Circular No. 54/95-Cus.
dated 30/5/95

F.No. 495/15/94 - CUS VI

Government of India
Ministry of Finance
Department of Revenue, New Delhi

Subject : Finance Act, 1995 - Delegation of powers to customs officers under Section 142 of the Customs Act, 1962 - Instructions reg.

The undersigned is directed to say that in terms of the amended section 142 of the customs Act, 1962, in addition to the existing modes of recovery of govt. dues mentioned therein, a provision has been made to empower custom officers to attach and sell the moveable and / or immovable property of a defaulter as per the rules to be framed in this behalf by the Central Government. These rules have since been notified vide Notification No. 31/95-Cus (NT) dated 26.05.95.

2. In this connection, it may be noted the provision of recovery through district authorities has been retained under section 142 (1)(c)(i), while empowering the proper officer to take recourse to recovery through custom officers. However, simultaneous action through district authorities and through custom officers for recovery of govt. dues should not be taken. The proper officer should take recourse to action under clause (c) of section 142(1) only when the amount in question cannot be recovered under clauses (a) or (b) of section 142 (1).

3. For action under clause (c) or section 142(1) or the Custom Act, 1962, the following guidelines may be followed:-

a) Where the amount recoverable does not exceed rupees one lakh, certificate action should first be taken through the district authorities under sub - clause (i).

b) In case the amount is not recovered by the district authority within three months, the district authority should be informed by registered A/ D letter to discontinue recovery and action should be taken to initiate recovery under sub-clause (ii) through the Commissioner of customs/ C.Excise having jurisdiction over the place where the defaulter is having jurisdiction over the place where the defaulter is having property, or is residing, or is carrying out his business, or has his bank accounts.

c) In case the amount recoverable exceeds rupees one lakh, the proper officer should initiate recovery action directly through the concerned commissioner of Customs/ C.Excise under sub-clause (ii).

4. A proper record should be maintained of cases in which recovery action is initiated under sub-clause (ii) of clause (c) of section 142(1) of the Customs Act, 1962.

5. In case you need any clarification or if you have any suggestions on the subject, please intimate at the earliest.

Sd/-
(T.R. Kapur)
Under Secretary (Cus. VI)