

F. No. 207/07/2014-CX-6
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs

New Delhi, the 20th January, 2015

To

Principal Chief / Chief Commissioners of Central Excise (All),
Principal Chief / Chief Commissioners of Central Excise of Central Excise & Service Tax
(All),
Web-master, CBEC.

Sub: Instructions regarding issue of summons in Central Excise and Service Tax matters – reg.

Madam/Sir,

It has been brought to the notice of the Board that in some instances, the summons under Section 14 of the Central Excise Act, 1944 have been issued by the field formations to the top senior officials of the companies in a routine manner to call for material evidence/ documents. Besides, summons have been issued to enforce recovery of dues, which are under dispute. As per Section 14 of Central Excise Act, 1944, summons can be used in an inquiry for recording statements or for collecting evidence/ documents. While the evidentiary value of securing documentary and oral evidence under the said legal provision can hardly be over emphasized, nevertheless, it is desirable that summons need not always be issued when a simple letter, politely worded, can also serve the purpose of securing documents relevant to investigation. It is emphasized that the use of summons be made only as a last resort when it is absolutely required.

2. On this issue, Board has already issued a circular vide F. No 208/122/89-CX.6 dated 13.10.1989 in respect of Central Excise. Instruction has also been issued vide F. No. 137/39/2007-CX.4 dated 26.2.2007 in Service Tax matters.

3. The following guidelines are being issued to be followed in both Central Excise and Service Tax matters:–

- (i) Power to issue summons are generally exercised by Superintendents, though higher officers also issue summons. Summons by Superintendents should be issued after obtaining prior written permission from an officer not below the rank of Assistant Commissioner with the reasons for issuance of summons to be recorded in writing;
- (ii) where for operational reasons it is not possible to obtain such prior written permission, oral/telephonic permission from such officer must be obtained and the same should be reduced to writing and intimated to the officer according such permission at the earliest opportunity;
- (iii) In all cases, where summons are issued, the officer issuing summons should submit a report or should record a brief of the proceedings in the case file and submit the same to the officer who had authorised the issue of summons.

4. Further, senior management officials such as CEO, CFO, General Managers of a large company or a PSU should not generally be issued summons at the first instance. They should be summoned only when there are indications in the investigation of their involvement in the decision making process which led to loss of revenue.

5. These instructions may be brought to the notice of all the field officers for strict compliance. Non observance of the instructions will be viewed seriously. Hindi version would follow.

Yours faithfully,

(ROHAN)

