



वित्त मंत्रालय / Ministry of Finance  
राजस्व विभाग / Department of Revenue  
सीमा शुल्क आयुक्त कार्यालय / Office of the Commissioner of Customs  
कस्टम हाउस, नयी हारबर एस्टेट / Custom House, New Harbour Estate  
तूतुकुडी - 628 004 / Thoothukudi - 628004.  
दूरभाष / Tel: 0461 2352655, 2352633 फैक्स / Fax 0461 2352019

**PUBLIC NOTICE NO. 12/2018**

Sub: Early Settlement of Disputes by availing the window of the  
Settlement Commission - Reg.

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Attention of the Importers / Exporters / Custom Brokers / Vendors /  
Shipping Agents and all concerned is invited to the forum of Settlement  
Commission for the early settlement of disputes.

2. Settlement Commission was established under the provisions of Sec. 32 of  
the Central Excise Act 1944 and constituted in the year 1999 vide Notification  
No. 40/99-CX(NT) & 41/99-CX(NT) dated 09.06.1999. The same was made  
applicable to Customs by introducing/inserting Chapter XIV-A in the Customs  
Act, 1962 through Finance Act, 1998.

3. The objective behind the setting up of Settlement Commission is to create a  
channel whereby tax disputes can be settled expeditiously and in a spirit of  
conciliation rather than prolonging them through adversarial attitude. The  
Commission is not designed to provide an escape route for tax evaders. It is, in  
fact, designed to provide a balanced resolution of tax disputes with a view to  
avoid lengthy litigation which helps neither the department nor the member of  
the Trade and Industry. In the proceedings before the Commission, there are no  
adversaries but only parties to the Settlement. Any Assessee can make an  
application in such form and in such manner as may be prescribed by the  
Commission and containing "Full & True" disclosure of his duty liability which  
has not been disclosed before the proper officer having jurisdiction, the manner  
in which such liability has been derived, the additional amount of Customs or  
Excise Duty or Service Tax accepted to be payable by him as also the particulars  
of excisable goods or import or export goods or taxable services in respect of  
which he admits short levy.

4. It has been noticed that even after more than fifteen years since the  
constitution of Settlement Commission, the scheme of settlement of cases  
through Settlement Commission has not yielded the desired results and very  
miniscule percentage of all the Show Cause Notices issued are taken up by the

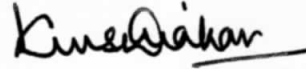
Importers /Assessees for settlement. One of the reasons for not opting for the said scheme is lack of awareness of the scheme amongst the tax payers.

5. Hence, to encourage the voluntary compliance and for early settlement of the disputes, it has been decided that the following paragraph will be inserted in the body of SCN itself after the paragraph 'Each of the above noticee(s) is/are required to submit their reply in writing to the adjudicating authority within 30 days, failing which the case will be decided on the basis of records available and without reference'.

**"You may also like to opt for settlement of your case in terms of the provisions contained under Chapter V of the Central Excise Act, 1944/Chapter XIV-A of the Customs Act, 1962/Chapter V of the Central Excise Act, 1944 which is made applicable by Section 83 of Finance Act, 1994 to the Service Tax matter, subject to fulfilment of the conditions contained in the respective Acts."**

6. Noticees in all the Show Cause Notices issued prior to the insertion of the above paragraph may also avail the scheme of settlement of cases through Settlement Commission, if they so desire.

7. Difficulties faced, if any, in respect of this Public Notice may be brought to the notice of this Office immediately.



(के.वी.वी.जी. दिवाकर/K.V.V.G. DIWAKAR)

आयुक्त / COMMISSIONER

C.No.VIII/48/06/2016-Cus.Pol.  
Customs Policy Section,  
Custom House, Tuticorin.  
Date: 18 .04.2018

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To

Notice Board,  
EDI Section, Custom House, Tuticorin - for uploading in the website

Copy submitted to:-

The Chief Commissioner of Customs (Preventive), Trichy.