

F. No. S/V-30-Misc-431/2020-21 CCO M-II ('A' Cell)

Date 11.09.2020

**Standing Order No. 30/2020**

**Subject: All India roll-out of Faceless Assessment - reg**

Attention of Commissioners (including link officers), officers and Customs personnel at Mumbai Customs Zone II is drawn to Public Notice Nos. 95/2020 dated 31.07.2020 and 96/2020 dated 31.07.2020 under which phase II of faceless assessment undertaken by CBIC had covered Group 2A imports made in this Zone. This was based on CBIC Circular No. 34/2020-Cus dated 30.07.2020, 28/2020-Customs dated 05.06.2020 read with Instruction No. 9/2020-Customs dated 05.06.2020 and Notification No.50/2020-Cus (NT) dated 05.06.2020.

2. The Turant Suvidha Kendra (TSK) was set up in the Zone vide Public Notice Nos. 80/2020 dated 08.07.2020 read with 82/2020 dated 14.07.2020. The TSK caters to relevant functions consistent with the above cited Board's Circulars for Faceless Assessment Group and the PN 95/2020 dated 31.07.2020 has provided that Commissioner NS-III shall coordinate, supervise and monitor the smooth functioning of TSK.

3. CBIC Circular No. 40/2020 dated 04.09.2020 has been issued for All India roll-out of faceless assessment at all ports of import for all imported goods for which implementation phases are described in Annexure I with said Circular. These are –

- a) phase III on 15.09.2020 for Group 5, 5A, 5B
- b) phase IV on 01.10.2020 for Group 1, 2G, 2K, 3, 4, 6
- c) phase V on 31.10.2020 for Groups 1A, 2, 2B, 2C, 2D, 2E, 2F, 2H, 2I, 2J

4. As one of the main objectives of faceless assessment is speedy and uniform assessment practices, the CBIC had intimated that specified Principal Commissioners/Commissioners of Customs would act as nodal Commissioners.

5.1 The Board has constituted 11 National Assessment Centres (NACs) and organized them as shown in Annexure II with the said Circular. These NACs are organized commodity wise according to the First Schedule to the CTA, 1975. The specified Principal Commissioners/Commissioners from various Customs Zones are nodal Commissioners in the respective NAC.

5.2 These NACs are constituted of the relevant nodal Commissioners for purpose of administratively monitoring the assessment practice in respect of imported goods which are assigned in the Customs Automated System to the officers of Faceless Assessment Groups (FAG) where such assessment takes place and they are to work in a coordinated manner as the NACs have a critical role in the successful implementation of Faceless Assessment.

5.3 In addition to the existing work, the nodal Commissioners from Zones in the NACs/the NACs are to work in a coordinated manner ensuring that all assessments are carried out in a timely manner and there is no delay or hold up of the Bills of Entry. They are to also examine the assessment practices of imported goods across Customs stations to bring about uniformity and enhanced quality of assessments.

An important responsibility of a NAC is to develop expertise over the assigned FAG in different facets of assessment such as classification, valuation, prohibitions and restriction etc., and responsibilities include the following –

- I. Monitor the assessment practice for enhancing uniformity of classification, valuation, exemption benefit and compliance with import policy conditions.
- II. Assess the application of Compulsory Compliance Requirements (CCRs) and ensure uniform practices in accordance with the relevant statutes/Legal provisions.
- III. Study audit objections and take corrective actions regarding 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 about interpretational issues pertaining to classification, valuation, scope of exemption notifications and trade policy conditions.
- VI. Interact with sectoral trade and industry for inputs, and on 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 goods assigned to each Faceless Assessment Group and provide inputs to the Commissionerates for uniformity of assessment orders before legal fora.
- IX. Constitute Working Groups for matters relating to:
  - a) Monitoring for timely assessment of Bills of Entry
  - b) Valuation and related issues
  - c) Classification and related issues
  - d) Restrictions and prohibitions and Co-ordination with PGAs
  - e) Communication and Outreach for departmental officers and trade
  - f) Any other matter relevant to timely and uniform assessment, as may be decided.
- X. Coordination with Directorates, for example, the NACs shall coordinate with –
  - i) DRI and DGGI related to management of alerts undertaken by the NAC.
  - ii) DG Valuation to enhance expertise related to sensitive commodities handled

(for which DGoV will appoint nodal person for every NAC).

- iii) DGARM to provide feedback and enhance risk assessment and accuracy of CCR Instructions.
- iv) NACIN to hold capacity building sessions for departmental officers.
- v) DGTS to enhance outreach measures to the taxpayers by providing content, faculty for holding webinars, workshops etc.
- vi) DG Audit and Audit Commissionerates related to audit objections and feedback.
- vii) DG Systems in regard to System issues and enhancements.
- viii) Any other formations in CBIC to fulfil the stated objectives.

6.1 For discharging the above responsibility of nodal Commissioners in the NAC/the NAC, the pre-launch preparation before date of upcoming phases III, IV and V of All India roll-out of faceless assessment has to be undertaken by each nodal Commissioner in the NAC/the nodal Commissioner(s) in the Working Group of a NAC by coordination to enable themselves to be able to take all the measures to ensure that the faceless assessment is smooth and creates no disruption in the assessment and clearance of goods.

6.2 The following important pre-launch measures should be undertaken by nodal Commissioner in NAC/the NAC comprising of the nodal Commissioners -

- i) The Customs locations within each Zone, performing Faceless Assessment may be identified. The volume of import and availability of adequate officers may be taken into consideration for such identification.
- ii) Nominate sufficient number of officers for the Faceless Assessment. The officers should be more than two at all levels, to ensure availability. To the extent possible, dedicated team of officers may be posted to the Faceless Assessment Groups.
- iii) Identify variations, if any, in assessment practices and harmonize them for application across FAGs.
- iv) Take into account audit objections, judicial and quasi-judicial decisions accepted by the Department relating to the assessment of the goods to be handled by the Faceless Assessment Groups under the concerned NAC and circulate among the FAGs for uniformity of assessment.
- v) Organize training on roles and functionalities in ICES related to Faceless Assessment including MIS Reports and Dashboards.

7. To bring efficiency to the functioning of a NAC, the nodal Commissioners in a NAC shall ensure institutionalization of following coordination measures from the very beginning, that is initially itself -

- I. Continuous assessment – Ensure that verification of the assessment is not held up if there is an official holiday for the members of the FAG in a particular location. This could be done by having this work done at multiple locations.
- II. Daily Web meeting – The Working Groups may virtually meet for a short duration every day at a scheduled time to review timeliness of assessment, identify bottlenecks and take measures to remove difficulties. The link shall be made available to the Chairman, Member Customs, Zonal Member(s) and Joint Secretary (Customs), CBIC and the Co-convenors of concerned NAC, to enable participation in the online meeting room.
- III. Weekly web meeting – The Working Groups may have a web meeting for a short duration once a week at a scheduled time to review classification, valuation, exemption notifications, prohibitions and restrictions in order to identify divergent practices and ensure uniformity.

8. As mentioned in para 5.1 above, the specified Principal Commissioners/Commissioners from various Customs Zones are nodal Commissioners in the respective NAC. From Mumbai Customs Zone II –

- a) the Commissioner NS I who is In-charge of the Port Assessment Group 1, 1A, 2, 2A to 2K for verification of assessment and other related functions as is the practice otherwise, is the nodal Commissioner participating in five NACs pertaining to FAG 1 (chp 1-26), FAG 1A (chp 27), FAG 2A to 2F (chp 28-38), FAG 2G (chp 39) and FAG 2H to 2K (chp 40-49)
- b) the Commissioner NS III who is In-charge of the Port Assessment Group 3 and 4 for verification of assessment and other related functions as is the practice otherwise, is the nodal Commissioner participating in two NACs pertaining to FAG 3 (chp 50-71) and FAG 4 (chp 72-83)
- c) the Commissioner NS V who is In-charge of the Port Assessment Group 5, 5A, 5B and 6 for verification of assessment and other related functions as is the practice otherwise, is the nodal Commissioner participating in four NACs pertaining to FAG 5 (chp 84), FAG 5A (chp 85), FAG 5B (chp 86-92) and FAG 6 (chp 93-98).

9. As the Board has designated Mumbai Customs Zone II Chief Commissioner as Co-convenor of the NAC Chemicals 1 (FAG 2A-2F of chp 28-38) and NAC Chemicals 2 (FAG 2G of chp 39), to assist in the monitoring of functioning of these NACs, the Additional/Joint Commissioner, CCCU and the Deputy/Assistant Commissioner, CCCU and associated cell in CCCU is designated the Secretariat for undertaking responsibilities including coordinating -

- I. the nomination of Commissioners as Members of the NAC from the Zones mentioned in column 3 of Annexure II to Circular No. 40/2020-Customs as and when required

- II. for setting up of Working Groups within NACs for smooth functioning of NACs, and their reconstitution as and when required
- III. the efforts to ensure that NACs develop expertise over the assigned FAGs in different facets of assessment such as classification, valuation, prohibitions & restrictions etc.
- IV. with other Directorates and NACs for various functions mentioned in paras 5.7 & 5.8 of Circular No. 40/2020-Customs including for conducting the monthly web meeting by Co-conveners to review the functioning of the NACs
- V. in-house the making of policy recommendations to the Board and/or making material ready for Board organized conferences on Tariff & other Customs matters.

10. The Commissioner(s) in this Zone would interact with trade and industry for inputs, and on issues relating to assessment, and inter alia assist stakeholders, by taking suitable measures, locally and as part of National Assessment Centres constituted by Board, before, during and after roll-out of phase III, IV and V, so that the faceless assessment and clearance of goods occur smoothly to achieve objectives of the Turant Customs program.

11. It has been provided in the Public Notice No. 113/2020 dated 10.09.2020 that the Commissioners of import at Nhava Sheva shall issue detailed Public Notice by 12.09.2020 and make the suitable directions for the officers and staff/personnel of Customs. The Public Notice 113/2020, the present Standing Order, and all other relevant Circulars, Instructions, Notifications and guidelines on faceless assessment issued by the Board shall be taken in to account by the Commissioners.

This is issued with the approval of Chief Commissioner of Customs.

-sd-  
(Dipin Singla)  
Joint Commissioner, CCCU  
11.09.2020

To,

1. Commissioner of Customs, NS-G/I/II/III/IV/V/Appeal via website
2. All officers and Customs personnel in Mumbai Zone II via website
3. DC, EDI for uploading on website

Copy for kind information to:

1. Co-convener, NAC Chemicals 1 (Chief Commissioner, Visakhapatnam)
2. Co-convener, NAC Chemicals 2 (Chief Commissioner, Bhopal)
3. All Nodal Commissioners in NAC Chemicals 1 & NAC Chemicals 2