



OFFICE OF THE CHIEF COMMISSIONER OF CUSTOMS (DZ),  
NEW CUSTOM HOUSE, NEW DELHI.

C.No. CCCU(DZ)Cus/Legal/Recovery/94/2017/

10317-25  
4-8-17

Dated : 02 .08.2017

**STANDING ORDER NO. S-01 / 2017-18**

**Subject:- Recovery of Arrears**

Attention is invited to the Board's instructions issued vide Circular No. 55/2004 dated 19/08/2004 wherein it was directed to identify all arrears of more than 1 crore pending before CESTAT where the department has a strong case and a reasonable chance of success, and to regularly monitor such cases to ensure that wherever needed, requisite applications are submitted before the competent authorities for early hearing. It was also required to review position of arrears and implementation of strategy for realization of arrears every month so that any deficiency or delay is remedied promptly.

2. Vide Board's Circular No. 993/17/14-CX dated 05/01/15, the Commissionerates are required to maintain a database of the record of pre-deposits made. This would facilitate seamless verification of the deposits at the time of processing the refund claims, in case of favourable order from the Appellate Authority. The data is required to be maintained separately in respect of appeals before CESTAT and Commissioner (Appeals). Review Cell of each Commissionerate has to maintain data of record of pre-deposit made in the proforma prescribed.

3. It has been pointed out by the Board that the C&AG has noticed that the Commissionerates have not been monitoring appeal/stay cases regularly/properly; no action is being taken for early hearing/vacation of stay; cases involving huge revenue arrears where stay was granted by CESTAT long back are still pending even after passage of number of years. C&AG has also noticed non-maintenance of separate register/database for pre-deposits etc. Audit has further observed that in a few Commissionerates there is no mechanism to know updated position of 'Appeal' cases. Incorrect reporting of revenue arrears details in the Monthly Performance Report has also been pointed out. Audit has also noticed that Orders-in-Original are not being endorsed to Recovery Cell, as a result, recovery process is getting delayed, due to lack of co-ordination between the two wings / branches within the Commissionerates. Audit has also reported lack of due diligence in issuing detention certificates without IEC code.

4. In the light of the aforesaid observations of Audit, Board has directed that all Commissioners must take stock of the situation and ensure that work related to "recovery of arrears" is done in accordance with the prescribed procedure and circulars/instructions, issued in this regard. Irregularities pointed out by the Audit should be rectified immediately. Appeal cases are properly monitored, database/ records of payment of pre deposit is maintained. Further, it should also be ensured that data/figures are reflected correctly, in various reports. Further, with the introduction of the GST, it is directed that



while issuing Order-in-Original, detention certificates etc., it must be ensured that details of GSTIN/PAN/UIN are mentioned.

5. The above discrepancies in the maintenance of records pointed out in the C&AG Report No. 1 of 2017 on "Recovery of Arrears (Customs)" must be rectified. Further, a special drive be launched to recover long pending arrears.

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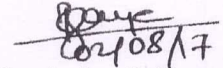
(Sunil Kumar Sawhney)  
Chief Commissioner of Customs  
Delhi Zone

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✓ Copy To:-

1. The Pr. Commissioner of Customs, / Commissioner ACC (Import/Export), NCH, New Delhi.
2. The Commissioner of Customs ICD(Import/Export), Tughlakabad,
3. The Commissioner of Customs ICD Patparganj.
4. The Commissioner of Customs General, NCH New Delhi.
5. The Commissioner of Customs IGI Airport, Terminal-3, New Delhi
6. The Commissioner of Customs (Appeals) NCH, New Delhi.
7. EDI Cell of General Commissionerate with the request to upload the same on the website.
8. Notice Board.
9. Guard File.

  
02/08/17  
(Ravindra J. Dange)  
Additional Commissioner  
CCCU(DZ)