



27/07/2015  
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**By Fax/Speed Post**  
**Most Immediate**

**F.No.280/45/2015-CX.8A**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Excise & Customs**  
**(Legal Cell)**

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'C' Wing, 5<sup>th</sup> Floor, HUDCO-VISHALA Building  
Bhikaji Cama Place, R.K. Puram,  
New Delhi-66: dated the 17.09.2015.

**INSTRUCTION**

To,

1. All Chief Commissioners and Directors General under the Central Board of Excise and Customs.
2. <webmaster.cbec@icegate.gov.in>

**Sub:- Streamlining the process of adjudication- reg;**

It has come to the notice of the Board that Hon'ble High Court of Bombay in its judgment dated 15.07.2015 in the case of Lanvin Synthetics Pvt. Ltd. and another -Vs- Union of India in W.P. No. 1536 of 2014[2015-TIOL-1668-HC-MUM-CUS] has quashed the Show Cause Notice dated 13.03.1997 and prohibited the department from passing any adjudication order as the Show Cause Notice was not adjudicated for 17 long years as no records were available. The High Court in its order at para 12 has observed:

"If law postulates early end to such proceedings and there is no period of limitation prescribed, does not mean that the proceedings initiated could be concluded at the sweet will and fancies of the department."

2. The High Court in para 11 of said order has further quoted Hon'ble Supreme Court in the case of Cital Fine Pharmaceuticals [2002-TIOL-680-SC-CX] where the Apex Court was pleased to hold that in the absence of any period of limitation, it is settled law that every authority should exercise the power within a reasonable period.

3. It is painful to note that in spite of various monitoring mechanisms in existence, such occurrence could not be avoided. The matter has been viewed seriously and all the adjudicating authorities are directed to pass adjudication orders within time limits as prescribed, so that the above said instance is not repeated in future.

4. A.S.(web)

4. Further, I am directed to refer to Board letter F.No. 275/17/2015-CX.8A dated 11.03.2015 (copy available on CBEC website), on the subject of '*Steps needed to be taken to improve tax administration*', wherein the need for passing the adjudication order within the specified time has been emphasised.
5. All the Commissioners should also explore the possibility of scanning and digitization of all papers connected with adjudication and litigation matters.
6. Any other suggestion in this regard may be forwarded to this office.
7. The above should be brought to the notice of the field formations under your charge for scrupulous compliance.

Yours faithfully

  
(Harsh Vardhan)  
Senior Analyst  
Tel: 011-26195405

O/c