

**Circular No. 994/01/2015-CX
dated 10.02.2015**

F. No. 208/03/2012-CX.6
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs

New Delhi, dated the 10th Feb., 2015

To

The Director General of Central Excise Intelligence,
Principal Chief / Chief Commissioners of Central Excise (All),

Principal Chief / Chief Commissioners of Central Excise & Service Tax (All).

Sub: Instructions regarding adjudication of Central Excise and Service Tax Cases booked by DGCEI.

Sir / Madam,

Attention is invited to Notification no 38/2001 – C.E (N.T) dt 26-6-2001 as amended from time to time whereby the officers of various ranks of Directorate General of Central Excise Intelligence have been appointed by the Board as the officers of Central Excise of the corresponding ranks for exercise of all powers under the Central Excise Act, 1944 and rules made thereunder, throughout the territory of India.

2. Officers of DGCEI, as Central Excise Officers, issue show cause notices in cases investigated by them. These Show Cause Notices are adjudicated by either the field Commissioners or by the Commissioner (adjudication). Cases to be adjudicated by Commissioner (adjudication) were specified by the orders of the Board.

3. Pursuant to the Cadre structuring and reorganization of CBEC, new posts in the rank of Principal Commissioners of Central Excise or Commissioners of Central Excise have been created in DGCEI, for various purposes including for adjudication of cases. Additional Director General (Adjudication) in DGCEI shall adjudicate cases where the show cause notices are issued by the officers of DGCEI. The practice of adjudication of DGCEI cases by field Commissioners shall also continue.

4. Powers of the Board under sub-rule 2 of rule 3 of the Central Excise Rules, 2002, have been conferred on Chief Commissioners of Central Excise by notification no. 11/2007-C.E (N.T) dt. 1-3-2007 to specify the jurisdiction of the Commissioner of Central Excise for the purposes of adjudication within his jurisdiction. Director General of CEI has jurisdiction over the ADGs. Now, the jurisdiction of Director General has been extended over to Principal Commissioners/ Commissioners of Central Excise vide notification number 2/15 –C.E. (N.T) dt. 10-02-15 so that he may assign cases, where show cause notices have been issued by the officers of the DGCEI, for adjudication to the field Commissioners also.

5. To assign cases for adjudication amongst the Additional Director General (Adjudication) and the field Commissioners following general guidelines shall be followed:-

(i) All cases where the duty involved is more than Rs 5 crores shall be adjudicated by the ADG (Adjudication).

(ii) Cases to be adjudicated by the executive Commissioner, when pertaining to jurisdiction of one executive Commissioner of Central Excise, shall be adjudicated by the said executive Commissioner of the Central Excise.

(iii) Cases to be adjudicated by the executive Commissioner, when pertaining to jurisdiction of multiple Commissionerates, shall be adjudicated by the Commissioner in whose jurisdiction the noticee from whom the highest demand of duty has been made falls. In these cases, an order shall be issued by the Director General, exercising the powers of the Board, assigning appropriate jurisdiction to the executive Commissioner for the purposes of adjudication of the identified case.

(iv) Where DGCEI proposes appointment of an adjudicating authority not in conformity with the above guidelines, DGCEI shall forward such proposal to the Board.

(v) Past cases pending adjudication shall be examined in the light of above guidelines and DGCEI shall take appropriate action such as assigning the cases to the appropriate adjudicating authority, issuing corrigendum to the show cause notices, appointing common adjudicating authority or forwarding proposal for appointment of the adjudicating authority by the Board as may be necessary.

(vi) Cases to be adjudicated by the officers below the rank of Commissioner shall be adjudicated only by the field officers in the executive Commissionerates and the above guidelines shall apply mutatis-mutandis.

6. Above guidelines shall also apply mutatis-mutandis to the Service Tax cases booked by DGCEI. Notification no. 2/15-Service Tax dt. 10-02-15 has been issued to provide necessary jurisdiction to the DG, CEI over the Principal Commissioners and Commissioners of Service Tax in this regard.

7. Difficulty, if any in implementing this circular may be brought to the notice of the Board. Hindi version shall follow.

(ROHAN)
Under Secretary (CX-6)