



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-PN-13/2018 A(M) Imp-II
DIN: 20200877000000TBEEA

Dated: 01.08.2020

PUBLIC NOTICE NO. 46/2020

Subject: 2nd phase of All India roll-out of Faceless Assessment:-reg.

Kind attention of all the Importers, Exporters, Customs Brokers and all other stakeholders is invited to the Board's Circular No. 34/2020-Customs dated 30.07.2020 issued vide F. No. 450/26/2019-Cus IV(Pt) read with Circular No. 28/2020-Customs dated 05.06.2020 issued vide F.No. 450/26/2019-Cus IV(Pt) and Instruction No. 09/2020, dated 05.06.2020 on roll-out of Faceless Assessment under the umbrella of the Turant Customs programme.

2. Board has decided to begin the 2nd phase of All India roll-out of Faceless Assessment w.e.f. 03.08.2020 by including Delhi and Mumbai Customs Zones, and extending the scope of Faceless Assessment at Chennai and Bangalore Customs Zones. Thus, the second phase of Faceless assessment will also cover all three Customs Zone of Mumbai for imports made under chapter 29 of the Customs Tariff Act 1975. For this purpose, Commissioner of Customs, Import-II, New Custom House, Mumbai has also been designated as the Nodal Commissioner who shall be administratively responsible for monitoring and ensuring speedy and uniform assessments in the Customs Zone-I, in regard to Bills of Entry assigned by the Customs Automated System to the officers of the Faceless Assessment Group. With effect from 3rd August 2020, the Customs Automated System will assign non-facilitated bills of entry filed at any Import Commissionerate of the three Mumbai Customs Zones for import of articles primarily falling under Chapter 29 of the Customs Tariff Act, 1975, to the officers of the concerned Faceless Assessment Group for assessment on a first-cum-first served basis. In other words, for goods imported at any Customs station/port of import falling under the jurisdiction of Mumbai Customs Zone, the bills of entry pertaining to Chapter 29 will be marked by the Customs Automated System to any one of the nominated Faceless Assessment Groups for assessment.

3. Further, Notification No.63/2020-Customs (N.T.) dated 30.07.2020 is issued for the purpose of empowering the jurisdictional Commissioners of Customs (Appeals) at Mumbai to take up appeals filed in respect of Faceless Assessments pertaining to imports made in their jurisdictions even though the assessing officer may be located at another Customs station. To illustrate, Commissioners of Customs (Appeals) at Mumbai-I would continue to decide appeals filed for imports at Mumbai-I even though the assessing officer is located at Mumbai-II or Mumbai III.

4. For the roll-out of Faceless Assessment across Mumbai Zones, the following procedure shall be followed:-

4.1. Faceless Assessment Groups: A Faceless Assessment Group has been created in Import-II Commissionerate consisting of one Appraiser and one Assistant Commissioner/Deputy Commissioner for verification of assessment of any bill of entry that is assigned to this group by the Customs Automated System.

4.2. Port Assessment Groups: Port Assessment Groups (PAGs) would be the Appraising Group currently located in Import-II Commissionerate for verification of the assessment and other related functions as per the normal practice. The PAGs would also handle all other functions pertaining to the bills of entry which are not marked to the Faceless Assessment Group by the Customs Automated System as well as the bills of entry that are referred by the Faceless Assessment Group at other locations to the port of import for any reason. It is clarified that the port of import is the Customs station of import of the goods where the importer has entered any bill of entry under Section 46 or Section 68 of Customs Act, 1962 for home consumption or warehousing.

4.3. Turant Suvidha Kendra: Turant Suvidha Kendra (TSK) created in Zone-1 is a dedicated cell to cater to functions and roles clarified in Public Notice No. dated 42/2020 dated 14/7/2020. The Turant Suvidha Kendra is basically created to facilitate the trade in completing various formalities relating to the Customs assessment locally at the port of import, as is presently done, even though the actual assessment may be done remotely or virtually by the proper officer physically located in another Customs station.

4.4. For better clarity and guidance, the procedural details of the Faceless Assessment scheme are explained as follows

4.4.1. Responsibilities of the Nodal Commissioners: 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, taking into account 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.

4.4.2. Responsibilities of the Port of Import: The ports of import would continue to have the Port Assessment Group(s) to cater to all other functions pertaining to the bills of entry which are not marked to the Faceless Assessment Group by the Customs Automated System, including the cases referred by the

Faceless Assessment Group to the Customs station of import for any reason. In addition, the port of import would continue to be responsible for handling the examination/inspection of goods and all other functions other than assessment. The request for waiver of fee for late filing of bill of entry, request in relation to Section 49 of the Customs Act, 1962, request for permission under Section 48 of the Customs Act, 1962 shall also be processed by the designated proper officers at the the port of import.

4.4.3. Procedure for Verification of Assessment of Bill of Entry by Faceless Assessment Group: Following procedure is to be adopted in normal course:

- I. The importer shall present bill of entry on the Customs Automated System (i.e., ICEGATE portal or ICEGATE) electronically, as per Section 46 of the Customs Act, 1962 and upload supporting documents such as Invoice, Packing List, Bill of Lading, as usual in all the cases, and license/Authorisation/permission, BIS or other registrations, Scrips, Equipment Type Approval, Certificate of Origin, Certificate for claiming duty exemption etc., if required for the consignment, on e-Sanchit. As at present, the selection of a bill of entry for verification of self assessment shall primarily be on the basis of risk evaluation through appropriate selection criteria.
- II. In cases, where the importer has prior knowledge that there is a requirement of execution of Bond or Bank guarantee for the assessment of the said bill of entry, such as in the case of a warehouse bill of entry or where the importer has sought provisional assessment or where a claim to any concessional rate of duty or exemption under duty remission/exemption schemes, is subject to filing of Bond/ Bank Guarantee, they should be encouraged to opt for Continuity Bond option, to avoid fresh registration of Bonds every time during filing of bill of entry.
- III. The bill of entry would be assigned to an officer of the concerned Faceless Assessment Group for verification of assessment purposes by the Customs Automated System.
- IV. For verification of assessment of the bill of entry, the Faceless Assessment Group may decide to:
 - a) return the bill of entry to the importer for payment of duty after verification on the basis of the declaration made and documents available in e-Sanchit; or
 - b) seek additional information or documents for proceeding with the verification; and/or
 - c) get examination and/or testing of goods carried out, for the determination of duty liability and/or for ensuring the compliance of restriction and prohibition;
- V. Where the Faceless Assessment Group is of the opinion that additional information or documents are required for proceeding with the verification of assessment, the Faceless Assessment Group shall raise query electronically for additional information or seek additional documents, preferably in a consolidated manner, through ICEGATE portal. The importer shall respond to the query electronically and/or provide additional documents through e-Sanchit. After scrutinising the same, the Faceless Assessment Group shall:
 - a) Return the bill of entry to the importer for payment of duty after verification; or
 - b) Not agree with the self-assessment and re-assess the bill of entry. In this case, if the importer does not agree with the re-assessment, the Faceless Assessment Group shall issue a speaking order, as prescribed

in Section 17(5) of the Customs Act, 1962 following the procedure referred to in paragraph **4.4.6 below**.

- VI. The Faceless Assessment Group may, whether in course of accepting the self- assessment or re-assessing the bill of entry, order for second check examination of the goods including the directions to the shed officers at the port of import to verify original documents, deface documents, take custody of the document, NOC from PGAs, verification of Country of Origin Certificate etc. Further, it is clarified that, wherever situation warrants that the authenticity of any document submitted through e-Sanchit has to be verified through any external agency, such communication shall be made by the port of import.
- VII. Where the Faceless Assessment Group is of the opinion that examination and/or testing of goods is required for proper verification of the assessment, based on own assessment or on the request from importer:
 - a) The Faceless Assessment Group may order for first check examination or testing of the goods with specific directions or testing parameters to the shed officers at the port of import. The responsibility for sending the samples to the appropriate laboratory with the requisite test memo, if ordered by Faceless Assessment Group would lie with the shed officers at the port of import.
 - b) The shed officers/Centralised Cell, as the case may be at the port of import would feed the examination and/or the test report, when it is received from the laboratory, in the system and refer the bill of entry back to Faceless Assessment Group, and thereupon, Faceless Assessment Group shall follow the procedure as laid down in paragraph **(IV) to (VI) of 4.4.3**, as applicable.
 - c) If the Faceless Assessment Group concludes that the prior testing of goods is going to take considerable time and the bill of entry should be assessed provisionally, they may refer the bill of entry to the PAG at the port of import, following the procedure stipulated in **4.4.4** and clearly specifying the reasons thereof. In such cases, the bill of entry would be assessed by PAG at the port of import, after the receipt of the examination/test report.
 - d) If the imported goods are found to be subject to some restriction or prohibition or mis-declared, on the basis of said test and/or examination report fed by the shed officers at the port of import, the Faceless Assessment Group shall refer the bill of entry to PAG at the port of import for action including action under Section 124 of the Customs Act, 1962.
 - e) It is clarified that, irrespective of pending verification at Faceless assessment Group, if the importer requests for storage of the imported goods in warehouse pending clearance under Section 49 of the Customs Act, 1962, such request shall be processed by officers of the port of import promptly.
- VIII. The shed officers at the port of import would carry out the necessary verification or examination or other tasks, as required by the Faceless Assessment Groups or required as per Compulsory Compliance Requirements of the Risk Management System.
- IX. Any time after the bill of entry is returned from Faceless Assessment Groups to the port of import, if the import of goods are found to be subject to some restriction or prohibition or misdeclared, PAG may carry out re-assessment and initiate action as prescribed under section 124 of the Customs Act, 1962, if required.

4.4.4 Procedure to be Adopted by Faceless Assessment Groups in Exceptional Circumstances.

I. In certain exceptional circumstances (listed below) the proper officer of the Faceless Assessment Groups may, with the approval of a senior officer not below the rank of Joint Commissioner/Additional Commissioner, transfer the bill of entry using the Customs Automated System to PAG at the port of import for assessment, without completion of verification of assessment. The Faceless Assessment Groups may also transfer a bill of entry to the PAG in any other exceptional circumstances, but in this case, this would be done after due approval from the Commissioner supervising the proper officer.

(a) Where the Faceless Assessment Group has reasons to believe that the imported goods may be liable for confiscation as per the provisions of Section 111 of the Customs Act, 1962. In such circumstance, the reasons for such a transfer shall be duly recorded in the Customs Automated System. However, such cases may be referred to only in genuinely exceptional circumstances.

(b) In respect of `related party` transactions warranting investigation by SVB (other than cases that are already covered by an earlier order of the SVB such as in the case of continuing imports which have earlier been taken up for investigation by the SVB). In this case the port of import would refer the case to its jurisdictional Special Valuation Branch (SVB) for further investigation.

(c) Even after various several electronic query-based interactions with importer, the Faceless Assessment Groups is not able to complete the verification for want of additional documents, test reports etc.

4.4.5. Procedure to be Adopted by Port of Import in Exceptional Circumstances: Notwithstanding anything mentioned above, the Principal Commissioner/Commissioner of Customs at port of import may, at any stage pending at Faceless Assessment Groups, direct the PAG to pull the bill of entry from Faceless Assessment to the PAG in the following situations:

- a) Where specific alert or intelligence is available pertaining to the said bill of entry or class of bill of entry; and
- b) Where the Principal Commissioner/Commissioner of Customs has ordered to do so for the reasons to be recorded in writing. Annexures A and B outline the flow of bills of entry covered under Faceless Assessment.

4.4.6. Speaking Order:

I. For any re-assessment done by the Faceless Assessment Group, which is at variance with the self-assessment done by the importer and in cases other than those where the importer confirms his acceptance of the said re-assessment electronically in reply to the query raised by the assessing officer, the Faceless Assessment Groups shall pass a speaking order on the re-assessment, within fifteen days from the date of re-assessment of the bill of entry, as prescribed in section 17(5).

II. The Faceless Assessment Groups shall provide an opportunity to be heard to the importer, in accordance with the principles of natural justice, before proceeding with the re-assessment of the bill of entry. In the event a personal hearing is sought by the importer, the same can be conducted through video conferencing or other reliable technological means at the option of the

importer. In this regard, the Board's guidelines vide F.No. 390/Misc/3/2019-JC dated 27th April 2020 may also be referred to.

4.4.7 Appellate Proceedings: Any appeal against any speaking order on re-assessment passed by Faceless Assessment Groups shall lie before the Commissioner (Appeals) as per Notification No.63/2020-Customs (N.T.) dated 30.07.2020. Thus, an appeal against an order passed by the proper officer of the Faceless Assessment Group as per Section 17(5) and/or Section 18, would lie with the Commissioner of Customs (Appeals) having jurisdiction over the port of import.

4.4.8. Review Proceedings: The review of any speaking order on re-assessment passed by a proper officer of Faceless Assessment Groups, under sub-section (2) of Section 129D of the Customs Act, 1962, shall lie with the reviewing authority having administrative control over the proper officer of the Faceless Assessment Group.

4.4.9.Demands under Section 28 of the Customs Act, 1962: Issuing of demands under Section 28 of the Customs Act, 1962, adjudication thereof and handling of audit objections shall be done by the officers of the port of import. In matters where clarifications and inputs are required to be given by the Faceless Assessment Groups to port of import in such matter, the nodal Commissionerates as in **para 2 above** shall co-ordinate with the ports of import.

4.4.10 Provisional Assessment:

I. If the requisite approval for provisional assessment as per the Customs Act, 1962 and departmental guidelines has already been obtained, the Faceless Assessment Group may assess the bill of entry provisionally. The bond and bank guarantee for the same are to be registered with the Turant Suidha Kendra at the port of import, as referred to in **PN 42/2020 dated 14/7/2020**.

II. If the Faceless Assessment Group concludes that the prior testing of goods is going to take considerable time and the bill of entry should be assessed provisionally, they may refer the bill of entry to the PAG at the port of import, following the procedure **stipulated in 4.4.4** and clearly specifying the reasons thereof. In such cases, the bill of entry would be assessed by PAG at the port of import, after the receipt of the examination/test report.

III. After receipt of the required test reports etc from the shed officers at the port of import, the finalisation of provisional assessment shall be done by the officers of PAG of the port of import.

4.4.11 Amendment of Bills of Entry:

I. Directorate General of Systems has enabled a facility whereby requests for amendments can be made online via ICEGATE Portal.

II. Once the amendments are filed online, System would queue them before the proper officer of the Faceless Assessment Group if the bill of entry is pending for verification. In all other cases, the request would be queued to the proper officer of the Port Assessment Group.

III. The facility of online levy of Amendment fees as per Levy of Fees (Customs Documents) Regulations, 1970 has also been enabled. The applicable fee would be included in the duty challan for payment.

IV. Requests for amendments as per Section 149 of the Customs Act, 1962, and requests after the bill of entry has been returned for payment by the Faceless Assessment Group shall be processed by the port of import.

4.4.12 Exchange of communication exclusively by electronic mode and authentication of electronic records:

I. For the purposes of Faceless Assessment, all communications between the Faceless Assessment Group and the importer shall be exchanged exclusively by ICEGATE; and

II. All internal communications between the Faceless Assessment Groups and the officers at the port of import or Turant Suvidha Kendra shall be exchanged exclusively via electronic mode.

5. Difficulties or delays, if any, faced by members of the trade owing to the implementation of this procedure may be brought to the notice of Shri Raghuram, Joint Commissioner, Import Commissionerate-II, Mumbai Customs Zone I who is the nodal officer for this purpose or to Commissioner, Import-II.

Sd/-

(MANOJ KUMAR KEDIA)
Commissioner of Customs

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