Standing order No.03/2018 dated 09.04.2018

Subject: Market Verification for ascertaining Present Market value and re-determining the value of goods for export, reg.

Attention is invited to CBEC Circular No. 7/2003-Cus., dated 05-02-2003. In the said circular, it was directed that market verifications should be undertaken only on the basis of information/intelligence and/or prima facie evidence suggesting overvaluation which should be first recorded and, thereafter, orders of Additional Commissioner/Joint Commissioner or in their absence Commissioner's be obtained to do market verification.

2. Further, it has also been directed in the said circular that in those cases where it is conclusively proved through verification that the FOB value had been artificially inflated/manipulated by the exporter to avail of unintended higher drawback benefits, the cases shall be investigated and decided on merits in terms of Sections 14 and 113 read with Sections 76(1)(b) and 114 of the Customs Act, 1962.

3. In this regard, it is once again reiterated that the CBEC instructions should be strictly followed. In cases, where Show Cause Notice referred to in Section 124 of the Customs Act, 1962 is oral, A.C / D.C / J.C / A.D.C in-charge of Export Shed should invariably pass a speaking order as per Section 122 while deciding the case in terms of Sections 14 and 113 read with Sections 76(1)(b) and 114 of the Customs Act, 1962.

Copy forwarded to:
1. The Chief Commissioner of Customs (Delhi Zone) New Custom House, New Delhi.
2. PA to the Commissioner of Customs (Export), ICD, TKD New Delhi.
3. The Additional Commissioner/Joint Commissioner of Customs (Export), ICD, TKD, New Delhi.
4. All Deputy/Assistant Commissioner of Customs (Export), ICD, TKD, New Delhi.
5. Guard File.
6. Notice Board.