



OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT- I)  
सीमाशुल्क आयुक्त (आयात-I) का कार्यालय  
Central Revenue Recovery Cell, Import-I,  
New Customs House, Ballard Estate, Mumbai-1.  
केंद्रीय राजस्व वसूली कक्षा(आयात-I), बैलार्ड इस्टेट मुंबई- 400 001.  
Email Id: trc-import1@gov.in

F.No. CRRC/MISC/SOP/01/2025 NCH

Date: 04.04.2025

**Standing Order No. 01/2025**

**Sub: SOP regarding Actions and Timeline for Commissionerates of the Mumbai Customs Zone-I for Recovery of Arrears**

In partial modification of earlier Standing Order No.06/2021 dated 23.06.2021, the following guidelines are being issued in respect of the above subject.

Reference is invited to:

- i. **Board's Circular No. 1081/02/2022-CX dated 19.01.2022** on Recovery and Write-Off of Arrears of Revenue,
- ii. **Standing Order No. 11/2019 dated 14.11.2019** issued by Commissioner of Customs, Import I, on maintenance of register containing all the necessary details,
- iii. **Standing Order No. 15/2020 dated 01.01.2020** issued by Commissioner of Customs, Import I, on instructions to follow for the recovery of arrears of Customs,
- iv. **Standing Order No. 51/2020 dated 18.03.2021** issued by the Office of the Principal Chief Commissioner of Customs Mumbai Zone-I, and
- v. **Standing Order No. 06/2021 dated 23.06.2021** issued by Commissioner of Custom Import-I regarding creation of Central Revenue Recovery Cell (CRRC) and its functioning by merging all the erstwhile Tax Recovery Cells in the Mumbai Customs Zone-I.
- vi. **Handbook on Recovery of Arrears** of Customs revenue published by the Directorate of Publicity and Public Relation Customs & Central Excise, New Delhi.

2. As per Board's Circular No. 1081/02/2022-CX dated 19.01.2022, arrears are defined is as below:

- a. Arrears are the overdue payment of the amount of tax, interest, fine or penalty liability confirmed against a person who is liable to pay the same to the exchequer. It arises as a result of Order-in-Original, Order of Appellate forum, like the Commissioner Appeals / ADC/JC Appeals or the CESTAT and the Courts of Law.
- b. The amount in the case under investigation, unconfirmed demands (i.e. Show Cause Notice, including those in Call Book), the Order-in-Original that has been set aside or remanded for de-novo adjudication by Appellate authority do not fall under the category of 'Arrears'.

3. Section 28 BA, Section 142 read with Section 142 A of Customs Act, 1962 and Customs (Attachment of Property of Defaulters for recovery of Government Dues) Rules, 1995 are the relevant statutory provisions for recovery of Customs Arrears.

4. Subsequent to meeting of Parliamentary Standing Committee on Finance on 13.11.2024 & review by the Chief Commissioner of the Arrears of this Zone on 20.12.2024, renewed focus is to be given to recovery of arrears. To overhaul the recovery process and make it more efficient and productive, a Working Group of Commissioner of Customs, Import I, Import II, and Export was formed. Under this Working Group, a Sub-Group of Addl./Joint Commissioner of Customs, Import I, Import II and Export was formed to deliberate upon the issue and suggest remedial measures and fix the actions along with timelines to be taken by Commissionerates of the Mumbai Customs Zone-I for recovery of Arrears.



5. At present, the procedures described in the above-mentioned Standing Orders are being followed by various Groups/Sections Units which include CRRC, all the Import Appraising Groups falling under Import-I/Import-II Commissionerate; DEEC, EPCG, DRAWBACK, TAR Sections under Export Commissionerate and ICD Mulund, Container Cell, UB Centre & CB Section under General Commissionerate to recover the Government dues. However, it has been observed that most Groups /Sections are not updating the status of Orders /Arrears on time and consequential action is thus not being taken in a timely manner. Hence follow up action for recovery of arrears gets delayed in the Groups/Sections/units and the matter reaches to CRRC after the lapse of crucial golden time period which ought to have been utilized for ensuring recovery, during which many defaulters become untraceable, companies get referred to NCLT, parties tend to become non-serious regarding department's recovery measures, etc. It is further noticed that CRRC also since its inception has not been able to make credible recoveries on grounds including delay in receipt of cases from the Groups/Sections of various Commissionerates.

6. After detailed deliberations of the Sub-Group and the Working Group to rectify the above issue, the following Standard Operating Procedure has been prepared in partial modification to earlier standing orders issued by Import-I Commissionerate, with an aim to specify clear timelines for various recovery actions to be taken by the Group/Units/Sections of various Commissionerates of this Zone. Henceforth, a Tax Recovery Cell (TRC) section in each Commissionerate shall be formed if not already in existent, to deal with the cases pending with Groups/Sections to monitor the recovery process and maintain the records accordingly.

#### **STANDARD OPERATING PROCEDURE:**

7. Once a Group /Section finds that an Adjudication Order has become an arrear of revenue due to non-filing of appeal or the receipt of a favourable Order from a Court of law as per definition given above, the Group/Section has to take action as per strict timeline prescribed in Table I below to be read along with the Checklist (32 action points) annexed to this SOP as **Annexure A**. These actions will have to be completed strictly within prescribed timelines by the Group/Sections before considering transfers of the arrears to CRRC.

**Table I**

**(Timelines for Various Actions to be taken by Groups/Sections)**

**\* T- indicates date on which appeal period is over and no appeal has been filed against the order of any legal forum.**

<b>Sr. No</b>	<b>Action to be taken by Groups/Sections/Units before transferring the case to CRRC</b>	<b>Timeline to be followed strictly</b>
1.	<ul style="list-style-type: none"> <li>All confirmed Orders/Appellate orders to be monitored closely by Group/Section with respect to time limit of appeal. (e.g. 60 days for appeal in Commissioner (Appeal) and 90 days for appeal in CESTAT from the communication of order etc.)</li> <li>As soon as the time limit is over with no appeal filed, the arrear becomes recoverable and has to be included in the list of recoverable arrears to be maintained in Groups/Sections.</li> </ul>	To be closely monitored by Groups/Sections.
2.	<ul style="list-style-type: none"> <li>The action Checklist as per referred Annexure 'A' has to be placed in the arrear file to serve as a ready reckoner during the entire recovery process.</li> </ul>	T+1 day

3.	<ul style="list-style-type: none"> <li>Details of case to be recorded in the checklist pasted/placed in the file. (as given in Sr.No. 1 to 13 of Annexure 'A')</li> </ul>	T+1 to 2 days (02 Days)
4.	<ul style="list-style-type: none"> <li>Letter to be issued to the defaulter including by e mail, followed by one reminder after 7 days, to submit copy of appeal or proof of payment of dues.</li> <li>Also letter to Customs Broker to be issued simultaneously to get the defaulter's KYC details (Sr. 14 to 16 of Annexure – A)</li> </ul>	T+3 to 15 days (13 Days)
5.	<ul style="list-style-type: none"> <li>If appeal copy or arrear payment proof is not submitted, issue communication to officers of Customs i.e. TSK/Cash Section/Account section of this zone to encash any BG submitted by the defaulter and presently available with the department/sections and credit the same to the Government account.</li> <li>Also, insert Alert in ICES EDI system against the Importer/Exporter.</li> <li>Identification of all bank Accounts of the party through various sources like FIU, IBA, Nodal officers of banks, etc.</li> <li>Issuance of Letters to all the Refund/Rebate, Drawback or PAO authorities of this zone to deduct the amount, so payable from any money owing to defaulter which may be under the control of the proper officer.</li> <li>The officer shall also write to Export Commissionerate for upholding ROSCTL/RODTEP/IGST benefits till the recovery of government dues made. (Sr. nos. 17 to 19 of Annexure A)</li> </ul>	T+ 16 to 45 Days (30 Days)
6.	<ul style="list-style-type: none"> <li>Provisionally attaching/freezing the Bank Accounts with debit freeze up to the limit of amount recoverable</li> <li>Also blocking the ITC ledger where available by writing letters to concerned CGST/Central Excise Commissionerates.</li> <li>(Sr. 20 of Annexure A)</li> </ul>	T+46 to 60 days (15 Days)
7.	<ul style="list-style-type: none"> <li>Issuance of <b>Detention Order to all field formations</b> as per provision of section 142 (1) (a) (b). (Sr. no. 21 of Annexure A)</li> </ul>	T+61-65 days (05 Days)
8.	<ul style="list-style-type: none"> <li>Any known/unknown property to be identified. Also, enquiry to be made with various government agencies i.e. Post office, DGFT, RTO, Income Tax, Property Registration Offices, Registrar of Companies, SEBI/NSDL/CDSL etc about any investment, property etc of defaulter. (Sr. 22 to 24 of Annexure A)</li> <li>Issuance of Certificate in form of <b>Appendix-I</b> given in Board's Circular no. <b>1081/02/2022-CX dated 19.01.2022</b> to the Collector of the District for recovery of the amount where the defaulter owns any property or records or business. If the arrears are not recovered within 03 months, District Authorities should be informed through registered AD to discontinue recovery.</li> <li>Thereafter, if any other property with clear title is found, in any of the jurisdiction, the matter would be referred to the jurisdictional Commissionerate along with <b>Appendix I</b> (Sr.no. 25 of Annexure A).</li> </ul>	T+66 to 155 days (90 Days)



8. For further identification of any movable/immovable property of the defaulter, the officers of the Group/Section shall utilize Advait portal, social networking sites, discreet enquiries with trade etc to gather information about defaulters. The Group/Section shall also send E-mail along with the case details to Nodal Officer i.e. DC/AC, SIIB (X) to gather additional information of defaulter entity as well as of concerned person, through NATGRID and other databases available with agencies like DRI, DGGI, Income Tax, ED etc. in cases involving high revenue. Nodal Officer has been appointed to have single access and co-ordinating point with other agencies to maintain database of pending requests at single point in the zone.

9. To ensure compliance of the above prescribed strict timeline for actions, all the ADC/JCs of Groups/Sections/Units shall hold fortnightly review meetings and the Commissioners shall review the action taken on monthly basis.

10. **Role of TRC Section:** A parallel file of each Arrear file is to be maintained from the beginning in TRC section as per Board's Instructions no. **1081/02/2022-CX dated 19.01.2022 (para 5 (iii) therein)** Each TRC section in the Commissionerates shall continue to perform the functions envisaged in the said Instructions dated 19.01.2022.

11. **Role of CRRC\_ :** Upon completion of all activities given in Table-I above, within the timelines the case will be sent to CRRC as per para 9 of Standing Order No. 06/2021 dated 23.06.2021. After the receipt of the case from the concerned Group/Section along with Order-In-Original and other documents as mentioned in Standing Order No. 06/2021 dated 23.06.2021, a file number shall be allocated by the CRRC cell to each such case.

12. After expiry of 10 days' notice period, if Govt. dues are not paid by the defaulter, the Dy./Asstt. Commissioner of CRRC Section shall issue a Notice of Demand to the defaulter as **Appendix-II**.

13. CRRC Section may have to repeat the actions given in the 32 points action Check list annexed to this Standing Order as **Annexure A**, and paras 7 and 8 above which may have been earlier initiated by the Group/Sections but remains incomplete.

14. In case any appeal has been filed by the defaulter for any reason, the file shall be returned immediately to the concerned Group/Section/Unit for necessary action.

15. Once the amounts due are paid by the concerned parties/persons either in full or in part, then intimation about receipt of such payments shall be immediately sent by the Group/Section to the CRRC and in any case not later than **3 days** of the receipt of such payments.

16. This SOP is supplementary to the existing law/instructions/SOP. In the event of any conflict, the Act, Rules & Board's Circulars shall prevail. Furthermore, all actions prescribed in this SOP are to be taken with the approval of the competent authority specified in the Act/Rules and as per due procedure prescribed therein

17. If the above actions do not yield desired results/recovery, write off proposals should be prepared as governed by CBIC's Circular no. 1081/02/2022-CX dated 19.01.2022 and after due compliance, the proposal for write off may be sent to the competent authority as per the prescribed format by respective groups/section/CRRC. After due approval and acceptance, the matter/case may be removed from MPR. The committee competent of dealing with write-off of arrears are already constituted vide Office Note dated 09.02.2022 and amended vide corrigendum dated 31.03.2022.

18. Any difficulties faced may be brought to the notice of the undersigned.
19. This SOP shall come into force with immediate effect.
20. This is issued with approval of the Chief Commissioner of Customs, Mumbai Customs, Zone-I.



*Vivek*  
04.04.25

(Vivek Pandey)

Commissioner of Customs (Import-I)  
New Custom House, Mumbai Zone-I

Copy to:

1. The Chief Commissioner of Customs, Mumbai Zone-I
2. All Pr./Commrs of Mumbai Customs Zone-I
3. All Addl./Joint Commissioner of Customs (Import I/Import II/Export/General)
4. All DC/AC of Groups and Sections of Customs (Import I/ Import II/ Export/General)
5. DC/AC, EDI, with request to upload on the zone website
6. Office copy



**Annexure-A**

SR. NO	Check List of Data to be recorded and action to be taken	Group/Section
1	Appendix - I Issued on	<div style="border: 1px solid black; padding: 5px;"> <p>Data/Information to be recorded on the inner cover page of the file by the Groups/Sections/Units of each Commissionerates</p> </div> <p>To be done by Groups/Sections/Units of each Commissionerates</p>
2	Details of defaulters such as Name, whether Company/partnership/proprietorship, <ul style="list-style-type: none"> <li>For partners and proprietors- PAN, Adhaar, Bank Details, addresses etc.</li> <li>for directors- Name, PAN, Adhaar, Bank Details, address, DIN etc.</li> </ul>	
3	IEC NO	
4	CHA name	
5	Order-in-Original no. & date	
6	Detention Notice no. and date	
7	No Appeal Filed Certificate No. and date	
8	Duty Amount Recoverable	
9	Fine Amount Recoverable	
10	Penalty amount Recoverable	
11	Interest Amount Recoverable	
12	Amount Recoverable so far	
13	Amount pending for Recovery	
14	Letters to be issued to the defaulter including by e-mail followed by one reminder letter after 7 days to submit copy of appeal or proof of payment of dues on -- and the result thereof ? What happened to the letters ?	
15	Whether CHA could be contacted to get the details of defaulter, if not reasons thereof	
16	Whether the defaulter is traceable (known address)	
17	Whether any amount has been adjusted against cash deposit/Bond enforcement & BG encashment, any partial payment etc. paid by the defaulter. Issuance of letters to all the refund/rebate, drawback or PAO authorities of customs and GST/Central Excise to deduct the amount, so payable from any money owing to defaulter which may be under the control of the proper officer.	
18	Whether alert issued on EDI system ?	
19	Any response to the Alerts issued	
20	Whether any Bank account was freezed/attached for recovery; the amount realised in this manner and blocking of ITC ledger.	
21	Detention Order issued Date	
22	Any known/unknown property identified	
23	Whether letters sent to the following offices of Jurisdiction of the Property. (use internet data to find Jurisdictional address)	
	1) Post Office	
	2) Police Station	
	3) Registrar of Companies Churchgate/Bandra	
	4) Society office of the Premises of the Property owned by the defaulter	
	5) Income Tax / FIU / SEBI/NSDL/CDSL	
	6) GST Office	
	7) DGFT	
	8) Municipal Authorities	
	9) Sub-Registrar/Registrar of agreement of Properties	

	10) Bank/Bank Association for freezing of Account	
	11) Regional Transport Office for Cars etc. Owned by the defaulter and his address	
	12) Registrar of Societies	
	13) Passport Office	
24	Response received from the agencies to the letters sent at Sr.No.22 above	
25	<b>Appendix I</b> issued to district magistrate if recovery not done within 3 months thereafter <b>Appendix I</b> issued to concern jurisdictional Commissionerate	
	<b>Any Response received after issuance of Appendix II shall be handled by CRRC section only except Interest calculation. Also if any action is pending for any reason shall be completed by CRRC section.</b>	
	<b>Point of transfer of case to CRRC</b>	
26	<b>Appendix - II</b> issued on and result thereof?	
27	Field officer's remarks on Visit to other agencies	
28	Visit to the Known premises of the defaulters with Name of the officer, designation, Visit Date and if any information received on the unknown properties what was the response of the other nodal agencies?	To be done by CRRC under Import I commissionerate
29	ADVAIT platform to gather additional information about Defaulter	
30	Communication with NATGRID, DRI to get the details	
31	Field officer's remarks as to the Visit to the Known premises of the defaulters and Report on the premises thereof prior to write off; (enclose visit note)	
32	File submitted for Write-Off with recovery amount involved as on date with interest.	
	Name of the Officer :	
	Designation :	
	Date :	
	Signature	