

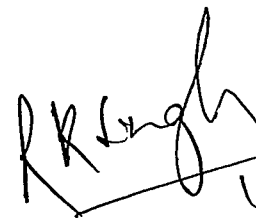
**Note on Action Taken by NAC-6 on pendency of Bills of Entry, Percentage of cases where Queries are raised including nature of Queries and divergence in assessment practices for organizing it.**

The NAC-6 with Co-convenors as Principal Chief Commissioner of Customs, Mumbai Zone-I and Chief Commissioner of Customs, Thiruvananthapuram holds monthly meetings with nodal Officers of FAGs under NAC-6 regularly since April 2022. Copy of Minutes of last NAC-6 meeting of September 2022 is attached.

- The data on clearances of Bills of Entry within 12 hours, 12 to 24 hours and more than 72 hours of all FAGs with reasons for the delay are discussed to reduce dwell time of imports. This has resulted in decreasing assessment time and attention/effort of the Nodal Officers (Commissioners) of 7 FAGs of NAC-6. The data of August 2022 on above lines is attached.
- Co-convenors of NAC-6 discuss about the percentage of queries raised including the nature of queries in each monthly NA-6 meeting with data of number of queries and /or the percentage of queries raised by all FAGs under NAC-6. The queries data of last NAC-6 monthly meeting i.e of September 2022 is attached. It is for kind information that after due deliberation it was decided that the 2<sup>nd</sup> query is to be raised only after approval of Joint commissioner/Additional Commissioner by FAGs. In line with the practices adopted at Mumbai Zone-I vide Standing Order No. 03/2022 dated 29.04.2022 (copy attached). Nodal Officers/Commissioners of FAGs informed the co-convenors that the agreed upon practice is adopted and orders in this regard have been issued. The data of queries raised for the month of September 2022 shows that the number of 2<sup>nd</sup> queries has dropped to as low as 3%, average being 8% in NAC-6. Further, the 3<sup>rd</sup> query raised percentage has gone down to blow 1% of the tota Bills of Entry assessed.
- The divergence in practice of assessment of items of group 6 are also discussed in monthly meetings of NAC-6. It is informed that one such divergent practice was noticed in case of assessment of items declared as "inflatable party articles" with claimed classification 9505. It was informed by the Members that the above item is being assessed as Party articles by some FAGs under heading 9505 of Customs Tariff Act, 1975 whereas some other FACs are assessing the same under heading 9503 of the Customs Tariff Act, 1975 as "Toy Balloons" attracting BCD @ 60% and BIS requirement. It was also brought to the notice of Co-convenors that NCTC vide Analytics Report (AF) No.46/2021-2022 dated 29.10.2021 has pointed out that all Balloons other than for aeronautics, meteorology and medical process are classifiable under heading 9503 of Customs Tariff Act, 1975. After discussion and taking opinion of the Nodal Officers of FAGs it was unanimously decided that the item is Toy Balloon and it merits classification under heading 9503 of Customs Tariff Act, 1975.
- It is informed that as per decision taken in the Chairmans meeting with all convenors of NACs, the NAC-6 held meeting with Sectoral Associations to hear their issues/problems under FAG Groups for resolution as per the laid down laws. The meeting with 2 such

Sectoral Associations of Toy Manufacturers/Importers of Toys was held on 12.10.2022. Minutes of the said meeting is attached. The Association pointed out divergence in practice of assessment of parts of Toys like Gear Box, PCBs for electrically operating Toys. The Commissioners of all FAGs under NAC-6 requested the Association to give clear description of parts of Toys and to upload Catalogue for its proper assessment with regards to classification. The Nodal Officers of FAG-6 have been asked to study the issue as to whether such articles which are classifiable as specific entry under the Customs Tariff Act, 1975 like Gear box under Chapter 84, or as parts of Toys under heading 9503. The above issue shall be decided in the NAC-6 meeting of October scheduled to be held on 27.10.2022.

This issues with the approval of the Principal Chief Commissioner, Mumbai Zone-I

  
19/10/2022

(RAVINDRA KUMAR SINGH)  
Additional Commissioner of Customs,  
Principal Chief Commissioners Office,  
Mumbai Zone-I