

## **Goods lying in bonded warehouses: MCC (Appraisalment East) unable to recover huge revenue**

Model Customs Collectorate (MCC) Appraisalment East is reportedly unable to recover huge government revenue to the tune of Rs 18.274 billion involved on the overstayed goods lying in the bonded warehouses.

This was revealed by Directorate Internal Audit (DIA) in its audit observation for the period 2015-16. According to details, the warehoused goods other than perishable goods may remain in the warehouse for a period of six months following the date of their admission into the warehouse and perishable goods so notified may remain in the warehouse for a period of three months under section 98 of the Customs Act 1969.

Provided that this period may in case of non-perishable goods be extended on sufficient cause being shown by the owner of the warehoused goods and subject to the condition that he pays in advance surcharge on the duty and taxes involved at one percent per month for the extended period. DIA in its observation stated that scrutiny of PRAL data provided in respect of goods stored in the bonded warehouse of the following licensees revealed that even after expiry of mandatory storage period, there were found over stayed goods which involved duty and taxes of Rs 18.274 billion which related to 9566 numbers of IB Goods Declarations.

It said that MCC Appraisalment East had failed to initiate action for the recovery of huge government revenue of Rs 18.274 billion involved on the overstayed goods lying in the aforesaid warehouses.

It has also directed the MCC appraisalment East Karachi to justify this omission or effect the recovery of Rs 18.274 billion or proper procedures if lapsed may be adhered upon under intimation to the Directorate at the earliest.

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