OFFICE OF THE CENTRAL PUBLIC INFORMATION OFFICER
DIRECTORATE GENERAL OF VALUATION
7th FLOOR, ANNEXE BUILDING, NEW CUSTOM HOUSE,
BALLARD ESTATE, MUMBAI – 400 001

F.No. DG-VAL-MUMBAI DGVAL/CONF/RTI/APP/8/2026-POLICY

आदेश की तारीख / Date of order: As e-signed.

जारी करने की तिथि / Date of issue: As e-signed.

Addressee: सेवा मे / To,

प्रस्तावना /PREAMBLE

1. इस आदेश की एक प्रति उस व्यक्ति को नि: शुल्क प्रदान की जाती है जिसे यह जारी किया गया है।

1. A copy of this order is provided free of cost to the person to whom it is issued.

2. इस आदेश के विरुद्ध श्री प्रशांत कुमार सिन्हा, अपर आयुक्त, प्रथम अपीलीय प्राधिकारी, मूल्यांकन महानिदेशालय, 7वीं मंजिल, एनेक्सी, न्यू कस्टम हाउस, बल्लार्ड एस्टेट, मुंबई -400001 के पास अपील की जा सकती है। (दूरभाष सं. 22- 22634521)

2. An appeal against this order shall lie with Shri Prashant Kumar Sinha, Additional Commissioner, the First Appellate Authority, Directorate General of Valuation, 7th Floor, Annexe Building, New Custom House, Ballard Estate, Mumbai-400001 (Tel. No.022- 22634521).

3. सूचना का अधिकार अधिनियम, 2005 के प्रावधान के अनुसार इस पत्र की प्राप्ति की तारीख से 30 दिनों के भीतर अपील दायर की जानी चाहिए ।

3. The Appeal must be filed within 30 days from the date of receipt of this letter as provided in Right to Information Act, 2005.

4. अपील अपीलीय प्राधिकारी को व्यक्तिगत रूप से या इस उद्देश्य के लिए नामित अधिकारियों के माध्यम से या पंजीकृत डाक द्वारा या ऑनलाइन आरटीआई पोर्टल के माध्यम से प्रस्तुत की जा सकती है।

4. Appeal may be submitted to the Appellate Authority in person or through the officers nominated for this purpose or by registered post or through online RTI portal.

Sub: RTI Registration No. DGVAL/R/E/26/00006 dated 22.05.2026 filed by

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An online RTI request application bearing Registration No. DGVAL/R/E/26/00006 dated 22.05.2026 filed by seeking information under the Right to Information Act, 2005, was received by this office on the RTI portal in online mode.

2. The information sought by RTI applicant is as under:

Category A — Valuation Deviation Threshold & Acceptability

1. What is the permissible percentage deviation (if any) between the value declared in the commercial invoice and the value determined by the approved art valuer, within which the Customs Department considers the transaction to be regular and clears the shipment without further action? Is this threshold: a. A fixed percentage (e.g., ±10%, ±20%)? b. Case specific based on the discretion of the assessing officer? c. Prescribed separately for import and export? — Please cite the specific circular, notification, or internal instruction that prescribes this threshold.

2. In the absence of a fixed percentage deviation threshold, what are the criteria used by the assessing officer to determine whether the variance between declared invoice value and valuer's assessment is acceptable or requires further action?

3. In cases where the transaction value is rejected under the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, or the Customs Valuation (Determination of Value of Export Goods) Rules, 2007, which of the six hierarchical valuation methods (Rule 3 through Rule 8) is most commonly applied to artworks — and what documentary evidence is expected from the importer/exporter under each method?

4. Is there a provision for the importer/exporter to request provisional assessment under Section 18 of the Customs Act, 1962 in art valuation disputes, so that goods may be released pending final determination? If yes, what is the procedure, the security/bond required, and the timeline for finalisation?

Category B — Investigation Trigger, Officer Jurisdiction & Course of Action
5. After what threshold of deviation between declared value and the valuer's report does the case get escalated from routine reassessment to a formal investigation? Please specify whether this is expressed as a percentage, an absolute rupee value, or a combination of both.

6. Once a valuation dispute involving artworks crosses the investigation threshold, which officer/authority takes over the matter? Please specify: a. The rank/designation of the officer (e.g., Superintendent, Assistant Commissioner, Deputy Commissioner, Additional Commissioner) b. The specific section/unit within Customs (e.g., Audit, Intelligence, Valuation Cell, Anti-Evasion) c. Whether the Directorate of Revenue Intelligence (DRI) becomes involved, and if so, under what conditions

7. Please describe the step-by-step course of action followed after an art valuation case is escalated to investigation, including: a. Issuance of show cause notice (SCN) under Section 28 / 111 / 113 of the Customs Act b. Seizure or continued detention of goods c. Recording of statements d. Referral to an expert committee or second valuer e. Adjudication proceedings *f. Any opportunities for settlement, compounding, or consent*

8. Is there a dedicated art/cultural property cell or expert committee within CBIC or any Customs Commissionerate that handles art valuation disputes? If yes, please provide its composition, jurisdiction, and contact details.

Category C — Timelines
9. What is the prescribed or standard timeline within which an approved art valuer is required
to submit the valuation report to the Customs Department after being assigned the task? Is there: a. A statutory timeline? b. An administrative guideline / SOP? c. A consequence (financial or professional) if the valuer fails to submit the report within the timeline?

10. What is the maximum period for which a shipment (consignment of artworks) can be detained / held by Customs pending an art valuation report, before the importer or exporter acquires a legal right to demand release (with or without a bond)?

11. Under Section 110 of the Customs Act, 1962 (or the relevant provision), what is the timeline for issue of a notice for confiscation after a consignment is seized, and what happens if the notice is not issued within the prescribed period?

12. Once a formal investigation is initiated, what is the total prescribed timeline within which it must be completed and the case adjudicated, from the date of the initial hold / referral for valuation? Please specify if different timelines apply for:
a. Routine reassessment b. Cases involving DRI / intelligence-led investigations c. Cases referred to the Settlement Commission

13. In cases where goods are perishable, time-sensitive, or where the buyer/consignee has already made full payment, is there a fast-track or priority clearance mechanism available?
If yes, what is the procedure and who is the competent authority to grant it?

Category D — Dispute Resolution & Mechanism to Justify Declared Value
14. If the art valuer's report arrives at a value higher than the declared invoice value (in case of export) or lower than the invoice (in case of import), what is the exact mechanism available to the exporter/importer to contest or rebut the valuer's assessment?
Please specify: a. The documents that can be submitted to support the declared value (e.g., auction records, comparable sales, provenance certificates, gallery receipts, expert opinions) b. Whether the exporter/importer can appoint an independent valuer of their own choice, and if so, what evidential weight such a report carries c. Whether a second opinion from a different government-approved valuer can be sought, and the process for the same

15. Is there any provision under the Customs Act or CBIC circulars for cross-examination of the art valuer by the importer/exporter or their legal representative during adjudication proceedings?

16. What is the appellate hierarchy available to an importer/exporter dissatisfied with the outcome of a valuation dispute? Please specify: a. First appeal — Commissioner (Appeals) under Section 128 of the Customs Act b. Second appeal — Customs, Excise and

Service Tax Appellate Tribunal (CESTAT) c. High Court / Supreme Court — conditions d. Whether any alternative dispute resolution (ADR) mechanism is available

17. In cases where the customs valuation dispute is settled in the favour of the importer/exporter, is there any provision for compensation for detention charges, storage costs, freight demurrage, or commercial losses suffered during the period of hold? If yes, please provide the legal basis and the procedure.

Category E — Financial Liability & Penalties

18. What are the penalties that can be levied on an importer/exporter in an art valuation dispute under the Customs Act, 1962 — specifically under Sections 111, 112, 113, 114, and 114A? Please provide the applicable penalty slabs.

19. If the valuation dispute arises purely from a difference in opinion between the declared price and the art valuer's assessment — and not from fraud, mis-declaration, or suppression — does the department still levy a penalty? Please specify the legal position with relevant case law or CBIC circulars, if any.

20. Is there a provision to compound (settle) the offence without prosecution in art valuation cases? If yes, what is the process, and what authority is competent to compound the offence?

Category F — Compensation for Wrongful Hold

21. If a shipment of artwork is detained / held by Customs and it is subsequently found that the declared value was correct and no violation occurred, is there a provision for: a. Recovery of storage / warehousing charges incurred during the hold period b. Compensation for commercial losses c. Issuance of an apology or acknowledgment to the exporter/importer d. Any departmental accountability mechanism for the officer who ordered the wrongful hold.

3. On perusal of the information sought by the applicant from point no. 1 to 21 as mentioned above, it is informed that this office does not maintain or hold the information sought in the RTI applications. Further, no mechanism for empanelment, approval, regulation, accreditation or disciplinary control of art valuers is administered by this office.

4. In view of the above, the RTI application Registration No. DGVAL/R/E/26/00006 dated 22.05.2026 filed by

stands disposed of accordingly.

Yours faithfully,

(Yogesh Kumar)
Assistant Commissioner &
CPIO

Digitally signed by
Yogesh Kumar
Date: 17-06-2026
13:09:01