मुख्य आयुक्त सीमा शुल्क का कार्यालय
OFFICE OF THE CHIEF COMMISSIONER OF CUSTOMS
मुंबई जोन -I, दूसरी मंज़िल, नवीन सीमा शुल्क भवन ,बेलार्ड इस्टेट,
MUMBAI ZONE-I, 2nd FLOOR, NEW CUSTOM HOUSE,
BALLARD ESTATE, मुंबई/ MUMBAI-400 001
दूरभाष स° /Phone No. 022-2262 0091 Email: ccu-cusmum1@nic.in

F.No. CCCO/1092/2025-TECH Date: 29-09-2025

Minutes of Outreach Programme conducted by NAC (Automobile and Instruments & Miscellaneous Products) through Hybrid Mode chaired by NAC Convenor with Sectoral Associations, Trade members and stakeholders on 16.09.2025 at 11:30 AM.

At the start of the outreach program, Additional Commissioner of Customs, CCO, Mumbai Zone-I on behalf of Convener of NAC (Automobiles and Instruments & Miscellaneous Products) welcomed all attendees to the 4th Sectoral Meeting of this Financial Year. To begin with the meeting, he requested the NAC Convenor for a few words of directions for the meeting.

2. The NAC Convenor welcomed all participants to the meeting and informed that Mumbai Customs Zone-I is regularly conducting Outreach meeting in hybrid mode with various stakeholders. The previous meeting had deliberated upon agenda points, issues, difficulties and bottlenecks faced in NAC (Automobiles and Instruments & Miscellaneous Products), with the objective of ensuring uniformity in assessment and facilitation of trade. Further, with a view to resolve the issues expeditiously, invites to the said meeting were also extended to the other departmental stake holders like DG Systems, NCTC etc. and trade associations, thus enlarging the scope of the outreach.

3. The Convenor further extended a warm welcome to all attendees across different ports and requested the sectoral associations to briefly explain the agenda points that had been sponsored and communicated earlier for the outreach programme. The concerned Commissionerates were requested to provide prompt responses to the specific issues raised. It was also clarified that associations which had not sponsored agenda points in advance could raise their concerns at the end of the presentations for discussion and resolution. Thereafter, the Convenor instructed the Additional Commissioner, NAC Mini Secretariat in Chief Commissioner's Office (CCO) to commence the presentation.

Thereafter, the Additional Commissioner, CCO Mumbai Zone-I, presented the Action Taken Note pertaining to the issues raised during the previous outreach programme.

4. Issue regarding exemption from CE Certificate: In previous meetings, Ship Recycling Industries Association (India) raised the issue regarding requirement of CE Certificate and End use Bond for Ships imported for breaking at Alang Port, Jamnagar. In this regard, it was conveyed to the trade members that as discussed and decided in the outreach meeting after active consideration and examination, both with Jamnagar Customs and Import-I Commissionerate, Mumbai, it was assured that appropriate instructions relating to the assessment of ships meant for recycling will be issued from the NAC Convenor's office.

(Action: NAC Convenor's Office)

5. Applicability of duty on bunkers of Indian origin/ locally purchased bunkers lying on board an Indian flag vessel converting from FG to Coastal run: Shri Anil Devli, representative of INSA submitted that an Indian flag vessel which has completed its importation formalities (i.e. filing Bill of Entry (BoE)) etc. is converting from FG to Coastal status and duty is paid accordingly. Further, at the time of reverting from foreign to coastal run after the first importation, Indian-flagged vessels do not file an IGM or Bill of Entry for the vessel itself once again. However, Certain Custom House insist that BoE must be filed in respect of Indian origin bunkers lying on board the vessels. They insist on payment of duty on Indian origin/ locally purchased bunkers lying on board the vessel.

5 . 1 In the previous meeting dated 14.08.2025 the NAC Convenor had asked Commissioner, Jamnagar; Commissioner, Mumbai-I and Commissioner, Visakhapatnam to submit their inputs to take a final view on the matter.

5.2 Both Jamnagar vide email dt 02.09.2025 and Import-I, Mumbai Customs vide letter dt 15.09.2025 have stated that:

(**a**) The vessel which is converting from coastal status to FG status is not required to file SB in respect of Indian origin or locally purchased bunkers lying onboard the said vessel. The said goods are already duty paid, hence no separate SB has to be filed for the same.

(**b**) The Indian origin/ locally purchased bunkers lying onboard an Indian flagship converting from FG to coastal are not liable to be charged any custom duty on the said bunkers as the said bunkers are already duty paid, hence no need to pay again.

The Convenor directed that an Advisory be issued to the stake holders, clarifying that the matter stands settled on the basis of feedback received from Jamnagar and Import-I, Mumbai, confirming that no duty is leviable on such Indian origin bunkers again.

(Action: NAC Convenor's Office)

6. IGST charged on MRO Services: Shri Anil Devli, representative of INSA has sought the clarification regarding that in view of the shipowners already discharging the liability in respect of IGST on MRO services consumed outside India on a Reverse Charge Mechanism basis, whether IGST needs to be paid once again to the Custom authorities on such MRO services again as 'goods'. Further, Shri A. Devli informed that largely it is happening in Jamnagar and Mundra port.

6.1 In the previous outreach meeting, the NAC Convenor asked Commissioner, Jamnagar to apprise NAC Convenor's office in detail about the issue. Further, the NAC Convenor also directed the Commissioner, Mumbai-I (INBOM1) and the Commissioner, Visakhapatnam (INKAK1) to submit their inputs.

6.2. The Commissioner, Jamnagar vide reply dt 02.09.2025 stated that a Show Cause Notice regarding the levy of IGST on maintenance and repair services is currently under adjudication.

6.3. Commissioner, Import-I, Mumbai vide email dt 15.09.2025 informed that no such instance has been noticed at INBOM1 on this aspect. Further, he stated that as per Section 5(3) of the IGST Act, 2017 read with Notification 03/2021-Integrated Tax dt 02.06.2021, IGST on such MRO services rests with the Indian recipient under Reverse Charge Mechanism (RCM) and IGST once paid the same transaction cannot be subjected to IGST again at time of re-entry.

6.4. It was stated by ADC, CCO that the issue is being examined and will be confirmed in the next meeting. The NAC Convenor directed to obtain comments on the SCN from Jamnagar and Import-I, Mumbai.

(Action: NAC Convenor's Office, Commissioner of Customs, Jamnagar, Mumbai-I, Visakhapatnam)

7. Examination Orders should not shift the burden of Assessment to the Shed Officers: President, BCBA submitted that the FAG officers are giving orders for verifying BIS, LMPC, EPR, SVB details, Verify CTH, Verify Exemption Notification, verify Old and Use to shed officers during examination whereas primarily it should be examined during assessment itself. In the previous meeting, the NAC Convenor had asked BCBA to submit more details on specific instances as general observations cannot be specifically followed up. In this regard, ADC, CCO informed that standardization/tailoring of examination order is an ongoing process and the issue is already taken up with NCTC.

7.1 Reply has been received from Import-I, Mumbai vide letter dt 11.09.25 and email dt 15.09.2025, from Kolkata vide letter dt 15.09.2025, from Bengaluru Airport and Air Cargo vide letter dt 12.09.2025 and from Cochin vide letter dt 11.09.2025 that officers have been sensitized to override RMS instructions only in exceptional and well-documented cases. Further, daily monitoring of deviations from Standard Examination Orders given by NCTC is being done at Commissionerate level and no such deviations from the Standard Examination Orders (SEOs) given by NCTC have been noticed. The Convenor reiterated the directions to sensitize the FAG and PAG officers that:

- Not to override or extend the standard examination orders in routine course.
- Satisfy all the requirements at the time of assessment itself. Assessment related queries should not be raised during examination process unless unavoidable and that too with approval of senior officers.
- Prescribing of 100% examination orders should be strictly monitored by senior officers. It should not be used in routine but only wherever prescribed.

(Point Closed)

8. Test Report not being shared with trade by CRCL: In the previous meeting, Shri Hiren Ruparel, BCBA raised an issue that after testing the samples, the Test Reports are not being shared with the trade by CRCL and requested for the same to be shared to Trade.

8.1. ADC, CCO informed that a letter dated 10.09.2025 had been sent to DG Systems, requesting that the trade be intimated whenever test reports are uploaded in ICES 1.5.

(Action: Point Closed)

9. Issuance of Speaking orders for assessment: During the last meeting, the NAC Convenor had requested all NAC Nodal Commissioners to provide details of the practices being followed at their respective ports, and the NAC Secretariat was directed to collate and examine this information expeditiously.

9.1 The replies received from various ports were examined, and it was unanimously observed that the FAG issues the Speaking Orders as per the guidelines provided by Board's Instruction No. 09/2020-Customs dated 05.06.2020, particularly Para 5.3.2 and Para 5.4 therein, regarding the issuance of speaking orders in assessment matters, including the requirement of granting virtual hearings in terms of Board's guidelines F. No. 390/Misc/3/2019-JC dated 27.04.2020 and the same was being followed by all the ports.

9.2 The Convenor directed that all Commissionerates should strictly adhere to the instructions contained in the Board's Instruction No.09/2020-Cus dt 05.06.2020 and should also convey to the importers the official email of the respective FAG in the cases where importer opts for virtual hearing, which shall be offered as per Board's instructions. Accordingly, no further discussion on this point is required, and the point is closed.

(Action: Point Closed)

10. Agenda Point raised by Sh. Mark Fernandes, Customs Broker vide letters dated 01.09.2025 and 08.09.2025 regarding 100% examination, wherein no examination had been prescribed by the System. Further, he claimed that despite requisite documents being uploaded in e-Sanchit, a query to upload the documents was raised by the officer.

10.1. The ADC, CCO replied that on scrutiny of these 02 letters, it was observed that details of 10 B/Es were mentioned. However, on scrutiny it was observed that only 01 B/E falling under Group 5I pertains to this NAC wherein, it was claimed that a query had been raised despite documents being uploaded.

10.2. The ADC, CCO clarified that it is difficult to establish whether the documents had been uploaded at the time the query was raised. BCBA was also requested to provide the details of timings etc. of uploading the document if available. The issue is under examination.

(Action: NAC Convenor's Office)

11. BCBA highlighted that in certain cases, 100% examination is being ordered, whereas the standard norm in 5% or 10%. It was stressed that 100% examination should be limited to exceptional circumstances. BCBA further pointed out that for same IEC, different percentages of examination are being prescribed across different B/Es.

The Convenor clarified that ICES applies multiple parameters, not a single factor, while determining examination requirements. Feedback from NCTC would be obtained in this regard as its representative was not available during the meeting..

(Action : NAC Convenor's Office, NCTC)

12. Point raised during the outreach meeting: Shri Sudip, FFFAI stated that when a query is raised and an AEM is filed, the system in some cases does not allow filing of a fresh AEM against the same B/E especially if a second query is given by assessing officer.

The Convenor requested FFFAI to verify and inform whether this is happening in all cases and assured that, if unresolved, the matter would be studied and taken up further.

(Action : FFFAI)

13. It was further pointed out that once a B/E is pushed back, it becomes accessible to the Assessing Officer through a different screen in PAG, and therefore may not be attended to on priority.

The Convenor stated that the pushed back B/E needs to be attended on priority and that it appears to be a Systems related issue, which will be taken up.

(Action : NAC Convenor's Office)

14. Shri Balmukund, ADC,| CCO on behalf of the Convener of NAC, thanked all the participants, Pr. Commissioners, Commissioners, Addl./Joint Commissioners, Officers of Customs, Customs Broker Associations, Trade partners and stakeholders for participating in the meeting.

15. The said meeting was attended by importers, sectoral associations, other members and various stakeholders detailed as per **Annexure-I** enclosed herewith.

16. This issues with the approval of Convenor of NAC (Automobile and Instruments & Miscellaneous Products).

Digitally signed by
Balmukund
Date: 29-09-2025
11:36:36

BALMUKUND
ADDITIONAL COMMISSIONER
CCO, Zone-I, Mumbai

Encl: Annexure-I(List of Attendees)

Copy to:

1. Under Secretary, Customs IV, CBIC, New Delhi.
2. OSD, Customs IV, CBIC, New Delhi.
3. All Nodal Pr. Commissioners/Commissioners of NAC (Automobile and Instruments & Miscellaneous Products).
4. All participating Associations/ Stakeholders.
5. EDI, NCH, for uploading the minutes on the website of Mumbai Customs Zone- I.