



आयुक्त, सीमा शुल्क का कार्यालय, कांडला
OFFICE OF THE COMMISSIONER OF CUSTOMS,
न्यू कस्टम हाउस, कांडला
NEW CUSTOM HOUSE, KANDLA-370 210
Phone No:02836-271468/469, Fax No.02836-271467

F. No. S/20-56/Valueguru/AG/2017-18

Dated: 21/12/2017

PUBLIC NOTICE No. 64/2017

Subject: - Valuation of second hand machinery - reg.

Attention of all Importers, Exporters, Customs Brokers and other members of the Trade is invited to earlier Public Notice No. 16/2008 dated 03.06.2008 and letter F. No. S/20-102/2012-13/AG dated 03.09.2013 issued by this Commissionerate regarding empanelment of Chartered Engineers for valuation of Second hand Machinery/goods etc.

2. Consequent to issuance of Circular No. 25/2015 dated 15-10-2015 (F.No.467/34/2006-Cus.V) by the Central Board of Excise and Customs, which is available on website www.cbec.gov.in, the guidelines for valuation of imported second hand machinery stands revised in supersession of earlier Circular viz. Circular No. 4/2008- Cus dated 12th February 2008. After due consideration of the suggestions and concerns put forth, the Board has decided to issue the following guidelines for issuance of Chartered Engineer's Certificate valuation of imported second hand machinery :

(i). The Inspection/Appraisal Reports issued by the Chartered Engineers or their equivalent, based in the country of sale of the second hand machinery shall be accepted by all Custom Houses. For the purposes of uniformity, the format in which inspection/appraisal reports shall be prepared by the Chartered Engineer is annexed to the circular dated 15-10-2015. In the event that an importer does not produce an inspection/appraisal report in the prescribed format from the country of sale, he shall be free to engage the services of inspection agencies notified as per HBoP 2015-20. The list of such agencies is notified by the DGFT under Appendix 2G of the HBoP 2015-20 and Aayat Niryat Forms to FTP 2015-20, as amended from time to time

(para 2.59 of Handbook of Procedures 2015-20 refers). The list of such notified inspection agencies list is available at <http://dgft.gov.in>.

03. M/s. Valueguru Chartered Engineers and Valuers Private Limited, one of the agencies notified under Appendix 2G of the HBoP 2015-20 and Aayat Niryat Forms to FTP 2015-20 have informed that they have their presence at Gandhidham at **Bhanu Darshan Apartment, Flat No. 21, Second Floor, Sector - 01, Plot No. 04, Near Oslo Circle, Gandhidham, Gujarat**. The importers / Customs Brokers may contact them or any other agency as notified by the DGFT under Appendix 2G of the HBoP 2015-20 for issue of Inspection / Appraisal Reports as per CBEC circular.

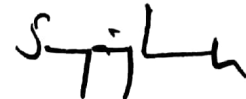
04. To sum up, the following guidelines shall be followed:

- (a) All imports of second hand machinery /used capital goods shall be ordinarily accompanied by an inspection / appraisal report issued by an overseas Chartered Engineer or equivalent, prepared upon examination of the goods at the place of sale.
- (b) The report of the Chartered Engineer or equivalent should be as per the Form A annexed to the aforesaid circular dated 15-10-2015.
- (c) In the event of the importer failing to procure an overseas report of inspection / appraisal of the goods, they may have the goods inspected by any agency as notified by the DGFT under Appendix 2G of the HBoP 2015-20 and Aayat Niryat Forms to FTP 2015-20, as amended from time to time (para 2.59 of Handbook of Procedures 2015-20 refers).
- (d) In cases where the report is to be prepared by the agencies in India notified by DGFT, the same shall be in the Form B annexed to the aforesaid circular dated 15-10-2015.
- (e) The value declared by the importer shall be examined with respect to the report of the Chartered Engineer. Similarly, the declared value shall be examined with respect to the depreciated value of the goods determined in terms of the circular No. 493 / 124 / 86-Cus-VI dated 19 / 11 / 1987 and dated 4 / 1 / 1988. If such comparison does not create any doubt regarding the declared

value of the goods, the same may be appraised under Rule 3 of the CVR, 2007. If there are significant differences arising from such comparison, Rule 12 of the CVR, 2007, requires that the proper officer shall seek an explanation from the importer justifying the declared value. The proper officer may then evaluate the evidence put forth by the importer and after giving due consideration to factors such as depreciation, refurbishment or reconditioning (if any), and condition of the goods, determine whether the declared transaction value conforms to Rule 3 of CVR, 2007, otherwise, the proper officer may proceed to determine the value of the goods, sequentially, in terms of Rule 4 to 9.

05. Above guidelines are brought to the notice of all Importers, Exporters, Customs Brokers and other members of the Trade for information and compliance with immediate effect. Any difficulty in the implementation of the foregoing guidelines may be brought to the undersigned.

06. Wide publicity may be given to this Public notice. All the Trade Associations, Chamber of Commerce and Industry and Customs House Agents Association are requested to publicize the contents of the Public Notice among their members / constituents for information.



(Sanjay Kumar Agarwal),
Commissioner,
Custom House, Kandla.

Copy to:-

1. The Chief Commissioner of Custom, Gujarat Zone, Ahmedabad.
2. All Additional Commissioners of Custom, CH Kandla.
3. All Deputy/ Assistant Commissioner of Custom, CH Kandla.
4. The President, Kandla Custom House Agents' Association, Gandhidham Chamber Of Commerce & Industry Building, Plot No.71, Sector No.8, 2Nd Floor, Room No.7, Gandhidham.