



MINUTES OF VIRTUAL CONFERENCE CONDUCTED BY THE CONVENOR OF NAC-5 WITH THE NODAL PR. COMMISSIONERS/COMMISSIONERS OF NAC-5 ON 21.08.2026 AT 1200 HRS.

1. The Convenor of NAC-5 (Mechanical Machinery under Chapter 84), Chief Commissioner of Customs, Mumbai Zone-III, chaired the NAC-5 meeting for July 2026 on 21.08.2026 through virtual mode with the Nodal Pr. Commissioners/Commissioners and representatives of the FAG groups.
2. Following members were present during the meeting:

Sr. No.	Name of Participants	Designation
1	Shri Dheeraj Rastogi	Pr. Commissioner of Customs, Delhi
2	Shri Nasim Arsi	Pr. Commissioner of Customs, Kolkata Port
3	Shri Manish Chandra	Pr. Commissioner of Customs, Mumbai III
4	Shri Nitin Saini	Commissioner of Customs, Mundra Port
5	Shri Anil Ramteke	Commissioner of Customs, Mumbai II
6	Shri N. Naresh	Commissioner of Customs, Chennai Port
7	Shri Manjunath Tagadi	Additional Commissioner of Customs,CCO Mumbai III
8	Shri Varun Rangaswami	Additional Commissioner of Customs, Mumbai I
9	Shri Harsh Singh	Additional Commissioner of Customs, Mumbai III
10	Smt. Shubhdeep Kaur	Joint Commissioner of Customs, ACC Chennai
11	Shri Piyush Badhe	Joint Commissioner of Customs, Bangalore
12	Smt. Megha Bansal	Joint Commissioner of Customs, Delhi
13	Smt. Anu Joshy	Deputy Commissioner of Customs, Chennai Port
14	Shri Nanda Kumar	Assistant Commissioner of Customs, ACC Chennai

Shri Manjunath Tagadi, Additional Commissioner of Customs, CCO, Mumbai Customs Zone-III welcomed all the participants. Thereafter, following Agenda Points were taken up for the discussion.

3. Timely Issuance of Speaking Orders and Virtual Hearings:

- i. Trade representation on requirement of Speaking order in terms of Section 17(5) of the Customs Act, 1962 and following up of procedure for virtual hearing as per the Board Instruction dated 21.10.2020 as amended was discussed.
- ii. INMUN1 stated that speaking orders were invariably issued at Mundra and requested that any specific contrary instance be shared for verification. Chair observed that trade representations may not include a Bill of Entry or case reference. However, he emphasised that disputes relating to classification or value enhancement may emerge later and therefore strict compliance to Section 17 (5) of the Customs Act, 1962 and Board Instruction dated 21.10.2020 as amended, required close supervisory monitoring.
- iii. INNSA1 confirmed that speaking orders were being issued wherever an assessment was disputed and stated that the position had been checked with the concerned Deputy Commissioner.
- iv. INCCU1 stated that only a few speaking orders arose in Kolkata and that online hearings were provided where required. He cited a Bombay High Court matter involving five FAGs in which costs of Rs. 5,000 each were imposed following delayed speaking orders.
- v. INMAA1 reported no pendency of speaking orders at Chennai and stated that written directions had been issued for cases involving classification changes or value enhancement.

Decision: All FAGs shall ensure the compliance to Section 17 (5) of the Customs Act, 1962 and Board Instruction dated 21.10.2020 as amended

(Action: All Pr. Commissioners/Commissioners of the FAGs in NAC-5)

4. Giving Examination Orders overriding of Standard RMS Examination Orders:

- i. INBOM4 informed that there was no routine deviation where RMS prescribed no examination. Wherever overriding orders are issued, same are being done with the prior approval of ADC/JC. He referred to situations involving a discrepancy between a Chartered Engineer report and the examination report, which mandated pushback.
- ii. INBLR4 reported no such instances at Bengaluru and stated that RMS examination instructions were being followed strictly.
- iii. INDEL4 referred to complaints arising in practice, including a single-package

consignment where a 25% RMS instruction effectively required opening the whole package. In such cases the field has been instructed to obtain approval for any deviation.

- iv. INMAA1 reported no override cases at Chennai and stated that written instructions had already been issued in this regard.
- v. Chair re-iterated that modification may be allowed only in genuinely warranted cases, with recorded reasons and approval of the competent supervisory authority. Recurring gaps in the standard RMS instruction should be reported for systemic correction.

Decision: RMS examination instructions shall be modified only in exceptional, recorded circumstances and with prior approval as prescribed in para 6(iii) of Circular No. 16/2022-Customs dated 29.08.2022. Recurring commodity-specific gaps shall be sent to the NAC-5 Secretariat for possible reference to NCTC/DG Systems.

(**Action:** All FAGs; NAC-5 Secretariat)

5. Data Bank for Accepted Case Laws:

- i. INBOM4 confirmed that a repository exists on the NAC-5 tab, but stated that more product-relevant decisions were required to make it useful.
- ii. INNSA1 recalled that a similar review had been carried out around October-November 2025 and informed to examine the later tribunal/court decisions and send useful cases within 10 days.
- iii. INDEL4 suggested that product-specific decisions accepted on merits were most useful; cases accepted only because of monetary limits would add little substantive guidance.
- iv. Chair directed that at least the preceding one year cases of Tribunal/Courts be reviewed and useful cases may be sent to the Secretariat within 10 days for uploading in NAC Tab.

Decision: Each FAG shall review accepted, product-relevant decisions for at least the preceding one year and report to Working Group-B/NAC-5 Secretariat within 10 days. INBOM4 shall compile and upload the material on the NAC-5 portal/tab.

(**Action:** All FAGs, Working Group-B and INBOM4)

6. Stakeholder Meetings with Trade Associations:

- i. Chair observed that meetings were being held regularly but participation and agenda inputs remained low despite numerous written trade representations. The need to include MSMEs and start-ups was highlighted.

- ii. INBOM4 stated that monthly meetings were conducted and about 20 associations were invited, yet few agenda points or participants were received.
- iii. Chair suggested outreach to MSMEs, start-ups and bodies not represented through the established large associations and directed every FAG to update its local list by drawing upon CCFC, PTFC and similar forums and to send the updated contacts within 7-10 days.

Decision: All FAGs shall provide updated lists of sectoral associations, MSMEs, start-ups and other trade bodies within 7-10 days. The working group shall broaden invitations, continue structured sectoral interactions and publicise meeting schedules through the official website.

(Action: All FAGs and Working Group-A)

7. Work Plan for Working Groups A, B and C:

- i. INNSA1 indicated that certain commodity drafts and related work had been received and were being coordinated.
- ii. INCCU1 stated that Kolkata had identified five of the remaining 13 commodities and had informed Nhava Sheva regarding the balance allocation.
- iii. INMUN1 stated that they are preparing the draft and will provide the assigned draft in about 10 days.
- iv. NAC-5 Secretariat undertook to circulate the letter/allocation chart dated 15 July on the NAC group and requested completion of pending work within 10-15 days.

Decision: Working Group C shall provide a short completed-work report and timeline for pending tasks. The Secretariat shall again share the INMUN1 letter dated 15.07.2026. Assigned FAGs shall complete remaining commodity drafts within 10-15 days.

(Action: Working Groups C and assigned FAGs)

8. NAC-5 Knowledge Repository:

- i. Chair requested FAGs to share current instructions, webinars, audit/PAC material, judicial decisions, duty/policy references and good practices for the common knowledge repository and clarified that any material useful to other FAGs should be placed in the shared knowledge hub rather than remaining with a single formation.

Decision: All FAGs shall share updated and reusable reference material on an ongoing basis. INBOM4 shall keep the NAC-5 portal/tab current.

(Action: All FAGs and INBOM4)

9. Best Practices to Reduce Dwell Time:

- i. INBOM4 informed that they prepare a daily pendency list of goods registered but not presented for examination for more than 24 hours and the same displayed in the shed areas. The list is analysed monthly, and cases involving prolonged delays including Customs Brokers repeatedly appearing in the pendency list, are shared with BCBA. These measures have contributed to a reduction in dwell time.

Decision: FAGs shall share replicable practices monthly/continuously. Suitable measures shall be placed in the knowledge repository and incorporated in the proposed Master Circular.

(Action: All FAGs and Working Group-A)

10. Grievance Redressal through AEM and TSK:

- i. It was noticed that only INBOM4 reported 28 AEM and 132 TSK complaints during June-July, about 95% concerning delay. However, corresponding data from other FAGs had not been received.
- ii. INMUN1 stated that Mundra monitored grievances but had recorded no complaints for several months.
- iii. INMAA1 reported roughly 100 TSK complaints per week, largely relating to delay, and explained that complaints were being broadcast to all FAGs because the precise queue holding a Bill of Entry was not visible and explained that some Bills of Entry appeared untraceable or unallocated, and that recall could require permission and take two to three days. He stated that specific examples had been sent to DG Systems.
- iv. Chair directed consolidation of specific Bill of Entry instances for ICES/DG Systems diagnostics and preparation of a short working proposal within one week.

Decision: Every FAG shall monitor daily pendency and AEM/TSK complaints and share complaint data with the Secretariat. Specific untraceable/unallocated Bills of Entry shall be shared with DG Systems/ICES. A system-based supervisory visibility solution, preserving faceless anonymity, shall be pursued; the Secretariat shall circulate a one-page proposal within one week.

(Action: All FAGs and NAC-5 Secretariat)

11. Existence of Informal WhatsApp Groups:

- i. Chair asked the formations to verify whether any such groups existed and reiterated that assessment-related interaction must preserve anonymity and confidentiality.

Decision: All FAG Commissionerates shall immediately verify and ensure that no informal WhatsApp group with importers/agents is used for assessment-related liaison. Official channels alone shall be used.

(Action: All FAG Commissionerates)

12. Coordination Meetings on Alert Monitoring:

- i. Chair referred to the long list of old alerts circulated by NCTC and proposed coordination with the originating agencies, beginning at Mumbai. He stressed recording the source file, approval, purpose and intended duration of each alert.
- ii. INDEL4 agreed that meetings could commence and emphasised the need to record alerts, particularly those originating from DRI or another agency.

Decision: A structured coordination meeting to be organized in Mumbai and thereafter be held periodically, as appropriate, with the concerned agencies to review and weed out obsolete alerts and improve record discipline for new alerts.

(Action: NAC-5 Secretariat and all FAGs)

13. Working Group-A to Decide Revised Targets:

- i. Chair noted wide variation in target achievement and referred to recent changes in RMS routing and staffing. Illustrative July achievement figures mentioned during discussion included INBOM4 at 87%, Kolkata at 71%, Nhava Sheva at 123% and Mundra at 70%. He proposed reviewing the position after August.
- ii. INMUN1 attributed Mundra's lower achievement to a shortage of appraisers over the previous three to four months and stated that newly posted appraisers had joined in mid-July, so improvement was expected.
- iii. Chair directed circulation of August achievement percentages and stated that a short video conference could be held. Current working strength and handling capacity were also requested.

Decision: Nodal FAGs shall provide current working strength. The Secretariat shall circulate August performance, after which Working Group-A shall consider target revision; a short VC may be held if required.

(Action: Nodal FAGs, Working Group-A and NAC-5 Secretariat)

14. Performance Review of NAC-5 for July 2026:

- i. Chair asked formations to consider both absolute numbers and percentages and to explain material departures. He observed that third queries were broadly controlled, while first/second queries, first checks and pushbacks required closer review.
- ii. The Chair highlighted that in query category insufficient documents and policy conditions has highest numbers. Therefore, all the FAGs were instructed to look into these two categories and identify the exact reason.
- iii. INMAA1 explained that both Chennai FAG officers were new to the product group and had therefore sought catalogues more frequently; he expected the first-query count to fall in August.
- iv. INBOM4 undertook to examine the higher number of second queries. He stated that pushbacks were within the national average and were approved. He also requested that future presentations be circulated in advance.
- v. INBLR4 explained that first checks commonly arose in second-hand machinery, repair/re-import and identity-verification cases, including cases where the importer requested verification. He stated that Bengaluru's absolute number was high because of the larger Bill of Entry volume, while its percentage was near the national average. He cited used multifunction devices/photocopiers, amendment-related cases and registration issues for weighing scales as recurring reasons for pushback or first check.

Decision: Each FAG shall analyse abnormal query/first-check/pushback trends and identify recurring missing documents and policy requirements. Recurrent requirements shall be incorporated in the top-20 guidance and next stakeholder meeting. First checks shall be limited to necessity and pushbacks shall remain reasoned and approved. Future presentations shall be circulated in advance.

(Action: All FAGs and NAC-5 Secretariat)

The meeting ended with the Convenor thanking all the members of NAC-5 (Mechanical Machineries) for their participation and discussion.

This issue with the approval of the Convenor of National Assessment Centre (NAC-5) - Mechanical Machineries (Chapter 84).

Digitally signed by
Tagadi Manjunath
Date: 24-08-2026
16:47:42

(Tagadi Manjunath)

ADDITIONAL COMMISSIONER

To

1. The Member (Customs), CBIC
2. The Zonal Member (West Region), CBIC
3. All the Pr. Chief Commissioners/Chief Commissioners of member FAGs of NAC-5.
4. All the Pr. Commissioners/Commissioners/Working Groups of FAGs of NAC-5.