

F.No. 524/05/2021-STO (TU)
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Indirect Taxes & Customs)

Dated: 17th August, 2021
North Block, New Delhi.

To,

All Principal Chief Commissioners/ Chief Commissioners of Customs/ Customs (Preventive),
All Principal Chief Commissioners/ Chief Commissioners of Customs & Central tax,
All Principal Commissioners/ Commissioners of Customs/ Customs (Preventive),
All Principal Commissioners/ Commissioners of Customs & Central tax.
All Principal Director Generals/Director Generals under CBIC.

Madam/Sir,

Subject: Instructions and clarifications by Directorates/Commissionerates/Audit: Scope of Section 151 A of the Customs Act, 1962 - reg.

As you are aware, in order to promote information sharing on the modus operandi, findings or observations detected during the investigation, audit or risk analysis etc., there exists a practice of issuing Circulars/Reports/Alerts etc by the Directorates/Commissionerates/Audit to all the Zones. This has helped in uniform application of the findings resulting in the safeguarding of revenue and better enforcement of compliances. However, it has been observed that on multiple occasions, those communications are issued which are either contrary to an existing circular issued by the Board or delve on matters covered by Section 151A of the Customs Act, 1962 without the approval of, or a reference to the Board.

2. In this regard, reference is invited to Section 151 A of the Customs Act, 1962 which empowers the Board alone to issue instructions/ directions for the purpose of uniformity in classification of goods or with respect to levy of duty thereon, or for the implementation of any other provision of this act or of any other law for the time being in force, in so far as they relate to any prohibition, restriction or procedure for import or export of goods.


3. Further, it may be appreciated that these matters covered under section 151A require wide ranging consultations involving multiple stakeholders, ministries and also international organizations. In such cases, referring such matters to the Board would enable undertaking a holistic analysis of such issues and ensure a consolidated view point to avoid unnecessary disputes and litigation.

4. Accordingly, in conformity with Section 151 A of the Customs Act, 1962, in order to establish a standard practice on all matters of classification of goods, with respect to levy of duty thereon and for the implementation of any other provision of the Customs Act, 1962 or of any other law for the time

being in force, in so far as they relate to any prohibition, restriction or procedure for import or export of goods, it is hereby directed that-

- i. Directorates/Commissionerates/Audit shall not issue any Circulars/Reports/Alerts etc. which are in the nature of interpretation/clarification/prescription for the sake of uniformity, on matters covered under section 151A of the Customs Act, 1962; clarifications on all such matters should only be issued by the Board under section 151A of the Customs Act, 1962.
 - ii. These directions do not take away the mandate of the Directorates/Commissionerates/Audit to-
 - a) Analyse/investigate cases pertaining to such matters.
 - b) Issue Circulars/Reports/Alerts which point out divergence in practices or a violation of any provisions of the Act or any violation of the directions issued under Section 151A.
 - c) Issue Circulars/Reports/Alerts on modus operandi or observations and significant findings. It is clarified that if the contention or opinion or finding of the Directorates/Commissionerates/Audit in such matters, is found to be in contrast to any Board Circular/Instruction, the same must be brought to the notice of Board and its clearance obtained before issuing any Circulars/Reports/Alerts etc.
5. Any difficulty in implementation of the above instructions may be brought to the notice of the Board.
6. Hindi version follows.

Yours faithfully,


17.08.21
(Ananth Rathakrishnan)
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