

Customs Act, 1969

(ACT No. IV OF 1969)

[8th March, 1969]

An Act to consolidate and amend the law relating to customs

WHEREAS it is expedient to consolidate and amend the law relating to the levy and collection of customs duties and to provide for other allied matters;

It is hereby enacted as follows:-

CHAPTER I PRELIMINARY

1. Short title, extent and commencement.— (1) This Act may be called the Customs Act, 1969.

(2) It extends to the whole of ¹[Bangladesh].

(3) It shall come into force on such date as the ²[Government] may, by notification in the official Gazette, appoint.

2. Definitions.— In this Act, unless there is anything repugnant in the subject or context-

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³⁴[(t) "**Special bonded Warehouse**" means a private warehouse licensed under section 13 and which is a hundred percent export oriented industry to be determined as such by the Board for the purpose of exemption from the provision of sub-section (2) of section 91;

(tt) "**Warehouse**" means a place appointed under section 12 or a place licensed under section 13;]

(u) "**Warehousing station**" means a place declared as a warehousing station under section 11;

CHAPTER III

DECLARATION OF PORTS, AIRPORTS, LAND CUSTOMS STATIONS, ETC.

9. Declaration of customs-ports, customs-airports, etc.— The Board may, by the notification in the official Gazette, declare-

- (a) the ports and airports which alone shall be customs-ports or customs-airports for the unloading of imported goods and loading of goods for export or any class of such goods;
- (b) the places which alone shall be land customs-stations ⁵[or customs-inland container depot] ²[or water the customs-inland container terminal] for the clearance of goods or any class of goods imported or to be exported by land or inland waterways;
- (c) the routes by which alone goods or any class of goods specified in the notification may pass by land or inland waterways into or out of ³[Bangladesh], or to or from any land customs-station or ⁴[customs station] to or from any land frontier;
- (d) the places which alone shall be ports for the carrying on of coastal trade with any specified customs-ports in ⁶[Bangladesh]; and

¹ Finance Act, 1980 (Act 23 of 1980)

² Finance Act, 1980 (Act 23 of 1980)

³ Finance Act, 2000 (Act 15 of 2000)

⁴ Finance Act, 2002 (Act 14 of 2002)

⁵ Finance Act, 1992 (Act 21 of 1992)

- (e) what shall for the purposes of this Act be deemed to be a custom-house and the limits thereof.

10. Power to approve landing places and specify limits of customs-stations.— The Board may, by notification in the official Gazette-

- (a) specify the limits of any customs-station; and
(b) approve proper places in any customs-station for the loading and unloading of goods or any class of goods.

11. Power to declare warehousing stations.— The Board may, by notification in the official Gazette, declare places to be warehousing stations at which alone public warehouses may be appointed and private warehouses may be licensed.

12. Power to appoint public warehouses.— At any warehousing station, the ⁷[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] may, from time to time, appoint public warehouses wherein dutiable goods may be deposited without payment of customs-duty.

⁸**[13. Licensing of private warehouses.—** (1) Subject to sub-section (2), at any warehousing station, the Commissioner of Customs (Bond) or any other Commissioner of Customs authorized by the Board may, license private warehouses wherein dutiable goods imported by or on behalf of the licensee, or any other imported goods in respect of which facilities for deposit in a public warehouse are not available, may be deposited.

(2) The Board may, from time to time, by notification in the official Gazette, impose conditions, limitations or restrictions-

- (a) on granting license for private warehouse;
(b) on goods to be warehoused; and
(c) on import entitlement of the warehouse.

(3) The Commissioner of Customs (Bond) or any other Commissioner of Customs authorized by the Board may, suspend or cancel a license granted under sub-section (1)-

- (a) if the licensee contravenes any provision of this Act or the rules made thereunder or commits breach of any of the conditions of the license; or
(b) in the case where, he deems fit, a license to be suspended or cancelled in the public interest;
(c) In case of suspension under clause (b), the Business Identification Number (BIN) of the license issued under মূল্য সংযোজন কর আইন, ১৯৯১ (১৯৯১ সনের ২২ নং আইন) shall remain suspended till the disposal of the matter.

Provided that in case of cancellation of any license, the licensee shall be served with a show cause notice of thirty days, and be given a reasonable opportunity of being heard.]

14. Stations for officers of Customs to board and land.— The ⁹[Commissioner of Customs] may, from time to time, appoint, in or near any customs-ports, stations or limits at or within which vessels arriving at or departing from such port shall bring to for the boarding or landing of officers of customs, and may, unless separate provisions therefor have been made under the Ports Act, 1908 (XV of 1908) direct at what particular place in any such vessels, not brought into port by pilots, shall anchor or moor.

CHAPTER XI

⁶ Finance Act, 2016 (Act ----- of 2016)

⁷ Finance Act, 2001 (Act 30 of 2001)

⁴ Finance Act, 2016 (Act----of 2016)

⁸ Finance Act, 2003 (Act 17 of 2003)

⁹ Finance Act, 1995 (Act 12 of 1995)

WAREHOUSING

84. Application to warehouse.— When any dutiable goods have been entered for warehousing and assessed under section 80, the owner of such goods may apply for leave to deposit the same in any warehouse appointed or licensed under this Act.

85. Form of application.— Every such application shall be in writing signed by the applicant, and shall be in such form as may be prescribed by the Board.

86. Warehousing bond.— (1) When any such application has been made in respect of any goods, the owner of the goods to which it relates shall execute a bond, binding himself in a penalty of twice the amount of the duty assessed under section 80 or section 81 ¹⁰[***] on such goods,-

- (a) to observe all provisions of this Act and the rules in respect of such goods;
- (b) to pay on or before a date specified in a notice of demand all duties, rent and charges payable in respect of such goods together with interest on the same from the date so specified at the rate ¹¹[to be determined by the Board, being a rate not less than the bank rate fixed by the Bangladesh Bank and not more than double the Bank rate so fixed]; and
- (c) to discharge all penalties incurred for violation of the provisions of this Act and the rules in respect of such goods.

(2) Every such bond shall be in such form as is from time to time prescribed by the Board, and shall relate to the goods or portion of the goods of one conveyance only.

(3) Notwithstanding anything in sub-section (2), for the purposes of sub-section (1), the ¹²[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] may permit any importer to entry into a general bond in such amount and subject to such conditions, limitations or restrictions as the ¹³[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] may determine in respect of the warehousing of goods to be imported by such importer within a specified period.

(4) A bond executed under this section by an importer in respect of any goods shall continue in force notwithstanding the transfer of the goods to any other person or the removal of the goods to another warehouse or warehousing station:

Provided that, where the whole of the goods or any part thereof are transferred to another person, the appropriate officer may accept a fresh bond from the transferee in a sum equal to twice the amount of the duty assessed on the goods transferred and thereupon the bond executed by the transferer shall be deemed to be discharged to the extent to which the fresh bond has been executed by the transferee.

¹⁴**86A. Warehousing bank guarantee.**— Notwithstanding anything contained in this Act regarding execution of a bond in relation to clearance of goods for warehousing, the Board or a Commissioner of Customs authorised in this behalf by the Board, may, in addition to requiring execution of bond, direct that a bank guarantee, for an amount not exceeding the duties leviable on the goods, be furnished in such manner as may be prescribed.]

¹⁵**87. Forwarding of goods to warehouse.**— (1) When the provisions of section 85 and 86 have been complied with in respect of any goods, such goods shall be delivered to the owner of such goods or his authorized representative for onward transportation to the warehouse in which they are to be deposited.

¹⁰ Finance Act, 2001 (Act 30 of 2001)

¹¹ Finance Act, 1998 (Act 14 of 1998)

¹² Finance Act, 2001 (Act 30 of 2001)

¹³ Finance Act, 2001 (Act 30 of 2001)

¹⁴ Finance Act, 2003 (Act 17 of 2003)

¹⁵ Finance Act, 2006 (Act 22 of 2006)

(2) A pass shall be sent with the goods specifying the name of the owner of such goods and the name or number of the importing conveyance, the marks, numbers and contents of each package, and the warehouse or place in the warehouse wherein they are to be deposited.

(3) After depositing such goods mentioned in sub-section (1) the owner of such goods shall inform the concerned Commissioner of Customs regarding the warehousing of the goods.]

88. Receipt of goods at warehouse.— (1) On receipt of the goods, the pass shall be examined by the warehouse-keeper, and shall be returned to the appropriate officer.

(2) No package, but cask or other container shall be admitted into any warehouse unless it bears the marks and numbers specified in, and otherwise corresponds with, the pass for its admission.

(3) If the goods be found to correspond with the pass, the warehouse-keeper shall certify to that effect on the pass, and the warehousing of such goods shall be deemed to have been completed.

(4) If the goods do not so correspond, the fact shall be reported by the warehouse-keeper for the orders of the appropriate officer, and the goods shall either be returned to the custom-house in charge of an officer of customs or kept in deposit pending such orders as the warehouse-keeper deems most convenient.

(5) If the quantity or value of any goods has been incorrectly stated in the bill of entry, due to inadvertence or bonafide error, the error may be rectified at any time before the warehousing of the goods is completed, and not subsequently.

89. Goods how warehoused.— Except as provided in section 94, all goods shall be warehoused in the packages, butts, casks or other containers in which they have been imported.

90. Warrant to be given when goods are warehoused.— (1) Whenever any goods are lodged in a public warehouse or a licensed private warehouse, the warehouse-keeper shall deliver a warrant signed by him as such to the person lodging the goods.

(2) Such warrant shall be in such form as the Board may from time to time prescribed, and shall be transferable by the endorsement; and the endorsee shall be entitled to receive the goods specified in such warrant on the same terms as those on which the person who originally lodged the goods would have been entitled to receive the same.

(3) The Board may, by notification in the official Gazette, exempt any class of goods from the operation of this section.

¹⁶**91. Control over warehoused goods.**— (1) All warehoused goods shall be subject to the control of the appropriate officer.

(2) The appropriate officer may cause any warehouse, except a special bonded warehouse, to be locked.

(3) Subject to sub-section (4), no person shall, without the written permission of the appropriate officer,-

- (a) enter into a warehouse or remove any goods therefrom;
- (b) unlock the warehouse which is locked under sub-section (2).

(4) An office-

- (a) not below the rank of an Assistant Commissioner of Customs of the Customs Inspection Directorate or of Customs Intelligence and ¹[Investigation Directorate or of the Customs Valuation and Internal Audit Commissionerate, or]

¹⁶ Finance Act, 2002 (Act 14 of 2002)

- (b) below the rank of Assistant Commissioner of Customs, ²[of the said Directorates and Commissionerate] authorised by the officer mention in clause (a).

shall have access to any part of a warehouse and power to examine the goods, records, accounts and documents therein and ask any question as may be deemed necessary.]

92. Power to cause packages lodged in warehouse to be opened and examined.— (1) The appropriate officer may at any time by order in writing direct that any goods or packages lodged in any warehouse shall be opened, weighed or otherwise examined; and after any goods have been so opened, weighed or examined, may cause the same to be sealed or marked in such manner as he thinks fit.

(2) When any goods have been so sealed and marked after examination, they shall not be again opened without the permission of the appropriate officer; and, when any such goods have been opened with such permission, the packages shall, if he thinks fit, be again sealed or marked.

93. Access of owners to warehoused goods.— (1) Any owner of goods lodged in a warehouse shall, at any time within the hours of business, have access to his goods in the presence of an officer of customs, and an officer of customs shall, upon application for the purpose being made in writing to the appropriate officer, be deputed to accompany such owner.

(2) When an officer of customs is specially employed to accompany such owner, a sum sufficient to meet the expense thereby incurred shall, subject to rules, be paid by such owner to the appropriate officer, and such sum shall, if the appropriate officer so directs, be paid in advance.

¹Act, 2013 (Act 25 of 2013)

²Act, 2013 (Act 25 of 2013)

94. Owner's power to deal with warehouse goods.— (1) With the sanction of the appropriate officer and on payment of such fees as may be prescribed by rules, the owner of any goods may, either before or after warehousing the same,

- (a) separate damaged or deteriorated goods from the rest;
- (b) sort the goods or change their containers for the purpose of preservation, sale, export or disposal of the goods;
- (c) deal with the goods and their containers in such manner as may be necessary to prevent loss or deterioration or damage to the goods;
- (d) show the goods for sale; or
- (e) take such samples of goods as may be allowed by the appropriate officer with or without entry for home-consumption, and with or without payment of duty, except such as may eventually become payable on a deficiency of the original quantity.

(2) After any such goods have been so separated and repacked in proper or approved packages, the appropriate officer may, at the request of the owner of such goods, cause or permit any refuse, damaged or surplus goods remaining after such separation or repacking (or at the like request, any goods which may not be worth the duty) to be destroyed, and may remit the duty payable thereon.

95. Manufacture and other operations in relation to goods in a warehouse.— (1) Subject to rules, the owner of any warehoused goods may, ¹⁷[by giving fifteen days prior notice in writing to the ¹⁸[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board], carry on any manufacturing process or other operations in the warehouse in relation to such goods.

¹⁷ Finance Act, 2000 (Act 15 of 2000)

¹⁸ Finance Act, 2001 (Act 30 of 2001)

(2) Where in the course of any such operation or process there is any waste or refuse the following provisions shall apply, namely-

(a) If the whole or any part of the goods produced by such operation or process are exported, no duty shall be charged on the quantity of the warehoused goods wasted or turned into refuse in the course of the operation or processing carried on in relation to the goods exported:

Provided that such waste or refuse is either destroyed or duty is paid on such waste or refuse as if it had been imported into ¹⁹[Bangladesh] in that form.

²⁰[(b) If the whole or any part of the goods produced by such operation or process are cleared from the warehouse for home-consumption, duty and other taxes shall be charged on the quantity of such goods cleared for home-consumption and also on the warehoused goods wasted or turned into refuse in the course of the operation or processing carried on the relation to such goods cleared for home-consumption in a manner to be prescribed by rules:

Provided that the value for assessment purposes under this clause shall, notwithstanding any other provisions of this Act, be determined by the ²¹[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board].

²²**[96. Payment of rent and warehouse dues.—** (1) The owner of any warehoused goods shall pay to the warehouse-keeper rent and other charges at the rates fixed under any law for the time being in force or where no rates are so fixed, at such rates as may be fixed by the Commissioner of Customs (Bond) or any other Commissioner of Customs or by agreement between the owner of the warehouse and the owner of warehoused goods. (2) A table of the rates of rent and other charges fixed under sub-section (1) shall be displayed in a conspicuous part of such warehouse.

(3) If any rent or other charges are not paid within ten days from the date when they become due, the warehouse-keeper may, after due notice to the owner of the warehoused goods and with the permission of the appropriate officer, cause to be sold (any transfer of the warehoused goods notwithstanding) such portion of the goods as may be sufficient to realise the unpaid rent and other charges.]

97. Goods not to be taken out of warehouse except as provided by this Act.— No warehoused goods shall be taken out of any warehouse, except on clearance for home-consumption or export or for removal to another warehouse, or as otherwise provided in this Act.

²³**[98. Period for which goods may remain warehoused.—** (1) Goods imported for and warehoused in any special bonded warehouse or in any hundred percent export oriented industry, may remain in such warehouse or industry for a period not exceeding twenty four months from the date of warehousing.

(2) The Commissioner of Customs (Bond) or any other Commissioner of Customs authorized by the Board in this behalf may extend the period of warehousing mentioned in sub-section (1) for further period of six months if the goods specified in sub-section (1) are not likely to deteriorate.

²⁴[(2A) Notwithstanding anything contained in sub-section (1) and (2), goods imported and warehoused by a hundred percent export oriented ship building industry, may remain in such warehouse for a period not exceeding forty eight months from the date of warehousing.]

¹⁹ Finance Act, 1980 (Act 23 of 1980)

²⁰ Finance Act, 1995 (Act 12 of 1995)

²¹ Finance Act, 2001 (Act 30 of 2001)

²² Finance Act, 2002 (Act 14 of 2002)

²³ Finance (FY2007-08) Act, 2009 (Act 9 of 2009)

²⁴ Finance Act 2009 (Act 36 of 2009)

(3) Goods imported for and warehoused in any diplomatic bonded warehouse, may remain in the warehouse for a period not exceeding twelve months from the date of warehousing.

(4) Warehoused goods other than the goods mentioned in sub-sections (1) and (3) may remain in the warehouse for a period not exceeding six months following the date of execution of the bond under section 86 in respect of such goods.

(5) In the case of any goods specified in sub-sections (3) and (4) which are not likely to deteriorate, the period for warehousing of such goods may, with reasons in writing, be extended by the Commissioner of Customs (Bond) or any other Commissioner of Customs authorized by the Board in this behalf for a period not exceeding three months and subsequently by the Board for a further period not exceeding three months.

(6) The Commissioner of Customs (Bond) or any other Commissioner of Customs authorized by the Board in this behalf may reduce the period for warehousing mentioned in sub-sections (1), (3), and (4) to such reasonable period as he deems fit in each case, if the goods mentioned in such sub-sections are likely to deteriorate.]

²⁵**98A. Goods to be removed if license is cancelled.**— When the license of any private warehouse is cancelled, the owner of any goods warehoused therein shall, within ten days of the date on which notice of such cancellation is given or within such extended period, as the appropriate officer may allow, remove the goods from that warehouse to another warehouse or clear them for home-consumption or exportation.]

99. Power to remove goods from one warehouse to another in the same customs-station.—

(1) Any owner of goods warehoused under this Act may, within the period of their warehousing under section 98, and with the permission of the ²⁶[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] ²⁷[or any officer authorised for the purpose by the ²⁸[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board], on such conditions and after giving such security, if any, as ²⁹[that commissioner] directs, remove goods from one warehouse to another warehouse in the same warehousing station.

(2) When any owner desires to remove any goods, he shall apply for permission to do so in such form as the Board may prescribe.

100. Power to remove goods from one warehousing station to another.— (1) Any owner of goods warehoused at any warehousing station may, within the period of their warehousing under section 98, remove the same for the purpose of warehousing them at any other warehousing station.

(2) When any owner desires to remove any goods for such purpose, he shall apply to the ³⁰[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] in such form and manner as the Board may prescribe stating therein the particulars of the goods to be removed, and the name of the customs station to which they are to be removed.

101. Transmission of account of goods to officers at warehousing station of destination.—

(1) When permission is granted for the removal of any goods from one warehousing station to another under section 100, an account containing the particulars thereof shall be transmitted by the appropriate officer of the customs station of removal to the appropriate officer of the customs station of destination.

(2) The person requiring the removal shall before such removal enter into a bond with one sufficient surety, in a sum equal at least to the duty chargeable on such goods, for the due arrival and re-

²⁵ Finance Act 2004 (Act 16 of 2004)

²⁶ Finance Act 2001 (Act 30 of 2001)

²⁷ Finance Act 2000 (Act 15 of 2000)

²⁸ Finance Act 2001 (Act 30 of 2001)

²⁹ Finance Act 2001 (Act 30 of 2001)

³⁰ Finance Act 2001 (Act 30 of 2001)

warehousing thereof at the custom-station of destination, within such time, as the ³¹[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] directs.

(3) Such bond may be taken by the appropriate officer either at the customs station of removal or at the customs station of destination as best suits the convenience of the owner.

(4) If such bond is taken at customs station of destination, a certificate thereof signed by the appropriate officer of such station shall at the time of the removal of such goods be produced to the appropriate officer at the customs station of removal; and such bond shall not be discharged unless such goods are produced to the appropriate officer, and duly re-warehoused at the customs station of destination within the time allowed for such removal or are otherwise accounted for to the satisfaction of such officer; nor until the full duty due upon any deficiency of such goods, not so accounted for, has been paid.

³²[(5) Notwithstanding anything contained in the aforesaid sub-sections, the ³³[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] may prescribe such conditions as he deems fit for the removal of warehoused goods from special bonded warehouse.]

102. Remover may enter into a general bond.— The ³⁴[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] may permit any person desirous of removing warehoused goods to enter into a general bond, with such sureties, in such amount and under such conditions as ³⁵[that Commissioner] approves, for the removal, from time to time, of any goods from one warehouse to another, either in the same or in a different warehousing station and for the due arrival and re-warehousing of such goods at the destination within such time as ³⁶[that Commissioner] directs.

103. Goods on arrival at customs station of destination to be subject to same laws as goods on first importation.— Upon the arrival of warehoused goods at the customs station of destination, they shall be entered and warehoused in like manner as goods are entered and warehoused on the first importation thereof, and under the laws and rules, in so far as such laws and rules are applicable, which regulate the entry and warehousing of such last mentioned goods.

104. Clearance of bonded goods for home-consumption.— Any owner of warehoused goods may, at any time within the period of their warehousing under section 98, clear such goods for home-consumption by paying-

- (a) the duty assessed on such goods under the provisions of this Act; and
- (b) all rent, penalties, interest and other charges payable in respect of such goods ³⁷[:

Provided that necessary permission will have to be taken from ³⁸[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] fifteen days in advance in case of Special Bonded Warehouse for special purposes to be determined by the ³⁹[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board].

105. Clearance of warehoused goods for export.— Any owner of warehoused goods may, at any time within the period of their warehousing under section 98, clear such goods for export out of ⁴⁰[Bangladesh] on payment of all rent, penalties, interest and other charges payable as aforesaid but without paying any import duty thereon:

³¹ Finance Act 2001 (Act 30 of 2001)

³² Finance Act 2000 (Act 15 of 2000)

³³ Finance Act 2000 (Act 15 of 2001)

³⁴ Finance Act 2001 (Act 30 of 2001)

³⁵ Finance Act 2001 (Act 30 of 2001)

³⁶ Finance Act 2001 (Act 30 of 2001)

³⁷ Finance Act 2000 (Act 15 of 2000)

³⁸ Finance Act 2001 (Act 30 of 2001)

³⁹ Finance Act 1980 (Act 23 of 2000)

⁴⁰ Finance Act 1980 (Act 23 of 1980)

Provided that, if the ⁴¹[Government] is of the opinion that warehoused goods of any specified description are likely to be smuggled back into ⁴²[Bangladesh], it may, by notification in the official Gazette, direct that such goods shall not be exported to any place outside ⁴³[Bangladesh] without payment of duty or allow them to be exported subject to such restrictions and conditions as may be specified in the notification.

106. Clearance of warehoused goods for export as provisions, on a conveyance proceeding to foreign destination.— Any warehoused provisions and stores may be exported within the period of their warehousing under section 98 without payment of import duty for use on board any conveyance proceeding to a foreign territory.

107. Application for clearance of goods.— (1) An application to clear goods from any warehouse for home-consumption or for export shall be made in such form as the Board may prescribe.

(2) Such application shall ordinarily be made to the appropriate officer at least twenty-four hours before it is intended to clear such goods ⁴⁴[:

Provided that in the case of Special Bonded Warehouses, the procedure to be followed will be determined by ⁴⁵[that Commissioner] of Customs (Bond) or any other Commissioner of Customs authorised by the Board.]

108. Re-assessment of warehoused goods when damaged or deteriorated.— If any goods upon which duties are levied ad valorem are damaged or deteriorated due to an unavoidable accident or cause after they have been entered for warehousing and assessed under section 80 and before they are cleared for home-consumption, their value in the damaged or deteriorated state may be appraised, if the owner so desires, by an officer of customs and the duty leviable thereon shall be diminished in proportion to the diminution of their value and a new bond for twice the amount of the diminished duty may, at the option of the owner, be executed by him to replace the bond originally executed.

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110. Allowance in case of volatile goods.— When any warehoused goods of such class or description as the Board having regard to the volatility of such goods and the manner of their storage may, by notification in the official Gazette, specify are, at the time of delivery from a warehouse, found to be deficient in quantity and the ⁴⁷[Commissioner of Customs (Bond) or other Commissioner of Customs authorised by the Board] is satisfied that such deficiency is on account of natural loss, no duty shall be charged on such deficiency.

111. Duty on goods improperly removed from warehouse or allowed to remain beyond fixed time or lost or destroyed or taken as sample.— In respect of goods specified hereunder the appropriate officer may demand and upon such demand the owner of such goods shall forthwith pay the full amount of duty chargeable on such goods together with all rent, penalties, interest and other charges payable in respect of them, namely-

- (a) Warehoused goods which are removed in contravention of section 97.
- (b) Goods which have not been removed from the warehouse within the time allowed for such removal under section 98.
- (c) Goods in respect of which a bond has been executed ⁴⁸[under section 86 or as prescribed by rules made under this Act] and which have not been cleared for home-consumption or export or removed in accordance with the provisions of this Act and are lost or destroyed

⁴¹ Finance Act 1980 (Act 23 of 1980)

⁴² Finance Act 1980 (Act 23 of 1980)

⁴³ Finance Act 1980 (Act 23 of 1980)

⁴⁴ Finance Act 2000 (Act 15 of 2000)

⁴⁵ Finance Act 2001 (Act 30 of 2001)

⁴⁶ Finance Act 2001 (Act 15 of 2001)

⁴⁷ Finance Act 2001 (Act 15 of 2001)

⁴⁸ Finance Act 2000 (Act 15 of 2000)

otherwise than as provided in sections 94 and 95 or as mentioned in section 115, or are not accounted for to the satisfaction of the appropriate officer.

- (d) Goods which have been taken under section 94 as samples without payment of duty.

112. Procedure on failure to pay duty, etc.— ¹[(1) If any owner fails to pay any sum demanded under section 111, the appropriate officer may either proceed upon the bond executed under 86 or as prescribed by rules made under this Act or cause such portion of the owners goods in the warehouse or any plant or machinery or equipment used for the manufacture of goods or any other goods and properties belonging to such persons to be detained as he may consider adequate to recover the demand, and the notice in writing for such detention, shall immediately be given to the owner.]

(2) In case the demand is not discharged within fifteen days of the date of such notice, the goods so detained may be sold.

(3) The net proceeds of any such sale shall be entered upon and adjusted against the bond and the surplus if any remaining after full satisfaction of the bond shall be disposed of in the manner provided in section 201.

(4) No transfer or assignment of the goods shall prevent the appropriate officer from proceeding against such goods in the manner above provided, for any amount due thereon.

113. Noting removal of goods.— (1) When any warehoused goods are taken out of any warehouse, the appropriate officer shall cause the fact to be noted on the back of the bond.

(2) Every note so made shall specify the quantity and description of such goods, the purposes for which they have been removed, the date of removal, the name of the person removing them, the number and date of the bill of export under which they have taken away, if removed for exportation, or of the bill of entry, if removed for home-consumption and the amount of duty paid, if any.

⁵⁰[(3) In case of Special Bonded warehouses, the procedure to be followed will be determined by the ⁵¹[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board.]

114. Register of bonds.— (1) A register shall be kept of all bonds entered into for customs-duties on warehoused goods, and entry shall be made in such register of all particulars required by section 113 to be specified ⁵²[or in the case of Special Bonded warehouse entry shall be made in a register to be prescribed by the ⁵³[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board].

(2) When such register shows that the whole of the goods covered by any bond have been cleared for home-consumption or export, or otherwise duly accounted for, and when all amounts due on account of such goods have been paid, the appropriate officer shall cancel such bond as discharged in full, and shall on demand deliver the cancelled bond to the person who executed it or who is entitled to receive it.

115. Power to remit duties on warehoused goods lost or destroyed.— If any warehoused goods, in respect of which a bond has been executed under section 86 and which have not been cleared for home-consumption are lost or destroyed by unavoidable accident or cause, the ¹[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] may in his discretion remit the duties due thereon:

Provided that, if any such goods be so lost or destroyed in a private warehouse, ²[notice thereof in writing shall] be given to the appropriate officer ³[within ⁴[three] working days] after the discovery of such loss or destruction.

⁴⁹ Finance Act 2000 (Act 15 of 2000)

⁵⁰ Finance Act 2000 (Act 15 of 2000)

⁵¹ Finance Act 2001 (Act 30 of 2001)

⁵² Finance Act 2000 (Act 15 of 2000)

⁵³ Finance Act 2001 (Act 30 of 2001)

⁵⁴ Finance Act 2001 (Act 30 of 2001)

⁵⁵ Finance Act 1998 (Act 14 of 1998)

⁷ Finance (fy2008-09) Act 2009 (Act 10 of 2009)

116. Responsibility of warehouse-keeper.— The warehouse-keeper in respect of goods lodged in a public warehouse, and the licensee in respect of goods lodged in a private warehouse, shall be responsible for their due receipt therein and delivery therefrom, and their safe custody while deposited therein, according to the quantity, weight or gauge reported by the officer of customs who has assessed such goods, allowance being made, if necessary, for deficiency in quantity on account of natural loss as provided in section 110:

Provided that no owner of goods shall be entitled to claim from the appropriate officer or from any keeper of a public warehouse, compensation for any loss or damage occurring to such goods while they are being passed into or out of such warehouse, or while they remain therein, unless it be proved that such loss or damage was occasioned by the wilful act or neglect of the warehouse-keeper or of an officer of customs.

⁵⁶[117. ** ** **

117A. ** ** **]

118. Power to decide where goods may be deposited in ¹[warehouse], and on what terms.— The ²[Commissioner of Customs (Bond) or any other Commissioner of Customs authorised by the Board] may from time to time determine in what division of any ³[warehouse], and in what manner, and on what terms, any goods may be deposited, and what sort of goods may be deposited in any such warehouse.

119. Expenses of carriage, packing, etc., to be borne by owner.— The expenses of carriage, packing and storage of goods on their receipt into or removal from a public warehouse shall, if paid by the appropriate officer or by the warehouse-keeper, be chargeable on the goods and be defrayed by, and recoverable from, the owner, in the manner provided in section 112.

⁴[119A. **Power to add, alter or relax the condition, etc.**— The ⁵[Board] may, by notification in the official Gazette, add or alter any condition or requirement contained in any provision of this chapter, and if it considers expedient, relax any provision thereof, to meet any special requirement.]

⁸The word 'three' was substituted by the word 'two' by Finance Act, 2016 (Act-----of 2016)

⁵⁶ Finance Act 2002 (Act 14 of 2002)

⁵⁷ Finance Act 2002 (Act 14 of 2002)

⁵⁸ Finance Act 2001 (Act 30 of 2001)

⁵⁹ Finance Act 1996 (Act 18 of 1996)

⁶⁰ Finance Act 1997 (Act 15 of 1996)

⁶¹ Finance Act 1997 (Act 15 of 1997)