

CENTRAL WAREHOUSING CORPORATION
(A GOVT. OF INDIA UNDERTAKING)

'WAREHOUSING BHAWAN'
4/1, SIRI INSTITUTIONAL AREA,
HAUS KHAS,
NEW DELHI-110016

No.CWC/INSP/GENL.INSTRUCTION/2018-19/447D DATE: 09/08/2018

CIRCULAR

Recently an instance has come into notice while examining the inspection report that two bond consignments of 27 units of Weaving Machine are lying on single bonder's account in Custom Bond Warehouse since 1995/1996. No business in bond warehouse is noticed to be in operation at present as no other bond consignment is, as per PV report, found to have occupied space in the bond warehouse during the course of inspection.

Further, this is also observed that these two bond consignments only have been in storage without clearance thereof by the importer for last twenty two years and there was no other custom bond operation thereafter. It would not be out of place to mention that said machine might have lost its commercial value/utility due to technological advancement with the passage of time besides becoming an outdated machine from the point of its operational productivity and economic viability. The chances of its liquidation by the importer due to material being virtually scrap and escalation of overhead cost thereon, seem to be remote at this stage.

Under the above circumstances, the continuity of the bond unit at the centre only for the sake of storage of un-remunerative instant Time Barred Bond (TBB) consignment for want of its liquidity was practically not desirable especially when the corporation has to manage it at a hired unit by providing security staff for the safety of stock and incurring expenditure to the tune of Rs.7-8 lac per annum on this as well as other account, but without getting any revenue out of this operation for last several years.

Despite above prevalent position, it is observed that instead of critically examining the issue of sustainability of such business operation in remunerative terms and assessing the gainful utilisation of the facility for alternate business operation or otherwise, Inspection Officer has, in conventional manner, advised to WM to take up the matter with custom for its liquidation rather suggesting a concrete recommendations on merit so as to avoid unwarranted recurring expenditure for no return to the corporation. Obviously similar approach might have been taken during previous inspections over these years. Besides, this indicates that the inspection reports have not been examined for timely follow up action by RO and other

concerned rendering the whole mechanism of General Inspection meaningless.

In the light of above, all inspection officers are advised to make a critical examination of such issues of un-remunerative business operation at the warehouses being inspected by them and invariably submit a separate detailed note on such account with their suggestion/recommendation on the course of action to be taken in such issues, along with inspection report so that a perspective merit decision could be taken at higher level. All RMs are advised to bring this to the notice of all inspection officers under their command and also the officials assigned the work of monitoring general inspection at RO.

It is also requested to make the system of general inspection more purposeful by taking suitable action including inspection reports and follow up action by Regional Managers.


(PAWAN KANT)

GROUP GENERAL MANAGER (INSP)

To,

The Regional Manager,
CWC, Regional Office,
Ahmedabad/Bengaluru/Bhopal/Bhubaneshwar/Chandigarh/Chennai/Delhi/Guwahati/Hyderabad/ Jaipur/ Kochi /
Kolkata/Lucknow/Mumbai/Panchkula/Patna/Raipur

Copy to:

1. PPS to MD, CWC, New Delhi
2. PS to Director (M&CP), CWC, New Delhi
3. GGM(Finance)/GM(Project)/GM(Commercial)/DGM(Tech), CWC, CO, New Delhi