        |
| <b>Receipts of Government of India (A+B+C+D)</b>  | <b>53,67,988.99</b> |
| 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).

<sup>1</sup> 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).<sup>2</sup>

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 68,795<sup>3</sup>. 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 revenues<sup>4</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Figures furnished by the Ministry as on 31 March 2013.

<sup>4</sup>Source: 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.

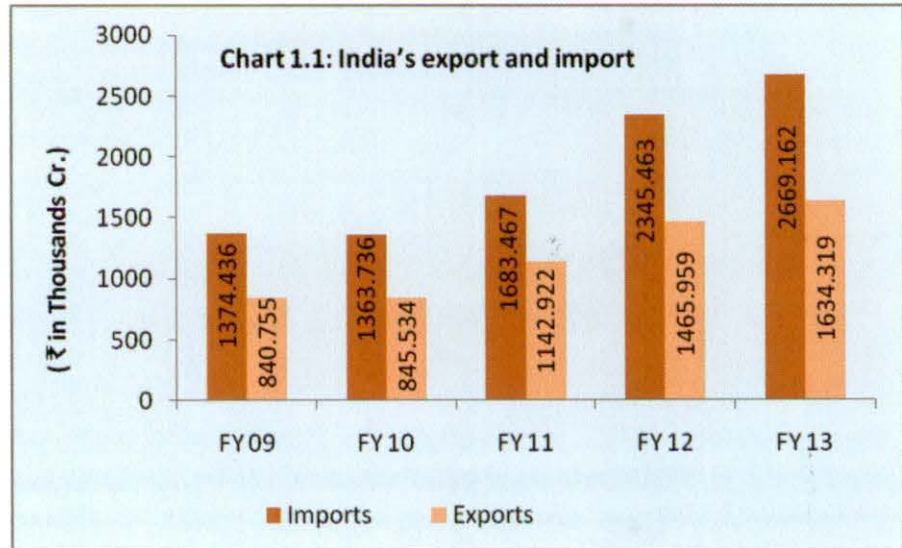
### 1.6 India's export and import for FY 09 to FY 13

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.

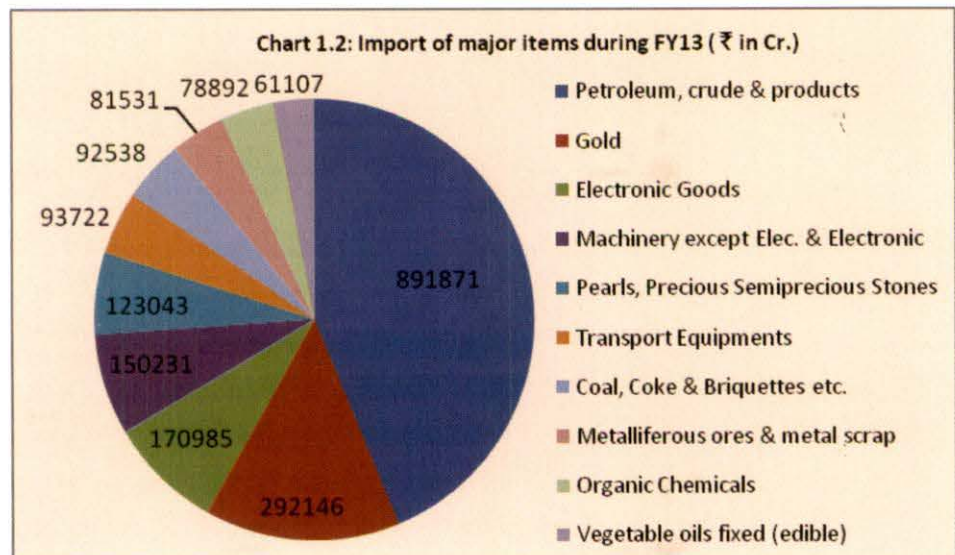
**Table 1.4: India's export and import**

| 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)<sup>5</sup> 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

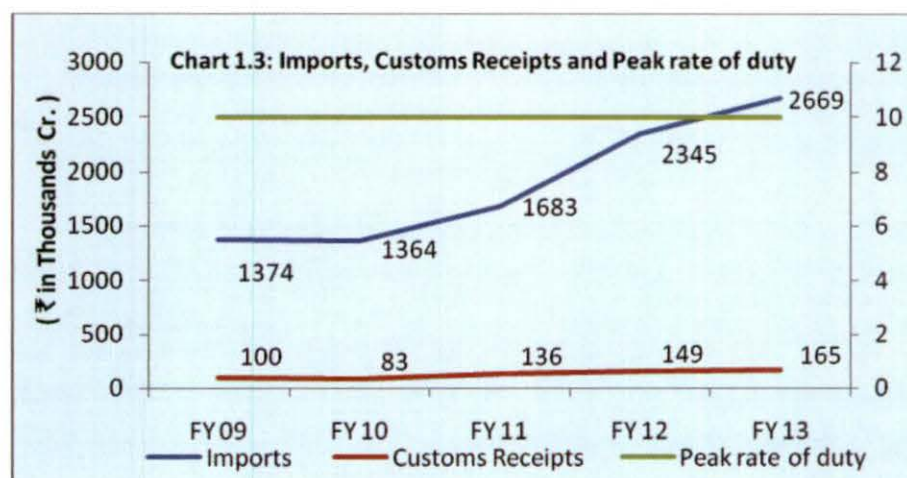
The customs revenue collected has not grown in tandem with the value of imports.

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



<sup>5</sup> 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)<sup>6</sup>, 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.

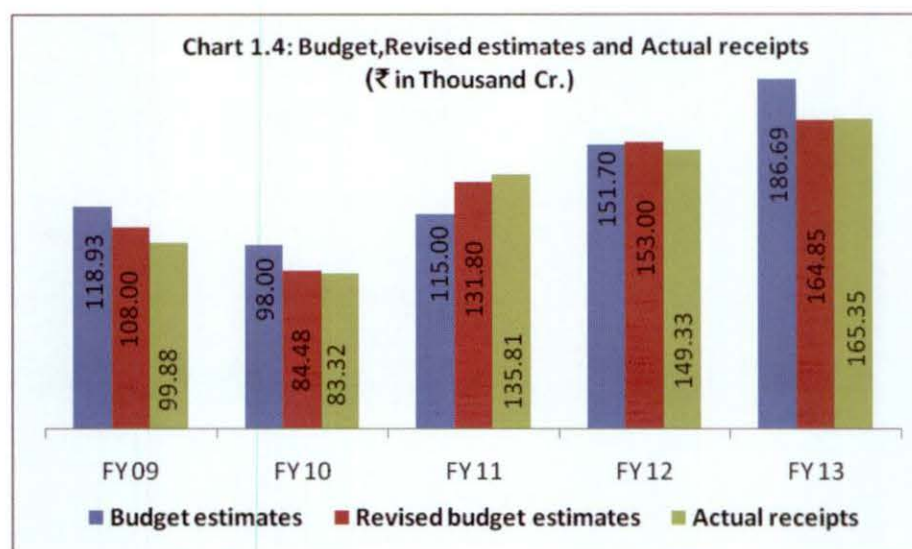
Despite the actual collections falling short of the budget estimates year after year, the Government continued to make optimistic projections during presentation of the Annual Budget. The percentage variation during the last five years between budget estimates and actual collections was in the range 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

<sup>6</sup> 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,

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

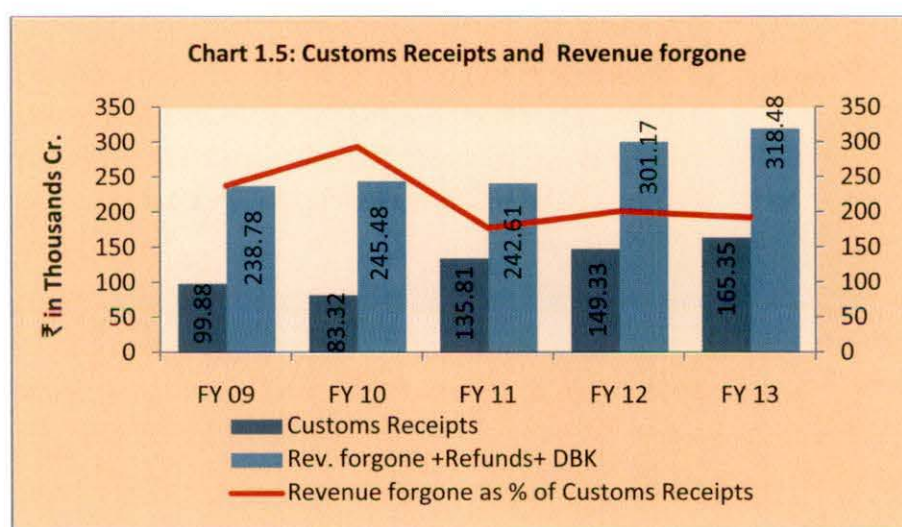
The Revenue forgone as percentage of Customs Receipts during the last five years ranged from 179 to 295 percent (Table 1.7). During the FY 13, 86 percent of the Revenue forgone was on the commodities, Crude and mineral oils, Diamond and Gold, Machinery, vegetable oils and cereals, chemicals and

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<br>(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. DFECC Schemes to status holder (NTN.53/03-Cus)                     | 342.32                   | 179.74          | 96.6            | 69.93           | 94.81           |
| 11. DFECC 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         |
| <b>TOTAL</b>   | <b>61173.08</b>          | <b>52606.39</b> | <b>71028.48</b> | <b>68678.39</b> | <b>72274.86</b> |
| <b>% of Customs Receipts</b>   | <b>61.25</b>             | <b>63.13</b>    | <b>52.30</b>    | <b>45.82</b>    | <b>43.54</b>    |

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 1<sup>st</sup> 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                |
|        | <b>Total</b>                               | <b>82</b>   | <b>6782</b>         | <b>349</b>              | <b>7833</b>         |

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                 |
| <b>Grand total</b> | <b>6666.55</b>       | <b>2197.34</b>                     | <b>503.98</b>       | <b>9367.87</b>   | <b>1214.11</b>         | <b>720.66</b>                      | <b>533.27</b>       | <b>2468.04</b>   | <b>11835.91</b>       |

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<br>Cr. ₹ | % increase/decrease<br>over last year | %age of Customs<br>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<br><br>(b) Aluminium flat rolled products and foil 7606 & 7607 (Review) | (a)Phthalic Anhydride<br><br>(b)Carbon black | (a) Dioctyl Phthalate (DOP)<br>(b) Electrical insulators<br>(c) Hot rolled flat products or stainless steel 304 grade<br>(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.₹<br>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, 2<sup>nd</sup> 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                 |
| <b>Total</b>                   | <b>3</b>      | <b>15</b>         | <b>21</b>    | <b>6</b>          |

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**

Cr. ₹

| Year         | Paragraphs included |                | Paragraphs accepted |               |                |              |            |               | Recoveries effected |              |                |              |            |               |
|--------------|---------------------|----------------|---------------------|---------------|----------------|--------------|------------|---------------|---------------------|--------------|----------------|--------------|------------|---------------|
|              |                     |                | 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         |
| <b>Total</b> | <b>635</b>          | <b>2161.12</b> | <b>513</b>          | <b>278.59</b> | <b>104</b>     | <b>47.82</b> | <b>617</b> | <b>290.80</b> | <b>329</b>          | <b>99.45</b> | <b>48</b>      | <b>11.51</b> | <b>377</b> | <b>110.96</b> |

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/m<sup>2</sup> 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 RAs<sup>7</sup> located in eight<sup>8</sup> different States for test check of authorizations issued during the year from 2010-11 to 2012-13. During this

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<sup>7</sup> 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.

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<sup>8</sup> 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-3<sup>9</sup> 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                |
|                             | <b>133</b>                                    |                           | <b>1329.27</b>       |

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:-

<sup>9</sup> 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.   |
| <b>Total excess duty credit</b> |   | <b>8.11</b>          |   |

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 scientific

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<br>dtd 14/9/10 | 598.28              | 14.66                 | 35         | 39,8407,9022,9018       |
| 5210031779<br>dtd 30/8/10 | 590.67              | 11.80                 | 39         | 39,8407,9022,9018       |
| 5210037759<br>dtd 24/1/12 | 275.06              | 5.43                  | 22         | 9018                    |
| 5210037696<br>dtd 18/1/12 | 83.55               | 1.67                  | 8          | 9018                    |
| 5210038840<br>dtd 8/8/12  | 259.61              | 5.19                  | 27         | 9018                    |
| 5210039575<br>dtd 19/3/12 | 287.03              | 5.63                  | 19         | 9018                    |
|                           | <b>2094.20</b>      | <b>44.38</b>          | <b>150</b> |                         |

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 |
|                            | <b>14</b>            | <b>5.24</b>                 |   |

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-realisation 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/<br>improperly monitored | Duty credit<br>(lakh ₹) |
|-----------|--|-------------------------|
| Ahmedabad | 01   | 34.52                   |
| Hyderabad | 148  | 2125.68                 |
| Jaipur    | 13   | 138.68                  |
| Kolkata   | 16   | 363.44                  |
|           | <b>178</b>                                   | <b>2662.32</b>          |

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)' imported<sup>10</sup> 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.

<sup>10</sup> 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

update 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 update 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 update 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 TEUs<sup>11</sup> 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.

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<sup>11</sup> 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 5<sup>th</sup> Pay Commission.

After implementation of recommendations of the 6<sup>th</sup> 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 5<sup>th</sup> 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 six<sup>12</sup> custom houses and one<sup>13</sup> 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.

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<sup>12</sup> Navlakhi, Sikka, Jamnagar, Vadinar, Porbandar, Pipavav

<sup>13</sup> 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)<sup>14</sup> was higher as compared to that leviable on 'Marine Gas Oil (MGO) (CTH 27101930)<sup>15</sup>.

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](http://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

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

<sup>15</sup> 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 |
| <b>Total</b> |                             | <b>1207</b>         | <b>235</b> | <b>521</b>          | <b>92</b> | <b>686</b> |    | <b>143</b> |    |

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 <sup>nd</sup> week of February |
| 6. | Lancing & collection of opium and checking of Preliminary Weighment Register  | Mid February – 3 <sup>rd</sup> 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 <sup>st</sup> 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 <sup>rd</sup> 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 <sup>16</sup> |
| <b>Total</b> | <b>118</b>                                   | <b>590000</b>        |

### 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

<sup>16</sup> 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               |
| <b>Total</b> | <b>4363</b>       | <b>18,49,680</b>       |

### 6.11 Import of opium seeds

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

- Import is permitted only from Australia, Austria, France, China, Hungary, the Netherlands, Poland, Slovenia, Spain, Turkey and Czech republic;
- 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
- 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                          |
| <b>Total</b> | <b>1106</b>  | <b>51033</b>               | <b>Trading</b>                   |

### 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 <sup>17</sup> |

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           |
|         | <b>Total expenditure</b>                        | <b>11020</b>   | <b>10285</b> | <b>8332</b>   |

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

<sup>17</sup> 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:<br>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 mg<sup>18</sup> 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

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<sup>18</sup> 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<br>(Prov.) |
|--|---------|---------|---------|---------|--------------------|
| Average Yield in Kg/Ha<br>(in UP)                      | 40.40   | 42.93   | 43.61   | 35.68   | 41.64              |
| Minimum Qualifying<br>Yield fixed in Kg/Ha. (in<br>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<br>(in Ha.) | Total area after test measured<br>(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 ares<sup>19</sup> 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

<sup>19</sup> 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 5<sup>th</sup> 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                            | 60700                        |
| 2011-12 | 21204                       | 17521                        | 10214.70              | 5541.64                | 744/729                            | 53010                        |
| 2012-13 | 20464                       | 19954                        | 2641.66               | 2529.60                | 711/710                            | 51160                        |

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 <sup>o</sup> 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 weighment 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 weighments 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 weighment 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           |
| <b>Total</b> |                                  | <b>961</b>         | <b>1,87,31,462</b> |

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             | -               |               |
| <b>Total</b>      | <b>1022.250</b>    | <b>1711.500</b> | <b>51.398</b> |

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 categories<sup>20</sup>:

- (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

<sup>20</sup> 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 crore<sup>21</sup> 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 crore<sup>22</sup>, Delhi ₹ 59.26 crore<sup>23</sup>, Uttar Pradesh ₹ 39.31 crore<sup>24</sup>, Madhya Pradesh ₹ 27.91 crore<sup>25</sup> and Rajasthan ₹ 25.84 crore<sup>26</sup>. 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.

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

<sup>22</sup> 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.

<sup>23</sup> 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.

<sup>24</sup> Commissionerate, Customs (Preventive), Lucknow ₹ 22.31 crore, Commissionerate, Kanpur ₹ 10.09 crore, Commissionerate, NOIDA ₹ 0.29 crore and Commissionerate, Ghaziabad ₹ 6.62 crore.

<sup>25</sup> Commissionerate, Indore ₹ 2.06 crore and Commissionerate, Bhopal ₹ 25.84 crore.

<sup>26</sup> 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 prescribed<sup>27</sup> 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

<sup>27</sup>

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         |
| <b>Total</b> |  |             |                         |            | <b>311.84</b> |              |

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 Commissionerate 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 <sup>nd</sup> auction, highest bid worth ₹ 35,500 was received but goods were finally sold in 3 <sup>rd</sup> 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 proffered (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 8<sup>th</sup> 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 25<sup>th</sup> 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/entered 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 four<sup>28</sup> 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

<sup>28</sup> {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                       |
| <b>Total</b>    | <b>6491</b>  | <b>105646</b>                 | <b>24868</b>               |

#### 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 five<sup>29</sup> 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.

<sup>29</sup> {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.

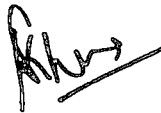
Audit maintained that the Department should improve the compliance to rules and regulations laid down and strengthen its internal controls.

New Delhi  
Dated: 18 June 2014

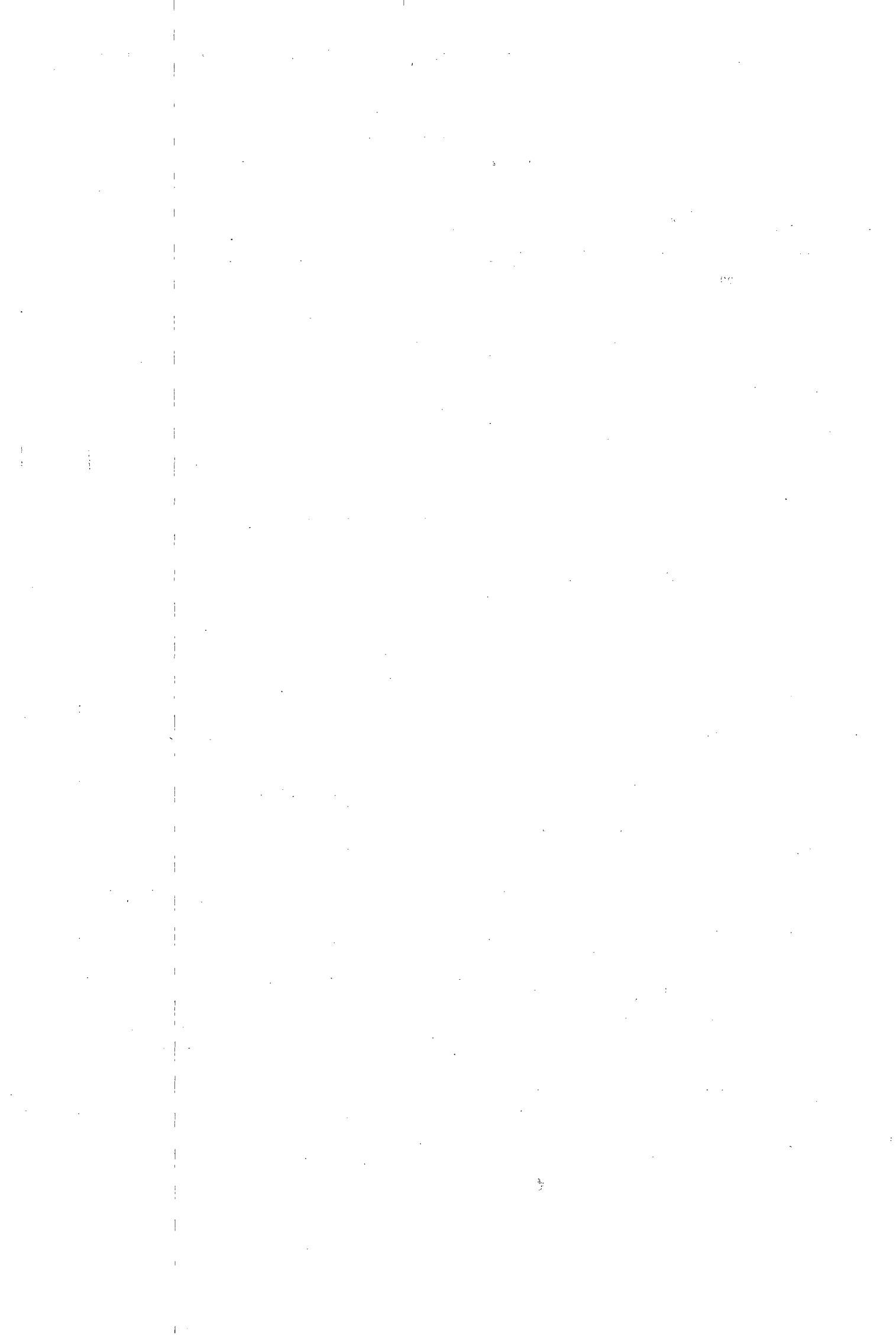
  
(NILOTPAL GOSWAMI)  
Principal Director (Customs)

Countersigned

New Delhi  
Dated: 23 June 2014

  
(SHASHI KANT SHARMA)  
Comptroller and Auditor General of India

# **ANNEXURE - I**





**Annexure - I**  
**(Reference: Paragraph 1.29)**

(lakh ₹)

| SI 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                       |

| 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                  |

| Sl 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 Deport, 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  |

| 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  |
|        |                       |                   | <b>TOTAL</b>  | <b>3967.46</b>  | <b>3967.46</b>  | <b>1087.95</b>   |  |

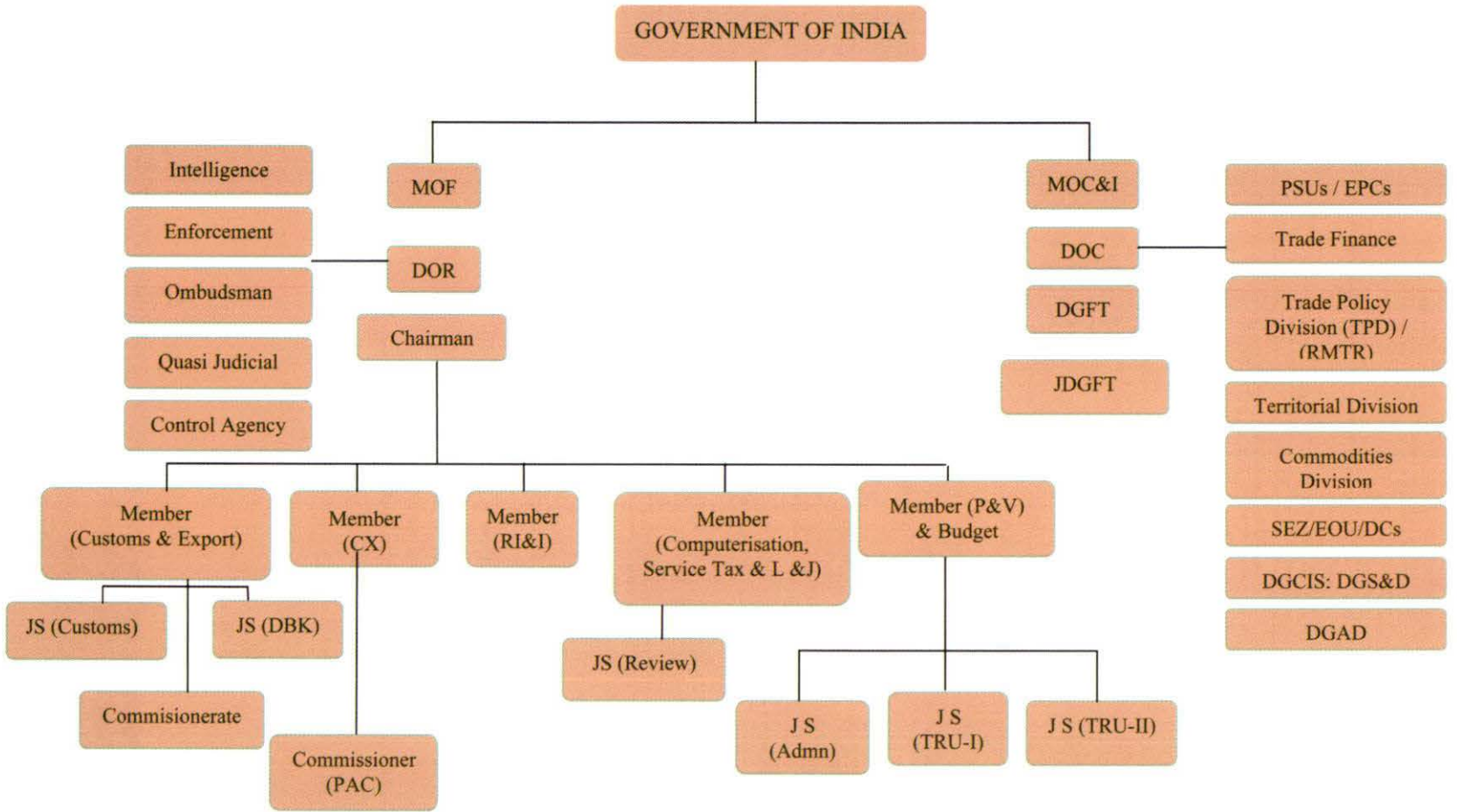
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# APPENDICES





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 MERCOSUR<sup>30</sup> 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>

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<sup>30</sup> 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/<br>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<br>EOU/EPZ/SEZ             | 7            | 34.75          | 9            | 3.28          | 4            | 0.04          | 6            | 9.66           | 7            | 39.07          |
| 7     | Misuse of End-<br>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          |
|       | <b>Total</b>                         | <b>340</b>   | <b>1528.59</b> | <b>391</b>   | <b>615.23</b> | <b>581</b>   | <b>826.47</b> | <b>498</b>   | <b>1728.22</b> | <b>709</b>   | <b>4742.66</b> |

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<br>CURRENCY<br>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        |                |                |                |               |
|       | <b>TOTAL</b>               | <b>1556.80</b> | <b>746.39</b> | <b>2156.50</b> | <b>680.17</b> | <b>2475.70</b> | <b>813.26</b> | <b>2755.68</b> | <b>2130.67</b> | <b>1619.97</b> | <b>499.45</b> |

## 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 (₹) |
|----------------------|----------------------------|--|-------------------------------|
| <b>RA- Ahmedabad</b> |                            |  |                               |
| 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                          |
|                      |                            | <b>Sub total</b>                         | <b>56335</b>                  |
| <b>RA-Hyderabad</b>  |                            |  |                               |
| 1                    | 910053026                  |  | 1997                          |
| 2                    | 910054469                  |  | 25818                         |
| 3                    | 910053187                  |  | 2034                          |
| 4                    | 910054042                  |  | 325                           |
| 5                    | 910053751                  |  | 25884                         |
| 6                    | 910053753                  |  | 56192                         |
|                      |                            | <b>Sub total</b>                         | <b>112250</b>                 |
| <b>RA-Jaipur</b>     |                            |  |                               |
| 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                        |
|                      |                            | <b>Sub total</b>                         | <b>153032</b>                 |
| <b>RA-Mumbai</b>     |                            |  |                               |
| 1                    | 310707366 dtd 3/9/2012     | M/s Ram Fashion Export Ltd               | 20711                         |
|                      |                            | <b>Sub total</b>                         | <b>20711</b>                  |
| <b>RA-Surat</b>      |                            |  |                               |
| 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 Interntl                 | 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                      |
|         |                            | <b>Sub total</b>               | <b>11,81,286.05</b>           |
|         |                            | <b>Grand total</b>             | <b>15,23,614.05</b>           |

## 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 ₹) |
|------------------------------|--|----------------------|
| <b>RA-Ahmedabad</b>          |  |                      |
| 1. Adani Wilmar Ltd          | 3505810/5/3/2011                         | 2000878              |
|                              | 3505850/5/3/2011                         | 1976596              |
| 2. Adani Wilmar Ltd          | 2498361/2/12/2011                        | 1662345              |
| 3.. Adani Wilmar Ltd         | 3053508/3/31/2011                        | 357253               |
|                              | 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               |
| 4. Adani Wilmar Ltd          | 3052433/3/31/2011                        | 357253               |
|                              | 3053060/3/31/2011                        | 71451                |
|                              | 2938056/3/24/2011                        | 1854239              |
|                              | 2540813/2/17/2011                        | 1238632              |
| 5. Adani Wilmar Ltd          | 2939651/3/24/2011                        | 1512998              |
|                              | 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               |
|                              | <b>Sub total</b>   | <b>89026691</b>      |
| <b>RA-Gandhidham</b>         |  |                      |
| 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 ₹) |
|-------------------------------------|---|----------------------|
|                                     | 2221652/1/12/2011                           | 234825.00            |
| 6. Hind Steels                      | 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            |
|                                     | <b>Sub total</b>                            | <b>4689316</b>       |
| <b>RA-Hyderabad</b>                 |   |                      |
| 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              |
|                                     | <b>Sub total</b>                            | <b>15061143</b>      |
| <b>RA-Jaipur</b>                    |   |                      |
| 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                |
|   | 3463343/29.4.11                          | 8576                 |
| 21. M/s Cheer Sagar, Jaipur                       | 3320867/20.4.11                          | 9983                 |
|   | 9322205/2.2.11                           | 10214                |
| 22. M/s VNL Exports, Jaipur                       | 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                 |
|   | 9492041/19.3.11                          | 3504                 |
| 23. M/s Seasons International Pvt. Ltd., Bhilwara | 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                           | 1806                 |
|   | 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                |
|   | 3403859/26.4.11                          | 8271                 |
| 25. M/s Indian Craft, jaipur                      | 3476319/30.4.11                          | 8466                 |
|   | 3475622/30.4.11                          | 13373                |
|   | 3345084/22.4.11                          | 4658                 |
|   | 3337806/21.4.11                          | 6849                 |
| 26. M/s MA AM Arts, Jaipur                        | 000140/18.4.11                           | 13303                |
|   | 000588/24.5.11                           | 4056                 |
|   | 000591/24.5.11                           | 9662                 |
| 27. M/s Rainbow TexFab Pvt. Ltd., Jaipur          | 000608/25.5.11                           | 8855                 |
|   | 2749557/9.3.11                           | 12912                |
|   | 2631888/25.2.11                          | 15371                |
| 28. M/s Sopra Overseas, Jaipur                    | 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                |
| 69. M/s Goyal International, Jaipur   | 2625206/24.2.11                          | 10425                |
|   | 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                 |
| 70. Nehal Exim, Jaipur  | 9234393/8.1.11                           | 24631                |
| 71. M/s Art India, Jaipur   | 7292744/28.4.2009                        | 4925                 |
|   | 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,<br>Sardarshahar 13/21/087/01200/AM12<br>(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               |
|                                  | <b>Sub total</b>                         | <b>12604738</b>      |
| <b>RA-Kolkata</b>                |  |                      |
| 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                 |
|                                  | <b>Sub total</b>                         | <b>60763</b>         |
| <b>RA-Rajkot</b>                 |  |                      |
| 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                |
|                              | <b>Sub total</b>                                     | <b>6288382</b>       |
| <b>RA- Surat</b>             |  |                      |
| 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/<br>10/1/11 to 31/1/2011 | 541241               |
| 7. Oswal Prints Pvt. Ltd.    | All 24 SBs except 1 SB<br>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               |
|                              | <b>Sub total</b>  | <b>51,96,553</b>     |
|                              | <b>Grand total</b>  | <b>13,29,27,586</b>  |

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 (₹) |        |
|--|--|------------|-------------------------|--------|
| <b>RA-Ahmedabad</b>  |  |            |                         |        |
| 1. Astra Lifecare (I) Pvt. Ltd.<br>08/91/87/622/AM11 Lic.<br>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.<br>08/91/87/701/AM11 Lic.<br>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                  |        |
| 3. Astra Lifecare (I) Pvt. Ltd.<br>08/91/87/713/AM11 Lic.<br>No.0810097726 dtd 29/3/11 | 1712272  | 10/25/2010 | 115677                  |        |
|  | 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                  |        |
|  | <b>Sub total</b>   |            | <b>3498168</b>          |        |
| <b>RA-Hyderabad</b>  |  |            |                         |        |
| 1. HRITIK EXIM 092108700254AM13  |  |            | 1849891                 |        |
| 14.05.2012   |  |            |                         |        |
|  |  |            | <b>Sub total</b>        |        |
|  |  |            | <b>1849891</b>          |        |
| <b>RA-Jaipur</b>   |  |            |                         |        |
| 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                    |
|                                |                    | <b>Sub total</b> |                         |
|                                | <b>Grand total</b> |                  | <b>54,31,420</b>        |

**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<br>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<br>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<br>1310039809/23.05.12<br>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<br>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<br>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                     |                              |
| 5211253/17.11.11  | 0.38                     |                              |
| 6211372/17.11.11  | 0.38                     |                              |
| 6084982/2.11.11   | 0.14                     |                              |
| 4560330/16.7.11   | 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<br>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<br>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<br>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<br>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<br>1310039401/13.4.12 31/21/87/0010/AM13                 | 7183368/19.1.12          | 20.08                        |
| 12. M/s Abhishek enterprises,<br>Jaipur1310040180/22.6.12 r<br>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<br>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<br>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<br>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,<br>Jaipur1310037141/14.10.11 087/1133/AM12                       | 4551277/14.7.11          | 3.12                         |
| 17. M/s Art Age Pvt. Ltd., Jaipur<br>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<br>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<br>1310033868/23.11.10<br>(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<br>1310036521/6.9.1113/21/087/00797/AM12 | 4089622/13.6.11                           | 1.56                         |
| 21. M/s. Ramchander Moti Lal Exports, Jaipur<br>1310041352               | 13/22/087/00156/AM13/<br>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                         |
|  | <b>Total</b>                              | <b>163.51</b>                |

**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 (₹) |
|-----------------------------|-------------------------------|--------------------------|----------------------|-----------------|
| <b>RA-Hyderabad</b>         |                               |                          |                      |                 |
| 092108700072AM11/15.06.2010 | Hartex Rubber Private Limited | 910043162/<br>20.08.2010 | 1                    |                 |
|                             |                               | 910043163/<br>20.08.2010 | 1                    |                 |
|                             |                               | 910043164/<br>20.08.2010 | 1                    |                 |
|                             |                               | 910043165/<br>20.08.2010 | 1                    |                 |
|                             |                               | 910043166/<br>20.08.2010 | 1                    | 451107          |
| 092108700529AM12/21.10.2011 | Matrix Laboratories Limited   | 910054658/<br>02.01.2013 | 1                    |                 |
|                             |                               | 910054659/<br>02.01.2013 | 1                    |                 |
|                             |                               | 910054660/<br>02.01.2013 | 1                    |                 |
|                             |                               | 910054661/<br>02.01.2013 | 1                    |                 |
|                             |                               | 910054662/<br>02.01.2013 | 1                    |                 |
|                             |                               | 910054663/<br>02.01.2013 | 1                    |                 |
|                             |                               | 910054664/<br>02.01.2013 | 1                    | 426980          |
| 092108700527AM12/21.10.2011 | Matrix Laboratories Limited   | 910054745/<br>09.01.2013 | 1                    |                 |
|                             |                               | 910054746/<br>09.01.2013 | 1                    | 118856          |
|                             |                               | <b>Total</b>             |                      | <b>9,96,943</b> |

**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 (₹) |
|------------------------|---------------------------|---------------------------|--|-----------------|
| <b>1. RA-Jaipur</b>    |                           |                           |  |                 |
| 13/21/87/266/AM11      | M/s Manoj Kumar & Com     | 1310033812/<br>18.11.2010 | 3637876/<br>6.3.2009                         | 7393            |
|                        |                           |                           | 3669610/<br>24.3.2009                        | 922             |
| <b>2. RA-Ahmedabad</b> |                           |                           |  |                 |
| 08/9187/395/AM11       | M/s Bajaj Herbal Pvt. Ltd | 810094246/<br>30.11.2010  | 1136788/<br>3.31.2010                        | 84276.88        |
|                        |                           |                           | 1144638/<br>4/6/2010                         | 53110.62        |
|                        |                           |                           | 1150952/<br>4/10/2010                        | 29682.98        |
|                        |                           |                           | 1202367/<br>5/12/2010                        | 29050.28        |
|                        |                           |                           | 1197075/<br>5/10/2010                        | 29583.82        |
|                        |                           |                           | 1209535/<br>5/17/2010                        | 63012.1         |
|                        |                           |                           | 1223216/<br>5/25/2010                        | 38755.36        |
| <b>3. RA-Surat</b>     |                           |                           |  |                 |
| 58/AM11                | M/s Vidhaan Overseas      | 5210033225/<br>1/3/2011   | 8368762/<br>4/19/2010                        | 80862           |
|                        |                           |                           | 8368756/<br>4/19/2010                        | 80885           |
|                        |                           |                           | 8368754/<br>4/19/2010                        | 80885           |
|                        |                           |                           | 8368759/<br>4/19/2010                        | 80885           |
| 57/AM11                | M/s Bright India Exports  | 5210033354/<br>1/10/2011  | 8346788/<br>4/12/2010                        | 84931           |
|                        |                           |                           | 8346779/<br>4/12/2010                        | 84903           |
|                        |                           |                           | 8346783/<br>4/12/2010                        | 86910           |
|                        |                           |                           | 8346785/<br>4/12/2010                        | 86910           |
| 41/AM11                | M/s Shree Dev Textiles    | 5210033457/<br>1/12/2011  | 8337773/<br>4/8/2010                         | 77813           |
|                        |                           |                           | 8337775/<br>4/8/2010                         | 79306           |
|                        |                           |                           | 8337788/<br>4/8/2010                         | 78936           |
|                        |                           |                           | 8336030/<br>4/8/2010                         | 84684           |
|                        |                           |                           | 8358867/<br>4/15/2010                        | 79578           |
|                        |                           |                           | 8358865/<br>4/15/2010                        | 80239           |

| File No. & Date       | Name of the Exporter                         | Authorization No. & date  | SB No./Date which pertains to different year | Duty credit (₹)  |
|-----------------------|--|---------------------------|--|------------------|
| 297/AM11              | M/s Maa Ambe Textiles                        | 5210033204/<br>12/31/2010 | 8358861/<br>4/15/2010                        | 75888            |
|                       |  |                           | 8358870/<br>4/15/2010                        | 75559            |
|                       |  |                           | 8344391/<br>4/10/2010                        | 87266            |
|                       |  |                           | 8344384/<br>4/10/2010                        | 84816            |
|                       |  |                           | 8344370/<br>4/10/2010                        | 88143            |
|                       |  |                           | 8219373/<br>3/6/2010                         | 60399            |
|                       |  |                           | 8306055/<br>3/30/2010                        | 103186           |
| 114/AM1               | M/s Jinal Impex                              | 5210035258/<br>5/18/2011  | 8306059/<br>3/30/2010                        | 98018            |
|                       |  |                           | 8306062/<br>3/30/2010                        | 87968            |
|                       |  |                           |  |                  |
| <b>4.RA-Hyderabad</b> |  |                           |  |                  |
| 092108700759AM13      | M/s tecumseh products india private limited, | 910053572/<br>27.08.2012  | 7929947/<br>9.03.2012                        | 66590            |
| 092108701328AM13      | M/s Usha international limited               | 910055141/<br>21.02.2013  | 1189473/<br>4/5/2010                         | 62120            |
|                       |  |                           | 1505329/<br>7/9/2010                         | 66506            |
|                       |  |                           | 1673308/<br>15/10/2010                       | 22556            |
|                       |  |                           | 1829870/<br>19/11/2010                       | 23969            |
|                       |  |                           | 2366814/<br>29/1/2011                        | 51413            |
|                       |  |                           | 2366863/<br>29/1/2011                        | 51413            |
|                       |  |                           | 2680583/<br>2/3/2011                         | 54371            |
|                       |  |                           | 2705018/<br>4/3/2011                         | 21672            |
|                       |  |                           | 2763849/<br>10/3/2011                        | 26286            |
|                       |  |                           | 2990485/<br>28/3/2011                        | 25442            |
|                       |  |                           | 2990485/<br>28/3/2011                        | 26443            |
|                       |  |                           | <b>Total</b>                                 | <b>27,42,538</b> |

**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 (₹) |
|-----------------|----------|------------------------------|------------------|--------------------------|---|-------------------------|
| <b>RA-surat</b> |          |                              |                  |                          |   |                         |
| 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                  |
| <b>Total</b> |          |                                   |                  |                          |   | <b>7,60,21,578</b>      |

## 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<br>1 | 747/AM11 | Sahiba Fabrics Ltd           | 5210034741<br>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<br>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<br>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<br>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<br>2/10/2011  | Dyed/printed fabrics from 100% filament yarn/texturised yarn, dress materials/ unhemmed sarees etc   | 824574                  |
| 6      | 708/AM11 | Astha Creation               | 5210034258<br>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<br>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<br>(each suits 6.86 mtr)   | Duty Credit allowed (₹) |
|--------|----------|------------------------------|--------------------------|--|-------------------------|
| 8      | 246/AM12 | Yash Fashions Pvt Ltd        | 5210035803<br>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<br>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<br>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<br>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<br>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<br>3/17/2011  | Dyed and printd fabrics made from 100% Filament yarn unhemmed Anamika, magic shiffon etc   | 2181358                 |
| 14     | 845/AM11 | Akshat Overseas              | 5210034721<br>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<br>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<br>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<br>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<br>4/7/2011   | Dyed poly fabrics (Salwar, kameez, butta, duppata   | 462756                  |
| 19     | 614/AM11 | Kala Textiles                       | 5210033787<br>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<br>3/17/2011  | Dyed and printd fabrics made from 100% Filament yarn unhemmed Anamica   | 1462159                 |
| 21     | 637/AM11 | King world Overseas                 | 5210033905<br>2/4/2011   | Dyed and printd fabrics made from 100% Filament yarn with or without embroidery with or without metalised yarn                                    | 854786                  |
| 22     | 145/AM11 | Lucky Corpoation                    | 5210032141<br>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<br>5/7/2012   | Yarn. Poly printed fabrics<br>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                   |
| <b>Total</b>      |           |                                |                          |  | <b>1,83,92,579</b>      |
| <b>RA-Kolkata</b> |           |                                |                          |  |                         |
| 1                 | 116/AM11  | Eastern traders                | 210141257<br>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<br>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<br>31.3.2011   | Man made fabrics w/wo embriodery and/or w/wo metalised yarn-synthetic fabrics  | 1194310                 |
| <b>Total</b>      |           |                                |                          |  | <b>58,61,968</b>        |

**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 ₹) |
|------------------|---|--------------------------|--|------------------------------|
| <b>RA-Jaipur</b> |   |                          |  |                              |
| 1                | M/s Balaji Industrial Proudcts Ltd., Jhotwara, Jaipur (Lic. No. 1310041205 dt. 29.9.12) | 5868011/<br>17.10.11     | 73261100 High chromium grinding balls 60 MM  | 0.65                         |
| 2                | do  | 5868022/<br>17.10.11     | 73261100 High chromium grinding balls 60 MM  | 1.30                         |
| 3                | do  | 5979733/<br>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/<br>16.11.11                   | 73261100 High chromium grinding media balls 60 MM                                     | 1.31                         |
| 5            | do   | 6261756/<br>16.11.11                   | 73261100 High chromium grinding media balls 60 MM                                     | 0.66                         |
| 6            | M/s Balaji Industrial Prouducts Ltd., Jhotwara, Jaipur (Lic. No. 1310041206 dt. 28.9.12) | 6582323/<br>08.12.11                   | 73261100 High chromium grinding balls 60 MM   | 1.21                         |
| 7            | do   | 6582315/<br>8.12.11                    | 73261100 High chromium grinding balls 60 MM   | 1.21                         |
| 8            | do   | 6281831/<br>17.11.11                   | 73259920 Alloy steel casting Rough  | 0.49                         |
| 9            | M/s K.G.Petrochem Ltd., VKI Jaipur   | 25 SB of the period<br>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<br>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<br>(Item No.2 SB)      | 94017100-Artistic Iron Furniture Items IR.Chair.                                      | 0.13                         |
| 13           | M/s Balaji Industrial Prouducts Ltd., Jhotwara, Jaipur                                   | 6344465/<br>12.11.11                   | 73261100 High chromium grinding balls 60 MM   | 1.31                         |
| 14           | do   | 6344457/<br>22.11.11                   | 73261100 High chromium grinding balls 60 MM   | 0.66                         |
| 15           | do   | 9069/<br>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<br>08/12 to 11/12 | 63026000-Cotton Made ups toilet linen and kitchen linen of terry tolwelling of cotton | 10.55                        |
| <b>Total</b> |  |  |   | <b>41.09</b>                 |

**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 (₹) |
|---------------------|--|---------------|-------------------------|
| <b>RA-Ahmedabad</b> |  |               |                         |
| 1                   | 810119753/3/25/2013<br>M/s Bansal Impex        | Red Chilly    | 4277                    |
|                     |  | -do-          | 8417                    |
| 2                   | 810119160/3/8/2013<br>M/s Geo Fresh Orgnaics   | -do-          | 54238                   |
| 3                   | 810112333/6/6/2012<br>M/s. Shreeraj Industries |               | 150681                  |
| <b>RA-Hyderabad</b> |  |               |                         |
| 1                   | 910051834/21.3.2012                            |               | 71837                   |
| <b>RA-Mumbai</b>    |  |               |                         |
| 1                   | 310649324/8/8/11<br>M/s Zeus International     | Hanger        | 46459                   |
| 2                   | 0310699326/20.6.12<br>M/s Essar Steel          | Coil          | 407300                  |
| <b>RA-Surat</b>     |  |               |                         |
| 1                   | .5210038779 M/s Kavyalon<br>Impex Pvt Ltd      |               | 68136                   |
|                     |  | <b>Total</b>  | <b>8,11,345</b>         |

**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 (₹) |
|----------------------|------------------------------------|-------------------------|
| <b>RA-Gandhidham</b> |                                    |                         |
| 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                 |
|                      | <b>Total</b>                       | <b>61,65,720</b>        |

**Appendix 16 (Para No.2.4.15)**  
**Incorrect grant of bonus duty credit**

| Sr. No.             | Authorization No. & name of exporter                   | Duty credit allowed (₹) |
|---------------------|--|-------------------------|
| <b>RA-Jaipur</b>    |  |                         |
| 1                   | 1310039638/4.5.2012 M/s Suncity Art Export,<br>Jodhpur | 289601                  |
| 2                   | 1310035172/19.4.11 M/s ABC Industries, Jaipur          | 142867                  |
|                     | <b>Sub total</b>                                       | <b>4,32,468</b>         |
| <b>RA-Ahmedabad</b> |  |                         |
| 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 |
|---------------------|--|--------------------------|-----------------------|--|
| <b>RA-Kolkata</b>   |  |                          |                       |  |
| 1                   | Shivam Iron & Steel Co. Ltd.                   | 210159661<br>5/27/2011   | 5/24/2011             | 5/26/2012  |
| 2                   | Van Udyog, Proprietor-<br>Pankaj Kumar Agarwal | 210157445<br>4/7/2011    | 3/21/2013             | 4/6/2012   |
| 3                   | Laxmi Narayan Udyog<br>Pvt.Ltd.                | 210158299<br>4/28/2011   | 4/1/2013              | 4/27/2012  |
| 4                   | Laxmi Narayan Udyog<br>Pvt.Ltd.                | 210158301<br>4/28/2011   | 4/1/2013              | 4/27/2012  |
| 5                   | Van Udyog, Proprietor-<br>Pankaj Kumar Agarwal | 210157444<br>4/7/2011    | 3/9/2013              | 4/6/2012   |
| 6                   | Maithan Alloys Ltd.                            | 210155165<br>22.02.2011  | 2/8/2013              | 21.02.2012                                       |
| 7                   | Maithan Alloys Ltd.                            | 210155168<br>22.02.2011  | 2/8/2012              | 21.02.2012                                       |
| 8                   | Maithan alloys ltd.                            | 210158916<br>16/05/11    | 08/02/13              | 15.05.2012                                       |
| 9                   | Maithan alloys ltd.                            | 210158812<br>12/05/11    | 08/02/13              | 11.05.2012                                       |
| 10                  | Maithan alloys ltd.                            | 210158818<br>13/05/11    | 08/02/13              | 12.05.2012                                       |
| <b>RA-Jaipur</b>    |  |                          |                       |  |
| 1                   | M/s K.K.Concepts, Jaipur                       | 1310038458<br>13.01.12   | 12.12.13              |  |
| 2                   | M/s Jaipur Rugs Company<br>Pvt. Ltd., Jaipur   | 1310038107<br>21.12.11   | 9.10.13               |  |
| 3                   | M/s Jaipur Rugs Company<br>Pvt. Ltd., Jaipur   | 1310036631<br>09.09.11   | 29.3.13               |  |
| 4                   | M/s Jaipur Rugs Company<br>Pvt. Ltd., Jaipur   | 1310038678<br>03.02.12   | 26.12.13              |  |
| 5                   | M/s Jaipur Rugs Company<br>Pvt. Ltd., Jaipur   | 1310038111<br>21.12.11   | 29.11.13              |  |
| 6                   | M/s Nash Fashion (India) Ltd.,<br>Jaipur       | 1310035543 2.6.11        | 18.2.13               |  |
| 7                   | M/s K.K. Concepts, Jaipur                      | 1310037880<br>5.12.11    | 17.2.13               |  |
| 8                   | M/s K. K. Concepts, Jaipur                     | 1310037141<br>14.10.11   | 21.7.13               |  |
| 9                   | M/s Jaipur Rugs Company<br>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.,<br>Jaipur       | 1310038022<br>14.12.11   | 7.10.13               |  |
| <b>RA-Hyderabad</b> |  |                          |                       |  |
| 1                   | Aurobindo Pharma Limited                       | 910050071<br>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<br>910046689  | 30.04.2011            | 27-Mar-2013                                      |
| 4       | Tecumseh products india private limited, | 10.05.2011<br>910051954  | 26.03.2012            | 25-Mar-2013                                      |
| 5       | Nosch Labs Private Limited               | 29.03.2012<br>910051941  | 26.03.2012            | 25-Mar-2013                                      |
| 6       | Nosch Labs Private Limited               | 28.03.2012<br>910051940  | 26.03.2012            | 25-Mar-2013                                      |
| 7       | Nosch Labs Private Limited               | 28.03.2012<br>910051939  | 26.03.2012            | 25-Mar-2013                                      |
| 8       | Aurobindo Pharma Limited                 | 28.03.2012<br>910047063  | 31.05.2011            | 24-Mar-2013                                      |
| 9       | Tecumseh products india private limited, | 09.06.2011<br>910051960  | 22.03.2012            | 21-Mar-2013                                      |
| 10      | Tecumseh products india private limited, | 29.03.2012<br>910051959  | 22.03.2012            | 21-Mar-2013                                      |
| 11      | Tecumseh products india private limited, | 29.03.2012<br>910051958  | 22.03.2012            | 21-Mar-2013                                      |
| 12      | Tecumseh products india private limited, | 29.03.2012<br>910051957  | 22.03.2012            | 21-Mar-2013                                      |
| 13      | Tecumseh products india private limited, | 29.03.2012<br>910051956  | 22.03.2012            | 21-Mar-2013                                      |
| 14      | Tecumseh products india private limited, | 29.03.2012<br>910051955  | 22.03.2012            | 21-Mar-2013                                      |
| 15      | Aurobindo Pharma Limited                 | 29.03.2012<br>910046579  | 20.04.2011            | 21-Mar-2013                                      |
| 16      | Aurobindo Pharma Limited                 | 29.04.2011<br>910046329  | 28.03.2011            | 10-Mar-2013                                      |
| 17      | Aurobindo Pharma Limited                 | 12.04.2011<br>910046949  | 21.05.2011            | 6-Mar-2013                                       |
| 18      | Nosch Labs Private Limited               | 30.05.2011<br>910051707  | 05.03.2012            | 4-Mar-2013                                       |
| 19      | Nosch Labs Private Limited               | 12.3.2012<br>910051706   | 05.03.2012            | 4-Mar-2013                                       |
| 20      | Nosch Labs Private Limited               | 12.3.2012<br>910051704   | 05.03.2012            | 4-Mar-2013                                       |
| 21      | Nosch Labs Private Limited               | 12.3.2012<br>910051698   | 05.03.2012            | 4-Mar-2013                                       |
| 22      | Nosch Labs Private Limited               | 12.3.2012<br>910051649   | 05.03.2012            | 4-Mar-2013                                       |
| 23      | Nosch Labs Private Limited               | 08.03.2012<br>910051700  | 03.03.2012            | 2-Mar-2013                                       |
| 24      | Nosch Labs Private Limited               | 12.03.2012<br>910051705  | 02.03.2012            | 1-Mar-2013                                       |
| 25      | Nosch Labs Private Limited               | 12.03.2012<br>910051703  | 02.03.2012            | 1-Mar-2013                                       |
| 26      | Nosch Labs Private Limited               | 12.03.2012<br>910051701  | 02.03.2012            | 1-Mar-2013                                       |
| 27      | Nosch Labs Private Limited               | 12.03.2012<br>910051699  | 02.03.2012            | 1-Mar-2013                                       |
| 28      | Aurobindo Pharma Limited                 | 12.03.2012<br>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<br>910046331<br>12.04.201 | 28.03.2011            | 28-Feb-2013                                      |
| 30      | Aurobindo Pharma Limited                 | 910046330<br>12.04.201               | 28.03.2011            | 27-Feb-2013                                      |
| 31      | Aurobindo Pharma Limited                 | 910046706<br>11.5.2011               | 20.04.2011            | 25-Feb-2013                                      |
| 32      | Tecumseh products india private limited, | 910051518<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 33      | Tecumseh products india private limited, | 910051517<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 34      | Tecumseh products india private limited, | 910051516<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 35      | Tecumseh products india private limited, | 910051515<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 36      | Tecumseh products india private limited, | 910051513<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 37      | Tecumseh products india private limited, | 910051512<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 38      | Tecumseh products india private limited, | 910051511<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 39      | Tecumseh products india private limited, | 910051508<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 40      | Osi systems pvt.ltd.                     | 910051502<br>28.02.2012              | 22.02.2012            | 21-Feb-2013                                      |
| 41      | Tecumseh products india private limited, | 910051514<br>28.02.2012              | 21.02.2012            | 20-Feb-2013                                      |
| 42      | Tecumseh products india private limited, | 910051510<br>28.02.2012              | 21.02.2012            | 20-Feb-2013                                      |
| 43      | Tecumseh products india private limited, | 910051507<br>28.02.2012              | 21.02.2012            | 20-Feb-2013                                      |
| 44      | Tecumseh products india private limited, | 910051506<br>28.02.2012              | 21.02.2012            | 20-Feb-2013                                      |
| 45      | Tecumseh products india private limited, | 910051505<br>28.02.2012              | 21.02.2012            | 20-Feb-2013                                      |
| 46      | Tecumseh products india private limited, | 910051504<br>28.02.2012              | 21.02.2012            | 20-Feb-2013                                      |
| 47      | Tecumseh products india private limited, | 910051503<br>28.02.2012              | 21.02.2012            | 20-Feb-2013                                      |
| 48      | Tecumseh products india private limited, | 910051519<br>28.02.2012              | 18.02.2012            | 17-Feb-2013                                      |
| 49      | Tecumseh products india private limited, | 910051509<br>28.02.2012              | 18.02.2012            | 17-Feb-2013                                      |
| 50      | Osi systems pvt.ltd.                     | 910051421<br>24.02.2012              | 16.02.2012            | 15-Feb-2013                                      |
| 51      | Tecumseh products india private limited, | 910051435<br>24.02.2012              | 13.02.2012            | 12-Feb-2013                                      |
| 52      | Tecumseh products india private limited, | 910051434<br>24.02.2012              | 13.02.2012            | 12-Feb-2013                                      |
| 53      | Tecumseh products india private limited, | 910051433<br>24.02.2012              | 13.02.2012            | 12-Feb-2013                                      |
| 54      | Tecumseh products india                  | 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,<br>Tecumseh products india | 24.02.2012<br>910051431  | 13.02.2012            | 12-Feb-2013                                      |
| 56      | private limited,<br>Tecumseh products india | 24.02.2012<br>910051430  | 13.02.2012            | 12-Feb-2013                                      |
| 57      | private limited,<br>Tecumseh products india | 24.02.2012<br>910051420  | 13.02.2012            | 12-Feb-2013                                      |
| 58      | private limited,<br>Tecumseh products india | 24.02.2012<br>910051415  | 13.02.2012            | 12-Feb-2013                                      |
| 59      | private limited,<br>Tecumseh products india | 24.02.2012<br>910051414  | 13.02.2012            | 12-Feb-2013                                      |
| 60      | private limited,<br>Tecumseh products india | 24.02.2012<br>910051418  | 09.02.2012            | 8-Feb-2013                                       |
| 61      | private limited,<br>Tecumseh products india | 24.02.2012<br>910051417  | 09.02.2012            | 8-Feb-2013                                       |
| 62      | private limited,<br>Tecumseh products india | 24.02.2012<br>910051416  | 09.02.2012            | 8-Feb-2013                                       |
| 63      | private limited,<br>Tecumseh products india | 910051283<br>14.2.2012   | 09.02.2012            | 8-Feb-2013                                       |
| 64      | private limited,<br>Tecumseh products india | 910051282<br>14.2.2012   | 09.02.2012            | 8-Feb-2013                                       |
| 65      | Aurobindo Pharma Limited                    | 910046687<br>10.5.2011   | 25.04.2011            | 8-Feb-2013                                       |
| 66      | private limited,<br>Tecumseh products india | 910051285<br>14.02.2012  | 06.02.2012            | 5-Feb-2013                                       |
| 67      | private limited,<br>Tecumseh products india | 910051287<br>14.02.2012  | 30.01.2012            | 29-Jan-2013                                      |
| 68      | private limited,<br>Tecumseh products india | 910051238<br>13.02.2012  | 30.01.2012            | 29-Jan-2013                                      |
| 69      | private limited,<br>Tecumseh products india | 910051237<br>13.02.2012  | 30.01.2012            | 29-Jan-2013                                      |
| 70      | private limited,<br>Tecumseh products india | 910051236<br>13.02.2012  | 30.01.2012            | 29-Jan-2013                                      |
| 71      | private limited,<br>Tecumseh products india | 910051220<br>13.02.2012  | 30.01.2012            | 29-Jan-2013                                      |
| 72      | private limited,<br>Tecumseh products india | 910051219<br>13.02.2012  | 30.01.2012            | 29-Jan-2013                                      |
| 73      | private limited,<br>Tecumseh products india | 910051217<br>13.02.2012  | 30.01.2012            | 29-Jan-2013                                      |
| 74      | private limited,<br>Tecumseh products india | 910051106<br>3.2.2012    | 30.01.2012            | 29-Jan-2013                                      |
| 75      | private limited,<br>Tecumseh products india | 910051105<br>3.2.2012    | 30.01.2012            | 29-Jan-2013                                      |
| 76      | private limited,<br>Tecumseh products india | 910051104<br>3.2.2012    | 30.01.2012            | 29-Jan-2013                                      |
| 77      | private limited,<br>Tecumseh products india | 910051281<br>14.02.2012  | 27.01.2012            | 27-Jan-2013                                      |
| 78      | private limited,<br>Tecumseh products india | 910051099<br>03.02.2012  | 27.01.2012            | 27-Jan-2013                                      |
| 79      | private limited,<br>Tecumseh products india | 910051286<br>14.02.2012  | 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,<br>Tecumseh products india | 14.02.2012<br>910051218  | 27.01.2012            | 26-Jan-2013                                      |
| 82      | private limited,<br>Tecumseh products india | 13.02.2012<br>910051098  | 27.01.2012            | 26-Jan-2013                                      |
| 83      | private limited,<br>Tecumseh products india | 3.2.2012<br>910051097    | 27.01.2012            | 26-Jan-2013                                      |
| 84      | private limited,<br>Tecumseh products india | 3.2.2012<br>910051074    | 23.01.2012            | 22-Jan-2013                                      |
| 85      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051072  | 23.01.2012            | 22-Jan-2013                                      |
| 86      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051070  | 23.01.2012            | 22-Jan-2013                                      |
| 87      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051069  | 23.01.2012            | 22-Jan-2013                                      |
| 88      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051068  | 23.01.2012            | 22-Jan-2013                                      |
| 89      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051067  | 23.01.2012            | 22-Jan-2013                                      |
| 90      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051066  | 23.01.2012            | 22-Jan-2013                                      |
| 91      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051043  | 23.01.2012            | 22-Jan-2013                                      |
| 92      | private limited,<br>Tecumseh products india | 31.01.2012<br>910051071  | 19.01.2012            | 18-Jan-2013                                      |
| 93      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051065  | 19.01.2012            | 18-Jan-2013                                      |
| 94      | private limited,<br>Tecumseh products india | 02.02.2012<br>910051045  | 19.01.2012            | 18-Jan-2013                                      |
| 95      | private limited,<br>Tecumseh products india | 31.01.2012<br>910051040  | 19.01.2012            | 18-Jan-2013                                      |
| 96      | private limited,<br>Tecumseh products india | 31.01.2012<br>910051039  | 19.01.2012            | 18-Jan-2013                                      |
| 97      | private limited,<br>Tecumseh products india | 31.01.2012<br>910050971  | 19.01.2012            | 18-Jan-2013                                      |
| 98      | private limited,<br>Tecumseh products india | 25.01.2012<br>910050967  | 19.01.2012            | 18-Jan-2013                                      |
| 99      | private limited,<br>Tecumseh products india | 25.01.2012<br>910051073  | 13.01.2012            | 12-Jan-2013                                      |
| 100     | private limited,<br>Tecumseh products india | 02.02.2012<br>910050836  | 12.01.2012            | 11-Jan-2013                                      |
| 101     | Aurobindo Pharma Limited                    | 18.01.2012<br>910045838  | 02.02.2011            | 9-Jan-2013                                       |
| 102     | Aurobindo Pharma Limited                    | 08.03.2011<br>910045894  | 23.02.2011            | 3-Jan-2013                                       |
| 103     | Aurobindo Pharma Limited                    | 11.03.2011<br>910046580  | 20.04.2011            | 17-Dec-2012                                      |
| 104     | Aurobindo Pharma Limited                    | 29.04.2011<br>910045634  | 29.01.2011            | 17-Dec-2012                                      |
| 105     | Aurobindo Pharma Limited                    | 21.02.2011<br>910045397  | 27.01.2011            | 14-Dec-2012                                      |
| 106     | Aurobindo Pharma Limited                    | 03.02.2011<br>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<br>910045349  | 19.01.2011            | 29-Nov-2012                                      |
| 108     | Aurobindo Pharma Limited | 01.02.2011<br>910045072  | 21.12.2010            | 1-Nov-2012                                       |
| 109     | Aurobindo Pharma Limited | 06.01.2011<br>910045071  | 21.12.2010            | 1-Nov-2012                                       |
| 110     | Aurobindo Pharma Limited | 06.01.2011<br>910044926  | 22.11.2010            | 15-Oct-2012                                      |
| 111     | Aurobindo Pharma Limited | 29.12.2010<br>910049953  | 17.11.2011            | 24-Sep-2012                                      |
| 112     | Aurobindo Pharma Limited | 29.11.2011<br>910044925  | 10.12.2010            | 24-Sep-2012                                      |
| 113     | Aurobindo Pharma Limited | 29.12.2010<br>910044477  | 18.11.2010            | 9-Sep-2012                                       |
| 114     | Aurobindo Pharma Limited | 26.11.2010<br>910043745  | 10.09.2010            | 7-Jul-2012                                       |
| 115     | Aurobindo Pharma Limited | 29.09.2010<br>910044509  | 17.09.2010            | 1-Jul-2012                                       |
| 116     | Aurobindo Pharma Limited | 30.11.2010<br>910045351  | 30.10.2010            | 30-Jun-2012                                      |
| 117     | Aurobindo Pharma Limited | 01.02.2011<br>910044156  | 15.10.2010            | 29-Jun-2012                                      |
| 118     | Aurobindo Pharma Limited | 03.11.2010<br>910045127  | 03.01.2011            | 25-Jun-2012                                      |
| 119     | Aurobindo Pharma Limited | 13.01.2011<br>910043954  | 06.10.2010            | 22-Jun-2012                                      |
| 120     | Aurobindo Pharma Limited | 19.10.2010<br>910044478  | 17.11.2010            | 13-Jun-2012                                      |
| 121     | Aurobindo Pharma Limited | 26.11.2010<br>910043744  | 09.09.2010            | 18-May-2012                                      |
| 122     | Aurobindo Pharma Limited | 29.09.2010<br>910044508  | 10.11.2010            | 2-May-2012                                       |
| 123     | Aurobindo Pharma Limited | 30.11.2010<br>910046327  | 11.02.2011            | 30-Mar-2012                                      |
| 124     | Aurobindo Pharma Limited | 12.04.2011<br>910044511  | 21.09.2010            | 25-Mar-2012                                      |
| 125     | Aurobindo Pharma Limited | 30.11.2010<br>910044510  | 24.09.2010            | 18-Mar-2012                                      |
| 126     | Aurobindo Pharma Limited | 30.11.2010<br>910046328  | 17.02.2011            | 4-Jan-2012                                       |
| 127     | Aurobindo Pharma Limited | 12.04.2011<br>910041797  | 02.03.2010            | 3-Dec-2011                                       |
| 128     | Aurobindo Pharma Limited | 26.04.2010<br>910043905  | 02.09.2010            | 1-Sep-2011                                       |
| 129     | Aurobindo Pharma Limited | 14.10.2010<br>910043915  | 01.09.2010            | 31-Aug-2011                                      |
| 130     | Aurobindo Pharma Limited | 14.10.2010<br>910043911  | 27.08.2010            | 26-Aug-2011                                      |
| 131     | Aurobindo Pharma Limited | 14.10.2010<br>910043588  | 27.08.2010            | 26-Aug-2011                                      |
| 132     | Aurobindo Pharma Limited | 22.09.2010<br>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<br>910043530  | 24.08.2010            | 23-Aug-2011                                      |
| 134     | Aurobindo Pharma Limited | 16.09.2010<br>910043576  | 17.08.2010            | 16-Aug-2011                                      |
| 135     | Aurobindo Pharma Limited | 22.09.2010<br>910043532  | 17.08.2010            | 16-Aug-2011                                      |
| 136     | Aurobindo Pharma Limited | 16.09.2010<br>910043949  | 13.08.2010            | 12-Aug-2011                                      |
| 137     | Aurobindo Pharma Limited | 19.10.2010<br>910043573  | 05.08.2010            | 4-Aug-2011                                       |
| 138     | Aurobindo Pharma Limited | 22.09.2010<br>910043906  | 04.08.2010            | 3-Aug-2011                                       |
| 139     | Aurobindo Pharma Limited | 14.10.2010<br>910043746  | 26.07.2010            | 25-Jul-2011                                      |
| 140     | Aurobindo Pharma Limited | 29.09.2010<br>910043907  | 16.09.2010            | 13-Jul-2011                                      |
| 141     | Aurobindo Pharma Limited | 14.10.2010<br>910043909  | 16.09.2010            | 24-Jun-2011                                      |
| 142     | Aurobindo Pharma Limited | 14.10.2010<br>910042827  | 22.06.2010            | 21-Jun-2011                                      |
| 143     | Aurobindo Pharma Limited | 22.07.2010<br>910042831  | 02.06.2010            | 1-Jun-2011                                       |
| 144     | Aurobindo Pharma Limited | 22.07.2010<br>910042832  | 01.06.2010            | 31-May-2011                                      |
| 145     | Aurobindo Pharma Limited | 22.07.2010<br>910042300  | 10.05.2010            | 9-May-2011                                       |
| 146     | Aurobindo Pharma Limited | 22.07.2010<br>910042379  | 05.05.2010            | 4-May-2011                                       |
| 147     | Aurobindo Pharma Limited | 11.06.2010<br>910041995  | 15.04.2010            | 14-Apr-2011                                      |
| 148     | Aurobindo Pharma Limited | 17.06.2010<br>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(₹) |
|------------------|-------------------|---|
| <b>RA-Kandla</b> |                   |   |
| 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                                  |

| Sl 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                                  |
|        | <b>Total</b>      | <b>29,62,655</b>                        |

**Appendix 19 {Para No.4.10.2 (a)}  
Sanction of refund on sale of goods**

| 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 (₹) |
|---|--|-----------------------|--|--|----------------------|---------------------------------------|---------------------------------|
| <b>1 DGA-Chennai</b>                            |  |                       |  |  |                      |                                       |                                 |
| <b>i. Commissioner of Customs (Sea) Chennai</b> |  |                       |  |  |                      |                                       |                                 |
| 1   | S24/SAD/1<br>231/12                        | 19218/12<br>.31-7-12  | M/s.Evershin<br>Timber<br>International<br>Pvt.Ltd | K-120<br>30.8.11   | 4434219/<br>23-8-11  | OOO<br>30.8.11                        | 10970                           |
| 2   | S24/SAD/2<br>025/2012                      | 19775/12<br>.16-11-12 | M/s.Office<br>equipment<br>Pvt.Ltd                 | 269/2011-12<br>16.07.11  | 3782887/<br>14-6-11  | OOO:<br>18..-11                       | 27076                           |
| 3   | S24/SAD/2<br>541/2012                      | 20360/13              | M/s.Jain<br>agencies                               | 221/19-12-11   | 5463002/<br>14-12-11 | OOO<br>20.12.11                       | 55355                           |
| 4   | S24/SAD/3<br>50/13                         | 20663/13              | M/s.3M India<br>Ltd                                | 16698 and other 17<br>Sale invoices in<br>Correlation Sheet<br>dt.30-3-11    | 3086077/<br>30-3-11  | 6.4.11                                | 1856                            |
| 5   | S24/SAD/3<br>50/13                         | 20663/13              | M/s.3M India<br>Ltd                                | 1015<br>17.5.11  | 3514136/<br>16-5-11  | 18.5.11                               | 3480                            |
| 6   |  |                       |  | 197,619,771,978<br>17.5.11   | 3514136/<br>16-05-11 | 18.5.11                               | 1192                            |
| 7   | S24/SAD/3<br>50/13                         | 20663/13              | M/s.3M India<br>Ltd                                | 15636,6544/<br>17.3.11   | 797963               | OOO<br>8.3.11                         | 2806                            |
| 8   |  |                       |  | 15607<br>6.3.11  | 797874/<br>04.3.11   | OOO<br>8.3.11                         | 2380                            |
| 9   |  |                       |  | 15626<br>7.3.11  | 797874/<br>04.03.11  | OOO<br>8.3.11                         | 1073                            |
| 10  | S25/SAD/3<br>94/12                         | 19152/12<br>17.07.12  | M/s. Oriental<br>Trade Linkers                     | 2893 10.10.10 and<br>other invoices<br>mentioned in the<br>correlation sheet | 696927<br>23.11.10   | 25.11. 10                             | 93872                           |
| 11  | Refunds<br>S24/4%SAD<br>/196/13<br>Refunds | 20357/13<br>27.02.13  | Delhi<br>M/S.Universal<br>metal impex              | 128<br>31.12.11  | 5598245<br>2.1.10    | 2.1.12                                | 96101                           |
| 12  | S24/AD256<br>/13                           | 20665/13<br>10.04.13  | M/s. Poly<br>Pipies                                | 208D .24.11.11   | 5263131<br>24.11.11  | 1.12.12                               | 239597                          |



| 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<br>19/12<br>Refunds          | Not available dt<br>5/12                       | M/s. Krishi<br>tech power<br>Equipments<br>Pvt. Ltd | KA 01 to 04 28.8.11<br>(invoice not available )  | 4290386<br>6.9.11 | 29.7.11                               | 51076                           |
| <b>Sub total</b>   |  |  |   |  |                   |                                       | <b>586834</b>                   |
| <b>ii. Commissioner of Customs (Air) Chennai</b>                       |  |  |   |  |                   |                                       |                                 |
| 1  | S25A/SAD/<br>17/12 REF                 | 327/12<br>27.6.12                              | M/s Sartech<br>International                        | 575<br>24.2.11   | 2921653           | 16.3.13                               | 62236                           |
| <b>Sub-total</b>   |  |  |   |  |                   |                                       | <b>62236</b>                    |
| <b>iii. (i) Commissioner of Customs, Tuticorin</b>                     |  |  |   |  |                   |                                       |                                 |
| 1  | VIII/20/332<br>4/2012 RF               | 3307/12<br>30.7.12                             | M/s Ashapura<br>Timber & Saw<br>Mills               | 12040<br>21.7.11   | 4126265           | 22.7.12                               | 11624                           |
| <b>Sub-total</b>   |  |  |   |  |                   |                                       | <b>11624</b>                    |
| <b>iii. (ii) Dy. Commissioner of Customs, ICD, St. John, Tuticorin</b> |  |  |   |  |                   |                                       |                                 |
| 1  | VIII/20/345<br>/2012RF                 | Nil/<br>02.04.12                               | M/s. Elegant<br>Associates                          | 3.4.11   | 2996902           | 30.3.11                               | 7785                            |
| 2  | VIII/20/126<br>1/2012RF                | 981/12<br>16.11.12                             | M/s Sri<br>Lakosha<br>polymer<br>pvt.ltd            | 4205<br>16.12.11   | 5343078           | 17.12.11                              | 54029                           |
| 3  | VIII/20/325<br>/2012RF                 | 274/2012<br>02.04.12                           | M/s.Mahalaks<br>hmi Timbers                         | 688,689 302.11   | W83669            | 15.3.11                               | 22448                           |
| 4  | VIII/20/873<br>/2012RF                 | 680/2012<br>11.0712                            | M/s.Mahalaks<br>hmi Timbers                         | 713<br>12.4.11   | W83920            | 18.5.11                               | 12581                           |
| <b>Sub Total</b>   |  |  |   |  |                   |                                       | <b>96843</b>                    |
| <b>2 DGA-Kolkata</b>   |  |  |   |  |                   |                                       |                                 |
| 1  | S107-<br>3532/12<br>ARS dt<br>18/10/12 | KOL/CUS/A<br>C/2835 ARS<br>12-13<br>15.11.2012 | Rohan<br>Enterprises,<br>Kolkata                    | RE/T/016/12-13<br>17.4.12<br><br>RE/T/017/12-13<br>1704.12<br>RE/T/018/12-13<br>17. 4.12 | 6488901<br>9.4.12 | 13.4.12<br>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.<br>1704.12 |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/020/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/021/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/022/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/023/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/024/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/025/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/026/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   | RE/T/026/12-13<br>17.4.12  |                        |                                       |                                 |
|                          |                                    |                                  |   |                            |                        | <b>Sub total</b>                      | <b>237683</b>                   |
| <b>3 PDA - Mumbai</b>    |                                    |                                  |   |                            |                        |                                       |                                 |
| 1(i)                     | S/12/SAD-826/12-13<br>ACC(R)       | 3422/<br>22.11.2012              | M/s. Eternity<br>Life styles<br>Pvt.ltd         | DMN/00339/1112/<br>3.5.11  | 3489153<br>13.5.11     | 16.5.11                               | 656                             |
| (ii)                     |                                    |                                  |   | DMN/00368/1112<br>3.5.11   |                        |                                       | 656                             |
| (iii)                    |                                    |                                  |   | MUM/00195/1112<br>6.5.11   |                        |                                       | 656                             |
| (iv)                     |                                    |                                  |   | MUM/00165/1112/<br>04.5.11 |                        |                                       | 656                             |
| (v)                      |                                    |                                  |   | MUM/00201/1112/<br>7.5.11  |                        |                                       | 637                             |
| (vi)                     |                                    |                                  |   | DMN/00338/1112/<br>3.5.11  |                        |                                       | 678                             |
| (vii)                    |                                    |                                  |   | DMN/00434/1112             |                        |                                       | 394                             |
| 2(i)                     |                                    |                                  |   | MUM/00173/1112             | 3420920<br>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                             |
|                          |                                    |                                  |   |                            |                        | <b>Sub total</b>                      | <b>8569</b>                     |
| <b>4 PDA - Hyderabad</b> |                                    |                                  |   |                            |                        |                                       |                                 |
| 1                        | C.No.S/47/<br>REF/148/2<br>012-ACC | 235/2012-<br>ACC(R)<br>25.082012 | M/s Elico<br>Marketing<br>Pvt.Ltd,<br>Hyderabad | 55/11-12/<br>26.08.11      | 4461792/<br>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/<br>REF/153/2<br>012-ACC | 231/2012-<br>ACC(R)<br>25.08.2012 | M/s Swan<br>Environmental<br>Pvt. Ltd,<br>Hyderabad | 291/11-12<br>20.08.11     | 4405649/<br>19.08.2011 | 22.8.11                               | 5693                            |
| <b>Sub total</b>   |                                    |                                   |   |                           |                        |                                       | <b>19692</b>                    |
| <b>Grand total</b> |                                    |                                   |   |                           |                        |                                       | <b>10,23,481</b>                |

## 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 (₹)   |
|---|------------------|---------------------------|---------------------|--|--|---|
| <b>1. DGA - Chennai</b>                         |                  |                           |                     |  |  |   |
| <b>i. Commissioner of Customs (Air) Chennai</b> |                  |                           |                     |  |  |   |
| 1   | S25A/SAD/476,477 | M/s. Dax Net<br>Works Ltd | 31.03.2011          | 140951/<br>04.03.10<br>142700/<br>06.03.10<br>143802/<br>08.03.10<br>149942/<br>16.03.10<br>149945/<br>16.03.10<br>151958/<br>18.03.10<br>152003/<br>18.03.10<br>152342/<br>18.03.10<br>152571/<br>18.03.10<br>152668/<br>18.03.10<br>152669/<br>18.03.10<br>155101/<br>20.03.10 | 05.03.10<br>09.03.10<br>09.03.10<br>17.03.10<br>17.03.10<br>19.03.10<br>19.03.10<br>19.03.10<br>19.03.10<br>19.03.10<br>19.03.10<br>19.03.10<br>20.03.10<br>22.03.10 | 39233<br>14978<br>2643<br>16340<br>20862<br>10182<br>49474<br>20822<br>13793<br>16652<br>33243<br>24094 |
| 2   | S25/A/SAD/102/11 | Madras Malabar<br>Corpn.  | 11.11.11            | 957034/<br>05.11.11  | 06.11.09   | 3283  |
| <b>Sub total</b>                                |                  |                           |                     |  |  | <b>265599</b>   |
| <b>PDA - Chennai (Br. Office Cochin)</b>        |                  |                           |                     |  |  |   |
| 1   | S18/483/2012     | Falcon Glass<br>Palace    | 03.08.12            | 14/2013/<br>02.01.2013   | 01.08.11   | 180473  |
| <b>Sub total</b>                                |                  |                           |                     |  |  | <b>180473</b>   |

| 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 (₹) |
|---------------------------|--|---|---------------------|------------------------|--|---------------------------------|
| <b>2. PDA - Mumbai</b>    |  |   |                     |                        |  |                                 |
| 1.                        | F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH<br>21.12.12 | M/S Prakash<br>Chemical                                   | 21.12.2012          | 4624046/<br>13.09.2011 | 21.09.12                                     | 135792                          |
| 2                         | F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH<br>21.12.12 | M/S Prakash<br>Chemical                                   |                     | 4948046/<br>18.10.2011 | 20.10.11                                     | 76389                           |
| 3                         | F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH<br>21.12.12 | M/S Prakash<br>Chemical                                   |                     | 5018706/<br>25.10.2011 | 01.11.11                                     | 37648                           |
| 4                         | F.No. S/12-Mis-5718/12-13/CRA II A (SAD)JNCH<br>21.12.12 | M/S Prakash<br>Chemical                                   |                     | 5109463/<br>04.11.2011 | 11.11.11                                     | 38702                           |
| 5                         | F.No. S/12-Mis-867/12-13/CRA II A (SAD)JNCH<br>10.05.12  | M/S<br>Eximincorporation                                  | 10.05.2012          | 5926247/<br>06.02.2011 | 21.02.11                                     | 164774                          |
| 6                         | F.No. S/12-Mis-7792/11-12/CRA II A (SAD)JNCH<br>30.03.12 | M/s. Bambooo<br>Ram HariChand                             | 30.03.2012          | 6015812/<br>15.02.2012 | 20.02.11                                     | 62813                           |
| <b>Sub total</b>          |  |   |                     |                        |  | <b>516118</b>                   |
| <b>3. PDA - Hyderabad</b> |  |   |                     |                        |  |                                 |
| 1                         | C.No.S/47/REF/302/2012-ACC                               | M/s Randox<br>Laboratories<br>(India) Pvt. Ltd,<br>Mumbai | 29.11.2012          | 5317477/<br>28.11.2011 | 29-11-2011                                   | 44263                           |
| <b>Sub total</b>          |  |   |                     |                        |  | <b>44263</b>                    |
| <b>4. PDA - Bangalore</b> |  |   |                     |                        |  |                                 |
| 1                         | 546/D-421/ 2012 Refunds<br>BACC                          | M/s Enterprise<br>Software<br>Solutions, Lab,<br>Ltd      | 05.12.2012          | 5368589/<br>12.03.2011 | 5.12.2011                                    | 198874                          |
| <b>Sub total</b>          |  |   |                     |                        |  | <b>198874</b>                   |
| <b>Grand Total</b>        |  |   |                     |                        |  | <b>12,05,327</b>                |

**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 (₹) |
|---|---------------------|----------------|---|--|---------------------|--------------|
| <b>I. Commissioner of Customs (Air) Chennai</b> |                     |                |   |  |                     |              |
| 1   | 357433/<br>29-11-10 | 430/<br>3-8-12 | MTL 20 DS Ecom vacuum With D 40 access. Kit<br>Inds. Cleaning machine | Roots delfin Mistral 202 DS Eco Single Phase (contin) Heavy Duty<br>Indl.Vac.Cleaner with Manual Filter Cleaning system<br>Including Std | CI-204/<br>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 accessories  | Sale invoice               | SAD paid (₹) |
|--|----------------------|----------------------|--|---|----------------------------|--------------|
|  |                      |                      |  |   | CI-205/<br>10-12-10        | 2336         |
|  |                      |                      |  |   | CI-206/<br>11-12-10        | 2336         |
|  |                      |                      |  |   | CI-221/<br>29-12-10        | 4672         |
| 2  | 364783/<br>8-12-10   | 430/<br>3-8-12       | Trough Battery<br>24V/240 Spare<br>parts for Inds. Cle.<br>machine   | Trough Battery<br>12V/240<br>AH, Parts with<br>aquamatic  | CI-212/<br>20-12-10        | 6472         |
| 3  | 364783/<br>8-12-10   | 430/<br>3-8-12       | Brush Head plate<br>Brush 8 Spare<br>parts for Inds.<br>Cle. Mac.  | Plate Brush<br>Head 85 cm   | CI-212/<br>20-12-10        | 10290        |
| 4  | 364783/<br>08-12-10  | 430/<br>03-8-12      | Brush SIC PA<br>180B 900 Spare<br>parts Ind. Cle<br>Mach.  | Very Heavy dirt<br>and Basic<br>Cleaning/SIC PA<br>6 grain  | CI-212/<br>20-12-10        | 986          |
| 5  | 386413/<br>3-1-11    | 430/<br>03-8-12      | MTL 20 DSEco M<br>vacuum with D 40<br>access. Kit model<br>no. ASMTL 202<br>DSEcom 40 E<br>Indus. Cle. Mac | Roots delfin<br>Mistral 202<br>DSEco single<br>wth manual<br>filter clea.<br>System inclu.<br>Std accessories | CI-249/<br>22-1-11         | 2276         |
|  |                      |                      |  |   | CI 267/<br>22-2-11         | 2276         |
|  |                      |                      |  |   | CI 270/<br>25-2-11         | 2276         |
|  |                      |                      |  |   | CI 271/<br>25-2-11         | 2276         |
|  |                      |                      |  |   | CI 276/<br>28-2-11         | 2276         |
| 6  | 3549601/<br>19.05.11 | 192/12/<br>24.04.12  | M/s. multiplexers<br>panal kit surver  | EIL<br>SDPT5220INST<br>MT   | DEL-12-100033/<br>27.06.11 | 16743        |
|  |                      |                      |  |   | Sub Total                  | 57551        |
| <b>II. Commissioner of Customs (Sea) Chennai</b> |                      |                      |  |   |                            |              |
| 1  | 4040446/<br>11.07.11 | Nil/6/12             | C25 Art board<br>210GSM 585 X<br>914   | C25 Art board<br>635 X 914  | 183/<br>21.07.11           | 11093        |
| 2  | 4113895/<br>19.07.11 | 20624/13<br>04.04.13 | Wooden dowel<br>8X 35 mm   | Wooden dowel<br>8X 50 mm  | 9741000007/<br>28.07.11    | 3208         |
| 3  | 4237398/<br>01.08.11 | 20455/<br>12.03.13   | Elephant Brand<br>GS Spray dried<br>powder   | Imported wattle<br>extract elephant<br>GS Board   | EGS 25/<br>23.09.11        | 62855        |
| 4  | 4493333/<br>29.08.11 | 20455/12.0<br>3.13   | do   | do  | EGS/119/<br>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<br>Sub Total   | SAD paid (₹)<br>140011 |
|--|------------------------|--------------------------------|--|---|---|------------------------|
| <b>III. Commissioner of Customs, Tuticorin</b> |                        |                                |  |   |   |                        |
| 1  | 4101136<br>18.07.11    | 883/2012                       | Radiata pine logs T1/70                      | Radiata pine round logs                       | T1/70 /<br>30.07.11<br>T1/76/<br>01.08.11   | 16717                  |
| 2  | 577184<br>19.01.12     | 4190/2012<br>26.11.12          | Ghana Gmelina round logs                     | Gmelina logs                                  | 1. 354<br>04.02.12<br>2. 355<br>04.02.12<br>3. 357<br>10.02.12<br>4. 358<br>10.02.12<br>5. 359<br>10.02.12<br>6. 372<br>12.03.12<br>7. 1015<br>19.04.12<br>8. 1018<br>27.04.12<br>9. 1019<br>27.04.12<br>10. 1020<br>02.05.12 | 133393                 |
| 3  | 5048676<br>29.10.11    | 4332/2012<br>12.12             | Round logs                                   | Imported teak logs                            | 971,976,977,265<br>,266,273, and<br>274   | 86889                  |
| 4  | 5373157<br>03.12.11    | 4327/2012<br>14.12.12          | Teak roun logs                               | Imported teak logs                            | 991,992,995,998<br>,999,1002,1004<br>and 1006   | 153291                 |
| 5  | 5389607<br>06.12.11    | 26/2012<br>12.12               | Teal round logs & teak round logs (off cut)  | Imported teak logs                            | 996,1007,1009<br>and 1010   | 63343                  |
| 6  | 5866295<br>31.01.12    | 3857/2012<br>31.10.12          | Teak clean square in different type.         | Imported teak wood sawn                       | 12246,12247,12<br>255,12256,1225<br>7,12273,12277,1<br>2286,12294,123<br>00,12302,12303,<br>12304,12306,12<br>309,12313,1231<br>4,12315,<br>12316,12317,12<br>323,12324,1232<br>6 and 12327                                   | 61573                  |
| <b>Sub total</b>                               |                        |                                |  |   |   | <b>515206</b>          |
| <b>DGA - Kolkata</b>                           |                        |                                |  |   |   |                        |
| 1  | 8025130/<br>24.09.2012 | R/O-<br>4071/12-13<br>04.01.13 | Defective/Second ary Tinplate Coil           | Defective/ Secondary Tinplate coil cut in pcs | TS99/228/1213<br><br>TS99/229/12-13<br>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/<br>30-10-12                             |                     |  |  | TS99/267/12-13<br>TS99/268/12-13<br>TS99/269/12-13<br>TS99/270/12-13<br>TS99/271/12-13   | 168893       |
| 2       | 7188820/<br>22-06-12                             | S107-<br>4358/12ARS | Defective and Secondary Cold rolled steel Sheet Cutting/Coil | D Sec CR Coil cut to Sheet             | 125/<br>04-11-12<br><br>126/<br>04-11-12<br>127/<br>05-11-12<br>128/<br>05-11-12<br>129/<br>05-11-12<br>130/<br>05-11-12<br>131/<br>06-11-12<br>132/<br>06-11-12<br>133/<br>06-11-12 | 271095       |
|         | 8053504/<br>26-09-12                             | S107-<br>4358/12ARS | Secondary/Defective Galvanised Coils                         | Def Sec Galvanised Coil cut in Pcs     | 347/<br>15-11-12<br><br>348/<br>15-11-12<br>349/<br>16-11-12<br>350/<br>16-11-12<br>351/<br>16-11-12<br>352/<br>16-11-12   | 193109       |
| 3       | 7875007/<br>06-09-12                             | S107-<br>4358/12ARS | Defective/Secondary Tinplate Coils                           | D/Sec TP Sheet cut from Coil           | 362/<br>20-11-12<br><br>363/<br>20-11-12<br>364/<br>20-11-12<br>365/<br>21-11-12<br>366/<br>21-11-12   | 175695       |
|         | 8362003/<br>31.10.2012<br>8362003/<br>31.10.2012 | S107-<br>4358/12ARS | polyester fabrics with pvc backing                           | polyester coated Fabrics               | 5409/<br>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/<br>27.11.2012         | 518.40           |
|         |                        |                     |  |  | 5968/<br>27.11.2012         | 424.15           |
|         |                        |                     |  |  | 5967/<br>27.11.2012         | 471.28           |
|         |                        |                     |  |  | 5476/<br>9.11.2012          | 659.79           |
|         |                        |                     |  |  | 5475/<br>9.11.2012          | 471.28           |
| 4       | 8362003/<br>31.10.2012 | S107-<br>4358/12ARS | polyester fabric<br>with pvc backing         | polyester coated<br>Fabrics            | 3210/<br>8.11.2012          | 29612.10         |
|         |                        |                     |  |  | 5922/<br>26.11.2012         | 777.72           |
|         |                        |                     |  |  | 5916/<br>26.11.2012         | 807.51           |
|         |                        |                     |  |  | 5913/<br>26.11.2012         | 699.95           |
|         |                        |                     |  |  | 5912/<br>.26.11.2012        | 388.86           |
|         |                        |                     |  |  | 5813/<br>22.11.2012         | 839.94           |
|         |                        |                     |  |  | 5923/<br>26.11.2012         | 1290.08          |
|         |                        |                     |  |  | 5964/<br>27.11.2012         | 1166.58          |
|         |                        |                     |  |  | 5975/<br>27.11.2012         | 839.94           |
|         |                        |                     |  |  | 5974/<br>27.11.2012         | 544.41           |
|         |                        |                     |  |  | 5973/<br>27.11.2012         | 824.38           |
|         |                        |                     |  |  | 5972/<br>27.11.2012         | 964.37           |
|         |                        |                     |  |  | 5971/<br>27.11.2012         | 808.83           |
|         |                        |                     |  |  | 5969/<br>27.11.2012         | 466.63           |
|         |                        |                     |  |  | No sale invoice<br>attached | 52038.90         |
| 5       | 8375886/<br>01.11.2012 | S107-<br>4358/12ARS | spare parts for                              |  |                             |                  |
|         | 8362014/<br>31.10.2012 | S107-<br>4358/12ARS | polyester coated<br>fabrics                  | polyester fabricks<br>with pvc baking  | 5593/<br>15.11.2012         | 1006.57          |
|         |                        |                     |  |  | 5390/<br>5.11.2012          | 745.60           |
|         |                        |                     |  |  | <b>Sub total</b>            | <b>10,66,550</b> |
|         |                        |                     |  |  | <b>Grand total</b>          | <b>17,79,318</b> |



**Appendix 22 {Para No.4.10.2 (d)}**  
**Incorrect sanction of refunds to manufacture**

| Sl No.                 | File No.                       | Name of applicant                         | BE No.  | Date               | Amount of refund sanctioned (₹) |
|------------------------|--------------------------------|---|---------|--------------------|---------------------------------|
| <b>DGA - Kolkata</b>   |                                |   |         |                    |                                 |
| 1                      | S107-3842/12/ARS<br>20/11/2012 | Prateek<br>Patodia                        | 5255839 | 22-11-11           | 669158                          |
|                        |                                |   | 5549213 | 23-12-11           |                                 |
|                        |                                |   | 5609625 | 30-12-11           |                                 |
|                        |                                |   | 5820504 | 24-01-12           |                                 |
|                        |                                |   | 5820500 | 24-01-12           |                                 |
|                        |                                |   |         | <b>Sub total</b>   | <b>669158</b>                   |
| <b>PDA - Hyderabad</b> |                                |   |         |                    |                                 |
|                        | C.No.S/47/R/109/2012-<br>ICD   | M/s Chowdary<br>Enterprises,<br>Hyderabad | 4154439 | 7-2011             | 37247                           |
|                        | C.No.S/47/R/89/2012-<br>ICD    | M/s Chowdary<br>Enterprises,<br>Hyderabad | 3441982 | 9/5/2011           | 96240                           |
|                        |                                |   |         | <b>Sub total</b>   | <b>133487</b>                   |
|                        |                                |   |         | <b>Grand total</b> | <b>8,02,645</b>                 |

**Appendix 23 {Para No.4.10.2 (e) (i)}**  
**Co-relation sheet not properly matched with cargo**

| Sl No.              | File No.           | Name of Company                                     | Name of the goods imported  | Order in original number |
|---------------------|--------------------|---|-----------------------------|--------------------------|
| <b>DGA- Chennai</b> |                    |   |                             |                          |
| 1                   | VIII/20/1228/12/RF | M/s Andaman<br>Timber Company,<br>Chennai           | Kwila Logs (3<br>Varieties) | 960/12<br>dt. 31.10.12   |
| 2                   | VIII/20/3681/12/RF | M/s. eastern bulk<br>trading & shipping<br>pvt ltd. | Limestone in<br>Bulk        | NIL<br>dt.24.09.2012     |

**Appendix 24 {Para No.4.10.2 (e) (v)}**  
**Irregular refunds made despite non availability of sales invoices**

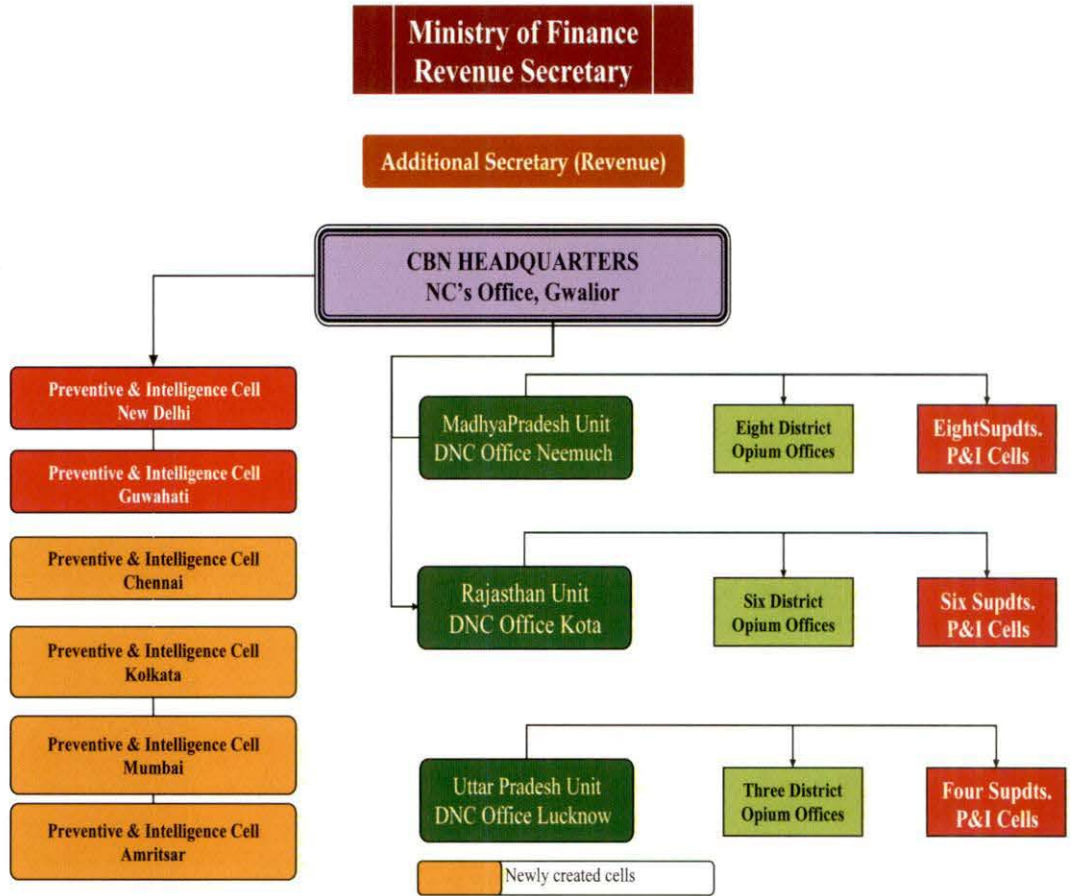
| Sl No.               | Refund file No.                        | Importer's name                                      | Refund order No. & date    | Refund Amount (₹) |
|----------------------|--|--|----------------------------|-------------------|
| <b>DGA - Kolkata</b> |  |  |                            |                   |
| 1                    | F.NoS107-2001/12<br>ARS<br>dt.8.06.12  | JMD Trading<br>Jahanabad,                            | 1496/2012-13<br>13.08.2012 | 716614            |
| 2                    | F.NoS107-<br>2511/12ARS<br>dt.27.07.12 | Huber and<br>Suhner Electronic<br>Pvt. Ltd., Kolkata | 1970/2012-13<br>24.09.2012 | 4030304           |
| 3                    | F.NoS107-<br>2596/12ARS<br>dt.02.08.12 | M/s R. K. Impex<br>Co.(India)                        | 1987/2012-13<br>25.09.2012 | 2946222           |
|                      |  |  | <b>Total</b>               | <b>76,93,140</b>  |

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 (₹) |
|---------------------|--------------|------------------------------|---------------|--------------|---------------------------------|
| <b>PDA - Cochin</b> |              |                              |               |              |                                 |
| 1                   | S18/159/2012 | Vallabhadas & Co., Ernakulam | 5565065       | 26.12.11     | 33712                           |
| 2                   | S18/569/2012 |                              | 7496370       | 26.07.12     | 126006                          |
|                     |              |                              | 7531105       | 30.07.12     | 62854                           |
| 3                   | S18/688/2012 |                              | 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                           |
|                     |              |                              |               | <b>Total</b> | <b>4,85,743</b>                 |

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 weighment of opium**

| Particulars   | 2010-11 | 2011-12 | 2012-13 | Grand Total |
|---|---------|---------|---------|-------------|
| Total no. of cultivators who deposits opium                   | 9380    | 7443    | 8387    | 25210       |
| <b>I. Samples sent to factory as good by department</b>       | 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         |
| <b>II. Samples sent to factory as suspected by department</b> | 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 weighment 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 (₹) |
|---------------------|-----------------------------|----------|----------|-----------------|-----------------|
| <b>Neemuch-I</b>    |                             |          |          |                 |                 |
| <b>Year 2010-11</b> |                             |          |          |                 |                 |
| 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,<br>Grandson  | 27700           |
| 11      | Ramchandra/Shree lal     | ---do---  | ---do--- | Tarachand, Son           | 39200           |
| 12      | Indrabai/Bhawanibai      | ---do---  | ---do--- | Rameshchanra,<br>Husband | 23200           |
| 13      | Prabhulal/Nanalal        | ---do---  | ---do--- | Devilal, Son             | 36857           |
| 14      | Ramkuwarbai/Badrilal     | ---do---  | ---do--- | Motilal, Son             | 44900           |
| 15      | Madhulal/Kaluji          | ---do---  | ---do--- | Rameshchandra,<br>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,<br>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<br>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--- | Shyamal, Son           | 30347           |
| 83                  | Ramchandra/Lala          | ---do---            | ---do--- | Rameshchandra,<br>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<br>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,<br>Son | 47200           |
| 103                 | Gitabai/Ramchandra       | ---do---            | ---do--- | Rameshchandra,<br>Son  | 26500           |
| 104                 | Nagjiram/Pyarji          | ---do---            | ---do--- | Bherulal               | 53800           |
|                     |                          |                     |          | <b>Sub total</b>       | <b>3304041</b>  |
| <b>Year 2011-12</b> |                          |                     |          |                        |                 |
| 105                 | Basantibai/Gyan Singh    | Chauthkheda         | ---do--- | Mahendra Singh,<br>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     | Bhadhbhdiya  | ---do--- | Omprakash, Son        | 16700           |
| 108     | Rampyaribai/Mangilal  | ---do---     | ---do--- | Rameshchandra, Son    | 29400           |
| 109     | Sundarbai/Bhawarlal   | ---do---     | ---do--- | Omprakash, Son        | 16900           |
| 110     | Jaikuwar/Chatarbhu    | ---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     | Jamnallal/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           |



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| 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---     | Madanal, Son        | 46377           |
| 213                 | Pushpabai/Chhaganlal      | ---do---         | ---do---     | Satyanarayan, Son   | 68645           |
|                     |                           |                  |              | <b>Sub total</b>    | <b>3018114</b>  |
| <b>Mandsour-III</b> |                           |                  |              |                     |                 |
| <b>2010-11</b>      |                           |                  |              |                     |                 |
| 1                   | Bherulal/Barda            | Akiabika part-II | Mandsour-III | Banshilal, Son      | 15200           |
| 2                   | Inderbai/Bhawerlal        | ---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---     | Shyamal             | 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       | Banshkhedi       | ---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                  | Hukumlal/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      | Bhawaribai/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--- | Madanal            | 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      | Bhawaribai/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      | Bhawar 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           |
|                     |                             |               |          | <b>Sub total</b> | <b>2707799</b>  |
| <b>Year 2011-12</b> |                             |               |          |                  |                 |
| 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                 | RasalKuwar/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     | Bhawarbai/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/Laluram        | 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--- | Bhuaniram, 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,<br>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                 | Bhawarbai/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           |
|                     |                         |           |          | <b>Sub total</b>      | <b>2818108</b>  |
| <b>Jaora-II</b>     |                         |           |          |                       |                 |
| <b>Year 2010-11</b> |                         |           |          |                       |                 |
| 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                  | Bhawar 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/Bhawar 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            |
|                     |                            |            |     | <b>Sub total</b>   | <b>2495999</b>  |
| <b>Year 2011-12</b> |                            |            |     |                    |                 |
| 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              |
|         |                            |         |     | <b>Sub total</b>   | <b>8,49,371</b>    |
|         |                            |         |     | <b>Grand total</b> | <b>1,51,94,432</b> |

**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 (₹) |
|----------------------|-----------------------------------|------------|---------------|---------------|-----------------|
| <b>DOO, Bhilwara</b> |                                   |            |               |               |                 |
| <b>2010-11</b>       |                                   |            |               |               |                 |
| 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           |
| <b>2011-12</b>   |                                   |                  |            |               |                 |
| 1                | Pyari/Baxa                        | Samro ka<br>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/Chaturbhuj                  | 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           |
| <b>Sub total</b> |                                   |                  |            |               | <b>1811200</b>  |
| <b>DOO, Kota</b> |                                   |                  |            |               |                 |
| <b>2010-11</b>   |                                   |                  |            |               |                 |
| 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           |
| <b>2011-12</b>         |                                   |              |              |               |                 |
| 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                      | Raghunathi 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           |
| <b>Sub total</b>       |                                   |              |              |               | <b>879500</b>   |
| <b>DOO, Pratapgarh</b> |                                   |              |              |               |                 |
| <b>2010-11</b>         |                                   |              |              |               |                 |
| 1                      | Amba lal/Suva lal                 | Yashvantpura | Pratapgarh   | Suvalal       | 26400           |
| 2                      | Devil al/Raghunath                | 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                     | Dhapaiu 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/Chaturbhuj             | 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/Chaturbhuj                  | Karunda       | Choti Sadri | Ramnarayan    | 34900           |
| 47             | Champa/Nanu                       | Karunda       | Choti Sadri | Suva lal      | 43800           |
| 48             | Shani/Kanwar lal                  | Karunda       | Choti Sadri | Udai          | 41300           |
| <b>2011-12</b> |                                   |               |             |               |                 |
| 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            |
|         |                                   |            |        | <b>Sub total</b>   | <b>29,54,600</b> |
|         |                                   |            |        | <b>Grand total</b> | <b>56,45,300</b> |

**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)                  |
| <b>Total-</b>     | <b>88.385 (30)</b>                      | <b>25089.50 (7)</b>       | <b>23.9500 (3)</b>   | <b>32.350 (4)</b>    | <b>2.250 (2)</b>      | <b>0.700 (2)</b>           | <b>19.500 (2)</b>          | <b>1.420 (1)</b>      | <b>0.220 (1)</b>           |

**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 (-) |
|------------------|---------------------|--------|---------|-----------|---------|-------------------------|
| <b>Neemuch-I</b> |                     |        |         |           |         |                         |
| 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                 |

| Sl 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                  | Madanal             | -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<br>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                 |
| <b>Mandsour-III</b> |                     |         |                    |              |         |                         |
| 1                   | Badrilal            | Suwasra | Khand<br>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<br>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<br>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              | KamlaKuwar          | -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                 |
| <b>Jaora-II</b> |                     |            |                   |          |         |                         |
| 1               | Balwantsingh        | Jaora      | Binoli            | Jaora-II | 2010-11 | (+)350g                 |
| 2               | Raghuveer           | -do-       | -do-              | -do-     | -do-    | (+)710g                 |

| Sl 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<br>Shanker | -do | -do  | (+)620g                 |
| 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<br>Singh    | -do    | -do                | -do | -do  | (+)1.290kg              |
| 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<br>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<br>Singh  | -do    | -do                | -do | -do  | (+)2.040kg              |

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| 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 Kishan lal  | Ataru       | Motipura   | -do- | "       | (-) 0.400               |
| 12     | Dropati Bai W/o Mangilal  | -do-        | -do-       | -do- | "       | 2.210                   |
| 13     | Ratan Lal S/o Kanwar lal  | -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                   |

| Sl No. | Name of cultivators                 | Tehsil           | Village           | DOO  | Year    | Excess (+) shortage (-) |
|--------|-------------------------------------|------------------|-------------------|------|---------|-------------------------|
| 17     | Harpal<br>Ram Bharose S/o<br>Harlal | Chhabada         | Phaliya           | -do- | 2011-12 | 2.778                   |
| 18     | Jai Narayan S/o<br>Jamunalal        | -do-             | -do-              | -do- | -do-    | -                       |
| 19     | Prabhulal S/o<br>Motilal            | Chhipabadod      | Motipura          | -do- | -do-    | 2.230                   |
| 20     | Gulab bai W/o<br>Prabhulal          | -do-             | -do-              | -do- | -do-    | 2.620                   |
| 21     | Gyarsi bai W/o<br>Harak Chandra     | -do-             | -do-              | -do- | -do-    | -                       |
| 22     | Ram Kalyan S/o<br>Hajarilal         | -do-             | -do-              | -do- | -do-    | 1.290                   |
| 23     | Ram Niwas S/o<br>Mohanlal           | -do-             | Setukol-II        | -do- | -do-    | 1.364                   |
| 24     | Kanhyalal S/o<br>Mohanlal           | -do-             | -do-              | -do- | -do-    | 1.149                   |
| 25     | Janki bai W/o Bal<br>chand          | -do-             | -do-              | -do- | -do-    | 1.161                   |
| 26     | Mohan lal S/o Panna<br>lal          | -do-             | -do-              | -do- | -do-    | 1.563                   |
| 27     | Geeta Bai W/o<br>Mathuralal         | -do-             | -do-              | -do- | -do-    | 1.759                   |
| 28     | Chhotelal S/o<br>Sukhalal           | -do-             | -do-              | -do- | -do-    | 3.894                   |
| 29     | Dhannalal S/o Harlal                | -do-             | -do-              | -do- | -do-    | 1.867                   |
| 30     | Jagannath S/o Ram<br>Chandra        | -do-             | Setu Kol          | -do- | -do-    | 1.595                   |
| 31     | Ram Kanya bai W/o<br>Mool chand     | -do-             | -do-              | -do- | -do-    | 2.322                   |
| 32     | Ram Prasad S/o Kalu                 | -do-             | Devarimund        | -do- | -do-    | 3.692                   |
| 33     | Dhanshyam S/o<br>Shankarlal         | -do-             | -do-              | -do- | -do-    | 4.364                   |
| 34     | Laxmibai W/o<br>Dhannalal           | Chhabada         | Hanumant<br>Kheda | -do- | -do-    | 1.255                   |
| 35     | Girdhari S/o Janki<br>bai           | -do-             | -do-              | -do- | -do-    | 0.608                   |
| 36     | Lali bai W/o<br>Chhotelal           | Ramganj<br>Mandi | Gudayala          | -do- | -do-    | 4.109                   |
| 37     | Bhanwari Bai S/o<br>Rodu            | -do-             | -do-              | -do- | -do-    | 2.631                   |
| 38     | Ram Dayal S/o<br>Dhulilal           | -do-             | -do-              | -do- | -do-    | 0.959                   |
| 39     | Gokul bai W/o<br>Bheru              | -do-             | Haripura          | -do- | -do-    | 0.904                   |
| 40     | Arjun Singh S/o<br>Bheru Singh      | -do-             | -do-              | -do- | -do-    | 1.292                   |
| 41     | Mdholal S/o Bihari                  | Chhabada         | Gaphurpura        | -do- | -do-    | 1.597                   |
| 42     | Kailash S/o Babaru                  | Ramganj<br>Mandi | Kishorepura       | -do- | -do-    | 2.499                   |
| 43     | Puri lal S/o Babaru                 | -do-             | -do-              | -do- | -do-    | 3.402                   |
| 44     | Ram Nath S/o<br>Nandlal             | -do-             | Bholu             | -do- | -do-    | 3.303                   |
| 45     | Kalyan S/o Shoram                   | -do-             | -do-              | -do- | -do-    | 2.648                   |
| 46     | Ram Pyaribai W/o                    | -do-             | -do-              | -do- | -do-    | 1.685                   |



| Sl No. | Name of cultivators                       | Tehsil           | Village           | DOO             | Year    | Excess (+)<br>shortage (-) |
|--------|---|------------------|-------------------|-----------------|---------|----------------------------|
|        | Moduram                                   |                  |                   |                 |         |                            |
| 47     | Hari Shankar S/o<br>Jaipal                | Ataru            | Ummedgang         | -do-            | -do-    | 5.548                      |
| 48     | Ashok Kumar S/o<br>Madanlal               | -do-             | -do-              | -do-            | -do-    | 2.281                      |
| 49     | Bharat lal S/o<br>Rajendra Singh          | -do-             | -do-              | -do-            | -do-    | 6.504                      |
| 50     | Man Singh Meena<br>S/o Ganga ram<br>Meena | Chhabada         | Gaphurpura        | -do-            | 2012-13 | -                          |
| 51     | Mohan Lal S/o<br>Bansilal                 | Chhipabadod      | Barsat            | -do-            | -do-    | -                          |
| 52     | Champalal S/o<br>Badrilal                 | -do-             | -do-              | -do-            | -do-    | 0.970                      |
| 53     | Latur S/o Panchhiva                       | -do-             | Rasulpur          | -do-            | -do-    | 1.080                      |
| 54     | Purilal S/o Pannalal                      | Ramganj<br>Mandi | Kanwarpur         | -do-            | -do-    | 1.310                      |
| 55     | Haricharan S/o<br>Devlal                  | Chhebada         | Pharidpur         | -do-            | -do-    | 0.740                      |
| 56     | Kalyan S/o Shoran                         | Ramganj<br>Mandi | Bholu             | -do-            | "       | 0.900                      |
| 57     | Babulal S/o Dhanji<br>ram                 | Chhabada         | Phaliya           | -do-            | -do-    | 0.570                      |
| 58     | Karan Singh S/o Ram<br>Singh              | Chhotisadadi     | Barwarda<br>Deval | Pratap-<br>garh | 2010-11 | 0.530                      |
| 59     | Devi lal S/o Moda                         | -do-             | -do-              | -do-            | -do-    | (-) 0.440                  |
| 60     | Bhagwan S/o<br>Kasiram                    | -do-             | -do-              | -do-            | -do-    | 0.560                      |
| 61     | Badrilal S/o<br>Chunnilal                 | -do-             | -do-              | -do-            | -do-    | 1.192                      |
| 62     | Tulsibai W/o<br>Ambalal                   | -do-             | Subi (B)          | -do-            | -do-    | 2.380                      |
| 63     | Shiv Narayan S/o<br>Ganga Ram             | -do-             | -do-              | -do-            | -do-    | 1.702                      |
| 64     | Tek Chandra S/o<br>Heeralal               | -do-             | -do-              | -do-            | -do-    | 0.942                      |
| 65     | Ram Narayan S/o<br>Chhaganlal             | -do-             | -do-              | -do-            | -do-    | (-) 0.329                  |
| 66     | Phatah lal S/o<br>Hariram                 | -do-             | -do-              | -do-            | -do-    | 1.041                      |
| 67     | Nana lal /S/o<br>Bholiram                 | -do-             | -do-              | -do-            | -do-    | 1.011                      |
| 68     | Gopal S/o Shrilala                        | -do-             | -do-              | -do-            | -do-    | 1.150                      |
| 69     | Sohan bai W/o<br>Gangaram                 | Pratapgarh       | Jhansadi          | -do-            | -do-    | 0.660                      |
| 70     | Mangilal S/o Kapoor<br>Chand              | -do-             | -do-              | -do-            | -do-    | 0.520                      |
| 71     | Bagadi Ram S/o<br>Pyara                   | -do-             | -do-              | -do-            | -do-    | 0.540                      |
| 72     | Gobilal S/o Pyara                         | -do-             | -do-              | -do-            | -do-    | 0.570                      |
| 73     | Ram Narayan S/o<br>Gopal                  | -do-             | -do-              | -do-            | -do-    | 0.990                      |
| 74     | Dev Ram S/o Bheru                         | -do-             | -do-              | -do-            | -do-    | 0.650                      |
| 75     | Bal Mukund S/o<br>Ram Narayan             | -do-             | -do-              | -do-            | -do-    | 0.740                      |

| Sl 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                   |

| Sl 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              |            |              |      |         |                         |

| Sl No. | Name of cultivators        | Tehsil      | Village           | DOO     | Year    | Excess (+)<br>shortage (-) |
|--------|----------------------------|-------------|-------------------|---------|---------|----------------------------|
| 140    | Amrat Ram S/o<br>Ratanlal  | Chhotsadadi | Barwada<br>Gurjar | -do-    | -do-    | 0.650                      |
| 141    | Heeralal S/o<br>Kehuram    | -do-        | -do-              | -do-    | -do-    | 0.710                      |
| 142    | Bapulal S/o Kishanlal      | -do-        | -do-              | -do-    | -do-    | 0.700                      |
| 143    | Nandlal S/o sukhilal       | -do-        | -do-              | -do-    | -do-    | 0.610                      |
| 144    | Prabhu lal S/o<br>Narayan  | -do-        | -do-              | -do-    | -do-    | 0.670                      |
| 145    | Champa Lal S/o<br>Devilal  | -do-        | Semrada           | -do-    | "       | 0.670                      |
| 146    | Bapulal S/o<br>Bhoniram    | -do-        | -do-              | -do-    | "       | (-) 0.470                  |
| 147    | Babulal S/o Hajarilal      | -do-        | -do-              | -do-    | "       | 0.630                      |
| 148    | Ghasilal S/o<br>Prabhulal  | -do-        | -do-              | -do-    | "       | (-) 0.160                  |
| 149    | Chatarbhuj S/o<br>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/<br>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/<br>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    | Madanal/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<br>Kumar/Girdhari   | -do-        | -do-              | -do-    | "       | 0.923                      |
| 168    | Nathu/Laxman               | -do-        | -do-              | -do-    | "       | 0.787                      |
| 169    | Chunnilal/Bhura            | -do-        | Jhadol<br>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/<br>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                      |

| Sl 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/Roopal           | -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<br>Dhakad<br>khedi | -do- |      | 0.500                   |
| 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<br>Excise & Service<br>Tax Kanpur     | 2010-11<br>2011-12<br>2012-13 | 265.13<br>3312.28<br>3376.18     | 3069.84<br>65.31<br>45.00    | 22.69<br>1.41<br>2412.00    | 3312.28<br>3376.18<br>1009.18    | Pertains to Category-II     |                               |                           |                                  |
| 2.      | Commissionerate,<br>Customs (Prev),<br>Lucknow         | 2010-11<br>2011-12<br>2012-13 | 1180.793<br>1238.833<br>1912.173 | 721.07<br>1140.02<br>1225.62 | 663.03<br>466.68<br>906.59  | 1238.833<br>1912.173<br>2231.203 | 0.17<br>0.27<br>0.51        | 58.11<br>150.06<br>445.02     | 60.27<br>47.96<br>94.31   | 1120.283<br>1713.883<br>1691.363 |
| 3.      | Customs, Central<br>Excise & Service<br>Tax, NOIDA     | 2010-11<br>2011-12<br>2012-13 | 29.00<br>29.00<br>29.00          | 0.00<br>0.00<br>0.00         | 0.00<br>0.00<br>0.00        | 29.00<br>29.00<br>29.00          | Pertains to Category-IV     |                               |                           |                                  |
| 4.      | Customs, Central<br>Excise & Service<br>Tax, Ghaziabad | 2010-11<br>2011-12<br>2012-13 | 0.00<br>58.97<br>161.87          | 58.97<br>102.90<br>500.00    | 0.00<br>0.00<br>0.00        | 58.97<br>161.87<br>661.87        | Pertains to Category -IV    |                               |                           |                                  |
| 5.      | Commissionerate,<br>Customs (Port),<br>Kolkatta        | 2010-11<br>2011-12<br>2012-13 | 242.00<br>39.00<br>9.79          | 14.00<br>0.00<br>328.54      | 217.00<br>29.21<br>23.14    | 39.00<br>9.79<br>315.19          | Pertains to Category -IV    |                               |                           |                                  |
| 6.      | Commissionerate<br>Customs (Prev)<br>West Bengal       | 2010-11<br>2011-12<br>2012-13 | 0.00<br>97.68<br>284.94          | 167.52<br>192.21<br>212.99   | 69.84<br>4.95<br>19.77      | 97.68<br>284.94<br>478.16        | 11.08<br>23.25<br>28.05     | 17.85<br>84.71<br>86.38       | 47.22<br>155.45<br>342.20 | 21.53<br>21.53<br>21.53          |
| 7.      | Commissionerate<br>Bangalore                           | 2010-11<br>2011-12<br>2012-13 | 119.35<br>122.15<br>122.92       | 4.76<br>4.14<br>9.15         | 1.95<br>3.37<br>0.78        | 122.15<br>122.92<br>131.30       |                             | 1.62<br>1.72<br>8.70          |                           | 120.53<br>121.20<br>122.60       |
| 8.      | Commissionerate<br>Mangalore                           | 2010-11<br>2011-12<br>2012-13 | 340.39<br>242.80<br>135.14       | 116.56<br>36.99<br>136.59    | 214.15<br>144.65<br>9.63    | 242.80<br>135.14<br>262.10       | 136.42<br>28.76<br>69.57    | 98.26<br>98.26<br>184.41      | 7.05<br>7.05<br>7.05      | 1.07<br>1.07<br>1.07             |
| 9.      | Commissionerate<br>Customs, Jodhpur                    | 2010-11<br>2011-12<br>2012-13 | 1107.19<br>1150.85<br>1258.70    | 63.36<br>196.04<br>1641.99   | 19.70<br>88.19<br>316.82    | 1150.85<br>1258.70<br>2583.87    | 0.17<br>0.09<br>0.03        | 374.88<br>346.14<br>675.43    | 81.80<br>105.17<br>123.39 | 694.00<br>807.30<br>1785.02      |
| 10.     | Commissionerate<br>Customs, Air<br>Cargo, Delhi        | 2010-11<br>2011-12<br>2012-13 | 736.00<br>736.00<br>935.00       | 0.00<br>199.00<br>63.00      | 0.00<br>0.00<br>0.00        | 736.00<br>935.00<br>998.00       | 0.00<br>199.00<br>262.00    | 41.00<br>41.00<br>41.00       |                           | 695.00<br>695.00<br>695.00       |
| 11.     | Commissionerate<br>Customs, I&G,<br>Delhi              | 2010-11<br>2011-12<br>2012-13 | 115.27<br>41.77<br>101.49        | 0.00<br>60.50<br>109.78      | 73.50<br>0.78<br>116.67     | 41.77<br>101.49<br>94.60         |                             | 18.87<br>18.87<br>17.91       |                           | 22.90<br>82.62<br>76.69          |
| 12.     | Commissionerate,<br>Customs, ICD,<br>TKD, Delhi        | 2010-11<br>2011-12<br>2012-13 | 5.00<br>5.00<br>0.00             | 251.17<br>241.98<br>560.19   | 251.17<br>246.98<br>437.46  | 5.00<br>0.00<br>122.73           |                             |                               |                           | 5.00<br>0.00<br>122.73           |
| 13.     | Addl.<br>Commissioner,<br>IGI, Terminal-III,<br>Delhi  | 2010-11<br>2011-12<br>2012-13 | 3718.35<br>3602.20<br>3714.89    | 125.67<br>682.69<br>2402.24  | 241.82<br>570.00<br>1406.00 | 3602.20<br>3714.89<br>4711.13    | 0.00<br>0.24<br>8.94        | 3225.73<br>3338.18<br>4325.72 | 6.67<br>6.67<br>6.67      | 369.80<br>369.80<br>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 <sup>31</sup>             | 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 <sup>32</sup>             | 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 <sup>33</sup>    | 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         |
| <b>Total</b> |                                       |                               |         |         | <b>1568.42</b>     | <b>1937.55</b> | <b>3627.64</b> |

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.         |

<sup>31</sup> Including ICD, Ratlam, Ujjain, Dhannad, Pithampur and Kheda), Air Cargo Indore, Division-Ratlam, Pithampur.

<sup>32</sup> Including ICD Mandideep, Division-I & II.

<sup>33</sup> 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         |
| <b>Total</b> |                             |                   | <b>65</b>    | <b>3317.57</b> |

## Appendix 37 (Para No.7.5)

(lakh ₹)

| Sl. No.      | Commissionerate                   | Divisions                            | Delay (in months) | No. of cases | Seizure value |
|--------------|-----------------------------------|--------------------------------------|-------------------|--------------|---------------|
| 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         |
| <b>Total</b> |                                   |                                      |                   | <b>343</b>   | <b>271.40</b> |

## Appendix 38 (Para No.7.5)

(lakh ₹)

| Sl. No.      | Commissionerate             | Divisions                            | Delay (in months) | No. of cases | Seizure value |
|--------------|-----------------------------|--------------------------------------|-------------------|--------------|---------------|
| 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         |
| <b>Total</b> |                             |                                      |                   | <b>268</b>   | <b>24.92</b>  |

## Appendix 39 (Para No.7.6)

(lakh ₹)

| Sl. No.      | Commissionerate             | Goods lying at                            | Value of goods |
|--------------|-----------------------------|---|----------------|
| 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         |
| <b>Total</b> |                             |   | <b>836.96</b>  |

## Appendix 40 (Para No.7.6)

(lakh ₹)

| Entry No. & year | Description of goods    | Quantity   | Date of seizure | Book Value   | Sale proceeds | Under recovery |
|------------------|-------------------------|------------|-----------------|--------------|---------------|----------------|
| 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           |
| <b>Total</b>     |                         |            |                 | <b>17.15</b> | <b>7.01</b>   | <b>10.14</b>   |



## 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     |
|              |   |   | Electronic goods                         | 10 Pkt     | 26.59          | March 2012   |
|              |   | Division, Agra  | Electronic goods                         | 85 Nos.    | 3.36           |              |
| 2.           | Customs, Mumbai                               |   | 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 |
|              |   |   | Compact Disc                             | 8 cases    | 1541.01        | 1998         |
| 7.           | Customs (Prev), Kolkatta                      | Shed-I & II   | Electronic goods                         | 84 cases   | 19.48          | 1974         |
|              |   | Shed-I & II   | Electronic goods                         | 97 cases   | 344.58         | 1972 to 2010 |
| 8.           | Customs (Prev), Patna                         | Forbesganj, Motihari, Muzaffarpur and Patna Muzaffarpur | Electronic goods                         | 4 cases    | 138.60         | 2001 to 2012 |
|              |   |   | Compact Disc/DVD                         | 1 case     | 0.04           | 2011         |
| 9.           | Customs (Prev), Lucknow                       | Gorakhpur   | Vodafone sim                             | 125 Pcs    | 0.03           | 2010         |
|              |   |   | Emergency light                          | 51 Pcs     | 0.15           | 2012         |
| 10.          | Dy. Commissioner, Air Cargo, Sanganer         | FPO Jaipur  | Wireless Internet Phone with accessories |            | 0.11           | 2009         |
| <b>Total</b> |   |   |  |            | <b>5737.71</b> |              |

## 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 Walker double black Idols | 38 bottle | 1.98  | Nov 2011    |
|         |                        |                   | Semi precious stone                      | 5 Pcs     | 0.21  | 1976        |
|         |                        |                   | Stones                                   | 50 Kgs    | 0.55  | 2001 & 2005 |
|         |                        |                   | Bhola gutkha                             | 550 Pcs   | 0.12  | 2003        |
|         |                        | Division,         |  |           |       | 0.003       |

| 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,      | Wrist watches                    | 2 cases       | 3.02          | 2012                |
|         |  | Muzaffarpur    |                                  |               |               |                     |
|         |  | Motihari,      | Petroleum products               | 2 cases       | 0.14          | 2011-12             |
|         |  | muzaffarpur    |                                  |               |               |                     |
| 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 |
|         |  |                |                                  | <b>Total</b>  | <b>259.41</b> |                     |

## 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     |
|         |                                |                         | Medicines          |              | 0.80          |              |
|         |                                | Division, Gorakhpur     | Oxytocin           | 15000        | 1.50          | 2010         |
|         |                                |                         | Injection          | ampoules     |               |              |
|         |                                |                         | 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                   | Medicines          | 143 cases    | 26.69         | 2000 to 2009 |
|         |                                | Division                |                    |              |               |              |
| 4       | Customs (Preventive), Patna    | Forbesganj              | Medicines          |              | 8.07          | 2005 to 2012 |
|         |                                | Mothihari               | Medicines          |              | 18.27         | 2009 to 2012 |
|         |                                | Muzaffarpur             | Medicines          |              | 47.24         | 2012         |
|         |                                |                         |                    | <b>Total</b> | <b>206.37</b> |              |

## 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         |
| 3.      | Customs (Preventive), Lucknow | Lucknow   | Vegetable oil       | 2 cases            | 0.30          | 2010         |
|         |                               |   | Metalice Paper      | 6226 Pcs.          | 0.62          | 2001         |
|         |                               |   | Gorakhpur           | Chinese bed sheets | 28650 Pcs.    | 41.32        |
| 4.      | Customs, Delhi                | ICD PPG   | Cosmetics           | 2 cases            | 0.88          | 2008         |
|         |                               |   | Imitation jewellery | 5 cases            | 491.59        | 2012         |
|         |                               |   | <b>Total</b>        |                    | <b>647.06</b> |              |

## 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<br>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<br>Pistol cartridges                              | 105 Pcs      | 0.14    | 2010            |
|         |                          |           | TCO.380 Bore<br>Pistol cartridges                            | 10 Pcs       | 0.007   | 2010            |
|         |                          |           | Chinese Misc<br>items  |              | 0.19    | 2012            |
|         |                          |           | CPU cooling Fan,<br>Iron press and<br>others                 | 303 Pcs      | 0.27    | 2011            |
|         |                          |           | Handicrafts  | 12 Pcs       | 0.05    | 2012            |
|         |                          |           | Small gas<br>cylinders                                       | 121 Pcs      | 0.33    | 2012            |
| 6.      | Customs, Delhi           | ICD PPG   | Shoes  | 5 cases      | 42.64   | 2005-06         |
|         |                          |           | Industrial raw<br>materials                                  | 1 case       | 6.74    | 2009            |
|         |                          |           | Misc. items  | 9 cases      | 36.93   | 2003 to<br>2009 |
|         |                          |           | Mounted PCB  | 2 cases      | 33.88   | 2005            |
|         |                          |           | Others i.e. House<br>hold, leather<br>fancy, marble etc.     | 10 cases     | 52.20   | 2002 to<br>2012 |
|         |                          |           | Packing materials  | 3 cases      | 10.89   | 2003 to<br>2006 |
|         |                          |           | Parts  | 17 cases     | 121.91  | 2001 to<br>2008 |
|         |                          |           | Sports goods   | 5 cases      | 45.77   | 2007 to<br>2010 |
|         |                          |           | Tools  | 12 cases     | 192.18  | 2002            |
|         |                          |           | Vinyl Floorings  | 3 cases      | 125.77  | 2002 &<br>2012  |
|         |                          |           | Wooden/H/C   | 1 case       | 0.14    | 1995            |
|         |                          |           | Baby carriage<br>parts                                       | 26 cases     | 328.87  | 2002 to<br>2006 |
|         |                          |           | Barrel Bolts   | 1 case       | 0.17    | 1987            |
|         |                          |           | Carpets, hand<br>knotted woolen<br>carpets etc.              | 16 cases     | 1673.93 | 2010            |
|         |                          |           | Fabrics  | 11 cases     | 418.27  | 2011            |
|         |                          |           | Garments,<br>Polyster suits,<br>handmade<br>woolen rugs etc. | 153<br>cases | 1654.49 | 1998 to<br>2010 |
|         |                          |           | General cargo  | 2 cases      | 5.96    | 1996 to<br>1998 |
|         |                          |           | Handicrafts  | 2 cases      | 28.80   | 1992 to<br>2004 |
| 7.      | Customs<br>(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        |
|         |  |            | <b>Total</b>        |           | <b>5513.93</b> |             |

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 | 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 Guwahati | 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                      |
|         |                            |                   |                          |               | <b>172.28</b> |             | <b>20.77</b> | <b>151.51</b>              |

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<br>ii. Custom House, Karwar |
| 8       | Bangalore(Airport)    | i. Air Cargo Complex, Bangalore<br>ii. ICD             |
| 9       | ICD, Tughlakabad      | i. ICD, Tughlakabad<br>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 |
|         | <b>Total:</b>  | <b>19366</b>                                | <b>3920</b>   | <b>15266</b>                   |   |
|         | <b><math>\frac{15266}{19366} \times 100 = 78.82\%</math></b> |   |   |                                |   |

## 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 frfrom 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.  |
| <b>Total:</b> |   | <b>1992</b>                                      | <b>996.00</b>                                     |                       |   |

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 import cargo sought to be clear under B/E No.-87785 dt.17.12.12 against IGM No. 2258201/10/12 revealed that some of the goods the IGM were not landed instead some other goods were unloaded. Auditor pointed out that due short landing of IGM goods penalty to the extent ₹ 17.39 lakh (double of duty amount of ₹ 8.69 lakh) was leviable.<br><i>Note:- Calculation of duty amount was not shown in the Report.</i><br>In respect of six IGM cases the short landed goods were subsequently received un-manifested and cleared under different BE without getting the IGM 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/- |
| 3            | Air Cargo Complex, Ahmedabad | 6                                      | 518685                                      | 10.37   | In one case, short landing of 33.813 MT of RE Palmolien involving duty amount of ₹ 57,649/- was noticed for which no penal provisions was invoked.  |
| 4            | Custom House, Karwar         | 1                                      | 57649                                       | 1.15  |   |
| <b>Total</b> |                              | <b>82</b>                              | <b>1893803</b>                              | <b>37.88</b>  |   |

## 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 | Pen levia |
|---------|----------------------|------------|------------|-----------------|---------------|------------------|-------------|--------------------------------|-------------|-----------|
| 1       | Kolkata              | 802/10     | 03/05/2010 | Logs            | 1339          | 1323             | 16          | Penalty imposed                | 135000      | 270       |
| 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           |   |             |                  |

| 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 | Pen levie |
|---------|----------------------|-------------|------------|-----------------|---------------|------------------|-------------|--------------------------------|-------------|-----------|
|         |                      |             | 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              | 03          |                                |             |           |
| 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           |                                |             |           |

| 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. | Customs       | 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   |
|---|-----------------|---------------------------------|---|-----------------------------|--------------------------------|--|
| <b>Custom House, Kolkata [Kolkata Port Commissionerate]</b> |                 |                                 |   |                             |                                |  |
| 1   | S2-04/12<br>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<br>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<br>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                         |  |
|   |                 |                                 |   | <b>Total</b>                | <b>3,081,474</b>               |  |

## 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           |
|---|----------------------|-------------------------|---------------------------|-----------------------------------|--------------------------------|
| <b>Custom House, Kolkata [Kolkata Port Commissionerate]</b> |                      |                         |                           |                                   |                                |
| 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                           |                                |
| <b>Total</b>  |                      |                         | <b>28,16,724</b>          | <b>28,16,724</b>                  |                                |

## 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. |
|         | <b>Total</b>         | <b>2348</b>         | <b>8727</b>                   | <b>2189.48</b>         |  |

## 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<br>MT  |   |         |
| 15      | -do-                 | 2032116/12.3.12  |                 | Furnace Oil (Fuel)      | 132.584<br>MT |   |         |
| 167     | -do-                 | 2054933/18.2.13  |                 | Iranian Mixed Crude Oil | 34.59<br>MT   |   |         |
| 17      | -do-                 | 2053101/21.1.13  |                 | Iranian Mixed Crude oil | 256.927<br>MT |   |         |
| 18      | -do                  | 2054179/6.2.13   |                 | Iranian Heavy Crude Oil | 88.615<br>MT  |   |         |
| 19      | -do-                 | 2055130 /21.2.13 |                 | Kuwait Export Crude Oil | 186.561<br>MT |   |         |
| 20      | -do-                 | 2055343/25.2.13  |                 | Iranian Heavy Crude Oil | 56.666<br>MT  |   |         |
| 212     | -do-                 | 2054016/4.2.13   |                 | Iranian mixed crude oil | 94.650<br>MT  |   |         |
| 22      | -do-                 | 2055001/19.2.13  |                 | Naphtha                 | 17.128<br>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                            |   |
|         | <b>Total:</b> |                            | <b>7378</b>       | <b>0</b>           | <b>7378</b>                     |   |
| 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                            |   |
|         | <b>Total:</b> |                            | <b>22818</b>      | <b>0</b>           | <b>22818</b>                    |   |
| 3       | 2010-11       | Vishakapatnam              | 1740              | 1740               | 0                               |   |
|         | 2011-12       |                            | 1692              | 1685               | 7                               |   |
|         | 2012-13       |                            | 1436              | 1401               | 35                              |   |
|         | <b>Total:</b> |                            | <b>4868</b>       | <b>4826</b>        | <b>42</b>                       |   |

| 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 Complex, RGI Air Port, Hyderabad | 8848              | 0                  | 8848                            |   |
|         | 2011-12       |  | 8697              | 0                  | 8697                            |   |
|         | 2012-13       |  | 8275              | 0                  | 8275                            |   |
|         | <b>Total:</b> |  | <b>25820</b>      | <b>0</b>           | <b>25820</b>                    |   |
| 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                            |   |
|         | <b>Total:</b> |  | <b>6886</b>       | <b>5294</b>        | <b>1592</b>                     |   |
| 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                             |   |
|         | <b>Total:</b> |  | <b>3775</b>       | <b>3280</b>        | <b>495</b>                      |   |
| 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                            |   |
|         | <b>Total:</b> |  | <b>406</b>        | <b>357</b>         | <b>49</b>                       |   |
| 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                             |   |
|         | <b>Total:</b> |  | <b>29711</b>      | <b>25439</b>       | <b>4272</b>                     |   |

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          |
|        | <b>Total</b>    | <b>50</b> | <b>76</b> | <b>126</b> |

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 |
|        | <b>Total</b> | <b>20</b> |                   |

## 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         |
|   |                                |  |                                     |             |               |           |                       |          | <b>30.99</b> |

## 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                   |
| Ahmedabad       | M/s GSP Crop. Science & others | 2010-13                       | 413.76        | 5.88              | 0             | 5.88                   |
|                 | <b>Total</b>                   |                               | <b>532.35</b> | <b>118.15</b>     | <b>5.50</b>   | <b>112.65</b>          |

## 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             |
|  | <b>Sub total</b> | <b>653</b>  | <b>1964.26</b>                | <b>2404.21</b>    |
| 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                         | 35.5              |
|   | Hyderabad-1        | 32          | 364.19                        | 591.7             |
|   | <b>Sub total</b>   | <b>2382</b> | <b>30777.38</b>               | <b>13975.18</b>   |
|   | Mumbai-5           | 867         | 2187.48                       | 1284.6            |
| 3. Goods pending disposal action for more than 5 years but less than 10 years | Chennai - 5        | 25          | 1323.42                       | 609.1             |
|   | Hyderabad-1        | 9           | 43.59                         | 53.1              |
|   | <b>Sub total</b>   | <b>901</b>  | <b>3554.49</b>                | <b>1946.9</b>     |
|   | Mumbai-10          | 3478        | 5217.21                       | 1370.             |
| 4. Goods pending disposal action for more than 1 year but less than 5 years   | Chennai - 14       | 76          | 5003.39                       | 1958.6            |
|   | Bangalore-2        | 4           | 3.69                          | 3.6               |
|   | Hyderabad-1        | 23          | 319.24                        | 167.4             |
|   | Kolkata-8          | 74          | 58820.71                      | 3066.3            |
|   | <b>Sub total</b>   | <b>3655</b> | <b>69364.24</b>               | <b>6566.4</b>     |
|   | <b>Grand total</b> |             | <b>1,05,660.40</b>            | <b>24,892.8</b>   |

## 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                                   |
| <b>Grand total</b>    | <b>811</b>   | <b>47,441.31</b>                | <b>14,672.79</b>                         |

## 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  |

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| S.No.        | Importer                               | Unit | Description                | AV (₹)               | Duty (₹)           |
|--------------|--|------|----------------------------|----------------------|--------------------|
| 14           | Pvt. Ltd<br>Standard Conduits          | 4    | Coil                       | 381995               | 60309              |
| 15           | Pvt. Ltd<br>Dhamm Steel                | 66   | Non Alloy Steel            | 3281971              | 687278             |
| 16           | Services Pvt. Ltd<br>Evergreen Exports | 2    | Rods<br>Re-Import of       | 553198               | 3791               |
| 17           | Wadhawani<br>Commodities               | 0    | Nutmeg<br>Betel Nots Split | 10290828             | 0                  |
| 18           | Milestone Eximp<br>Pvt. Ltd            | 3553 | PVC Cadated<br>Fabrics     | 4850160              | 1063575            |
| 19           | Trade Fair                             | 3    | Auto Parts                 | 10177                | 0                  |
| 20           | Good Samarthan                         | 34   | Used Material              | 103300               | 188217             |
| 21           | Kellogs India Pvt.<br>Ltd              | 3    | Vitamin Spray              | 998955               | 266093             |
| 22           | S R Date<br>Associates Impere<br>Steel | 16   | Steel Melting<br>Scrap     | 471535               | 70753              |
| 23           | Impere Steel                           | 3431 | Elect. Goods<br>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           | Hygiené 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<br>Industries                 | 452  | Glass panels               | 153923               | 78809              |
| 33           | Parshwanath<br>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<br>Restaurants               | 870  | Royal Scotch               | 3441708              | 5506734            |
| 41           | Bhupinder Singh<br>Inderjit Singh      | 23   | Tapered Rolier<br>Bearing  | 12259954             | 2929499            |
| 42           | Bhupinder Singh<br>Inderjit Singh      | 16   | Ball Bearing               | 11668566             | 2788188            |
| 43           | Link Herbal<br>Prodcut India           | 750  | Samaharm                   | 1784549              | 386415             |
| <b>Total</b> |  |      |                            | <b>1,85,9,46,166</b> | <b>3,39,73,457</b> |

Appendix 66 {Para No.7.25.16 (ii)}

| S.No. | Commodity    | No. of units | Customs duty<br>(₹) | 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<br>(₹) | 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.<br>Phtocopies | 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              |
|       |                     | <b>Total</b> | <b>19,89,940</b>    | <b>11,17,03,777</b> |