F. No. CBIC-21/138/2023-INV-CUSTOMS-CBIC

Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes & Customs
(Investigation- Customs)

10th floor, Tower-2, Jeevan Bharti Building 124 Connaught Circus (Near Janpath) New Delhi- 110001 Email ID: inv-customs@gov.in

Date: 06.09.2023

To,

All the Principal Chief Commissioners/Chief Commissioners of Customs/ Customs (Preventive),

All the Principal Chief Commissioners/ Chief Commissioners of CGST and Customs,

The Principal Director General, Directorate General of Systems & Data Management,

The Principal Director General, Directorate General of Revenue Intelligence,

The Director General, Directorate General of Analytics & Risk Management,

The Director General, Directorate General of Audit,

The Commissioner, Public Accounts Committee (PAC),

The Commissioner, Directorate of Data Management,

The Webmaster, CBIC.

Madam/Sir,

<u>Subject:</u> Streamlining of Customs Post Clearance Audit (PCA) Work-Instructions-reg.

The undersigned is directed to draw your kind attention to the Instruction No. 02/2021-Customs dated 16.02.2021 regarding Customs Post Clearance Audit (PCA).

2. A Meeting to review the performance of Customs PCA was taken by the Chairman, CBIC on 10.03.2023 and based on the decisions taken during the Meeting, Board has decided to make following amendments to the Instruction No. 02/2021-Customs dated 16.02.2021:

(i) Para 3.2.1. to be substituted with the following Para:-

"3.2.1. The Scope and Coverage: The entire lot of IECs should be taken up for selecting entities for Premised Based Audit (PBA) as per risk-parameters to be decided by the National Customs Targeting Centre (NCTC), Mumbai in consultation with the committee formed as per Para 3.2.2 of these instructions. The risk parameters will be dynamic in nature and would keep on evolving as per feedback received and additional information available. The number of entities to be selected for audit during a financial year is to be calculated as per the capacity to conduct audits as informed by the Audit Commissionerates and finally decided by the committee."

(ii) Para 3.2.2. to be substituted with the following Para:-

"3.2.2. Selection of Premises: The DG Audit shall prepare the list of auditees for PBA in consultation with the DGARM. For this purpose, a committee headed by the DG Audit consisting of all the Commissioners of Customs (Audit), representative from DRI HQ and the Principal ADG/ADG, NCTC, Mumbai shall meet in February every year to finalise the list of auditees for PBA for the next financial year, and thereafter as felt necessary. The final list shall be communicated to the Audit Commissionerates before 31st March. The Audit Commissionerates shall plan PBA for the year in such a way that the number of auditees is evenly spread in all the months and all selected entities are audited. It must be ensured that every entity selected should be subjected to the full audit cycle starting from Desk Review, Audit Plan, Audit Verification and preparation of Audit Report."

(iii) Para 3.2.4. deleted.

(iv) Para 3.3.1. to be substituted with the following Para:-

"3.3.1. Selection of themes: The DG Audit shall convene half yearly meetings of the committee consisting of all the Principal Chief Commissioners/ Chief Commissioners in charge of Customs (Audit) Commissionerates; the Principal ADG/ADG, NCTC, Mumbai and a representative from DRI HQ (not below the rank of Director). The committee shall meet in January and July to select the themes for ThBA for the first and second halves respectively for each financial year."

(v) Revision of formats of MIS reports given at Para 3.4: The revised formats for CUS PCA-1, CUS PCA-2, CUS PCA-3, and CUS PCA-4 are given at Annexures I, II, III and IV respectively.

(vi) Paras 3.8.2. (iv) (a) & (b) to be substituted with the following Paras:-

- "a) Committee headed by DG Audit, consisting of all the Principal Chief Commissioners/ Chief Commissioners in charge of Customs (Audit) Commissionerates; the Principal ADG/ ADG, NCTC, Mumbai and a representative from DRI HQ (not below the rank of Director) which meets in January and July to select the themes for ThBA for the first and second halves respectively for each financial year,
- b) Committee headed by DG Audit, consisting of all the Commissioners of Customs (Audit), representative from DRI HQ and the Principal ADG/ADG, NCTC, Mumbai which meets in February every year to finalise list of auditees for PBA for the next financial year, and thereafter as felt necessary,"
- 3. The Instruction No. 02/ 2021-Customs dated 16.02.2021 stands modified to this effect. All the officers under your jurisdiction may be sensitized about these amendments.
- 4. Difficulties, if any, in implementation of the aforesaid amendments may be brought to the notice of the Board.

 Yours sincerely,

Encl: As above.

(Shweta Garg)

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Deputy Commissioner (Investigation-Customs), CBIC, New Delhi.

	Note	_		TOTAL	EXPORT	IMPORT	1		Category		Date of Last MCM:	Month:	Commissionerate:		
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							24		Remarks	(Amount) (Rs. In Lakhs)					Annexure

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	he reportin							16A	Interest	Total Recoveries made during the month (including Spot Recovery)					
	g month.							168	Penalty Paid	during the Recovery)					
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								18	Duty Paid Interest	Total Recov					
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Category	-						1					Dispo	Disposal during the month	month														
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	issued	issued under PCA		month			mer	merit in MCM			Full Duty Paid	Paid			SCN	SCN issued	the month		P	PCA	< 01	< 01 year	01-0	01 - 02 year	02-0	02- 03 year	>0	> 03 year
	No.	Amount	No.	Amount	No. (2) + (4)	Amount (3) + (5)	No.	Amount	No.	Duty	Interest	Penalty Paid	Total Duty (11)+(11A)+ (11B)	recovery	No.	Amount	No. (8)+(10)+ (12)	Amount (9)+(11C)+ (11D)+(13)	No. (2)-(14)	Amount (3)-(15)	No.	Amount	No.	Amount	No.	Amount	No.	Amount
1	2	3	4	5	6	7	8	9	10	11	11A	118	11C	110	12	13	14	15	16	17	18	19	20	21	22	23	24	25
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