



OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT-II)
APPRAISING MAIN SECTION, 1st FLOOR, OLD BUILDING
NEW CUSTOM HOUSE,
BALLARAD ESTATE, MUMBAI-400001

F. No. S/22-08 /2019-20 A (M)-II
DIN No: 20200877000005DADD3

Date: 01.08.2020

STANDING ORDER NO. 25 /2020

Sub:- Advisory to the officers of Faceless Assessment group - reg.

Kind Attention is invited to Board's Circular No.34/2020-Customs dated the 30th of July, 2020, Instruction No-09/2020-Customs dated 05.06.2020 and Public Notice No-46/2020 dated 31.07.2020 issued by the Commissioner of Customs (Import – II), Mumbai Zone-I, on the above subject.

2. In pursuance of Board's Circular 34/2020 - Customs dated 30.07.2020, phase 2 of faceless assessment for Chapter 29 of Appraising Group 2A within the three Mumbai Customs Zones shall begin on 03.08.2020. Board's Instruction no 09/2020 - Customs dated 05.06.2020 has elaborated the procedure to be followed. Commissionerate Import -II of Mumbai Customs Zone I has been nominated as one of the Nodal Commissionerates for monitoring assessments by the Faceless Assessment Group of Chapter 29.

3. As per para 5.1 of the Instruction No.9/2020 dated 05.06.2020, the responsibilities of the Nodal Commissioners, in relation to bills of entry dealt with by a particular Faceless Assessment Group, will include the following:

I. Monitor the assessment practice for uniformity of classification, valuation, exemption benefit and compliance with import policy conditions;

II. Ensure that best assessment practices are followed, considering international practices;

III. Study audit objections and take corrective actions with regard to assessments, wherever necessary and provide inputs to the concerned ports of import;

IV. Analyse the RMS facilitated bills of entry pertaining to Chapters falling under their purview and advise the DGARM regarding possible interventions or review of risk parameters;

V. Liaise with Principal Commissioner/Commissioner of Customs at ports of import with regard to interpretational issues pertaining to classification, valuation, scope of exemption notifications and trade policy conditions;

VI. Interact with their sectoral trade and industry for inputs, as well as to resolve their issues relating to assessment;

VII. Function as a knowledge hub or repository for that particular Chapter(s);

VIII. Examine the orders/appellate orders in relation to assessment practices pertaining to commodities assigned to each Faceless Assessment Group and provide inputs to the Commissionerates for reviewing of such orders so that uniformity of assessment orders could be upheld at legal forums.

4. It is to be noted that the Faceless Assessment Groups are required to develop as expert groups and eventually as National Assessment Centers. Hence the FAG has to pool up the knowledge and make a repository of all the information relating to the assessment of goods under the particular Chapter. Accordingly, the following instructions are issued to the officers posted in Faceless Assessment Group in Mumbai:

i. A virtual dashboard has been provided to the Commissioner and all senior officers of CBIC to monitor & expedite clearance of bills of entry by the FAG. All the officers working in FAG are expected to quickly assess the bills of entry and invariably on first come-first served basis. Detailed reasons for keeping any assessment pending beyond five hours should be furnished by the JC in charge to the Commissioner on a daily basis.

ii Total compliance to the RMS instructions appearing on the screen of FAG officers is expected. The instructions cannot be ignored by the officers. Wherever, the RMS instructions are not related to the imported goods in a Bill of entry the same shall be recorded in the BE and also in a register and a periodic report shall be submitted to the Commissioner.

iii Description of the item imported is the key for proper assessment of the commodity. FAG officers shall ensure that the item imported is properly declared along with full details about it to ensure proper classification and determine eligibility for notification benefits. Complete details about the product including generic and chemical name/composition of goods imported under Chapter 29 along with whether goods are separate chemical entity or mixture/ branded formulation etc should be declared. These are just indicative aspects of a description and officers shall encourage importers and Customs Brokers to properly declare every item in the Bill of entry in consonance with the CTH, end use and the exemption notification claimed, if any. Officers shall keep track of all such instances where in the descriptions are falling short of the requirements and report the same for issuing a monthly bulletin advising the importer and Customs brokers to provide complete descriptions in the future, failing which necessary action can be initiated against them under the Customs Act, 1962.

iv. The officers shall study the present assessment practice concerning major commodities in the Groups being imported at customs station and being assessed by them as FAG Officers, and ensure uniformity in classification, valuation, exemption benefit, and compliance with import policy conditions. The FAG Officers shall make use of WCO Explanatory Notes, Classification decisions. Classification Opinions available on WCOs open source website.

v. The Group has to list out the demands raised under Section 28 against an importer for a product under FAG by DR1 or any other agency apart from audit objections on classification, exemptions, etc. relating to the goods covered under the group during the last five years and ensure that the assessment is done after considering the precedents contained in the said cases/audit objections.

vi The FAG has to maintain the Valuation Circulars issued by DGOV in respect of goods covered under the Groups and ensure that valuation is in line with the alerts issued in this regard. Access to NIDB should be taken by FAG officers and resort to verification of valuation and classification of an imported product in the National Import Database. (NIDB)

vii The FAGS are also required to analyze the orders/appellate orders, case laws/decisions relating to classifications, exemptions, and valuation issues in respect of the goods covered under the groups and ensure application of such case laws which have attained finality for uniformity and consistency. Administration shall provide dedicated Excus package to FAG officers.

viii. FAG should list out all anti-dumping duty notifications of Chapter 29 for ready reference and update it periodically. Every Bill of entry sent by RMS for verification shall be scrutinized keeping in mind the anti-dumping notifications applicable and ensure that the product description, COO/COE and the transport documents are not mis-declared to avoid anti-dumping duties.

ix. The information mentioned at clause ii to vi should be kept in soft copies as a resource for reference by all FAG officers. This knowledge base shall be shared periodically with FAGs of corresponding groups at other Customs Stations, through the Commissioner.

x The FAG should not routinely resort to return of the Bill of Entry to Port Assessment Groups in terms of para No. 5.3.2 of Instruction No. 9/2020 dated 05.06.2020. In every case a Bill of Entry has to be returned to PAG, the same shall be done with due approval of Joint Commissioner in file bringing out the reasons for resorting to para no. 5.3.2.1. (a) and (c). In respect of any other exceptional circumstances due approval of Commissioner shall be taken before returning the bill to PAG.

xi. A fortnightly report of all such cases where the assessment is referred to PAGES by FAG is to be furnished together with reasons for each Bill of Entry to the Commissioner.

xii . FAGs are required to examine the documents uploaded in e-Sanchit properly and may ask for further documents by raising a query in the system. FAG may also raise a query to the importer concerning classification, exemption, or valuation. However, routine queries and piecemeal queries should be avoided. A query should be specific, unambiguous and genuine.

xiii. FAG officers may order first check examination to ascertain the classification, exemption claimed, or for any other reason. But as far as practicable first check examination should be avoided. Specific instructions shall be given for examination in the second check procedure specifying that if the goods are not conforming to parameters ordered for examination, the shed may mark the Bill of Entry back to FAG Wherever testing is required for assessment. FAG shall give complete details of parameters to be checked in the examination order so as to enable the shed officers in preparation of an appropriate test memo.

xiv. Wherever the FAG does not agree with the self-assessment made by the importer, the same may be intimated to the importer by electronic mode and consent of the importer for re-assessment shall be obtained. If the importer does not agree with the proposed re-assessment, an opportunity shall be given for hearing in the virtual mode as per the Board's instructions vide F.No. 390//Misc/3/2019-1C dated 27.04.2020. A speaking order has to be issued by the FAG within 15 days in terms of Section 17(5) of Customs Act, 1962.

xv The speaking orders issued by the FAG shall be subject to review in terms of Section 129D (2) of the Customs Act, 1962. The review section of the office of the Commissionerate shall process every order passed by the FAG for decision by the

competent authority. If a decision is taken to file an appeal against such speaking order, then the FAG has to file and pursue such appeal, if any, by FAG before the Commissioner (Appeal) having jurisdiction over the port of Import. All subsequent follow up of the dispute shall be under the purview of FAG.

xvi. FAG shall create a @gov.in mail id for the FAG Group for all communication. Strict compliance to para 5.1 of instruction no 09/2020 dated 05/06/2020 in respect of exchange of communication is expected.

xvii. All communication with the other nodal Commissionerates shall be done with the approval of the Commissioner.

.xviii. FAG shall report all such cases in which the self-assessment of the bills of entry was changed by the officers. A fortnightly report on all such cases shall be submitted to the Commissioner for onward communication with all Jurisdictional Port Commissioners and DGARM for further necessary action to insert possible interdiction.

xix. FAG has to maintain a Register in the form specified in Annexure-A, date wise and to furnish reports as mentioned thereunder to the Commissioner in respect of Sl. No. 2, 7 and 8 as per the format specified in Annexure A.

5. Faceless Assessment Group consisting of Appraisers/Superintendents and Assistant Commissioners/Deputy Commissioners and others concerned should comply with the above directions and those in the Board's Instruction No 09/2020 Customs dated 05.06.2020. In case of any inconsistency between this Standing Order and the Instruction No. 09/2020- Cus dated 05.06.2020, the Instruction No. 09/2020 Cus dated 05.06.2020 shall prevail.

6. Difficulties, if any, faced in implementation of this standing Order may be brought to the notice of the Joint Commissioner of Customs, Mumbai.

Sd/-

(MANOJ KUMAR KEDIA)
Commissioner of Customs

Copy to:

- The Principal Chief Commissioner of Customs, Mumbai Zone-I, NCH.
- The Commissioner of Customs, General and Preventive, NCH, Mumbai Zone-I
- The Commissioner of Customs, Audit, NCH, Mumbai Zone-I
- The Commissioner of Customs, Export, NCH, Mumbai Zone-I
- The Commissioner of Customs, Appeals, NCH, Mumbai Zone-I
- All Additional / Joint Commissioner of Customs, NCH, Mumbai Zone-I
- The Additional/Joint Commissioner of Customs, ICD Mulund
- The Deputy/Assistant Commissioner of Customs, ICD Mulund
- All Deputy / Assistant Commissioner of Customs, NCH, Mumbai Zone-I
- All Sections / Groups of New Custom House, Mumbai Zone-I
- AC/DC, EDI for uploading on NCH website immediately.
- Office Copy

ANNEXURE A

Table- Form of Register to be maintained date wise

Date :

S.No.	Description	Total BEs of Chapter 29
1	No. of BE Assessed by FAG	
2	No. of Bills in which the Assessment is modified by FAG	
3	No. of BEs in 2 above in which the importer agreed with re-assessment by FAG	
4	No. of BEs in which Speaking Order is issued/under process	
5	No. of BEs in which query raised by FAG	
6	No. of BEs ordered for first check	
7	No. of BEs in which RMS instructions are not relevant	
8	No. of BEs returned to Port Assessment Groups by FAG	

- In respect of Sl. No.2, List of BEs together with issue in brief to be furnished fortnightly to Commissioner together with remarks whether interdictions to be inserted in RMS as per following format

S.No.	BE No. and BE Date	Port of Import	Chapter	Issue in brief for which assessment was modified	Suggested interdiction in RMS
1					

- In respect of Sl. No. 5 & 6, Joint Commissioner to review all BEs and reasons for query/first check on a fortnightly basis.
- In respect of Sl. No. 7 fortnightly report along with details of each BE and issue in brief to be submitted to Commissioner as follows

S.No.	BE No. and BE Date	Port of Import	Chapter	RMS instructions are not relevant
1				

- In respect of Sl. No. 8, fortnightly report along with details of each BE and issue in brief to be submitted to Commissioner as follows :

S.No.	BE No. and BE Date	Port of Import	Chapter	Reasons for which the BE is returned to PAG	Remarks
1					