

OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE
NO.1, WILLIAMS ROAD, CANTONMENT, TRICHY-1.

GENERAL CIRCULAR NO: 04/2007 - CE

DATED :13.11.2007.

Sub: C.Ex. – Communication of Circular No. 857/15/2007/CX
[F.No. 268/24/2006-CX-8] dated 02.11.2007– Regarding.

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Copies of Ministry's Circular No. 857/15/2007/CX [F.No. 268/24/2006-CX-8] dated 02.11.2007 is communicated herewith for information, guidance and necessary action.

(Issued from file C.No.IV/16/4/2007 – C.Ex.Pol.)

Sd/-
(VASA SESHAGIRI RAO)
ADDITIONAL COMMISSIONER

To
As per mailing list III

Copy of the Circular No.857/15/2007/CX [F.No.268/24/2006-CX-8] dated 02.11.2007

Sub.: Procedure relating to sanction and pre-audit of refund/ rebate claims- regarding.

I am directed to invite your attention to Board's circular No. 809/6/2005-CX dated 01.03.2005, wherein the procedure relating to sanction and pre-audit of refund/rebate claims has been prescribed. It has been brought to the notice of the Board that various court judgments have held that the procedure of pre-audit before sanction of refund amounts to interference with the quasi-judicial function of the refund sanctioning authority. References have also been received from the field formations in this regard.

2. The matter has been examined. Pre-audit of refund and rebate claims serves the twin purpose of ensuring uniformity in procedure and enables effective monitoring of sanction of refund/rebate claims. Therefore, this procedure cannot be dispensed with. However, in view of the observations of the Hon'ble Courts, it has been decided that pre-audit of all refund/rebate claims will be conducted by the Assistant/Deputy Commissioner (Audit), in the Commissionerate Headquarters Office. Thereafter, the Divisional Assistant/Deputy Commissioner will pass an order-in-original in respect of the claim. Accordingly, the present system of pre-audit of claims by Commissioner would henceforth be dispensed with. However, the orders-in-original passed in this regard shall be subjected to review by the Commissioner.

3. The relevant portions of circular No. 809/06/2005-CX dated 01.03.2005 stand amended as discussed above.

4. The field formations may be suitably informed.

5. Hindi version will follow.

Yours faithfully,

(Rahul Nangare)
Under Secretary to the Government of India