



IS 15700:2005 Cft No. WRO/SQSC/L-7000051

**OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT)-I,
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F.NO. CUS/AG/PN/6/2020-A/G-O/O COMMR-CUS-IMP-I-ZONE-I-MUMBAI

Date: 16.10.2020

STANDING ORDER No: 35/2020

Attention of all Officers and Staff of all Sections under Import-I Commissionerate of New Custom House is invited to Board's Circular No. 45/2020-Customs dated 12.10.2020 regarding Faceless Assessment-Measures for timely assessment of Bills of Entry and Clarification on defacement of physical documents.

In this regard, reference is invited to CBIC Circular No.40/2020-Customs, dated 04.09.2020 stipulating the rollout schedule for implementation of Faceless Assessment pan India by 31.10.2020. The CBIC Circulars No. 28/2020-Customs, dated 05.06.2020, No.34/2020-Customs, dated 30.07.2020 as well as Instruction No. 09/2020-Customs, dated 05.06.2020 related to Faceless Assessment may also be kindly referred to.

2. Board has reviewed the implementation of Faceless Assessment. While the implementation has been largely smooth, Board's attention has been drawn to some issues impacting the pace of assessment and clearances of consignments. As the prompt and timely assessment of Bills of Entry and clearance of imported consignments are key objectives of Turant Customs, these issues have been examined and remedial measures have been identified. Accordingly, Board prescribes the following measures for Faceless Assessment:

2.1. Continuous Assessment:

(i) There may be possible delays in assessment when Bills of Entry (B/E) are assigned to FAGs in locations that are on an official holiday or when assessment is to be done on a closed holiday (say, Sunday). Further, time sensitive goods such as life-saving drugs or imports by security/defence and other Government agencies would require prompt Customs clearance at all times including outside the normal office hours. Hence, it is decided to make all Saturdays (except second Saturday) as working day for all the faceless assessment groups across the country. Thus, FAG of Import-I & II Commissionerate shall be working on all Saturday (except second Saturday) of the Month.

(ii) The Port of Import should monitor clearance of time-sensitive/urgent consignments such as lifesaving drugs, security/defence related consignments etc. imported by Government and its agencies/PSUs etc. so that these are not delayed. When required, the Port of Import should coordinate their early assessment with NAC concerned and then grant quick clearance. The trade may also be advised to indicate end use of such consignments in the B/E for easier identification of such consignments. DG Systems will facilitate this by enabling a dashboard alerting the officers if such consignments are pending beyond 4 hours. This dashboard would be accessible to both PAG and FAG.

(iii) DG Systems has enabled dashboards for monitoring of pending FAG B/E, their disposal, and other relevant reports. These dashboards are required to be pro-actively utilised by the NAC/PAG and Principal Commissioners/Commissioners in charge of the Port of Import. The NAC Commissioners shall ensure that the B/Es are assessed and disposed promptly and monitor this via the dashboard for a particular Appraising Group. Likewise, the Principal Commissioner/ Commissioner in charge of the Port of Import shall monitor the disposal of the B/E pending with the PAG and at the stage of examination for their timely disposal. When required, the Principal Commissioner/Commissioner in charge of the Port of Import shall co-ordinate with the NAC Commissioners for prompt disposal of pending B/Es pertaining to his/her Port of Import.

(iv) One of the five Working Groups established under the NACs is responsible for timely assessments including resolving related IT issues. In the event of increase in the pendency for a particular NAC/FAG, the NAC Commissioners heading this Working Group shall take urgent measures for co-ordination with other NAC Commissioners/DG Systems for early disposal and/or resolution of the issues.

2.2. Raising of Queries by FAG Officers:

(i) Queries should not be raised in piecemeal manner and to the extent possible multiple and repeat queries are to be avoided. The jurisdictional Principal Commissioners/Commissioners shall regularly monitor and review the queries to ensure this. In this regard reference may also be made to Circular No. 22/2015-Customs, dated 03.09.2015 directing that genuine clarifications sought by officers from importers/exporters are to be raised at one go and not in a piecemeal manner.

(ii) Trade needs to be sensitised/informed to/of the advantages of providing at the first instance only, the complete details and description of the commodity, brand name, model and any other specifications essential for the assessment. Further, trade may be asked to

upload at the first instance only, supporting documents like product/technical literature and mandatory documents, certificates, which would help avoid queries and delays. It is also noticed that at times, the documents are uploaded on e-Sanchit but are not linked to B/E, leading to a situation where Appraising/Assessing officer is unable to view the document and is thus compelled to raise a query. The trade needs to be advised to avoid such situation by linking every uploaded document to the relevant B/E.

(iii) Some instances have been noticed, where confirmation of compliance to prohibitions and restrictions are being sought during assessment including submission of certain certificates, details etc. leading to delay in the assessment. It is clarified that the verification of statutory compliances is to be checked only during Customs Compliance Verification (CCV) stage at the Port of Import. While Appraising/Assessment officer can make a suitable remark in the system for such verification by the Port of Import, the B/E shall not be kept pending for assessment.

2.3. Resorting to First Checks:

(i) Upon review of the practice of the FAG officers resorting to First Check, it is clear that this practice needs to be streamlined both for purposes of uniformity across the country and different FAGs and also to address associated delays in assessment. Board has thus identified the following imports/situations where First Check (this term as well as the term Second Check is being used as it is well known in the field and trade) shall ordinarily be resorted to by the FAG officers for carrying out assessment:

(a) Old and used machinery/capital goods provided the Inspection/Appraisal report from the country of export is not available in the format prescribed or is not produced at all or is insufficient as per Circular No.07/2020-Customs, dated 05.02.2020.

(b) Old and used goods where the examination is essential to determine valuation, classification, and other parameters. This does not include the cases covered under 2nd proviso to Section 46 (1) of the Customs Act, 1962.

(c) Articles of jewellery, precious metals, imitation jewellery where valuation must be ascertained by a jewellery expert.

(d) Cases of re-import of goods under various exemption notification, which requires establishment of identity to the satisfaction of Deputy Commissioner/Assistant Commissioner of Customs.

(ii) All other instances, including the FOC (Free of Charge) and temporary import consignments must ordinarily be resorted to only Second Check. However, in the exceptional instance when the FAG has genuine reasons to believe that a First Check

examination report is required for completion of assessment i.e., determination of valuation, classification, rate of duty, and other parameters relevant for determination of Customs duty, the same may be ordered only with the approval of Joint Commissioner/Additional Commissioner in the Customs Automated System. It is clarified that this would include the cases where importer himself requests for First Check.

(iii) NAC would on fortnightly basis review First Checks ordered with the approval of Joint Commissioner/Additional Commissioner to assess if the same can either be avoided altogether or made a part of the standard RMS Examination Order generated by RMCC or converted to Second Check. These instances would be required to be informed to Joint Secretary (Customs), CBIC for further action.

(iv) Where an importer requests First Check on a regular basis, the FAG officers and the NAC must take due care that this request is genuine and is not being routinely used to avoid self-assessment.

2.4. Role of RMCC/LRM in Facilitation:

(i) It is observed that, examination orders given by different officers in the same situation are at variance or not clear. It is also seen that at time these examination orders merely duplicate the instruction given by RMCC. The FAG officers shall not duplicate the RMCC instructions, rather only supplement the same to provide additional directions based on local inputs. The Examination orders would be made available shortly through the ICETAB, obviating the need for printing in the paper. Further, the Principal Commissioner/Commissioner may review the additional directions supplemented by the FAG officers every fortnight, for standardisation across NACs.

(ii) To bring uniformity in LRM instructions across the country, to the extent possible, NACs may review the local risk targets related to assessment. Those targets that merit PAN India applicability would be referred to RMCC for examination and further necessary action. The balance targets would be either weeded out if found redundant or continue, if found otherwise. However, all local alerts shall be reviewed periodically and continued, only if found absolutely necessary. LRM is also advised use ICES to insert general instructions and Alerts rather than through the RMS.

2.5. Re-assessment of B/E:

(i) Several representations have been received regarding dealing with amendments under section 149 of Customs Act, 1962 and consequent reassessment of B/E, based on the request of the importers to change the elements of assessment. This is typically the case

when the importer claims that he has forgotten to claim an exemption or is in possession of some document that requires an element such as freight etc. to be changed. The various scenarios and the prescribed routes for carrying out reassessment are as follows:

a. Scenario 1: Where the amendment is requested before OOC and would impact the assessment

Re-assessment in this scenario would be resorted to only if the B/E has not been given OOC. The request by the importers for those amendments impacting assessment would be sent to FAG for approval and consequent re-assessment. Accordingly, Notification No.96/2020-Customs (N.T.) dated 12.10.2020 has been issued to enable FAG officers as proper officers under section 149 of Customs Act, 1962. Scenario 1 would apply in following instances:

- i. The self-assessed B/E is verified and found in order and the importer seeks an amendment that may impact the assessment. Once recalled for re-assessment, the B/E would be sent for consideration of the same FAG which had re-assessed the subject B/E in previously.
- ii. The self-assessed B/E is facilitated post which the importer seeks an amendment that may impact the assessment. In such case, the B/E would be sent to the any of the FAG for assessment by the Customs Automated System.
- iii. The self-assessment made by the importer is questioned by the FAG and after due process, the assessment is changed. In this case the importer may either accept the new assessment or seek an assessment order. In both situations, if the importer subsequently seeks an amendment impacting the assessment, the B/E would be sent for consideration of the same FAG which had re-assessed the subject B/E previously.

b. Scenario 2: Where the re-assessment is requested before OOC but would not impact the assessment.

This scenario covers situations like requests for amendments like change in details of invoice based on the documentary evidence, short shipments, change in BL/AWB or fulfilment of conditionalities decided by assessment such as Bond conditions etc. These amendments may continue to be approved by PAG.

c. Scenario 3: Where the re-assessment is requested after OOC has been given under Section 47 of the Customs Act, 1962.

This scenario covers situations where re-assessment with or without amendment is to be carried out for any reason after OOC has been given. The same shall continue to be done by PAG.

2.6. Certificate of Origin:

(i) Board has received feedback that there is need for clarity with respect to requirement of submission of original hard copy of a Certificate of Origin (COO) issued under various Free Trade Agreements. As seen, para 4 of Circular No.42/2019-Customs, dated 29.11.2019 states *“the field offices must ensure that no physical copy of any supporting document is submitted and every relevant document is submitted only electronically via e-sanchit either by the beneficiary or by the Participating Government Agency”*. Likewise, para 3.1 of Circular No.32/2020-Customs, dated 06.07.2020 states: *“(i) The document verification by Customs officers at Assessment and Customs Compliance Verification (CCV) stages would normally be based on the documents uploaded in the e-Sanchit, not requiring physical submission of documents. However, if in any exceptional situation the physical submission of documents is required by Customs, for defacement or validation, such submission would be made only at the TSKs.*

(ii) Documents requiring verification during examination for validation with goods would continue to be done during examination, as at present.

(iii) TSK shall take necessary step for safe handling & safe keeping of the documents produced to them. These documents should also be kept in electronic form also.

iv) For uniformity, Board hereby instructs all field formations to adhere to directions in Circular No.32/2020-Customs, dated 06.07.2020, which requires submission of original hard copy of a COO. This approach is in line with the Operational Certification Procedures for the various Trade Agreements notified in terms of section 5 of the Customs Tariff Act, 1975.

2.7. Grievance Redressal:

(i) In addition to other functions, Turant Suvidha Kendra (TSK) at the Port of Import would act as Facilitation Helpdesk for any grievance related to clearances of the B/E filed in the port. The list of the TSKs and their email and telephone/ contact details are available at <https://www.cbic.gov.in/htdocs-cbec/enquiry-points> and may be kindly referred to. The email of TSK, New Custom House, Mumbai Zone-I is tsk-mumcuszone1@gov.in and TSK may also be contacted on **PH. No. 022-22757406**.

(ii) JC/ADC (Imp-I & Imp-II) (FAG) are being designated as nodal officer who shall serve as a single point interface for the escalation of the grievances in New Custom House, for Imp-I & Imp-II Commissionerate respectively.

4. Board expects that the aforementioned measures relating to streamlining the attendance of B/E during holidays, raising of queries, ordering First Check, re-assessment and submission of COO would certainly contribute to a reduction in the time taken for

assessment and clearance of goods. It is expected that these measures would be strictly applied by all NACs and all FAGs.

5. Any difficulties faced or doubts arising in the implementation of this Standing Order may please be brought to the notice to the undersigned.

Sd/-

(MANOJ KUMAR KEDIA)
COMMISSIONER OF CUSTOMS,
IMPORT-I, NCH, MUMBAI ZONE-I

Copy to:

1. The Principal Chief Commissioner of Customs, Mumbai Zone-I.
2. The Commissioner of Customs, General and Preventive, NCH, Mumbai Zone-I.
3. The Commissioner of Customs, Audit, NCH, Mumbai Zone-I
4. The Commissioner of Customs, Export, NCH, Mumbai Zone-
5. All Addl. /Joint Commissioner of Customs, Mumbai Zone-I.
6. The Addl. /Joint Commissioner of Customs, ICD Mulund .
7. The Dy./Asstt. Commissioner of Customs, ICD Mulund
8. All Deputy/Asst. Commissioner of Customs Mumbai Zone-I.
9. All Sections/Groups of New Custom House, Mumbai-Zone-I
10. The DC/EDI for uploading on the NCH Website.
11. Office Copy.

In view of the above initiative, it is to inform that any suggestions towards the above process of review may be submitted on the online portal at innovate.mygov.in before 21.08.2020.

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(MANOJ KEDIA)
COMMISSIONER OF CUSTOMS,
IMPORT-I, NCH

Copy to:

12. The Principal Chief Commissioner of Customs, Mumbai Zone-I.
13. The Commissioner of Customs, General and Preventive, NCH, Mumbai Zone-I.
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15. The Commissioner of Customs, Export, NCH, Mumbai Zone-
16. All Addl. /Joint Commissioner of Customs, Mumbai Zone-I.
17. The Addl. /Joint Commissioner of Customs, ICD Mulund .
18. The Dy./Asstt. Commissioner of Customs, ICD Mulund
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