

मुख्यआयुक्तकाकार्यालय
Office of the Chief Commissioner
वस्तु एवं सेवाकर एवं सीमा शुल्क, विशाखापट्टणम
Goods and Services Tax and Customs, Visakhapatnam Zone
जी.एस.टी भवन, पत्तन क्षेत्र, विशाखापट्टणम-530035
GST Bhavan, Port Area, Visakhapatnam-530 035
0891-2568837 2561942 ccu-cexvzg@nic.in
PUBLIC NOTICE NO: 01/2020

Subject: Implementation of Faceless Assessment of imports – Regarding.

Kind attention of the importers, Customs Brokers, Shipping Lines/Agents, Logistic Service Providers, CFS Custodians, Trade and other Stakeholders is invited to Board Circulars No. 40/2020 dated 04-09-2020, No 28/2020-customs dated 05-06-2020 and No.34/2020 custom dated 30.07.2020 on faceless assessment.

2. Reference is invited to Board's Circular No.28/2020-Customs, dated 5th June, 2020 and Instruction No.09/2020 dt.05-06-2020 on the launch of Faceless Assessment under the umbrella of next generational Turant Customs programme. Faceless Assessment, duly supported by Paperless and Contactless Customs clearance processes, is a critical reform. As you are aware, the pilot programme of Faceless Assessment was launched in Chennai on 14.08.2019 for primarily electrical machineries falling under Chapter 85 of the Customs Tariff Act, 1975. This pilot programme was subsequently expanded to Ahmedabad, Bengaluru, Delhi, Mundra and Visakhapatnam for goods primarily falling under Chapters 39, 84, 86 to 92, 72 to 83 and 50 to 71 of the Customs Tariff Act, 1975.

A Public Notice No.02/2019, dt.25-10-2019 has been issued earlier in this regard by Visakhapatnam Zone for the Bills of Entry filed under Group 4 (Chapter 72 to 83 of the Customs Tariff Act) for pilot project.

These pilot programmes helped to test Faceless Assessment, first in the same Zone (e.g. imports at Chennai seaport and air-cargo were assessed by Customs officers in either location instead of only in the port/air-cargo of import) and then across Zones (e.g. imports at Chennai sea/air-cargo were assessed by Customs officers at Bengaluru air-cargo/ICD and vice versa). These pilot programmes were followed by the launch of Phase I of Faceless Assessment on 05.06.2020, cutting across the Customs formations in Chennai and Bengaluru for articles primarily falling under the Chapters 84 and 85 of the Customs Tariff Act, 1975. Phase II of Faceless Assessment, which was begun on 03.08.2020 at Customs formations in Chennai, Bengaluru, Delhi, for goods falling under the Chapters 50 to 71, 84, 85 and 86 to 92 of the Customs Tariff Act, 1975 and at Customs formations in Mumbai, for goods failing under the Chapter 29 of the Customs Tariff Act, 1975.

3. The following organizational set up has been put in place to implement the faceless assessment envisaged in the said Circular No.28/2020-Cus, dated 05-06-2020 and Instruction No.09/2020 dt.05-06-2020:

I. Faceless Assessment Groups:

A Faceless Assessment Group would comprising of Appraisers/Superintendents and Assistant Commissioners/Deputy Commissioners have been/are being formed for verification of assessment of any bill of entry that is assigned to this group in the Customs Automated System.

II. Port Assessment Groups:

Port Assessment Groups (PAGs) are the Appraising Group currently located in each port of import for verification of the assessment and other related functions as is 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 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.

III. Turant Suvidha Kendras:

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 actually assessment may be done remotely or virtually by the proper officer physically located in another Customs station. In this regard, Turant Seva Kendras have been created in Visakhapatnam Zone and Public Notices have been issued by the respective Customs Commissionerates in this regard.

Some of the functions to be entrusted to the Turant Suvidha Kendra are:

- I. Accept Bond or Bank Guarantee;
- II. Carry out any other verifications that may be referred by the Faceless Assessment Groups;
- III. Defacing of documents/ permits licenses, wherever required;
- IV. Debit of documents/ permits/ licenses, wherever required; and Other functions determined by Commissioner to facilitate trade.

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

4.1 Responsibilities of the Nodal Commissioners:

4.1.1. 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.

4.2 Responsibilities of the Port of Import:

4.2.1 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 done by the designated proper officers of the port of import

4.3 Procedure for Verification of Assessment of Bill of Entry by Faceless

Assessment Group:

4.3.1. Procedure 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 of this instruction.

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 4.3.1, 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 4.3.2 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 mis-declared, PAG may carry out re-assessment and initiate action as prescribed under section 124 of the Customs Act, 1962, if required.

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

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 Groups 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.

4.3.3. Procedure to be Adopted by Port of Import in Exceptional Circumstances.

Notwithstanding anything mentioned above, the Principal Commissioner/Commissioner of Customs 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.

4.4 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.

4.5 Appellate Proceedings

Any appeal against any speaking order on re-assessment passed by Faceless Assessment Groups shall lie before the Commissioner (Appeals) as per 85/2020-Customs (N.T.) dated 04.09.2020. 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, Guntur).

4.6 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 Suvidha Kendra at the port of import, as referred to in paragraph 5.2.2 of this instruction.

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 5.3.2 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.

4.7 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.

4.8 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. As per the Board circular No.40/2020, dt.04-09-2020, it has been decided to implement faceless assessment at all India level. And with respect to Visakhapatnam Zone, the details are as below:

Sr. No.	Roll Out Date	Appraisement Group	(%) of coverage of All India Bill of Entry
1.	15.09.2020	4,5,5A,5B	50%
2.	01.10.2020	1A,2A, 4, 5, 5A, 5B	86%
3.	31.10.2020	1, 1A, 2, 2A, 2B, 2C, 2S, 2E, 2F, 2G, 2H, 2I, 2J, 2K, 3, 4, 5, 5A, 5B, 6	100%


6. The Principal Commissioner/Commissioner Custom House, Visakhapatnam (email id: prcomm1-cusvzg@gov.in), CPC-Vijayawada(email id: commr.cpc-ap@nic.in) also the Nodal Commissioners administratively responsible for monitoring and ensuring speedy and uniform assessments, in regard to the Bills of Entry assigned by the System to the officers of the respective Faceless Assessment Groups as specified in the Board Circular No.40/2020 dated 04.09.2020.

For this, the CBIC Circular Nos. 40/2020-Customs, 28/2020-Customs and 34/2020-Customs and Instruction No. 09/2020-Customs provide self-contained guidance which shall be taken as Standing Order for the Commissioner/officers concerned including in the Faceless Assessment Group which would consist of Appraisers / Superintendents and Assistant / Deputy Commissioner and be supervised by Joint / Additional Commissioner under the overall control and monitoring of the Principal Commissioner/Commissioner.

7. The concerned Commissioner(s) 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.

8. The stakeholders are also informed that the CBIC has issued Notification No. 85/2020-Customs (N.T.) dated 04.09.2020 for the purpose of empowering the Jurisdictional Commissioner of Customs (Appeals) to take up appeals filed in respect of Faceless Assessments pertaining to imports made in their jurisdiction (even though the faceless assessing officer may be located at any other Customs station).

This issues with the approval of Chief Commissioner Customs and Central GST Visakhapatnam Zone.

 14.09.2020

(M. SREEKANTH)

Joint Commissioner, CCO

Copy for kind information via website to:

1. The Joint Secretary (Customs), Central Board of Indirect Taxes and Customs, North Block, New Delhi
2. The Principal Director General of Systems, Directorate General of Systems and Data Management, Hotel Samrat, Chanakyapuri, New Delhi-110021
3. Officer on Special Duty (Customs IV) CBIC, DoR, North Block, New Delhi
4. Principal Commissioner of Customs, Vizag
5. Principal Commissioner of Customs, CPC-VIJAYAWADA
6. CHA Association, Visakhapatnam and CPC-Vijayawada
7. Notice Board