Circular No. 27/2009-Customs

F. No.450/164/2006-Cus.IV(Pt.1)

Government of India

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

North Block, New Delhi
8th October, 2009

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 (Appeals).

All Commissioners of Customs & Central Excise.

All Commissioners of Customs & Central Excise (Appeals).

Subject:Audit of assessments arising out of clearance of goods in minor ports or the foreign post office – regarding.

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Sir,

Reference is invited to the Board's instructions issued vide F.No. 8/6/67-Cus.III dated 05.11.1977 on the above-mentioned subject. These instructions provide that various documents such as Bills of Entry, postal imports of certain categories, refund claims of certain categories, drawback shipping bills of certain categories etc., pertaining to various minor ports and foreign post offices should be sent for audit to major Customs Houses like Mumbai, Cochin etc.

2. The matter has been examined afresh in the Board. It is seen that the existing instructions were issued as it was felt that the items of work such as post audit of Bills of Entry, postal imports etc., required specialization, which was available at major customs houses only at that point of time.

3. Sufficient time has lapsed since then and the existing practice requires a review in the light of subsequent developments such as restructuring of the department leading to the creation of self contained Commissionerates responsible for the work of minor ports and ICDs. Further, customs assessment work has also undergone a sea change with the introduction of EDI, Risk Management System, and inter-connectivity for speedy communications and the availability of modern tools such as NIDB data.

4. Accordingly, it has been decided to discontinue the existing system of sending documents pertaining to various minor ports and foreign post offices to major Customs Houses like Mumbai, Cochin etc., for audit. Further, it is seen that at Customs houses where the EDI System has become operational, there may not be any requirement for sending the Bills of Entry outstation for audit as the concurrent audit/post audit in such cases is done at the respective customs house itself. In remaining cases, the Commissioners, in whose jurisdiction such minor ports/ foreign post offices/ ICDs fall, shall be make necessary arrangement to ensure that the audit related work in being undertaken within the Commissionerate itself.

5. The Chief Commissioners concerned are requested to ensure that these instructions are implemented at the earliest and send a compliance report to the Board by 30th November 2009.

6. The Board's instruction issued vide F.No. 8/6/67-Cus.III dated 05.11.1977 stands rescinded.

7. These instructions may be brought to the notice of all concerned by way of issuance of suitable Standing Order.

8. Difficulties, if any, in implementation of the Circular may be brought immediately to the notice of the Board.

Yours sincerely,

(Navraj Goyal)
Under Secretary (Customs Policy)

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