



Federation of Freight Forwarders' Associations in India

National Apex Body of CUSTOMS BROKERS' ASSOCIATIONS IN INDIA

[ESTD. 1962]

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Director – Customs (Addl. Charge)
Central Board of Indirect Taxes & Customs
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New Delhi – 110 001

Respected Sir,

Sub: Suggestions, views, comments etc. required on Faceless e-Assessment in ICES under TURANT Customs

We appreciate the endeavour of CBIC for rolling out various trust based initiatives to facilitate the trade in terms of Trade Facilitation Agreement.

We herein below give our observations regarding faceless assessment which in our humble opinion needs to be considered for successful implementation of Faceless.

- 1) **Time wise accountability for release of Bill of Entry / Shipping Bill** - Prime aim of FACELESS is timely clearance of Import Consignments, hence it is suggested that when a Bill of Entry is submitted, verification of assessment of such B/Es in terms of Section 17 should be carried out within a specific time limit, say 2 – 3 hours by the concerned officer. If the said Bill of Entry / Shipping Bill is not released by the concerned officers on whose screen the Bill of Entry / Shipping Bill is appearing within 2-3 hours, the same should be released by facilitating under RMS.

Irrespective of the geographical location at which the Bill of Entry / Shipping Bill will be handled, time wise accountability for release will be a major step towards Ease of Doing Business.

- 2) **Faceless is not merely geographical displacement of assessments** - The present format of faceless assessment, is only shifting the geographical location of the verification of assessments to be carried out. Whereas, faceless denotes that there should not be any pre-designated assessment groups to be assigned to any specific Commissionerates.
- 3) **Time wise accountability required** - While uniformity in the Assessment practice is a welcome move, but for making the initiative of Faceless successful, it is imperative that Time-wise accountability for each activity needs to be pre-determined prior to implementation.





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- 4) **Effective use of E-sanchit** - Effective use of E-sanchit is very important for making faces less assessment successful. At present parallel manual process are being followed at field level.

Uploading and mapping of IRN/DRN of additional documents, after submission of the Bill of Entry / Shipping Bill needs to be introduced on urgent basis.

- 5) **Online reply of Queries** - Module for online replies for queries raised by Customs Officers needs to be operationalized properly. Importantly, officers will need to be sensitized to accept the queries replied online by Custom Brokers.

Any additional information sought by the officers, uploading of such information in E-sanchit will help immensely.

- 6) **Online release by PGA's under Single Window** - Release of documents by PGA under Single Window will play an important role in timely clearance of consignments. Most of the PGA's are still not Online. Even PGA's such as ADC which are online, they are still seeking parallel manual processes for release. Trade and industry have been addressing these issues for past several years.

As on today, most of the PGA's are having manual processes, in addition to online release process. In fact for PGA's such as FSSAI, AQ, PQ etc., the online module is still not working properly and manual permissions have still to be taken.

With introduction of faceless, release of such documents under Single Window by PGA's will urgently need to be streamlined, since for Example : A document filed at Mumbai, a Custom Broker / Importer should not be made to approach the PGA for NOC / Release at a different geographical location where the Bill of Entry may have been diverted for Assessment. A proper time wise accountability for release of such documents by PGA's online needs to be implemented.

- 7) **Non observance of provisions provided in Customs Act** - At various forums, trade and industry have represented regarding non observance of provisions of Customs Act by the field level officers routinely. We cite few examples:

- **Section 28(1)(b) (2)** - Voluntary Payment of Customs Duty without Fine and Penalty.
- **Section 17 (5)**- Issuance of Speaking Order within 15 days.
- **Section 149 & 154** - Carrying out of amendment.

We suggest that the field level officers needs to be sensitized to honour the requirement of trade and industry by observing the above provisions in timely manner. Introduction of



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faceless without considering the above factors will be very detrimental to trust based initiative. A strong administrative mechanism will need to be provided for the above.

- 8) **Queries raised by Post Clearance Audit** - Dealing with queries raised by Post Clearance Audit will also form an important part of the faceless. At present, trade and industry is facing considerable issues of delay, unwarranted levy of penalty (even in interpretative issues), carrying out of re-assessment in the EDI system for making payment of differential duty with interest, etc. across the location for dealing with Post Clearance Audit queries.

In order to make faceless assessment and important land mark in Ease of Doing Business, it is important to enhance the trust based relationship of Trade and Industry with Department. Post Clearance Audit plays a major role in the entire eco-system, hence following needs to be ensured in event of a PCA query

- Whenever an importer agrees to pay the differential duty with interest, for a clarificatory letter or a consultative memo issued by PCA section, recovery of such amount should be carried out in EDI system without levying fine or penalty.
- An online module needs to be created through ICEGATE portal, wherein an importer, who is agreeing with the PCA's points of view, to pay the differential duty with interest on online basis, without having to approach the Jurisdictional Customs Station. This will reduce considerable personal interaction and delay. This will be important measure for success of faceless.

To realise the dream of achieving 5 Trillion Dollar economy, the foundations of Ease of Doing Business at grass root level need to be strengthened. Hence we humbly submit the above suggestion which need to be considered prior to operationalizing the faceless.

Thanking you,

Yours faithfully,
For Federation of Freight Forwarders' Associations in India


A.V. Vijayakumar
Chairman