

F. No.450/26/2019-Cus. IV(Pt)
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Indirect Taxes & Customs)

Room No.227B, North Block,
New Delhi, dated 7th of July, 2021.

To,

All Principal Chief Commissioners/ Chief Commissioners of Customs/ Customs (Preventive),
All Principal Chief Commissioners/ Chief Commissioners of Customs & Central tax,
All Principal Commissioners/ Commissioners of Customs/ Customs (Preventive),
All Principal Commissioners/ Commissioners of Customs & Central tax,
All Principal Director Generals/ Director Generals under CBIC.

Madam/Sir,

Subject: Improvements in Faceless Assessment - Measures for expediting Customs clearances - reg.

Reference is invited to Circulars No. 28/2020-Customs dated 05.06.2020, No.40/2020-Customs dated 04.09.2020, No.45/2020-Customs dated 12.10.2020 and No. 55/2020-Customs dated 17.12.2020, which put together detail the roll out of Faceless Assessment pan India w.e.f. 31.10.2020 and clarify/streamline certain processes for its effective implementation.

2. Board has recently comprehensively reviewed the implementation of Faceless Assessment and deliberated on the further measures required for expediting the pace of assessment and Customs clearance of imported goods. Board finds that by and large the objectives of Faceless Assessment in terms of expeditious assessments, anonymity in assessments and uniformity in assessments have been met. However, Board observes that there is even now scope for improvement which would potentially lead to a substantial increase in the pace of assessments and Customs clearance, while further enhancing the uniformity in assessments and anonymity with a view to reduce interface with the trade.

3. Accordingly, Board has decided to implement the following measures in the Customs Faceless Assessment and clearance processes:

3.1 Enhancement of facilitation levels: Board has earlier reviewed the facilitation levels in imports and vide Circular No. 39/2011-Customs dated 02.09.2011 decided the facilitation targets should be 80% for Aircargo Complexes, 70% for Seaports and 60% for ICDs. Various initiatives have since been taken to leverage technology as well as simplify extant procedures. As a result,

the overall average facilitation levels have already exceeded these levels with the All-India average facilitation level across all Customs stations being 77% for May 2021. Board also notes that the use of machine learning and the other state of art technologies now enables RMS to more precisely target the risky consignments thereby enabling more focussed attention on lesser number of Bills of Entry for assessment by the FAGs. Thus, Board has decided that w.e.f. 15.07.2021 the facilitation level across all Customs stations would be increased to 90% relating to RMD. It is clarified that the element of randomness in interdiction of any Bill of Entry would be retained by RMS. This measure is expected to enable faster clearance of non-risky imports with enhanced focus on risky imports, so that revenue remains safeguarded. The aforementioned circular stands modified accordingly.

3.2 Expediting assessment process: Board observes that, at present, the working hours of the FAGs across the country are not uniform. Thus, there is uneven output such that some officers of a FAG who begin work earlier clear more than the targeted Bills of Entry while others whose working hours begin later do not get sufficient number of Bills of Entry. Moreover, the time take for the 'first decision' by the Appraising Officers and Deputy/Assistant Commissioners of Customs is also much more than necessary resulting in lower than optimum output. Accordingly, with a view to facilitate faster decisions and, in turn, faster verification of self-assessments as well as to promote specialisation and enhance uniformity in assessment, Board has decided to implement changes in the assessment procedure, as follows –

- i. The working hours of all FAGs shall be uniform from 10 AM till 8 PM on any working day. It is clarified that within these uniform working hours, Chief Commissioners of the NACs shall ensure that no assessing officer is required to work for more than the working hours that are prescribed, as per the existing guidelines of the Government of India. However, considering the nature of Customs functioning, Chief Commissioners of the NACs shall ensure adequate number of assessing officers are available during the holidays as per the fixed roster. Also, in the event of administrative exigencies or local circumstances that may emanate from time to time, the jurisdictional Pr. Commissioner/ Commissioner may permit the officers to work beyond the prescribed time interval of 10 AM to 8 PM by way of issue of local instructions.
- ii. NACs and jurisdictional Pr. Commissioners/Commissioners of Customs shall administratively monitor that FAGs communicate the 'first decision' on the Bill of Entry within 3 working hours after its allocation. The first decision could be acceptance of the self-assessment, query to the importer or a First Check, as may be warranted.
- iii. Jurisdictional Pr. Chief/ Chief Commissioners of Customs shall ensure as far as possible that one Appraising Officer is given responsibility of not more than 2 (two) FAGs. The re-

organisation within the zones may be undertaken such that assessing officers at the ports with the expertise of the items under a FAG are allotted to that FAG.

- iv. The total number of queries which can be raised by an Appraising Officer in respect of a Bill of Entry would now be restricted to 3 (three). Further, such queries can now be raised without seeking approval of the Addl./Joint Commissioner of Customs. Circular No. 55/2020-Customs dated 17.12.2020 stands suitably modified. In this regard, considering this limit to the number of queries, Board desires that, Appraising Officer raises query in a clear and holistic manner giving reference to supporting details/documents with respect to Valuation/Classification etc., so that the importer does not have any doubt and is in a position to reply categorically for early completion of verification.
- v. The option to `set-aside` 5 (five) Bills of Entry, which is already available with the Appraiser/Superintendent would henceforth not require an approval of the Deputy/Assistant Commissioners of Customs. It is expected that the Appraiser/Superintendent would utilize the facility to set aside certain BEs (upto the limit) to address some genuine issues.

3.3 Re-organisation of FAGs - Specialization: To promote specialisation in assessment, Board has decided to create separate FAGs for certain commodities, which also contribute appreciably to revenue. These new FAGs would become operational from 15.07.2021, and would be as follows:

Present Assessment Group (CTH)	New FAGs (CTH)
1(01-26)	1 (01-15) – Primary Products 1
	1B (16-26) – Primary Products 2
4 (72-83)	4 (72-73) – Ferrous Base Metals
	4A (74-83) – Non-Ferrous Base Metals
5 (84)	5 (8401-8469) – Mechanical Machinery -I
	5E (8470-8473) – Mechanical Machinery -II
	5N (8474-8487) – Mechanical Machinery -III
5A (85)	5A (8501-8516) – Electrical Machinery
	5C (8517-8531) – Communication & related Equipment
	5M (8532-8548) – Micro-Electronics
5B (86-92)	5V(86-87) – Vehicles
	5F (88) – Aircrafts
	5S (89) – Vessels
	5I (90-92) – Instruments & Apparatus

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3.4 Re-organisation of FAGs - Optimisation of workload: The composition and the performances of various FAGs across zones in recent times have been examined considering the volume of Bills of Entry handled by the FAGs. To further optimise their performance, Board has decided to re-organise the NACs as per Annexure I of this circular. Consequently, Annexure II to Circular No.45/2020-Customs dated 12.10.2020 is modified to this extent. Due care has been taken to balance the objectives of improved and faster assessments with the efficient deployment of available manpower. In particular, the endeavor has been to ensure that the reconfiguration of the FAGs does not lead to a disproportionate reduction/increase in the overall workload (i.e. BEs) presently being handled by the Zones. Since the parameters for setting up of NACs/ re-organisation are dynamic variables, Board would carry out periodic reviews in consultation with NACs for further improvement in the performance of Faceless Assessment.

3.5 Enhancing Direct Port Delivery (DPD): Circular No.29/2019-Customs dated 05.09.2019 stipulates the eligibility criteria for availment of DPD by the importers. Since then a number of measures including advance filing of Bill of Entry have led to quicker turn-around time for the import cargo. The present decision to enhance the facilitation levels is also a step in this direction. However, while facilitation levels are going up, the DPD levels are not rising commensurately. This is primarily because the present policy is to have an entity based DPD while facilitation levels are linked primarily to Bills of Entry. Accordingly, in order to enhance DPD for faster Customs clearances as well as de-congestion of ports, Board has decided to shift from entity based DPD to a Bill of Entry based DPD. In short, in partial amendment to the said circular, Board has decided that, as a general principle, all the advance Bills of Entry which are fully facilitated (do not require assessment &/or examination) would be granted the facility of DPD. It is clarified that, this facility is over and above the present system of entity based DPD extended to AEO clients. However, the entity whose Bill of Entry has been facilitated for DPD would be required to adhere to the requirements of the ports/terminals/custodians for taking physical delivery of the container. Further, to optimise the ground handling by the ports/terminals/custodians, the ICEGATE shall modify the electronic message being sent to the ports/terminals/custodians on arrival of the cargo, to additionally flag the containers granted (or ready for) DPD along with IEC details. The flag would also indicate the requirement of scanning of specific containers, wherever applicable. This would be done at the stage of Entry Inwards to facilitate efficient planning in stacking and movement of these containers and thus quicken their turn-around time. Similar message would be sent to the importer/Customs Broker. The Pr. Chief/ Chief Commissioners of Customs are required to duly sensitise and co-ordinate with the ports/terminals/custodians and the trade for ensuring the effective use of the enhanced facility of DPD.

3.6 **Automated generation of examination orders:** In order to enhance uniformity and streamline the examination orders, Board has decided to introduce RMS generated uniform examination orders at all Customs stations across the country. Further, the imports of items which ordinarily warrant First Check as per para 2.3 of Circular No.45/2020-Customs dated 12.10.2020 would now be directly routed to the shed for First Check examination. Such First Check Bills of Entry will now be referred to the FAG for assessment only after a First Check examination report has been uploaded by the Shed Officers in the Customs system. The detailed implementation advisory on this will be issued shortly.

3.7 **Anonymised escalation:** To better address the grievances of trade relating largely to delays in assessment, DG Systems shall soon shortly operationalise an Anonymized Escalation Mechanism (AEM) on ICEGATE which would empower importers/Customs Brokers to directly register his/her requirement of expeditious clearance of a delayed Bill of Entry, which may be pending for assessment or examination. The features of the AEM would include, amongst others:

- i. In case of delay of more than 1 working day, an importer/Customs Broker would be able to initiate AEM through ICEGATE or approach TSK for the same.
- ii. The AEM will automatically route the grievance to the concerned FAG/Import Shed, with a notification to Additional/Joint Commissioners of Customs of the concerned FAG and Port of Import.
- iii. The concerned FAG is required to dispose the grievance promptly and same shall be monitored by the concerned Additional/Joint Commissioner of Customs of the concerned FAG/Import Shed.
- iv. The status of the disposal would be updated on the dashboard of ICEGATE, TSK, FAG and to the concerned officers.

4. As aforementioned, the changes stipulated in paras 3.1 to 3.5 will come into effect from 15.07.2021. Wherever required, DG Systems would shortly be issuing advisories to give effect to these changes.

5. Any difficulties faced or doubts arising in the implementation of this Circular may please be brought to the notice of Board.

Yours faithfully,



(Ananth Rathakrishnan)
Deputy Secretary (Customs)

Annexure I

(Revision of Annexure II of Circular No.45/2020-Customs dt.12.10.2020)

National Assessment Centres

National Assessment Centre & Co-Conveners (Pr.CC/CC of the Zone)	Faceless Assessment Groups (Chapters covered by Customs Tariff Act, 1975)	Nodal Commissioners & FAG from Zones (Existing)	Nodal Commissioners & FAG from Zones (Revised)
(1)	(2)	(3)	(4)
Primary Products <u>Co-Conveners:</u> Kolkata, Guwahati	1 (01 to 15)- <i>Primary products 1</i>	1. Ahmedabad 2. Bengaluru 3. Bhubaneswar 4. Chennai 5. Delhi 6. Delhi (Prev.) 7. Guwahati 8. Kolkata 9. Mumbai II 10. Mumbai III 11. Patna (Prev.)	1. Ahmedabad 2. Bengaluru 3. Chennai 4. Delhi 5. Kolkata 6. Mumbai, Zone II 7. Mumbai, Zone III 8. Thiruvananthapuram 9. Tiruchirappalli (Preventive) 10. Visakhapatnam
	1B (16 to 26)- <i>Primary products 2</i>	12. Thiruvananthapuram 13. Tiruchirappalli (Prev.) 14. Vishakhapatnam	1. Ahmedabad 2. Bhubaneswar 3. Chennai 4. Delhi 5. Guwahati 6. Kolkata 7. Mumbai, Zone II 8. Tiruchirappalli (Preventive) 9. Visakhapatnam

National Assessment Centre & Co-Conveners (Pr.CC/CC of the Zone)	Faceless Assessment Groups (Chapters covered by Customs Tariff Act, 1975)	Nodal Commissioners & FAG from Zones (Existing)	Nodal Commissioners & FAG from Zones (Revised)
(1)	(2)	(3)	(4)
Mineral Products <u>Co-Conveners:</u> Bhubaneswar, Visakhapatnam	1A (27)	1. Ahmedabad 2. Bengaluru 3. Bhubaneswar 4. Chennai 5. Delhi 6. Kolkata 7. Mumbai I 8. Mumbai II 9. Mumbai III 10. Pune 11. Tiruchirappalli (Prev) 12. Visakhapatnam	1. Delhi 2. Bhubaneswar 3. Chennai 4. Mumbai Zone II 5. Visakhapatnam
Chemicals 1 <u>Co-Conveners:</u> Mumbai Zone II, Ahmedabad	2, 2A, 2B, 2C, 2D, 2E and 2F (28-38)	1. Ahmedabad. 2. Chennai 3. Delhi 4. Delhi (Prev.) 5. Hyderabad 6. Kolkata 7. Meerut 8. Mumbai I 9. Mumbai II 10. Mumbai III 11. Thiruvananthapuram 12. Visakhapatnam	1. Ahmedabad. 2. Chennai 3. Delhi 4. Delhi (Preventive) 5. Hyderabad 6. Kolkata 7. Meerut 8. Mumbai I 9. Mumbai Zone II 10. Thiruvananthapuram 11. Visakhapatnam

National Assessment Centre & Co-Conveners (Pr.CC/CC of the Zone)	Faceless Assessment Groups (Chapters covered by Customs Tariff Act, 1975)	Nodal Commissioners & FAG from Zones (Existing)	Nodal Commissioners & FAG from Zones (Revised)
(1)	(2)	(3)	(4)
Chemicals 2 <u>Co-Conveners:</u> Mumbai Zone II, Bhopal	2G (39)	1. Ahmedabad 2. Bhopal 3. Chennai 4. Delhi 5. Delhi (Prev.) 6. Hyderabad 7. Kolkata 8. Meerut 9. Mumbai I 10. Mumbai II 11. Mumbai III 12. Patna (Prev.) 13. Thiruvananthapuram 14. Visakhapatnam	1. Ahmedabad 2. Bhopal 3. Chennai 4. Delhi 5. Delhi (Preventive) 6. Kolkata 7. Meerut 8. Mumbai Zone I 9. Mumbai Zone II 10. Visakhapatnam
Chemicals 3 <u>Co-Conveners:</u> Chennai, Patna (Preventive)	2H, 2I, 2J, 2K (40-49)	1. Ahmedabad 2. Bengaluru 3. Bhopal 4. Chennai 5. Delhi 6. Delhi (Prev.) 7. Kolkata 8. Meerut 9. Mumbai I 10. Mumbai II 11. Mumbai III 12. Nagpur 13. Patna (Prev.) 14. Pune	1. Bengaluru 2. Bhopal 3. Chennai 4. Delhi 5. Kolkata 6. Meerut 7. Mumbai Zone I 8. Mumbai Zone II 9. Nagpur 10. Patna (Preventive) 11. Pune 12. Tiruchirappalli (Preventive) 13. Visakhapatnam

National Assessment Centre & Co-Conveners (Pr.CC/CC of the Zone)	Faceless Assessment Groups (Chapters covered by Customs Tariff Act, 1975)	Nodal Commissioners & FAG from Zones (Existing)	Nodal Commissioners & FAG from Zones (Revised)
(1)	(2)	(3)	(4)
		15. Thiruvananthapuram 16. Tiruchirappalli (Prev.) 17. Visakhapatnam	
Textile Products <u>Co-Conveners:</u> Bengaluru Tiruchirappalli (Preventive)	3, (50-70)	1. Ahmedabad 2. Bengaluru 3. Chennai 4. Delhi 5. Delhi (Prev.) 6. Kolkata 7. Mumbai I 8. Mumbai II 9. Mumbai III 10. Patna (Prev.) 11. Thiruvananthapuram 12. Tiruchirappalli (Prev.).	1. Ahmedabad 2. Bengaluru 3. Chennai 4. Delhi 5. Delhi (Preventive) 6. Kolkata 7. Mumbai Zone I 8. Mumbai Zone II 9. Tiruchirappalli (Preventive)
	3A (71)	1. Ahmedabad 2. Delhi 3. Delhi (Prev.) 4. Kolkata 5. Chennai 6. Mumbai III	1. Delhi 2. Delhi (Prev.) 3. Kolkata 4. Chennai 5. Mumbai III
Metal Products	4 (72-73)- Ferrous base metals	1. Ahmedabad 2. Bengaluru 3. Bhopal 4. Chennai	1. Ahmedabad 2. Bhopal 3. Chennai 4. Delhi

National Assessment Centre & Co-Conveners (Pr.CC/CC of the Zone)	Faceless Assessment Groups (Chapters covered by Customs Tariff Act, 1975)	Nodal Commissioners & FAG from Zones (Existing)	Nodal Commissioners & FAG from Zones (Revised)
(1)	(2)	(3)	(4)
<u>Co-Conveners:</u> Delhi (Preventive), Nagpur		5. Delhi 6. Delhi (Prev.) 7. Guwahati 8. Hyderabad 9. Kolkata 10. Meerut 11. Mumbai I 12. Mumbai II 13. Mumbai III 14. Nagpur 15. Pune 16. Thiruvananthapuram 17. Vishakhapatnam	5. Mumbai Zone I 6. Mumbai Zone II 7. Nagpur 8. Visakhapatnam
	4A (74-83) – Non-ferrous Base Metals	1. Ahmedabad 2. Bengaluru 3. Bhopal 4. Chennai 5. Delhi 6. Delhi (Prev.) 7. Guwahati 8. Hyderabad 9. Kolkata 10. Meerut 11. Mumbai I 12. Mumbai II 13. Mumbai III 14. Nagpur 15. Pune	1. Ahmedabad 2. Bengaluru 3. Chennai 4. Delhi 5. Kolkata 6. Mumbai Zone II 7. Mumbai Zone III

National Assessment Centre & Co-Conveners (Pr.CC/CC of the Zone)	Faceless Assessment Groups (Chapters covered by Customs Tariff Act, 1975)	Nodal Commissioners & FAG from Zones (Existing)	Nodal Commissioners & FAG from Zones (Revised)
(1)	(2)	(3)	(4)
		5. Delhi(Prev.) 6. Hyderabad 7. Kolkata 8. Mumbai II 9. Mumbai III 10. Thiruvananthapuram	5. Kolkata 6. Mumbai Zone II 7. Mumbai Zone III
Electric Machineries <u>Co-Conveners:</u> Delhi, Meerut	5A (8501-8516) <i>Electrical machinery</i>	1. Ahmedabad. 2. Bengaluru 3. Chennai 4. Delhi 5. Kolkata 6. Hyderabad 7. Mumbai I 8. Mumbai II 9. Mumbai III	1. Ahmedabad 2. Bengaluru 3. Chennai 4. Delhi 5. Kolkata 6. Mumbai Zone I 7. Mumbai Zone II 8. Mumbai Zone III 9. Thiruvananthapuram
	5C (8517-8531)- <i>Communication and related equipment</i>	10. Thiruvananthapuram	1. Ahmedabad 2. Bengaluru 3. Chennai 4. Delhi 5. Hyderabad 6. Mumbai Zone II 7. Mumbai Zone III
	5M (8532-8548)- <i>Micro-electronics</i>		1. Bengaluru 2. Chennai 3. Delhi 4. Meerut 5. Mumbai Zone II 6. Mumbai Zone III

National Assessment Centre & Co-Conveners (Pr.CC/CC of the Zone)	Faceless Assessment Groups (Chapters covered by Customs Tariff Act, 1975)	Nodal Commissioners & FAG from Zones (Existing)	Nodal Commissioners & FAG from Zones (Revised)
(1)	(2)	(3)	(4)
Mumbai Zone I, Thiruvananthapuram		6. Hyderabad 7. Kolkata 8. Mumbai I 9. Mumbai II 10. Mumbai III 11. Thiruvananthapuram 12. Visakhapatnam	