

**OFFICE OF THE COMMISSIONER OF CUSTOMS, (IMPORT-I)
NEW CUSTOM HOUSE, BALLARD MUMBAI- 001.**

F. No. S/26-Misc-32/2018-19Appr.Gen(I)

Date: 18.05.2020

STANDING ORDER No: 26/2020

Sub:- Reiteration of Assessment and examination procedures to curb undervaluation of trading goods regarding.

It has been reported that this Custom House is facing difficulty in checking undervaluation of trading goods imported from certain countries. Various procedures prescribed for the assessment and examination of such goods, from time to time, have been examined. Following procedures are being reiterated to curb undervaluation.

2. Attention of all Officers is invited to CBEC Circular No. 26/2013 dated 19.07.2013 and also S.O. No.35/2018 dated 26.04.2018 issued by this Commissionerate on the subject of compliance of Standard Unit Quantity (UDC). The Customs Tariff Act, 1975 prescribes only single Unit Quantity Code (UQC) against each Tariff Item, and it is mandatory that the same is properly declared by Importers/Exporters/Customs Brokers in the Bills of Entry. All Officers should ensure that only the correct and prescribed Standard UQC as per the Customs Tariff Act, 1975 is mentioned in the Bills of Entry. Non-reporting or declaration of Standard UQC as per Customs Tariff Act 1975 should be allowed only if a specific waiver has been obtained from the AC/DC (Group) for non-RMS bills of entry and from the AC/DC(Docks) in the case of RMS Bill of entry respectively after recording the reason for such variance. Such waivers should not be given as a matter of routine. Where the unit quantity declared by the importer is at variance with the UQC prescribed for that tariff

item, the unit quantity shown on the primary packing of such consignments should be checked and recorded in their examination report by Docks officer. In such a situation, waiver should be denied. Likewise, where other importers are declaring the prescribed UQC for the same goods a waiver should not be allowed on the grounds that non-declaration is the trade practice. Wherever variance has been observed in the statutory UQC and the established trade practice and waiver has been granted, concerned DC/AC shall prepare a monthly report stating the cases where such waiver has been granted and send the same to Commissioner through Joint Commissioner/Addl. Commissioner every month. It has been observed that no monthly reports are being filed by the Officers of the Groups and Docks and hence it is essential that the instructions are strictly followed.

3. As per S.O. No.35/2018 dated 26.04.2018, it was also directed that description of the goods in invoice should contain all relevant parameters like make, model, grade, quality, specifications, brand name etc., so as to significantly improve EDI data quality and combat the menace of mis-declaration of description and under valuation. However, it has been reported that Invoice contains general description of goods even if the items imported are of different size, model, category, specification. If there is only single description in the invoice, it only means that only one size, model, make and category of the goods are being imported. In such circumstances, if different size, model, make and category of goods are found during the examination, then samples should be drawn for all different size, model, make and category of goods and forwarded to group for reassessment.

4. In partial modification of the para 4.2 of P.N. No.24/2017 dated 28.02.2017, it is directed that all suspicious containers marked by the CSD and intimated to DC(Docks) will be examined 100% under the supervision of DC/Docks. If any misdeclaration with regard to description and value is detected, same should be

referred to JC(SIIB) for further investigation. Monthly report regarding result achieved due to 100% Examination should be forwarded to Commissioner.

5. It has been also reported that many a times, value declared in invoice appears to be too low. In such cases, the Group may ask for a sample to be drawn and forwarded to it for arriving at the appropriate value as per the Customs Valuation Rules, 2007.

6. These instructions should be implemented immediately.

Sd/-

(MANOJ KUMAR KEDIA)
COMMISSIONER OF CUSTOMS

Copy to:

1. The Pr.Chief Commissioner of Customs, Mumbai Zone-I.
2. All the Commissioner of Customs, Mumbai Zone-I.
3. All Addl. /Joint Commissioner of Customs, Mumbai Zone-I.
4. All Deputy/Asst. Commissioner of Customs Mumbai Zone-I.
- 5.The DC/EDI for uploading on the NCH Website.
6. Office Copy.