

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

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Room No 229A, North Block, New Delhi.  
New Delhi, dated 5<sup>th</sup> of June, 2020

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,

Madam/Sir,

**Subject: 1st phase of All India roll-out of Faceless Assessment - reg.**

Reference is invited to Board's Circular No.28/2020-Customs, dated 5<sup>th</sup> June, 2020 on the launch of Phase 1 of Faceless Assessment of bills of entry for goods imported primarily under Chapters 84 and 85 of the Customs Tariff Act, 1975 at Bengaluru and Chennai w.e.f. 8<sup>st</sup> June, 2020. As mentioned therein, the Faceless Assessment is being rolled out in phases and it would be implemented pan India by 31<sup>st</sup> December 2020. While these instructions are immediately relevant for Bengaluru and Chennai Zones, they would get applied to other Zones as and when these Zones are covered by Faceless Assessment (with suitable modifications that may be warranted).

2. For the roll-out of Faceless Assessment across Bengaluru and Chennai Zones, the Principal Chief Commissioners/Chief Commissioners of Customs, Bengaluru and Chennai Zones are required to put in place the following arrangements in their jurisdiction:

I. Faceless Assessment Groups:

A Faceless Assessment Group would consist of Appraisers/Superintendents and Assistant Commissioners/Deputy Commissioners for verification of assessment of any bill of entry that is assigned to this group in the Customs Automated System. Thus, two Faceless Assessment Groups, one for Chapter 84 and another for Chapter 85 would need to be established. However, depending on the work load the two Faceless Assessment Groups could also be merged into one. The Faceless Assessment Group for each chapter would thus comprise officers of both Bengaluru and Chennai Customs Zones. It is advised that to begin with officers from the existing Appraising Groups for chapter 84 and 85 in each Customs station in each Zone may be made part of the Faceless Assessment Group. However, the Principal Chief Commissioners/Chief Commissioners of Customs may decide on the total number of officers to be placed in each Faceless Assessment Group based on the volume of bills of entry.

II. Port Assessment Groups :

Port Assessment Groups (PAGs) would be 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:

Turant Suvidha Kendras (TSK) would be a dedicated cell in every Customs port of import manned by Custom officers to cater to functions and roles clarified in para 5.2.2 of this instruction. 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. It is important that the officers manning the Turant Suvidha Kendras are properly trained in their role as facilitators while ensuring legal compliance. The location and timing of the Turant Suvidha Kendras would need to be properly advertised and made known to all stakeholders.

3. In order to introduce Phase 1 of Faceless Assessment at Bengaluru and Chennai from 8<sup>th</sup> June 2020 for imports primarily made under Chapters 84 and 85 of the Customs Tariff Act, 1975 at their jurisdictional Customs ports of import, Board has issued two notifications, as follows:

I. Notification No.50/2020-Customs (N.T.) dated 05.06.2020 implements Faceless Assessment across different Principal Chief Commissioner/Chief Commissioner Zones. This notification enables an assessing officer i.e., the proper officer under Sections 17 and 18 of the Customs Act, 1962, who is physically located in a particular jurisdiction to assess a bill of entry pertaining to imports made at a different Customs station/port of import, *whenever such a bill of entry has been assigned to him in the Customs Automated System*. However, it is clarified that in Phase 1 of the roll-out of Faceless Assessment, this notification will be applied only for inter-linking of Bengaluru and Chennai Customs zones for this purpose. Thus, w.e.f. 8<sup>th</sup> June, 2020 the Customs Automated System will assign the non-facilitated bills of entry filed for imports of articles primarily falling under Chapters 84 and 85 of the Customs Tariff Act, 1975, at any of the Customs stations/ports of import of Bengaluru and Chennai Customs Zones to the officers of the concerned Faceless Assessment Group for assessment on a first-cum-first basis. In other words, irrespective of whether the goods are imported at any Customs station/port of import falling under the jurisdiction of Bengaluru or Chennai Customs Zone, the bills of entry pertaining to the said two chapters will be marked by the Customs Automated System to the nominated Faceless Assessment Group for assessment.

II. Notification No.51/2020-Customs (N.T.) dated 05.06.2020 is issued for the purpose of empowering the jurisdictional Commissioners of Customs (Appeals) at Bengaluru and Chennai 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 the other Customs station.

To illustrate, Commissioners of Customs (Appeals) at Bengaluru would decide appeals filed for imports at Bengaluru though the assessing officer may be located at Chennai. This has been done to ensure the trade is not put to any hardship and can get their appeals heard locally, as at present.

4. Further, as one of the main objectives of Faceless Assessment is speedy and uniform assessment practices, in Phase 1 of Faceless Assessment, Board hereby nominates Principal Commissioner/Commissioner of Customs, Bengaluru City, Bengaluru, Principal Commissioner/Commissioner of Customs, Airport and Air Cargo Complex, Bengaluru, Principal Commissioner/Commissioner of Customs (II), Chennai and Principal Commissioner/Commissioner of Customs (VII), Air Cargo Complex Chennai to be the nodal Commissioners for the purpose of administratively monitoring the assessment practice in respect of imported goods which are assigned in the Customs Automated System to the officers of the Faceless Assessment Groups in Bengaluru and Chennai, for articles primarily falling under Chapters 84 and 85, of the Customs Tariff Act, 1975. These nodal Commissioners would work in a coordinated manner. This arrangement would pave the path to establish National Assessment Commissionerates (NACs) with the mandate to examine the assessment practices of imported articles across Customs stations and suggest measures to bring about uniformity and enhanced quality of assessments. The NACs would be put in place as and when the Faceless Assessment is rolled out in phases across the country.

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

5.1. Responsibilities of the Nodal Commissioners:

5.1.1. 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/apellate 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.

## 5.2 Responsibilities of the Port of Import:

5.2.1 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.

5.2.2. The Commissionerate having jurisdiction over port of import would set up a Turant Suvidha Kendra for facilitating Customs clearances. It merits mention that to begin with each Customs station would set up a Turant Suvidha Kendra and the Principal Commissioners/Commissioners are advised to devise suitable procedures for numbering, handling & safekeep of documents handled in the TSK. 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 licences, wherever required;
- IV. Debit of documents/ permits/ licences, wherever required; and
- V. Other functions determined by Commissioner to facilitate trade.

## 5.3. Procedure for Verification of Assessment of Bill of Entry by Faceless Assessment Group:

### 5.3.1. 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 5.4 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 5.3.1, 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 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.

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.

### 5.3.2. 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 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.

### 5.3.3. 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.*

### 5.4 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 27<sup>th</sup> April 2020 may also be referred to.

### 5.5 Appellate Proceedings

Any appeal against any speaking order on re-assessment passed by Faceless Assessment Groups shall lie before the Commissioner (Appeals) as per Notification No.51/2020-Customs (N.T.) dated 05.06.2020. 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.

## 5.6 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 that proper officer of the Faceless Assessment Group.

## 5.7 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 4 above shall co-ordinate with the ports of import.

## 5.8 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.

## 5.9 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.
- 5.10 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.
6. DG Systems shall enable above changes for implementing Faceless Assessment in the Customs Automated System and communicate the changes by way of detailed Advisory to the concerned field formations.
7. As Faceless Assessment is a major innovation it is important to ensure its smooth implementation. Therefore, feedback on the implementation may be sent to Board to [uscus4.dor@gov.in](mailto:uscus4.dor@gov.in) and system related issues to [team.ices@icegate.gov.in](mailto:team.ices@icegate.gov.in).
8. Any difficulties, in this regard, may please be brought to notice of the Board.

Yours faithfully,

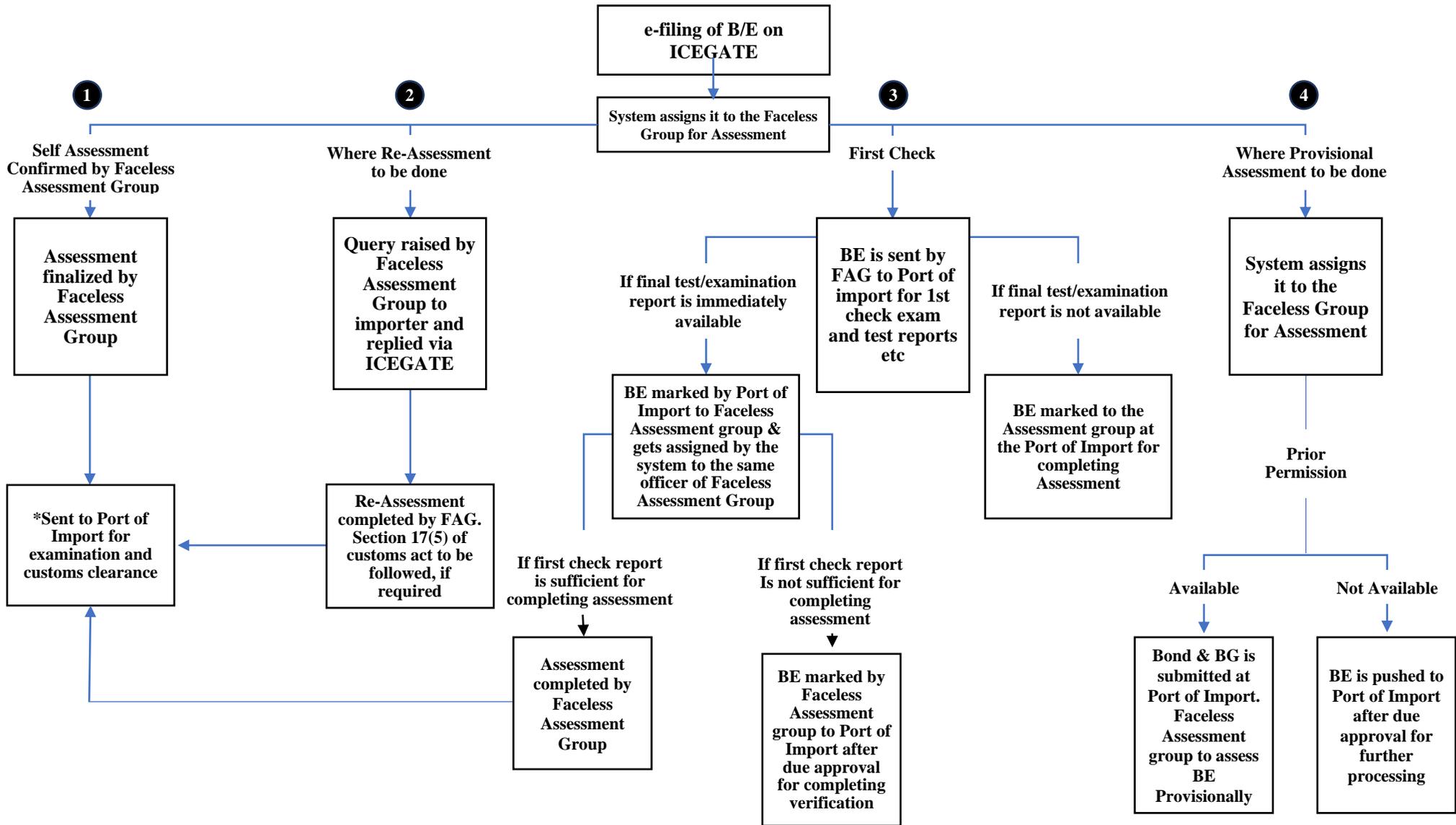


**(Eric C Lallawmpuia)**  
**OSD (Cus IV)**

**Annexure A**

<b>Sl No</b>	<b>SCENARIO</b>	<b>WORK-FLOW</b>
1	<b>First Check</b>	Approved for First Check by Faceless Assessment Groups, goes to local shed (Port Verification Unit) for examination, comes back to Faceless Assessment Group for assessment.
2	<b>Provisional Assessment</b>	Where prior permission is available, Faceless Assessment Group to assess it. Bond and BG to be registered at local port of import. If no prior permission, BE to be sent to port of import for assessment.
3	<b>Reassessment for valuation</b>	Either through query and consent. Or in case First Check is given for valuation by CE etc., then like case 1.
4	<b>Reassessment for Classification where testing is required</b>	If ordered by Faceless Assessment Group as first check, then test memo to be sent by port of import and send back the BE to Faceless Assessment Group with test report. Alternately, can be sent to port of import for provisional assessment
5	<b>First check but for provisional assessment</b>	Approved for 1 <sup>st</sup> Check by Faceless Assessment Group but assessment cannot be finalised by Faceless Assessment Group for want of further inputs/ test reports. To be sent to port of import for provisional assessment.

# Annexure B



\* Any recalling or reassessment of BE after this stage will be dealt with at Port of Import