मुख्य सीमाशुल्क आयुक्त कार्यालय, मुंबईअंचल-II
Office of the Chief Commissioner of Customs
Mumbai Customs Zone-II
जवाहरलाल नेहरू सीमाशुल्क भवन
JAWAHARLAL NEHRU CUSTOM HOUSE
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Date:16-03-2026

Record of Discussion of NAC-Chemicals and FAGs with Trade Associations held on 02.03.2026

1. A meeting of NAC (Chemicals) with concerned FAGs and Trade Associations was held on 02.03.2026 at JNCH, Nhava Sheva, under the chairmanship of the Convenor, NAC (Chemicals) and the Chief Commissioner of Customs, Mumbai Customs Zone-II, JNCH.

2. The Convenor, NAC Chemicals made the following observations:

(a) There were instances of unallocated BEs, particularly during or immediately after holidays or weekends. In this regard, it was pointed out that in certain FAGs, for instance Kolkata and Chennai, the number of officers posted in specific subgroups (Gr. 2A and 2F) are insufficient. All FAG Commissioners were, therefore, requested to look into the matter and ensure sufficient deployment of officers.

[Action: All FAGs]

(b) There was a huge number of BEs pending assessment even after 48 hrs of filing. NAC Secretariat shares list of such BEs on a daily basis on the NAC Watsapp group. All supervisory officers of FAGs need to closely monitor such BEs.

[Action: All FAGs]

(c) In a few cases where BEs were reported to be pending for substantially longer period (about 1000 hrs or above), the concerned FAGs informed that these cases pertain to reassessment request, i.e. the goods were already given OOC, but the importer subsequently filed request for reassessment (section 149/ section 18A). In such cases, it was reported that the system calculates pendency time from the date of initial filing and not from the date of reassessment request. In this regard, the concerned FAGs

Chennai sea, Delhi ACC, Mumbai-I, Mumbai-II and Mundra were asked to send a note to NAC Secretariat so that the issue may be referred to DG Systems.

[Action: Chennai Sea, Delhi ACC, Mumbai-I & II, Mundra]

(d) NCTC has directed the NACs to review the CCR instructions. The chapters pertaining to NAC Chemicals were distributed among FAGs for reviewing the CCRs. The concerned FAGs were requested to forward the data by end of the next week (i.e.. 13-03-2026).

[Action: Chennai Air, Kandla, Mundra, ICD TKD, Mumbai-II, Bengaluru, Kolkata, Tuticorin, Delhi Air]

3. A presentation on performance of FAGs during January 2026, pertaining to parameters of Queries raised, First checks ordered, BEs pushed to PAG and Assessment time, was made by the NAC Secretariat. It was observed that:

(a) The percentage of queries raised has shown a slight decline from 23.40 % (December, 2025) to 22.56 % (January, 2026).

(b) Likewise, the overall percentage of BEs assessed under first check has also decreased slightly from 6.13 % (December, 2025) to 5.99 % (January, 2026).

(c) The percentage of BEs pushed to PAG has increased slightly, from 1.65% to 2%.

(d) Overall assessment time was reduced from 44.76 hours (December, 2025) to 36.31 hours (January, 2026).

4. Clarifications were sought from specific FAGs where the parameters were not up to mark and remedial measures were discussed.

(a) In case of Nhava Sheva, query percentage was very high for some subgroups, particularly Gr. 2 H-K. Overall query percentage of Mundra, Bengaluru and Vizag was also high (more than 30%). All Commissioners were requested to look into the matter.

[Action: Mumbai-II, Mundra, Bengaluru and Vizag]

(b) First check was ordered more frequently by FAGs Vizag and Bengaluru (for around 12% BEs) much above national average of 5.99%. FAG Vizag and Nhava Sheva were also asked to submit a report on the issue of increased re-imports in Gr. 2A.

[Action: Vizag, Bengaluru, Nhava Sheva]

(c) FAGs Kandla pushed about 7.20 % BEs to PAG, whereas the national average was only 2 %. FAG Kandla was asked to submit a factual report on the issue with the approval of Commissioner.

[Action: Kandla]

5. The agenda points sponsored by the stakeholders were then taken up. A brief record of discussion, along with actions to be taken, is placed as 'Annexure-I' (New Agenda Points) and 'Annexure-II' (Old Agenda Points). The list of attendees is placed at 'Annexure – A.

This issues with the approval of the Convener, NAC Chemicals.

16/3/26

(Likhita V Umare)
Dy. Commissioner, NAC(Chemicals)
JNCH, Nhava Sheva

Encl: Annexure-A, Annexure-I, Annexure-II.

Copy to:

Chief Commissioner's Office, Mumbai-II, JNCH.
All Members of Trade Interaction Meeting.
Office copy

Annexure-A

NAC Chemical Meeting with Trade & FAG Held on 02.03.2026

List of Attendees

The following officers of the department attended the meeting:

S. No	Name	Designation
1.	Shri. Yashodhan A. Wanage	Pr. Commissioner of Customs, Nhava Sheva-I
2.	Shri K Mahipal Chandra	Secretary (NAC) & Additional Commissioner of Customs, Mumbai Zone-II
3.	Dr. Parul Singhal	Joint Commissioner of Customs, Mumbai Zone-II
4.	Ms. Likhita Umare	Deputy Commissioner of Customs, Mumbai Zone-II
5.	Shri Dinesh Kumar	Asst. Commissioner of Customs, Mumbai Zone-II
6.	Shri Rajkumar Mishra	Asst. Commissioner of Customs, Mumbai Zone-II
7.	Shri Kilaru Mahendranath	Asst. Commissioner of Customs, Mumbai Zone-II

FAG members attending the meeting:

Sr. No.	Name	Designation
1	Shri Atul Saxena	Pr. Commissioner of Customs, Kolkata
2	Shri Dheeraj Rastogi	Pr. Commissioner of Customs, Delhi
3	Shri Manish Chandra	Pr. Commissioner of Customs, Mumbai Air Cargo
4	Shri Nitin Saini	Commissioner of Customs, Mundra & Kandla
5	Shri S.P. Singh	Commissioner of Customs, Bengaluru
6	Shri Alok Singh	Commissioner of Customs, Noida
7	Shri Kumar Amrendra Narayan	Commissioner of Customs (Import-II), Mumbai
8	Ms. Vineeta Sinha	Additional Commissioner of Customs, Tughlakabad
9	Ms. Bharti Sharma	Additional Commissioner of Customs, Delhi ACC
10	Ms. D S Sangeetha	Additional Commissioner of Customs, Chennai Imports

11	Ms. T Usha Devi	Additional Commissioner of Customs, Tuticorin
12	Shri T Parry Vallal	Additional Commissioner of Customs, Bhubaneswar
13	Shri Sanjay Bangartale	Additional Commissioner of Customs, Kolkata
14	Shri Mukesh Rathore	Additional Commissioner of Customs, Kandla
15	Shri Neelesh Rautkar	Additional Commissioner of Customs, Mumbai-III
16	Shri Nitish Karnatak	Joint Commissioner of Customs, ICD Bangalore
17	Shri Shyam Lal	Joint Commissioner of Customs, Cochin
18	Ms. G Virudambikai	Deputy Commissioner of Customs, Chennai ACC
19	Shri Vikas E	Deputy Commissioner of Customs, Cochin
20	Shri L M Kalaiarasan	Deputy Commissioner of Customs, Tuticorin
21	Shri Shiv Narayan Rajan	Assistant commissioner of Customs, ICD Bengaluru
22	Shri R. Jones Ferling Raja	Assistant Commissioner of Customs, Chennai
23	Shri B.C. Dash	Assistant Commissioner of Customs, Kolkata
24	Shri P Murali Krishna	Assistant Commissioner of Customs, Vishakhapatnam
25	Shri Umesh Dutt	Assistant Commissioner of Customs, Delhi
26	Shri M. R. Bhatt	Assistant Commissioner of Customs, Kandla
27	Shri Ranjit Rawool	Appraising Officer, Pune
28	Shri Naveen K	Appraising Officer, Tuticorin

Representatives from Trade:

S. No	Name (Shri/Ms./Smt.)	Association
1	Hiren Ruparel	BCBA
2	Sanjeev Harale	
3	Ganpat Korde	
4	Sudip Dey	FFFIA
5	Rajesh Verma	
6	Dinesh Gupta	Mundra Customs Brokers Association

<table>
<tr><td>7</td><td>Harsh J. Lapsia</td><td>AILBIEA</td></tr>
<tr><td>8</td><td>R.N. Sekar</td><td rowspan="2">Chennai Customs Brokers Association</td></tr>
<tr><td>9</td><td>C. V. Karunakaran</td></tr>
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New Agenda Points (Annexure-I)					
Sr. No.	**Agenda Point**	**Sponsoring Association**	**Trade Comments**	**Record of Discussion**	**Action by**
1	**Examination and Testing Requirements for Import of Regrind/ Reprocessed Plastic Materials:** Import of Regrind/ Reprocessed/ Lumps/ Offgrade/ Sweeping plastics requires First Check examination and live testing to verify classification, composition, policy compliance, and whether the material qualifies as scrap or freely importable goods. However, in certain cases, importers request provisional assessment citing delay in receipt of test reports. As a result, Bills of Entry are being pushed to Port Assessment Groups (PAGs), leading to an increase in such transfers. Since clearance for home consumption cannot be allowed without test report confirmation, there is a need for timely sample testing and coordination so that reassessment at FAG can be completed without unnecessary movement of Bills of Entry.	Group 2G, Nhava Sheva		Group 2G explained that the said goods are tested for policy restrictions and should not be cleared without a test report. However, it was noticed that certain FAGs like ICD Muradabad, ICD Sonipat and Kolkata were lacking testing facilities, which led to provisional assessment of these goods. Further, they also stated that delays in test reports are resulting in more Bills of Entry being pushed to the PAGs. The Convenor directed that this matter be put on file separately.	FAG Mumbai II, Group 2G; NAC Secretariat
2	**Classification issue of Alcohol Ethoxylates:** The issue of classification of two imported alcohol ethoxylates namely **Dehydol LS 1 TH** and **Dehydol LS 2 TH**. Although identical goods from the same supplier had earlier been held classifiable under CTH 3824 by an Order-in-Original of JNCH, Kolkata Customs treated the consignments differently, provisionally assessing them under CTH 3402, alleging misclassification and demanding differential duty. The importer contends that the goods were correctly declared and that such contrary	AILBIEA	Trade had an objection regarding penal provisions, especially when a past order directed classification under Chapter 38. The issue was resolved by	The Convenor observed that the Order-in-Original from JNCH needs to be examined to verify whether it has been accepted by the department. Further the prevailing practice at other ports needs to be examined.	NAC Secretariat

	action, despite an existing binding order, creates uncertainty and delays for compliant manufacturers.		Kolkata Customs while granting provisionally clearance.		
3	**Unnecessary query raised reg dual use CDSCO NOC** The association has submitted that queries have been raised for the Dual Use CDSCO NOC against BE which are not routed through CDSCO and are not covered under the notified dual use items list issued by CDSCO.	BCBA	Trade explained that officers at the docks/PAG level are insisting on manual CDSCO NOCs even when the Bills of Entry are neither routed through the system to CDSCO nor covered under the notified dual-use list. They stated that such insistence, particularly at the time of Out of Charge, appears to stem from confusion after the implementation of SWIFT 2.0 and certain CCR instructions.	Sponsoring association was asked to submit specific Bills of Entry for examination.	BCBA
4	**Open examination of all consignments under CTH – 4801** It is submitted that Neutral Publishing House Limited is an authorized importer under the AEO Programme and is entitled to facilitation benefits. However, pursuant to a DRI Circular concerning misuse under restricted CTH-	Neutral Publishing House Limited via Kolkata Customs		Kolkata Customs clarified that the 100% examination of consignments under CTH 4801 has been ongoing for some time based on NCTC alerts. They requested a review of the practice to	NAC Secretariat

	4801 goods, all its consignments are being subjected to open examination The mandatory transfer of containers to CFS is causing additional costs of approximately Rs. 1,10,000 per consignment (Rs. 11,500 per container plus GST), placing further strain on an already stressed newspaper industry. It is therefore requested that the matter be examined and the consignments be allowed direct port clearance with minimum inspection in accordance with AEO status.			reduce the undue burden on compliant AEO importers and ensure facilitation benefits are properly applied. The Convenor asked NAC Secretariat to examine the issue.	

OLD AGENDA POINTS (ANNEXURE-II)					
Sr. No.	**Agenda Point**	**Sponsoring Association**	**Trade Comments**	**Record of Discussion**	**Action**
1.	**Clarification regarding classification of LACTULOSE Concentrate USP/ Lactulose Solutions USP** During investigation, it was observed that the item Lactulose is being imported under different CTH namely CTH 2940-0000, 2942-0090 or 3003-9090. Lactulose is a synthetic sugar with laxative properties and is a disaccharide consisting of glucose and fructose units. In this regard, CTH 2940-0000 is for sugars, chemically pure, other than sucrose, lactose, maltose, glucose and fructose; sugar ethers, sugar acetals and sugar esters and their salts, other than products of headings 2937, 2938 OR 2939 whereas 2942-0090 is for other organic compounds. Also, CTH 3003-9090 is for other items falling under Medicaments (excluding goods of Heading 3002, 3005 or 3006) consisting of two or more constituents which have been mixed together for therapeutic or prophylactic uses, not put up in measured doses or in forms or packings for retail sale. Further, in some cases % of Lactulose in the Lactulose concentration-USP is not 100% & contains other ingredients also, wherein it remains unclear whether this purity of Lactulose concentration can be considered as “chemically pure substance”.	Assistant Commissioner of Customs, Gr-5, Delhi (Preventive) Commissionerate, New Delhi	NA	Kolkata Customs submitted a report dated 06.02.2026 & revised report dated 19.02.2026. Further, they have informed that classification will be decided solely on the basis of test report. They were asked to further analyze applicability of CTH 2942-0090 and submit the report. NAC Secretariat to examine and place before Convenor.	Kolkata Customs NAC Secretariat

2.	**Re-imports Under Notification No. 45/2017:** Re-imports filed under Notification No. 45/2017-Cus are also reportedly facing inconsistencies in assessment under Faceless Groups BILL OF ENTRIES ARE BEING ASSESSED WITHOUT IGST. Members have to apply for re-call and re-assessment for payment of IGST under E-office which again causes delay in clearances. We request you to kindly issue an Advisory for re-call and re-assessment to be done at PAG level only without processing under E-filing.	BCBA	Trade also raised the issue of system not calculating the IGST amount automatically and the officer has to manually enter the amount. Even if importer pays IGST electronically, the same is not reflected in GST portal. At times, the FAG does not add the IGST and re-assesses as it is, thereby needing further recall.	BCBA has submitted a reply but not elaborated on the process for system design. However, Convenor has asked the Secretariat to examine the issue and send a representation to DG System. Meanwhile SO 01/2026 dated 25.02.2026 issued to address the matter to the extent that such BEs can be recalled and reassessed by the AC/DC of PAG, and no prior approval of JC/ADC is needed.	NAC Secretariat