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Government of India

Ministry of Finance

(Department of Revenue)

Notification No.118/ 2008-Customs (N.T.)

New Delhi, the 12th November, 2008

G.S.R. 786 (E).- In exercise of the powers conferred by clause (h) of sub-section (2) of section 156, read with sub-section (3) of section 137, of the Customs Act, 1962 (52 of 1962), the Central Government hereby makes the following rules to amend Customs (Compounding of Offences) Rules, 2005, namely :-

1. (1) These rules may be called the Customs (Compounding of Offences) Amendment Rules, 2008.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Customs (Compounding of Offences) Rules, 2005 (hereinafter referred to as the said rules),-

(a) in rule 4, in sub-rule (3), after the proviso, the following shall be inserted, namely:-

"Provided further that application shall not be allowed unless the duty, penalty and interest liable to be paid have been paid for the case for which application has been made.";

(b) for rule 5, the following rule shall be substituted, namely:-

"5. Fixation of the compounding amount.- For the purpose of compounding of offences under the various provisions of the Act, the compounding amount shall be as provided in the following Table:

Provided that if a person has, in respect of same goods, committed offences falling under more than one category specified below and where amount of duty evasion, or, amount of drawback or exemption from duty, provided under the Act in connection with export goods; or amount of market value of the goods is same for all such offences, the compounding amount, in such cases, shall be the amount determined for the offence for which a higher compounding amount has been prescribed.

Table

Sl.No.	Offence	Compounding amount
(1)	(2)	(3)
1.	Offence specified under Section 132 of the Act	Fifty thousand rupees for the first offence and to be increased by hundred per cent. of this amount for each subsequent offence.
2.	Offence specified under Section 133 of the Act	Fifty thousand rupees for the first offence and to be increased by hundred per cent. of this amount for each subsequent offence.
3.	Offence specified under	Fifty thousand rupees for the first offence and to be increased by

Sl.No.	Offence	Compounding amount
(1)	(2)	(3)
	Section 134 of the Act	hundred per cent. of this amount for each subsequent offence.
4.	Offence specified under Section 135 (1) (a) of the Act	Upto ten per cent. of the amount of market value of the goods, subject to a minimum of one lakh rupees.
5.	Offence specified under Section 135 (1) (b) of the Act	Upto five per cent. of the amount of market value of the goods, subject to a minimum of one lakh rupees.
6.	Offence specified under Section 135(1) (c) of the Act	Upto ten per cent. of the amount of market value of the goods, subject to a minimum of one lakh rupees.
7.	Offence specified under Section 135(1) (d) of the Act	Upto ten per cent. of the amount of market value of the goods, subject to a minimum of one lakh rupees.
8.	Offence specified under Section 135A of the Act	Upto five per cent. of the amount of market value of the goods, subject to a minimum of one lakh rupees.

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(c) in the Form appended to the said rules, after serial number 12, the following shall be inserted, namely:-

"12A. Whether the amount of duty, penalty and interest have been paid and if yes, the details thereof:"

[F.No. 450/67/2003-Cus.IV (Pt)]

(Aseem Kumar)
Under Secretary to the Government of India

Note: The principal notification No.114/2005-Customs (N.T.), dated the 30th December, 2005, was published in the Gazette of India, Extraordinary, Part II, Section 3, sub-section (i), vide number G.S.R. 755 (E), dated the 30th December, 2005. (incorporating correction by corrigenda dated 18.11.2008).

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