Circular No. 22/2008-Customs

F. No. 401/229/2006-Cus.III

Government of India

Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

New Delhi dated the December 19, 2008

To

All Chief Commissioners of Customs / Customs (Prev.).
All Chief Commissioners of Customs & Central Excise.
All Commissioners of Customs / Customs (Prev.).
All Commissioners of Customs & Central Excise.

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Sub.: Procedure relating to sanction and pre-audit of refund claims- regarding.

Sir / Madam,

I am directed to invite your attention to Board's Circular No. 24/2007-Cus dated 02.07.2007, relating to the procedure to ensure expeditious disposal of Customs duty refund applications. Para 4.4 of the Circular provides for the audit system in respect of refund claims. It has been provided under the said Para that all applications involving a refund of duty and/or interest of Rs. 5 lakh or more shall be subjected to pre-audit as per the existing practice. However, It has been brought to the notice of the Board that the said Para does not clearly state whether the pre audit of application of refund for amount Rs. 5 lakh and above should be done at the level of DC/AC or at the level of Commissioner.

2. The matter has been examined. It has been decided that pre-audit of all refund claims will be conducted by the Assistant/Deputy Commissioner (Audit), in the Commissionerate Headquarters Office. Thereafter, the Assistant/Deputy Commissioner of Group/Division will pass an order-in-original in respect of the claim. Thereafter, the orders-in-original passed in this regard shall be subjected to review by the Commissioner concerned.

3. The relevant portions of Circular No. 24/2007-Cus dated 02.07.2007 stand amended as discussed above.

4. A suitable Public Notice and Standing Order may be issued for the guidance of the trade and staff. Difficulties faced, if any, in implementation of the Circular may be brought to the notice of the Board at an early date.

5. Hindi version will follow.

Yours faithfully,

(M.M. Parthiban)
Director (Customs)

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