

## CIRCULAR NO 24/2011-CUSTOMS

Dated : May 31, 2011

Subject: **Revision in the powers of adjudication of the officers of Customs.**

Attention is invited to Board Circular No.23/2009-Customs dated 1.9.2009 which provides for monetary limits of adjudication of cases by officers of various grades where SCNs are issued under section 28 of the Customs Act, 1962.

2. References have been received from the field formations for specifying the 'proper officer' for issuance of show cause Notice and adjudication of cases of export under the drawback and Export Promotion Schemes.

3. Further, as per Board's Circular No.23/2009-Customs dated 1.09.2009, whereas the monetary limits of adjudication are prescribed in terms of duty involved, in respect of notices involving extended period of limitation, the monetary limit is specified based on the value of goods involved. This when worked out in accordance with the duty rates prescribed gives rise to an anomalous situation.

4. The matter has been examined in the Board. In order to streamline guidelines on monetary limit for adjudication of cases by different grades of Customs Officers, it has been decided that henceforth, cases where SCNs are issued under section 28 of the Customs Act, 1962, these will be adjudicated as per following norms:

Level of Adjudication officer	Nature of cases	Amount of duty involved
Customs		
Commissioner	All cases	Without limit
ADC/JC	All Cases	Upto Rs.50 lakhs
AC/DC	All cases	Upto Rs. 5 lakhs

5. Further, it has been decided that the proper officer for the issuance of Show Cause Notice and adjudication of cases under the provisions of Rule 16 of the Customs, Central Excise and Service Tax Drawback Rules, 1995 shall, henceforth, be as under:

(i) In case of simple demand of erroneously paid drawback, the present practice of issuing Show Cause Notice and adjudication of case without any limit by Assistant / Deputy Commissioner of Customs shall continue.

(ii) In cases involving collusion, wilful misstatement or suppression of facts etc., the adjudication powers will be as under:

Level of Adjudication Officer	Amount of Drawback
Additional / Joint Commissioner of Customs	Without any limit
Deputy / Assistant Commissioner of Customs	Upto Rs.5 lakhs

6. In case of Export Promotion Schemes i.e. DEPB / Advance Authorization / DFIA / Reward Schemes etc. the adjudication powers shall be as under:-

Level of Adjudication officer	Duty Incentive amount
Commissioner of Customs.	Without any limit.
Additional / Joint Commissioner of Customs.	Upto Rs.50 lakhs.
Deputy / Assistant Commissioner of Customs.	Upto Rs.5 lakhs.

7. It is clarified that notwithstanding this revision, in all cases where personal hearing has been completed, orders will be passed by adjudicating authority before whom the personal hearing has been held. Such orders will normally be issued within a month of date of completion of the personal hearing. In all cases where personal hearing is yet to be commenced, the adjudications should be done by the appropriate level of officers as per the revised instructions. An immediate exercise should be undertaken to take stock of the present pendency and transfer of relevant files and records to respective adjudicating authorities and the exercise of transfer of case records should be completed by 15.06.2011 under proper receipt.

8. Board Circular No.23/2009 - Customs dated 1.9.2009 stands amended to the above extent.

9. Difficulty faced, if any, may be brought to the notice of the Board immediately.

**F.No.450/117/2009-Cus.IV**

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**Director (Customs)**