

Minutes of the Virtual Meeting of National Assessment Centre - Textiles (Group 3- Chapter 50 to 70) and Gems & Jewellery (Group 3A - Chapter 71) held on 22.01.2026 at 03:30 P.M.

A virtual meeting of NAC Textiles (Group 3 - Chapters 50 to 70) and Gems & Jewellery (Group 3A - Chapter 71) was held under the Chairmanship of Shri Manish Kumar, Chief Commissioner, Customs Zone, New Delhi and Convener of NAC on 22.01.2026.

2. The following members of the NAC Working Groups and other officers attended the meeting:

S. No.	Name of Officers of NAC	Designation & Zone
1	Sh. Prasad Adelli	Commissioner of Customs, Chennai-II (Import)
2	Ms. Anu Agarwal	ADC CCCU, Delhi Customs Zone
3	Ms. Ankita Singh	ADC, ACC Import, New Delhi
4	Sh. Nitish Karnatak	ADC, ICD Whitefield
5	Sh. Venkatesh S.	ADC, Nhava Sheva-III
6	Sh. Srinivas Rao	ADC, Chennai Air Cargo Customs
7	Sh. Prasanna P Datar	Joint Director, NCTC
8	Sh. LM KALAIARASAN	DC, Tuticorin
9	Sh. Rahul Kumar	DC, ACC Import, New Delhi
10	Sh. Ankit	DC, NS-III
11	Sh. R.K. Jindal	AC, CCCU, Delhi Customs Zone
12	Sh. Saroj Kumar	Superintendent, ACC Import
13	Sh. Sangeet Kumar	Appraising Officer, ACC Import
14	Sh. Harendra Tiwari	Superintendent(In situ), CCCU, Delhi Customs Zone

3. At the outset, Ms. Ankita Singh, ADC, NAC mini-secretariat welcomed the Convener, NAC and other members of the NAC. All participants introduced themselves. No officer from Kolkata Customs attended the meeting. Shri Manish Kumar, Chief Commissioner, Customs Zone, New Delhi and Convener of the NAC Group 3 & 3A declared the meeting open for discussion on the agenda points and on various aspects of functioning of the NAC.

4. The meeting commenced with a discussion on last meeting's minutes dated 02.09.2025. There were three issues which were discussed in the last meeting.

4.1 The first pertained to the system generated instruction for CTH 5407, CTH 54076900 covers other woven fabrics, containing 85% or more by weight of textured polyester filaments. It has been reported by the Examining officers that, RMS facilitated B/Es for CTH 54076900 are facing issues at the time of Out of Charge. The Targetor's instruction generated by RMS for the said CTH is as under

"As per the Customs Tariff, the BCD rate for CTH 54076900 is 20% or Rs. 36 per sq. metre, whichever is higher. Please check whether correct duty has been charged as per the standard UQC. The goods declared as PU

coated fabric and PVC coated fabric under CTH 5407 & 5903 are likely to be undervalued and mis-declared with respect to quantity, quality, and classification."

As a result, for RMS facilitated B/Es, manual system manager intervention is being needed at the time of OOC. Multiple communications in this regard have already been made to ICES from NCTC for necessary action and communication was also made from ACC Import however, no adequate response received in this regard. The Convener directed to send a D.O. letter to the ADG of ICES to solve this problem within seven days. If the matter is not resolved within seven days, the matter will be escalated to Board.

(Action: NAC)

4.2 The second issue which was discussed was relating to applicability of CVD on Heat Strengthen Glass, and Kolkata INCCU1 was requested to submit a detailed reference. The reply from Kolkata on 19.01.2026 on the same was received wherein Kolkata INCCU1 finds that 'Heat Strengthen Glass' are same as 'Tempered Glass'. Heat Strengthen Glass will be classified under the CTH 7007, and accordingly, CVD and ADD both will be applicable. All FAGs agreed to this view. Further, Convener, NAC directed to issue advisory to all FAGs for uniformity of assessment in the matter.

4.3 The last agenda which was discussed was related to odd time order assessment, and there was some issue related to ICES time synchronization, which was raised by ICD Whitefield, Bengaluru INWFD6, but since, the system auto locks at 8pm and opens at 10am the point is closed now.

5. The participants were addressed by the Convener of NAC 3, 3A with emphasis on following prescribed guidelines for faceless assessment. The Convener, NAC Gr. 3 & 3A, directed all senior officers who attended the meeting to sensitize the Appraising Officers and Superintendents, particularly those handling assessment of B/Es under Group 3 & 3A, to strictly avoid raising frivolous or non-substantive queries (such as queries containing only special characters, unintelligible abbreviations or similar remarks).

5.1 Further, the Convener observed that incidents relating to blocking of users of other FAGs by repeated entry of incorrect SSOID passwords are under examination. The matter shall be pursued further upon receipt of requisite data. In the meantime, all concerned were directed to verify such instances at their end and ensure that officers are suitably sensitized to refrain from such activities.

(Action: All FAGs)

5.2 The ADC, NAC mini-secretariat, with the permission of the Chair reiterated that the purpose of the discussion was to re-emphasize the directions issued by the Board from time to time relating to Faceless Assessment and the functioning of NACs, and briefly highlighted the key compliance requirements once again:

- (i) It was reiterated that the first decision on a Bill of Entry should be taken within the first three working hours. All concerned were requested to sensitize officers once again

regarding strict adherence to this timeline.

(ii) It was emphasized that the pendency of Bills of Entry at the end of the day should be monitored at least at the level of Joint/Additional Commissioners. Further, any Bill of Entry pending for more than 24 hours in case of Air Cargo and 48 hours in case of ICD/Port must be closely analyzed at the level of ADC/JC/Commissioner and appropriate remedial action taken on priority.

(iii) It was informed that, from the NAC side, daily sharing of FAG-wise pendency position is proposed to be started shortly. The format for the same is under finalisation and it is expected that from the following week, the pendency position shall be shared with all FAGs on a daily basis, enabling immediate review and corrective action at the concerned end.

(iv) It was reiterated that queries or departmental comments which are non-speaking, meaningless, or contain illegible or minimal characters must be avoided at all costs, in line with earlier directions.

(v) It was further stated that standardisation of queries for goods falling under Group 3 & 3A / relevant chapters has already been undertaken. In continuation of this effort, all FAGs were requested to provide a list of documents which are frequently not uploaded by importers and which result in maximum number of queries, so that suitable public notices may be issued by the Zones to sensitise the trade. By way of example, it was mentioned that PTRs in textiles account for a significant number of queries. The required inputs were requested to be sent to the email ID of NAC Gr. 3 & 3A.

(Action: All FAGs)

(vi) It was reiterated that grievances filed through AEM and Turant Suvidha Kendras (TSK) must be monitored on a daily basis at the level of Commissioners/Principal Commissioners, as per extant instructions.

(vii) With regard to the OSPR theme study on Faceless Assessment, it was informed that DGPM is undertaking the study and has sought certain data from NACs. Despite repeated follow-ups, replies from all FAGs have not yet been received, except for a partial reply from Delhi. All FAGs were therefore requested to furnish the requisite data by next week. In cases where any particular data is not available or not retrievable, the same should be clearly indicated, so that alternative remedial measures or consultation with Systems may be undertaken. However, submission of a reply in all cases was emphasized.

(Action: All FAGs)

6. Analysis of performance of NAC:

A presentation by Sh. Rahul Kumar, Deputy Commissioner, ACC, Import, New Delhi on behalf of Working Group A regarding Timely assessment of Bills of Entry was delivered. First of all, Average

Assessment time of NAC - Group 3 and 3A was presented and same is tabulated below:

Bills of Entry Assessed during OCT 25-Dec 25 (Gr. 3)

FAGs	October 2025		November 2025		December 2025	
	Nos.	% Share	Nos.	% Share	Nos.	% Share
INTUT1	1145	15%	888	12%	1241	15%
INNSA1	1256	17%	1342	18%	1448	17%
INDEL4	1146	15%	1131	15%	1221	15%
INCCU1	1073	14%	1179	16%	1171	14%
INMAA1	1396	19%	1336	18%	1604	19%
INMUN1	614	8%	640	9%	598	7%
INWFD6	837	11%	791	11%	1021	12%
Total	7467		7307		8304	

Bills of Entry Assessed during Oct 25-Dec 25 (Gr. 3A)

FAG's	October 2025		November 2025		December 2025	
	Nos.	% Share	Nos.	% Share	Nos.	% Share
INMAA 4	180	14%	186	16%	265	18%
INDEL 4	1140	86%	991	84%	1190	82%
Total	1320		1177		1455	

Assessment Time (in hrs): Gr-3 from Oct 25 - Dec 25

FAG's	October 2025	November 2025	December 2025
INTUT1	47.93	54.58	52.45
INNSA1	73.98	53.95	53.84
INDEL4	56.52	48.80	46.07
INCCU1	50.14	52.79	48.45
INMAA1	50.52	44.99	33.95
INMUN1	54.14	51.46	58.47
INWFD6	38.96	30.96	40.40
Average Time (hrs.)	53.93	48.70	46.57

Assessment Time (in hrs): Gr-3A from Oct 25 - Dec 25

FAG's	October 2025	November 2025	December 2025
INMAA 4	23.26	19.87	21.47

INDEL 4	20.21	12.00	14.08
Average Time (hrs.)	20.62	13.24	15.43

Gr-3 Pushed to PAG (Oct 25-Dec 25)

FAG Site	October 2025		November 2025		December 2025	
	Nos.	% share	Nos.	% share	Nos.	% share
INDEL4	224	16	135	10.00	116	8.63
INMAA1	18	1.23	8	0.58	4	0.24
INCCU1	6	0.53	4	0.32	9	0.74
INMUN1	50	7.4	46	6.65	42	6.29
INNSA1	93	6.80	76	5.21	73	4.67
INTUT1	9	0.77	8	0.79	13	1.06
INWFD6	31	3.53	31	3.48	27	2.50
TOTAL		431	308	3.85	284	3.31

Gr-3A Pushed to PAG (Oct 25-Dec 25)

FAG Sites	October 2025		November 2025		December 2025	
	Nos	% share	Nos	% share	Nos	% share
INDEL4	52	4.395604	87	7.33	25	1.99
INMAA4	0	0	0	0	0	0
TOTAL	52	3.9	87	6.28	25	1.69

Gr-3 No of Queries raised (Oct 25)

FAG SITES	FIRST_CHK		FIRST_QRY		SECOND_QRY		THIRD_QRY	
	Nos	%	Nos	%	Nos	%	Nos	%
INDEL4	180	15.21	649	54.86	26	2.19	2	0.16
INMAA4	27	13.36	80	39.60	1	0.49	1	0.49
TOTAL	207	15.68	729	5.52	27	2	3	0.2

Gr-3A No of Queries raised (Nov 25)

FAG SITES	FIRST_CHK		FIRST_QRY		SECOND_QRY		THIRD_QRY	
	Nos	%	Nos	%	Nos	%	Nos	%
INDEL4	118	9.49	724	61.04	38	3.20	1	0.08
INMAA4	13	6.40	105	51.72	17	8.37	0	0.00
TOTAL	131	9.45	829	59.85	55	3.97	1	0.07

Gr-3A No of Queries raised (Dec 25)

	FIRST_CHK		FIRST_QRY		SECOND_QRY		THIRD_QRY	
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FAG SITES	Nos	%	Nos	%	Nos	%	Nos	%
INDEL4	125	9.99	769	61.47	23	1.83	2	0.15
INMAA4	19	6.66	144	50.52	4	1.40	1	0.35
TOTAL	144	9.44	913	59.86	27	1.77	3	0.19

6.1 While appreciating the collective efforts of all FAGs and placing it on record that the performance has been commendable, the Convener urged that continued efforts must be made to reduce dwell time further wherever feasible, in keeping with the objectives of trade facilitation and efficiency in faceless assessment. The Convener concluded by reiterating that the current progress is encouraging and appreciable. The Convener also emphasized on the need for communication amongst FAGs and learning from each other's best practices.

Discussion on Agenda Points:

7. Inclusion of Weaving Pattern Query in Test Memos for Goods Classifiable under Chapter 52: (Agenda Point sponsored by INDEL 4)

It has been observed that test memos issued for imported goods declared as cotton fabrics classifiable under Chapter 52 do not presently include a specific query regarding the weaving pattern of the goods (i.e., whether the fabric is of plain weave, 3-thread twill, 4-thread twill, cross twill, or any other weave).

The determination of the weaving pattern is a critical parameter for correct classification, as cotton woven fabrics fall under different tariff sub-headings depending on the weave structure and are subject to varying rates of customs duty.

For example, cotton woven dyed fabric of plain weave is classifiable under CTH 5208 32 90, attracting Basic Customs Duty (BCD) at the rate of 10%. However, if the fabric is of a weave other than plain weave, 3-thread twill, 4-thread twill, or cross twill, it would be correctly classifiable under CTH 5208 39 90, which attracts a higher rate of duty, i.e., 10% or ₹150 per kg, whichever is higher.

Decision: The issue was discussed in detail. Nhava Sheva -III also agreed to Agenda point. It was decided that all FAGs are to mandatorily include a specific query regarding the weaving pattern in the test memo, in addition to the standard test queries, to ensure accurate classification and correct levy of duty for consignment under CTH 52083290.

**(Action: All FAGs under NAC
Gr. 3)**

8. Wrongful Availment of Exemption from AIDC under Notification No. 11/2021: (Agenda Point sponsored by INDEL 4)

It has been observed that certain importers are incorrectly availing exemption from Agriculture Infrastructure and Development

Cess (AIDC) under Notification No. 11/2021-Customs, Serial No. 17.

In this regard, instances have been noticed where imported goods declared as "Solder/Soldering" classifiable under Customs Tariff Heading (CTH) 7106, containing approximately 2-3% silver, are being cleared by claiming exemption from AIDC under Serial No. 17 of the said notification.

The importers generally contend that the goods are intended for industrial use and, therefore, cannot be treated as silver goods, placing them outside the scope of Serial No. 15D of Notification No. 11/2021, which prescribes AIDC at the rate of 1.4%. However, a careful examination of Notification No. 11/2021 indicates that no exemption or exclusion is provided on the basis of end use or the percentage of silver content for the purpose of levy of AIDC.

Decision: It was decided that Chennai Air Cargo INMAA4 is to be consulted on the same issue for uniformity of assessment and thereafter, the decision with the approval of the convener will be conveyed to all FAGs under Gr. 3A.

(Action: INMAA4)

9. Misclassification of Polyester Woven Fabrics and Evasion of Customs Duty: (Agenda Point sponsored by INDEL 4)

It has been observed that certain importers are filing Bills of Entry by declaring the imported goods as "Woven Fabric - 100% Polyester Bleached Fabric" under Customs Tariff Heading (CTH) 5512 11 20, while simultaneously availing country-of-origin benefits.

However, in several cases where First Check examination has been ordered and samples have been forwarded for laboratory testing, the test reports have indicated that the goods are more appropriately classifiable under Chapter 54, which attracts a specific rate of duty and renders the goods ineligible for country-of-origin benefits.

Consequently, such Bills of Entry are being forwarded to the Port Assessment Group (PAG) for further necessary action. In one such case, it has been further noticed that the importer subsequently submitted additional test reports and obtained clearance of the Bill of Entry at the PAG stage, despite the existence of an earlier adverse test report. This pattern suggests a possible attempt to mis-declare the classification of goods with the intent to evade the applicable customs duty.

Decision: It was decided that ACC Import Delhi shall first ascertain and seek the current status of the concerned Bill(s) of Entry, including the action taken by PAG, in the matter. Thereafter, the issue shall be placed before all FAGs for their views/opinion, with a view to ensuring uniformity in assessment and appropriate remedial action.

(Action: INDEL4)

10. Standardized testing parameters: (Agenda Point sponsored by INNSA 1)

It has been observed that Bills of Entry assessed by the FAGs are, in cases where previous test reports are not available, ordered for testing of representative sealed samples. However, upon receipt of the test reports-based on test memos generated pursuant to the instructions of FAG Officers/Docks-it is noticed that their reports are deficient in certain parameters which are essential for determining correct classification and valuation.

Further, the trade has raised grievances regarding excessive testing parameters, which add to the cost of testing. In view of the above, it is considered advisable to prepare standard test parameters and clearly specify the same in the examination orders.

Accordingly, an exercise is being undertaken by Group 3, JNCH to further refine the testing parameters for imported textile items, with the objective of ensuring that only relevant parameters are indicated in the test memo. In this regard, the matter was discussed with officials of the Textile Committee, Nhava Sheva, during inter-departmental meetings held on 25.12.2025.

Pursuant to the above, a standardized set of examination checks and tests for the import of textile items-such as yarn, wool fabric, PVC/PU/other coated fabrics, cotton fabric, knitted fabric, woven fabric, etc.- has been prepared. These standardized checks and tests are intended to ensure correct classification, facilitate expeditious clearance of imports, and promote uniformity in the examination of related Bills of Entry. The draft standard test queries are attached as Annexure-I.

Decision: The Convener, NAC 3 & 3A directed that standardization of test memo for the import of textile items should be done within a time line of 4 week. All FAGs are directed to provide comments within 2 weeks and further, the finalization of test memos for the import of textile item should be completed within next 2 weeks in consultation with the stakeholders.

**(Action: All FAGs under NAC
Gr. 3 for providing
comments on INNSA1's
suggestions)**

11. Direct access of CRCL test report to VAO: (Agenda Point sponsored by INTUT 1)

Currently, CRCL test reports are not accessible to the Assessing Officer while functioning in the VAO role. As a result, officers are compelled to raise queries to the importer solely to obtain the report.

Importers, in turn, are uploading in e sanchit the screenshots / photos of the CRCL report taken from the View BE Screen (ICES) at the port of import.

This workaround not only increases avoidable correspondence but also slows down the overall assessment process and increases the dwell time and query percentage.

An option may be provided in system to the assessing officer (VAO Role) to directly view the CRCL test report in pdf format enabling

seamless access to technical findings and ensuring faster, more accurate assessments.

Decision: The Convener, NAC directed to write a letter to DG (Systems) to integrate the test report of CRCL and Textile Committee which should be directly accessible to appraising officer.

**(Action: NAC
Mini Secretariat, DG
(Systems))**

12. Levy of Countervailing Duty on the import of “Textured Toughened(Tempered) Coated and Uncoated Glass classified under CTH 7007 and imported from Malaysia and Vietnam: (Agenda Point sponsored by INMAA1)

The issue is already discussed and the Convener, NAC directed to issue advisory to all FAGs for uniformity of assessment.

13. Testing of imported textile/textile articles for its composition in respect of the goods imported under Advance Authorisations to verify whether the imported goods qualify as the input material allowed under the license: (Agenda Point sponsored by INMAA1)

Fabric imported under Advance Authorizations (Licenses) is exempt from applicable duties as input for export purposes. The License includes details such as CTI, composition (fibre blend percentage-wise), GSM, and other specifications of the fabrics eligible as duty-free inputs. For verification of the applicability of the license concerning the imported goods, a test report is required. The test reports are not being provided, and the importers are referring to the DGFT Policy Circular No. 3(Re-2001)/1997-2002 dated 07.06.2001. The DGFT Policy Circular No. 3 (Re-2001)/1997-2002, dated 07.06.2001, exempts the textile/textile products imports Advance Licences for physical exports issued with actual user condition from the conditions of a pre-shipment certificate ensuring the absence of hazardous dyes prohibited under the Environment (Protection) Act, 1986. This pre-shipment certification requirement was prescribed under paragraph 11 of the DGFT Notification No. 3 (RE-2001) 1997-2002, Dated: 31.03.2001. Therefore, the textile and textile articles imported for physical export are exempted for PSIC, however, they are not exempted from testing for weaving, composition, etc. to ascertain correctness of adopted classification and thereby further verification of the parameters mentioned for the input material in the license.

Decision: The Convener, NAC 3 & 3A directed that this issue should be taken to all FAGs for their views along with the issue of standardization of test memo for the import of textile items.

**(Action: All FAGs under NAC
Gr. 3)**

In the end, all ports and action owners were requested to take necessary action within a fortnight. The meeting was concluded with a vote of thanks to the Convenor, NAC and all the participants.

Yours faithfully

(Ankita Singh)
Additional Commissioner
NAC Mini Secretariate, Group 3 & 3A

Copy to: -All the Nodal Pr. Commissioners / Commissioners, NAC, Group 3 & 3A with a request to provide references/ comments/ compliance report wherever required, by 05.02.2026