

Customs Act, 2082 (2025)

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Note: Text highlighted in green incorporates the amendments applicable for FY 2083/84.

An Act Made to Amend and Consolidate the Laws Relating to Customs

Preamble: Whereas, it is expedient to amend and consolidate the laws relating to customs in order to make customs procedures systematic, reliable and transparent, to facilitate and secure international trade, and to enhance efficiency and effectiveness in the collection of duty;

Now, therefore, the Federal Parliament has enacted this Act.

Chapter-1 Preliminary

1. Short title and commencement:

- (1) This Act may be cited as the "Customs Act, 2082 (2025)".
- (2) This Act shall commence on the ninety-first day from the date of its authentication.

2. Definitions:

Unless the subject or the context otherwise requires, in this Act,

- (a) "Investigation Officer" means the Investigation Officer designated pursuant to Section 77.
- (b) "computer system" means the automated computer system brought into use by the Department for performing the clearance of goods and other customs-related functions through electronic means.
- (c) "Customs Office" means the Customs Office referred to in Section 5, and this expression also includes the premises of such Customs Office.
- (d) "declaration" means the act of the declarant filling in the details of goods to be exported or imported in the declaration form and transmitting or submitting the same to the Customs Officer through electronic means or through such other means as may be determined by the Department, and this expression also includes the details entered by the declarant into the computer system and the documents attached thereto before the clearance of the goods to be exported or imported.
- (e) "declarant" means the owner of the goods to be exported or imported as mentioned in the declaration form, and this expression also includes the customs agent appointed by such owner.
- (f) "export smuggling" means the act of exporting any goods subject to duty without payment of duty, clandestinely, or through any route other than the route prescribed pursuant to Section 6, or exporting any goods without making a declaration even though such goods are not subject to duty.

- (g) "import smuggling" means the act of importing any goods subject to duty without payment of duty, clandestinely, or through any route other than the route prescribed pursuant to Section 6, or importing any goods without making a declaration even though such goods are not subject to duty.
- (h) "examination" means the act of the Customs Officer examining any goods to be exported or imported or the documents relating to such goods, or both, in order to ascertain whether such goods are as declared, and this expression also includes the act of examining or searching any conveyance entering into Nepal from a foreign country or departing from Nepal to a foreign country, any person associated with the conveyance, and any passenger.
- (i) "clearance" means the permission given by the Customs Officer, pursuant to this Act and the prevailing law relating to customs duty, to export or import any goods from a Customs Office or a customs warehouse or to take any goods out of the customs area.
- (j) "post clearance audit" means the audit of goods to be conducted pursuant to Section 102.
- (k) "prescribed" or "as prescribed" means prescribed or as prescribed in the Rules framed under this Act.
- (l) "export" means the act of sending goods from Nepal to a foreign country.
- (m) "exporter" means a person who exports goods, and this expression also includes the owner of the goods, the person taking ownership, the person authorized to take custody of the goods, or the beneficiary of the goods at the time of making the declaration for export, or after making the declaration for export but before the export takes place.
- (n) "petroleum products" means high speed diesel, motor spirit (petrol), aviation fuel (aviation turbine fuel), kerosene (superior kerosene oil) and liquefied petroleum gas (LPG), and this expression also includes such other petroleum products as may be prescribed by the Government of Nepal by a notification published in the Nepal Gazette.
- (o) "import" means the act of bringing goods into Nepal from a foreign country.
- (p) "declaration form" means the form in which the exporter or importer declares the details of goods to be exported or imported.
- (q) "bonded warehouse" means a warehouse and its premises licensed by the Department to import and hold, against the bank guarantee facility, raw materials or auxiliary raw materials required for the manufacture of goods to be exported to a foreign country or to be sold domestically in convertible foreign currency, or goods to be sold at a duty free shop.
- (r) "bank" means a commercial bank or financial institution licensed to carry on banking transactions pursuant to the prevailing law.
- (s) "bank guarantee" means the guarantee given by a bank to the Customs Office undertaking to pay by itself the duty payable by the declarant in exporting or importing any goods in the event of failure of such declarant to pay such duty.

- (t) "Customs Officer" means the Chief Customs Administrator, Chief Customs Officer or Customs Officer referred to in Section 7, and this expression also includes the chief of a Customs Office headed by a non-gazetted employee or the chief of a Sub-customs Office, the Deputy Director General, Director, Customs Examiner or Section Officer of the Department designated by the Director General, or the authorized official referred to in Section 120.
- (u) "customs agent" means a person licensed pursuant to Section 97.
- (v) "Post Clearance Audit Office" means the office referred to in Section 13.
- (w) "Customs Examiner" means the Chief Post Clearance Audit Administrator, Chief Customs Examiner or Customs Examiner referred to in sub-section (2) of Section 13, and this expression also includes the Customs Officer designated by the Director General pursuant to Section 102.
- (x) "customs duty" means the customs duty chargeable on goods to be exported or imported pursuant to the prevailing law relating to customs duty.
- (y) "customs value" means the value of goods to be exported or imported as determined pursuant to Chapter-4 for the purpose of determining customs duty.
- (z) "customs warehouse" means the customs warehouse referred to in Section 57.
- (aa) "customs area" means the customs area referred to in Section 6.
- (ab) "Ministry" means the Ministry of Finance, Government of Nepal.
- (ac) "duty" means all taxes, charges and fees chargeable on goods to be exported or imported pursuant to the prevailing law, and this expression also includes the customs duty chargeable pursuant to the prevailing law relating to customs duty.
- (ad) "Director General" means the Director General of the Department.
- (ae) "relief materials" means the goods, as determined by the Government of Nepal, to be imported as humanitarian assistance for the search, rescue and relief of victims in the event of a calamity.
- (af) "goods" means any kind of movable goods or property, including currency.
- (ag) "classification of goods" means the classification of goods made pursuant to the prevailing law relating to customs duty.
- (ah) "person" means a natural person or a legal person.
- (ai) "conveyance" means any means used for the transportation of persons and goods by air, water or land route, including an aircraft, vessel, train and vehicle.
- (aj) "calamity" means a natural or non-natural calamity which creates an emergency situation at any place and causes loss of life or property as well as adverse effects on livelihood and the environment.
- (ak) "Department" means the Department of Customs.
- (al) "vehicle" means any means used for travelling or transporting goods, including a motor vehicle, cart, tanga, thela (hand cart), rickshaw and bicycle.

Chapter-2

Customs Administration and Customs Area

3. Establishment of the Department:

- (1) There shall be a Department of Customs to carry out the functions relating to customs pursuant to this Act.
- (2) The Director General shall be the chief of the Department, and the Department shall have the required number of employees, including the Director General, in accordance with the positions approved by the Government of Nepal.

4. Functions, duties and powers of the Director General:

In addition to the functions, duties and powers mentioned elsewhere in this Act, the functions, duties and powers of the Director General shall be as follows:

- (a) Where any person takes into possession any goods, or arrests any goods together with any person, and produces the same before the Department on the ground that such goods have been exported or imported from any place other than the customs area in contravention of this Act or the prevailing law relating to customs duty, to carry out or cause to be carried out investigation and action pursuant to this Act against the goods or person so produced, either by himself or herself or by designating any officer of the Department,
- (b) Where any information is received or any suspicion arises regarding the valuation, classification, assessment of duty or similar matters relating to any goods which have already been cleared from a Customs Office, before or after such goods are taken out of the customs area, to inform the declarant thereof and to cause any officer of the Department to take such goods under control and to re-examine them or to submit a report after conducting the necessary investigation,
- (c) To take or cause to be taken necessary action, exercising the powers of the Customs Officer pursuant to this Act, on the basis of the report referred to in clause (b),
- (d) To add the necessary digits to the subheadings of the classification of goods for the purposes of duty, valuation, statistics or other similar purposes and to bring the same into implementation,
- (e) To issue appropriate orders, not inconsistent with this Act or the prevailing law relating to customs duty, where any obstruction arises in the determination of customs value, clearance of goods or the performance of any other function relating to customs administration,
- (f) To monitor, control and supervise customs administration,
- (g) To perform or cause to be performed such other functions as are required to be performed by the Department pursuant to this Act.

5. Establishment of Customs Office:

- (1) The Government of Nepal may, by a notification published in the Nepal Gazette, establish a Customs Office in any customs area as required.

(1A) Sub-customs Offices shall exist under the main Customs Office as specified.

- (2) Notwithstanding anything contained in sub-section (1), if functions cannot be performed from any Customs Office due to a calamity, the Director General may establish a Customs Office in any customs area. The Director General shall dissolve such Customs Office after the purpose of the Customs Office so established has been fulfilled.

6. Power to prescribe customs area and route:

- (1) The Ministry may, for the purpose of implementing the laws relating to customs and collecting duty pursuant to this Act and other prevailing law, prescribe the customs area, route or place as follows, by a notification published in the Nepal Gazette:
- (a) To prescribe any airport, port, integrated check post, inland clearance depot, railway station or any other area of Nepal as a customs area,
 - (b) To prescribe the place for keeping the goods imported or to be exported in the area referred to in clause (a), and to prescribe the route through which such goods are required to be exported or imported,
 - (c) To prescribe the place for the departure of passengers to a foreign country and the arrival of passengers from a foreign country in the area referred to in clause (a),
 - (d) To prescribe the place where a customs warehouse is to be located for the storage of goods to be exported or imported, or where a licence may be granted for the operation of a private warehouse,
 - (e) To prescribe the route for the import of petroleum products through pipeline.
- (2) The Ministry shall, while prescribing the route or place pursuant to clauses (b) and (c) of sub-section (1) at an airport situated in a customs area, consult with the operator of the concerned airport.
- (3) Notwithstanding anything contained in sub-section (1), the Director General may, in the event of a calamity, prescribe any area of Nepal as a customs area for the purpose of clearance of relief materials, and may prescribe the route in such a manner that goods are exported or imported only through such customs area. The Director General shall cancel such customs area or route after the purpose of the customs area or route so prescribed has been fulfilled.
- (4) The Director General may prescribe that goods of any specific nature are required to be exported or imported only through any specific Customs Office.
- (5) Goods to be exported or imported shall be exported or imported only through the route or Customs Office prescribed pursuant to sub-section (1) or (4).
- (6) Notwithstanding anything contained elsewhere in this Act, the Director General may prescribe that only specified goods, or goods up to a specified value, may be exported or imported through a Sub-customs Office.

7. Employees in Customs Office:

A Customs Office shall have a Chief Customs Administrator, Chief Customs Officer, Customs Officer and the required number of other employees in accordance with the positions approved by the Government of Nepal.

8. Office hours:

- (1) The chief of a Customs Office may, with the approval of the Director General, determine the hours for opening and closing the Customs Office. The notice relating to the office hours so determined shall be made public.
- (2) The chief of a Customs Office may, on the basis of the convenience of service recipients or the workload of the Customs Office, make necessary arrangements for carrying out work before or after the regular office hours, on public holidays, or during the time when the Customs Office remains closed.
- (3) If the chief of a Customs Office considers it necessary to provide convenience to service recipients and to simplify functions relating to export or import, he or she may, with the prior approval of the Director General, make necessary arrangements to close the Customs Office on a day which is not a public holiday at the local level or to open the Customs Office on a public holiday.

9. Functions, duties and powers of the Chief Customs Administrator:

The functions, duties and powers of the Chief Customs Administrator shall be as follows:

- (a) To classify, value, assess and recover duty on goods pursuant to this Act or the prevailing law relating to customs duty,
- (b) Where any person takes into possession any goods, or arrests any goods together with any person, and produces the same before the Customs Office on the ground that such goods have been exported or imported from any place other than the customs area in contravention of this Act or the prevailing law relating to customs duty, to take action thereon pursuant to this Act,
- (c) To confiscate goods pursuant to this Act or the prevailing law relating to customs duty, and to auction or destroy the confiscated goods,
- (d) To perform such other functions as are mentioned in this Act to be performed by the Customs Officer.

10. Powers and responsibilities of the Chief Customs Officer:

- (1) Where the Chief Customs Officer is the chief of a Customs Office, he or she shall have the power to operate customs administration pursuant to this Act by exercising the powers conferred on the Chief Customs Administrator pursuant to Section 9.
- (2) Where the Chief Customs Officer is not the chief of a Customs Office, he or she shall, subject to the powers delegated by, and the directions received from, the Chief Customs Administrator, perform the functions required to be performed by the Customs Officer pursuant to this Act and fulfil the responsibilities in accordance with the powers conferred on him or her.

11. Powers and responsibilities of the Customs Officer:

- (1) Where the Customs Officer is the chief of a Customs Office, he or she shall have the power to operate customs administration pursuant to this Act by exercising the powers conferred on the Chief Customs Administrator pursuant to Section 9 or on the Chief Customs Officer pursuant to Section 10.
- (2) Where the Customs Officer is not the chief of a Customs Office, he or she shall, subject to the powers delegated by, and the directions received from, the Chief

Customs Administrator or the Chief Customs Officer, perform the functions required to be performed by the Customs Officer pursuant to this Act and fulfil the responsibilities in accordance with the powers conferred on him or her.

12. Powers of the chief of Sub-customs Office:

The chief of a Sub-customs Office shall have the power to clear goods under the direction and control of the chief of the concerned Customs Office.

13. Establishment of Post Clearance Audit Office:

- (1) The Government of Nepal may, by a notification published in the Nepal Gazette, establish Post Clearance Audit Offices as required for the purpose of conducting post clearance audit in order to ascertain whether any goods cleared from a Customs Office are as declared by the declarant, or whether such goods have been used in accordance with the duty facility accorded pursuant to this Act or the prevailing law relating to customs duty.
- (2) The office established pursuant to sub-section (1) shall have a Chief Post Clearance Audit Administrator, Chief Customs Examiner, Customs Examiner and the required number of other employees.

14. Functions, duties and powers of the Chief Post Clearance Audit Administrator:

In addition to the functions, duties and powers mentioned elsewhere in this Act, the functions, duties and powers of the Chief Post Clearance Audit Administrator shall be as follows:

- (a) To prepare and implement an annual work plan in relation to post clearance audit,
- (b) To analyse the available data of goods cleared from customs and to select goods or persons in which risk is identified for post clearance audit,
- (c) To prepare and implement, or cause to be implemented, an audit plan of the goods or persons selected for post clearance audit,
- (d) To prepare or approve an audit report and to implement or cause to be implemented the same,
- (e) To prepare a report on compliance with the law while conducting post clearance audit and to make the same available to the Department on a regular basis,
- (f) To perform such functions as are mentioned in this Act to be performed by the Customs Examiner.

15. Powers of the Chief Customs Examiner and Customs Examiner:

The Chief Customs Examiner and the Customs Examiner shall have the power to perform functions in accordance with the powers delegated by the Chief Post Clearance Audit Administrator, subject to the directions given by him or her.

16. Power to prescribe uniform and insignia:

- (1) The Government of Nepal may prescribe the uniform, identity card and, as required, rank insignia to be worn by the employees of the Department and the Customs Offices during office hours.

- (2) Where the uniform, identity card and rank insignia have been prescribed pursuant to sub-section (1), the employees deputed in the Department and the Customs Offices shall compulsorily wear such uniform, identity card and rank insignia during office hours.

Provided that it shall not be compulsory for an employee deputed to carry out investigation in relation to any goods or person to wear such uniform or rank insignia.

- (3) Where any employee carries out investigation or takes action against any person in a matter relating to customs administration pursuant to this Act, and such person wishes to see the identity card of such employee, it shall be the duty of the concerned employee to show his or her identity card.

Chapter-3

Arrival, Departure, Declaration, Examination and Clearance of Conveyances

17. Details of goods to be submitted:

- (1) The operator of a conveyance entering a customs area shall, before the conveyance carrying goods enters the customs area or within twelve hours of its entry into the customs area, submit to the Customs Office, or enter into the computer system, the brief details of such conveyance and the details of the goods contained in such conveyance (manifest).
- (2) Notwithstanding anything contained in sub-section (1), the Department may make arrangements to allow a conveyance to enter the customs area only after the brief details as specified by the Department have been entered into the computer system of the Customs Office.

18. Conveyances to be examined:

The driver of a passenger, cargo or empty conveyance, other than an aircraft, entering Nepal from a foreign country or departing from Nepal to a foreign country shall have such conveyance examined before it enters Nepal or before it departs from Nepal.

19. Goods not cleared not to be transported:

A person transporting imported goods shall not transport goods on which duty has not been paid or which have not been cleared in such a manner as to take such goods outside the customs area or to a foreign country.

20. Goods to be declared:

- (1) The declarant shall declare the goods to be exported or imported by him or her in the declaration form.

Provided that the matters relating to goods for personal use which a passenger may bring or take along with him or her without making a declaration shall be as determined by the Ministry by a notification published in the Nepal Gazette.

- (2) Any person who is able to submit the necessary documents proving the ownership of the goods may make a declaration of the goods for the purpose of clearance.

- (3) The declarant may make a declaration by entering the details of the goods into the computer system in the format of the declaration form. The documents required to be submitted while making such declaration shall be attached in electronic form.

Provided that the declarant shall submit such documents as may be demanded by the Customs Officer.

- (4) While declaring goods pursuant to this Section, the nature, physical features, characteristic properties, measurement, size, weight and quality of the goods and, according to the nature of the goods, the brand, model, unit, manufacturing company and such other details as may clearly identify the goods shall also be mentioned.
- (5) The concerned declarant shall be responsible for the truthfulness and completeness of the details declared pursuant to sub-section (1), (3) or (4) and for the authenticity of the documents submitted.
- (6) If the declarant is unable to submit any document together with the declaration due to circumstances beyond control or any other reasonable cause, he or she may make an application to the Customs Officer for permission to submit such document later.
- (7) If, upon examination of the application received pursuant to sub-section (6), the documents submitted and the contents of the application are found reasonable, the Customs Officer may, by specifying the period for making a complete declaration of such goods, grant permission to make a provisional or incomplete declaration for the time being.
- (8) If, upon examination of the declaration made pursuant to sub-section (7), it appears that the duty would differ upon making a subsequent permanent or complete declaration of such goods, the Customs Officer may clear the goods by taking a cash deposit equal to such duty as security.
- (9) The cash deposit taken pursuant to sub-section (8) shall be released after the completion of the complete declaration of such goods.
- (10) If the declarant makes a written request to the Customs Officer, before the examination of the goods, to amend the details of the goods declared by him or her in a manner not inconsistent with the documents submitted with the declaration, the Customs Officer may amend such details.

Provided that the details shall not be amended if the request for amendment is found to be fraudulent or made with mala fide intention.

- (11) Where the examination of goods has commenced but the goods have not yet been cleared, and the declarant makes an application to the Customs Officer stating the reason for amending the declaration, the Customs Officer may, if the reason appears reasonable, amend such declaration.

Provided that the declaration shall not be amended if any of the following situations arises:

- (a) If it affects the duty payable or the regulation to be carried out by customs,
- (b) If it appears that immunity would be obtained from the punishment that may be imposed pursuant to this Act,

- (c) If it causes unnecessary delay in the clearance process.
- (12) Where the declarant has already made a declaration for the import of any goods under one customs procedure but such goods have not yet been cleared, and the declarant makes an application to import the same goods under another customs procedure, the Customs Officer may, if satisfied that such goods are to be declared again accordingly, cancel the earlier declaration and grant permission to make another declaration. Where permission is so granted, no duty shall be charged on the goods declared earlier.
- (13) If any person wishes to make an advance declaration for the commencement of the clearance procedure before the goods to be imported by him or her arrive at the Customs Office, he or she may make a declaration pursuant to sub-section (1) or (7) within the following period:
 - (a) In the case of goods to be imported by air, at any time after the issuance of the airway bill of such goods but before their arrival at the Customs Office,
 - (b) In the case of goods to be imported by land, at any time after the issuance of the bill of lading of such goods but before their arrival at the Customs Office.
- (14) The declarant shall make a declaration of the goods for clearance, or for keeping in a customs warehouse, within seven days from the date on which such goods enter the customs area.
- (15) If a written request is made for extension of time on the ground of inability to make a declaration within the period referred to in sub-section (14), the Customs Officer may, if such request appears reasonable, extend the time limit for up to seven days.

21. Examination of declaration:

- (1) The Customs Officer shall, subject to Section 23, examine without delay whether the declared goods may be imported pursuant to the prevailing law. While making such examination, the Customs Officer may, as required, carry out or cause to be carried out the physical examination of the concerned goods.
- (2) If, upon examination pursuant to sub-section (1), it appears that such goods may not be imported, the Customs Officer shall act as follows in relation to the following goods:
 - (a) In the case of goods prohibited for import, such as arms, ammunition, bullets, gunpowder and materials used for the production of such goods, fuses, wires, explosive substances and similar materials, cannabis, charas, opium and similar narcotic drugs, and banned medicines used as narcotic drugs, to hand over the same to the nearest Nepal Police for necessary action,
 - (b) Where a licence or permit has been issued to any person or body for import by specifying the quantity or time, and any other person or body imports such goods, to confiscate such goods and to impose punishment pursuant to the prevailing law,

- (c) In the case of goods which are not restricted for import by the prevailing law but cannot be imported under a bilateral agreement with any country, to confiscate such goods,
 - (d) Where any standard, quality or condition has been prescribed in relation to the goods to be imported, and such goods have been imported in violation of such standard, quality or condition, to confiscate such goods,
 - (e) In the case of goods, other than those mentioned in clause (a), which are restricted for import pursuant to the prevailing law and for which a separate authority has been designated to try the case, to hand over the same to such authority,
 - (f) In the case of goods which are restricted for import by the prevailing law and which, from the viewpoint of the environment and public health, are of such a nature as cannot be used, auctioned, decomposed or destroyed in Nepal, to order the importer, notwithstanding anything contained in other prevailing law, to send back such goods to the exporter himself or herself, with the approval of the Director General, on the condition that the foreign currency paid for such goods is repatriated.
- (3) If any goods subject to a legal or administrative process due to the importer having done any act contrary to this Act or the prevailing law relating to customs duty are not required to be seized or confiscated, the Customs Officer shall clear such goods by taking a cash deposit of the amount of the duty, additional duty or fine that may be chargeable upon a subsequent decision on such goods.

22. Expedited clearance:

- (1) Live animals, fresh fruits and vegetables, seafood, meat and meat products, foodstuffs requiring special storage, biotechnology products, human glands, blood and blood plasma, medicines, perishable research materials, vaccines, or similar goods of a perishable nature as specified by the Department from time to time, shall be cleared expeditiously.
- (2) If expedited clearance cannot be made pursuant to sub-section (1), written information, together with the reasons therefor, shall be given to the declarant.

23. Clearance of goods on the basis of risk analysis:

- (1) While examining goods, the Department may, by analysing the potential risk on the basis of revenue security, social security, public health, environmental security, the nature of the goods and the country of origin, the country of consignment, and the credibility of the exporter, importer or declarant, arrange the computer system so as to clear goods on the basis of the level of such risk as follows:
 - (a) To clear goods only on the basis of the declaration, without examining the goods and the documents relating thereto,
 - (b) To clear goods by examining only the documents relating thereto, without examining the goods,
 - (c) To clear goods only on the basis of the declaration, without examining the goods and the documents relating thereto, subject to post clearance audit,

- (d) To clear goods only after examining all the goods and the documents relating thereto.
- (2) The Department may arrange a green channel, yellow channel, blue channel and red channel respectively in the computer system for the goods to be cleared pursuant to clauses (a), (b), (c) and (d) of sub-section (1).
- (3) While clearing goods pursuant to this Section, the Customs Officer shall act in accordance with the channel specified by the computer system.
- (4) Notwithstanding anything contained in sub-section (3), if the computer system is obstructed for any reason, or the computer system has not yet been installed in any Customs Office, or in the event of a calamity, the procedure for clearing goods shall be as specified by the Director General.
- (5) If any goods sent to a laboratory for testing are not found to be prohibited or restricted pursuant to the prevailing law, the Customs Officer may, by taking a deposit of the amount of duty chargeable on such goods, clear such goods before receiving the laboratory test report of such goods or the opinion of the concerned expert.

24. Power to open and examine goods:

- (1) If any suspicion arises or any information is received in relation to goods which have been or have not been cleared pursuant to Section 23, the Customs Officer may, before such goods are removed from the customs area or after they have been taken out of the customs area, examine or cause to be examined such goods if they have not been examined, or re-examine or cause to be re-examined such goods if they have already been examined. Information, together with the reasons, shall be given to the declarant before carrying out or causing to be carried out such examination.
- (2) While examining any goods, the Customs Officer may, if he or she considers it necessary, order the declarant to be present at the time of examination of such goods.
- (3) If the declarant wishes to have the goods exported or imported by him or her examined in his or her presence, he or she shall give written information thereof to the Customs Officer. Where such information has been given, the Customs Officer may examine such goods even if the declarant is not present at the time specified by the Customs Officer.

25. Power to test samples of goods:

- (1) If the Customs Officer considers it necessary to examine or cause to be examined samples of any imported food or beverage or other similar goods from the viewpoint of quality testing, customs valuation, classification of goods, or adverse effects that may be caused to public health or the environment, he or she may take samples of such goods and test the same himself or herself, or cause the same to be tested by the concerned expert, or by the laboratory of the Customs Office or the Department, or by any other accredited laboratory.
- (2) If any sample received for testing by the laboratory of the Department pursuant to sub-section (1) cannot be tested by the Department, the Department may send such sample for testing to any other government laboratory.

- (3) The concerned laboratory shall test the sample of goods received from the Department for testing pursuant to sub-section (2) as soon as possible and send the report thereof to the concerned Customs Office.
- (4) While taking samples of goods for testing pursuant to sub-section (1), the Customs Officer may, if he or she considers it necessary, cause the declarant to be present and seek his or her assistance in taking samples or carrying out the test.
- (5) If the declarant wishes to take samples of, or physically inspect, the goods before making the declaration, he or she may take samples of, or inspect, such goods.
- (6) If, upon testing samples pursuant to sub-section (1) or (2), it is found that such goods cause harm to health or the environment or have an adverse effect thereon, the Customs Officer shall give a written order to act or cause to be acted in relation to such goods pursuant to clause (f) of sub-section (2) of Section 21.
- (7) If the concerned importer does not send back such goods in accordance with the order given pursuant to sub-section (6), the Customs Officer may confiscate such goods and decompose or destroy them, and the expenses to be incurred or incurred in such decomposition or destruction shall be recovered from the concerned importer.

26. Goods may be examined at the concerned place:

- (1) If the declarant wishes to have the goods imported or to be exported by him or her examined outside the customs area or at the place of production or the godown of such goods, he or she shall make an application to the Customs Officer.
- (2) If the contents of the application received pursuant to sub-section (1) appear reasonable, the Customs Officer may examine or cause to be examined such goods by going to such place himself or herself or by sending an employee subordinate to him or her.
- (3) Before examining the goods pursuant to sub-section (2), the Customs Officer may, in the case of imported goods, take a deposit of the amount obtained by adding fifty percent of the duty to the duty chargeable on such goods according to the declared customs value.
- (4) If the deposit amount taken pursuant to sub-section (3) exceeds the duty chargeable on such goods, the Customs Office shall refund the excess amount to the importer, and if it is less, the shortfall amount shall be recovered from the importer.

27. Listing of Authorized Economic Operators:

- (1) The Ministry may list any person as an Authorized Economic Operator (Authorized Business Person) on the following grounds:
 - (a) Having fully complied with the laws relating to customs during the past three years,
 - (b) Having a satisfactory internal control arrangement of the business,
 - (c) Having maintained business records in a reliable and satisfactory manner,
 - (d) Being able to submit proof of financial soundness so as to be able to furnish security or guarantee as required.

- (2) Notwithstanding anything contained elsewhere in this Act, the Department may provide any of the following facilities to a person included in the list referred to in sub-section (1) while exporting or importing goods:
 - (a) To clear goods on the basis of the minimum documents required for the identification of goods and to grant permission to make a declaration with complete details later,
 - (b) To clear goods by going to the premises of the declarant or to any other place specified by the Department,
 - (c) To minimize, as far as possible, the physical inspection or examination procedure of goods.
- (3) The Ministry may, at any time, remove a person listed pursuant to sub-section (1) from such list on any of the following grounds:
 - (a) If it is found that the conditions referred to in sub-section (1) have not been fulfilled,
 - (b) If it is proved that he or she has committed an offence relating to revenue leakage,
 - (c) If it is proved that he or she has made export smuggling or import smuggling of goods.

28. Power to affix seals on means of transport:

- (1) The Department may make necessary arrangements so that the cleared goods are transported only by specified means of transport or in closed containers capable of being sealed.
- (2) The Customs Office shall affix seals, as specified by the Department, on the means of transport referred to in sub-section (1).
- (3) The Department may make necessary arrangements so that the means of transport for transporting goods cleared from a Customs Office are required to be registered in advance at the Customs Office.

29. Goods not to be opened, viewed or examined without approval:

- (1) No person shall, without the approval of the Director General, open, view or examine the goods which have been cleared and sealed or the means of transport carrying such goods until they reach the specified destination.

Provided that the authority empowered to carry out investigation pursuant to the prevailing law relating to revenue leakage and the Customs Officer pursuant to Section 24 shall not be required to obtain such approval for examining any goods.

- (2) If the authority empowered to carry out investigation pursuant to the prevailing law relating to revenue leakage takes into possession, for investigation, the goods which have been cleared and sealed or the means of transport carrying such goods, such authority shall give information thereof to the Department and the concerned Customs Office within twenty-four hours, and information on the action taken in relation to such goods or means of transport within seven days after such action is finalized by that body.

- (3) The act of opening, viewing and examining the means of transport, together with the goods, taken into possession pursuant to sub-section (2) shall be carried out only after taking it safely to one's own office or to the nearest Customs Office.

30. Power to re-export imported goods:

- (1) If any imported goods are required to be re-exported due to the following reasons, the Customs Officer may order that the same be sent back:
 - (a) Any defect is found in the goods or the goods are not in accordance with the detailed specification mentioned in the agreement concluded between the importer and the supplier at the time of import,
 - (b) The purpose for which the goods have been imported cannot be fulfilled, or
 - (c) The goods are held to be substandard upon laboratory testing.
- (2) Notwithstanding anything contained in sub-section (1), no order to re-export any goods with entitlement to refund of duty shall be given unless the following conditions exist:
 - (a) Such goods have been sent back to the concerned supplier or to the person designated by him or her,
 - (b) No repair, use or other act has been done to such goods except the acts which are indispensable for ascertaining the defect of such goods or whether such goods are in accordance with the detailed specification as per the agreement,
 - (c) The Customs Officer has ascertained that the very goods which were imported are being exported,
 - (d) An application has been made for sending back the goods within ninety days from the date of import or arrival at the Customs Office.
- (3) Within six months of sending back the goods pursuant to sub-section (1), other goods of the same kind shall be imported as compensation, or if foreign currency has been paid at the time of the earlier import of such goods, such foreign currency shall be repatriated.
- (4) The Customs Officer shall write to the concerned body to take necessary action pursuant to the prevailing law against an importer who does not repatriate, pursuant to sub-section (3), the foreign currency paid for the goods sent back pursuant to sub-section (1), or does not import other goods of the same kind as compensation.
- (5) If, before the goods required to be sent back pursuant to sub-section (1) are sent back, the foreign supplier has sent other goods of the same kind as compensation therefor, and it appears from the application of the importer and the documents submitted that such goods have been imported as compensation, the Customs Officer may clear such goods by charging the chargeable duty.
- (6) Where, after goods have been imported as compensation pursuant to sub-section (5) or after the foreign currency has been repatriated, the goods imported earlier are sent back within the time limit referred to in sub-section (1), no customs duty

shall be charged, and if customs duty has already been paid at the time of the earlier import, such customs duty shall be refunded.

Provided that if the goods are not sent back within the time limit referred to in clause (d) of sub-section (2) but are sent back after the expiry of such period, the customs duty paid at the time of import of such goods shall not be refunded.

- (7) The importer may leave at the Customs Office itself the goods to be re-exported pursuant to sub-section (1). If the goods so left are in such a condition as cannot be auctioned, such goods may, with the approval of the Customs Officer, be rendered commercially valueless or destroyed at the cost of the importer himself or herself in the presence of the employees of the Customs Office.
- (8) Notwithstanding anything contained in sub-section (7), before approval is granted for leaving such goods at the Customs Office itself, or for destroying them or rendering them valueless, the importer shall have already imported goods as compensation for such goods, or, if foreign currency has been paid at the time of the earlier import, shall have already repatriated such foreign currency.

Chapter-4

Determination of Customs Value

31. Determination of customs value of imported goods:

- (1) The customs value of imported goods shall be determined on the basis of the transaction value of such goods, subject to the rules, annexes and interpretative notes relating to customs valuation mentioned in the Agreement concluded for the implementation of Article VII of the General Agreement on Tariffs and Trade, 1994 of the World Trade Organization.
- (2) The importer shall declare the transaction value by attaching the details and documents proving the value of the goods imported by him or her.
- (3) If the transaction value declared by the importer pursuant to sub-section (2) is in accordance with sub-section (1), the Customs Officer shall determine the customs value of the goods on the basis of such transaction value. If freight, insurance and other related costs do not appear to have been included in such transaction value, the Customs Officer shall determine the transaction value by adding the estimated amount that may be incurred therefor.
- (4) The basis for fixing the estimated amount referred to in sub-section (3) shall be as determined by the Director General.
- (5) If there are reasonable grounds to believe that the value declared by the importer pursuant to sub-section (2) is doubtful, the Customs Officer may demand from him or her additional documents or evidence proving that such value is the actual transaction value. The responsibility to make available the documents or evidence so demanded shall lie with the concerned importer.
- (6) If the customs value of any goods cannot be determined on the basis of the transaction value declared, or the bill, invoice and documents submitted, by the importer pursuant to sub-section (2), the Customs Officer shall give a notice, together with the reasons therefor, to the concerned importer.

- (7) If the customs value cannot be determined on the basis of the transaction value declared pursuant to sub-section (2), the customs value of such goods shall be determined on the basis of the transaction value of identical goods already imported into Nepal before the import of such goods.

Explanation: For the purposes of this sub-section, "identical goods" means goods which are of the same kind in all respects, including composition, quality, nature and characteristics.

- (8) If the customs value cannot be determined on the basis of the transaction value of identical goods pursuant to sub-section (7), the customs value of such goods shall be determined on the basis of the transaction value of similar goods previously imported into Nepal.

Explanation: For the purposes of this sub-section, "similar goods" means goods which, although not alike in all respects, have like component materials and like characteristics which enable them to perform the same functions and to be commercially interchangeable.

- (9) If the customs value cannot be determined on the basis of the transaction value of similar goods pursuant to sub-section (8), and such goods have previously been imported into Nepal and sold in the market to persons not related to the importer, the customs value of such goods shall be determined by deducting the taxes, duties, other related costs and profit incurred in Nepal from the per unit sale price at which the greatest aggregate quantity of such goods has been so sold (deductive value method).

- (10) If the customs value cannot be determined pursuant to sub-section (9), the customs value shall be determined by computing the cost incurred in producing or manufacturing such goods together with the profit taken or that may be taken by the seller while selling such goods to the importer (computed value method).

- (11) If the customs value cannot be determined pursuant to sub-section (10), the Customs Officer shall determine the customs value of such goods on a reasonable basis not inconsistent with sub-sections (1), (7), (8), (9) and (10).

- (12) Notwithstanding anything contained in sub-sections (9) and (10), if the importer requests that the customs value be determined by adopting the procedure referred to in sub-section (10) prior to sub-section (9), the Customs Officer may determine the customs value pursuant to sub-section (10).

- (13) Notwithstanding anything contained elsewhere in this Section, in the case of goods imported under the notification relating to goods for personal use which a passenger may bring or take for personal purposes, goods imported from a foreign country as gifts or samples, materials imported for relief distribution, or goods whose value is not disclosed, if the importer makes an application for valuation stating the reason why the transaction value cannot be disclosed, and such contents appear reasonable, the Customs Officer may determine the estimated customs value of such goods.

- (14) The Customs Officer shall, while determining the customs value of goods to be imported, ordinarily do so in foreign currency. Where the customs value has been determined in foreign currency, such value shall be converted into Nepalese rupees

on the basis of the selling rate of such foreign currency fixed by Nepal Rastra Bank for the day on which the goods are declared.

- (15) While determining the customs value of goods to be imported, in the case of a foreign currency for which the exchange rate has not been fixed by Nepal Rastra Bank, the conversion shall be made on the basis of the selling rate for that day of the United States dollar obtained by converting such foreign currency into United States dollars.

32. Determination of customs value of goods to be exported:

- (1) The customs value of goods to be exported shall ordinarily be as declared by the exporter.
- (2) Notwithstanding anything contained in sub-section (1), the Director General may, if he or she considers it necessary, prescribe the minimum customs value of any goods to be exported.
- (3) Where the minimum customs value has been prescribed pursuant to sub-section (2), whichever is higher of the value declared by the exporter and the customs value prescribed by the Director General shall be deemed to be the customs value of such goods for the purpose of export.
- (4) The Customs Officer shall, while determining the value of goods pursuant to sub-section (3), do so in foreign currency. Such foreign currency shall be converted into Nepalese rupees on the basis of the buying rate of such foreign currency fixed by Nepal Rastra Bank on the day on which such goods are declared for clearance pursuant to this Act.

33. Prohibition of under-invoicing or over-invoicing:

- (1) The declarant shall not make under-invoicing or over-invoicing while declaring the value of goods at customs.

Explanation: For the purposes of this Section,

- (a) "under-invoicing" means a situation where the value declared by the declarant is lower than the value determined by the Customs Officer pursuant to this Chapter.
- (b) "over-invoicing" means a situation where the declarant, while declaring the value of any goods at customs, declares a value higher than the value actually paid or payable for such goods.
- (2) If it is found that the declarant has made under-invoicing while declaring the value of goods pursuant to sub-section (1), the Customs Officer shall clear the goods by imposing a fine of an amount equal to one hundred percent of the duty chargeable on the value so under-declared.
- (3) If it is suspected that the declarant has made over-invoicing of goods pursuant to sub-section (1), the Customs Officer may write to the concerned body for inquiry.
- (4) Notwithstanding anything contained in this Section, if the value of imported goods declared by the declarant at customs is lower than the customs value determined by the Customs Officer pursuant to Section 31, the Customs Officer may, with the approval of the Director General, purchase such goods.

34. Power to order re-determination of value:

- (1) Notwithstanding anything contained elsewhere in this Chapter, if the customs value determined by the Customs Officer pursuant to this Chapter is not in conformity with Section 31, or if there are reasonable grounds to believe that the value so determined is doubtful, the Director General may, within ninety days of the clearance of such goods, order that the customs value be re-determined pursuant to Section 31.
- (2) If the Director General gives an order pursuant to sub-section (1), the Customs Officer shall, within thirty days, re-determine the customs value of such goods pursuant to Section 31 and give information thereof to the Director General.

35. Power to demand information relating to determination of value:

- (1) If the importer wishes to obtain information about the basis adopted by the Customs Office for determining the customs value of the goods imported by him or her, he or she may make an application to the concerned Customs Office.
- (2) If an application is received pursuant to sub-section (1), the Customs Office shall give such information to him or her within seven days.

Chapter-5

Classification of Goods and Assessment of Duty

36. Classification of goods and assessment of duty:

- (1) For the purpose of assessment of duty, the classification of imported goods or goods to be exported shall be made on the following bases:
 - (a) The prevailing law relating to customs duty,
 - (b) The Harmonized Commodity Description and Coding System propounded by the World Customs Organization and the Explanatory Notes thereto,
 - (c) The decisions relating to classification of goods made by the World Customs Organization,
 - (d) Where the opinion of the Harmonized System Committee of the World Customs Organization has been sought, such opinion,
 - (e) The classification made, or the advance ruling given, by the Director General in relation to any goods pursuant to this Act or the prevailing law relating to customs duty.
- (2) In the case of goods to be cleared pursuant to clauses (b) and (d) of sub-section (1) of Section 23, the Customs Officer shall, before clearing the goods, assess the duty only after examining whether the goods declared by the declarant have been classified on the bases referred to in sub-section (1).
- (3) If, upon examination of the classification of goods pursuant to sub-section (2), it is found that the goods have been classified in accordance with the bases mentioned in sub-section (1), the Customs Officer shall assess the duty chargeable on such goods without delay.

- (4) If, upon examination pursuant to sub-section (2), the classification of goods is not found to be in accordance with the bases mentioned in sub-section (1), the Customs Officer shall inform the declarant thereof, classify the goods on the basis of sub-section (1) and assess the duty chargeable accordingly.
- (5) A declarant who is not satisfied with the classification of goods made by the Customs Officer pursuant to sub-section (4) may, after paying the duty assessed by the Customs Officer, make an application to the Director General for review pursuant to Section 93.
- (6) If the declarant, while paying the duty pursuant to sub-section (5), wishes to have the goods cleared by keeping a cash deposit of the duty chargeable, subject to the final decision on the classification of goods, the Customs Officer may clear such goods by taking a cash deposit of such amount.

37. Decision on classification of goods:

- (1) If, while examining the classification of goods pursuant to Section 36, the Customs Officer has any confusion as to whether the classification of goods declared by the declarant is correct, he or she shall write to the Director General for a decision, together with the detailed description of such goods, the documents relating thereto, his or her opinion including the reasons for the confusion and, if possible, a sample of the goods.
- (2) Before writing pursuant to sub-section (1), the Customs Officer shall have classified the goods under the subheading he or she considers appropriate and cleared them by taking a cash deposit of the amount of duty chargeable accordingly.
- (3) If a matter is referred pursuant to sub-section (1), the Director General shall, after studying and analysing the bases mentioned in sub-section (1) of Section 36 as well, specify the classification subheading of such goods and inform the Customs Officer thereof within thirty days from the date of such reference.
- (4) Before making a decision on the classification of goods pursuant to sub-section (3), the Director General may, if he or she considers it necessary, have such goods tested by the laboratory of the Customs Office, the Department or any other government laboratory and seek the opinion of the concerned expert, the World Customs Organization or any other national or international body. Where such opinion has been sought, the time limit referred to in sub-section (3) shall not apply.
- (5) If any government office or constitutional body has any confusion regarding the classification of any goods cleared through customs pursuant to this Act, it may write to the Department to ascertain the same. Where a matter is so referred, the Director General shall make a decision, specify the subheading of such goods and give information thereof to the concerned body.

38. Clearance of goods:

Except where an exemption or facility has been accorded pursuant to this Act or other prevailing law, the Customs Officer shall clear goods only after the declarant has paid the duty assessed pursuant to this Act.

Provided that if the duty assessed, or the difference in duty arising from the amendment of the declaration with the permission of the Customs Officer pursuant to Section 20, is

less than one hundred rupees, the Customs Officer may clear the goods without collecting such duty.

39. Power to implement central clearance system:

Notwithstanding anything contained elsewhere in this Act, the Director General may, with the approval of the Ministry, implement a central clearance system and make necessary arrangements for clearing goods from the Department.

40. Power to demand evidence:

- (1) If there are reasonable grounds to suspect whether duty has been paid on goods which any person is about to export or has imported, any employee of the Customs Office may, in order to ascertain the same, demand from such person the evidence that duty has been paid on such goods or that such goods have been cleared through customs.
- (2) It shall be the duty of the concerned person to submit the evidence demanded pursuant to sub-section (1). If such person fails to submit evidence of payment of duty or customs clearance, or if goods different from those mentioned in the evidence submitted are found, the concerned employee shall take such person, together with the goods, into his or her custody and produce them before the Customs Officer.
- (3) After the person and the goods are produced pursuant to sub-section (2), the Customs Officer shall initiate proceedings against such person for the offence of import smuggling or export smuggling.

41. Clearance of passengers:

- (1) A passenger coming to Nepal from a foreign country or going to a foreign country from Nepal shall have the baggage with him or her, or brought by him or her, or about to be taken by him or her, examined by the Customs Officer or the customs employee designated by him or her.
- (2) If any passenger, while coming to Nepal from a foreign country, brings with him or her, or in his or her baggage or vehicle, any goods in a quantity or of a value exceeding that eligible for duty exemption under the notification issued pursuant to sub-section (1) of Section 20, or any goods not exempted from duty, he or she shall declare such goods at the Customs Office.
- (3) If the goods declared by the passenger pursuant to sub-section (2) exceed in quantity or value the limit mentioned in the notification issued pursuant to sub-section (1) of Section 20, the Customs Officer may, considering the justification, clear such goods by collecting the chargeable duty or confiscate such goods.
- (4) The Customs Officer or the customs employee designated by him or her may examine the baggage of any passenger or person entering Nepal from a foreign country or departing from Nepal to a foreign country. It shall be the duty of the concerned passenger or person to bring his or her baggage before the Customs Officer or such employee, open the baggage, have it examined and close the baggage.

- (5) In order to facilitate the clearance of passengers' goods, the Customs Officer may, as far as possible, arrange in the customs area a green channel for goods not subject to duty and a red channel for goods subject to duty.
- (6) Where the Customs Office has arranged the channels referred to in sub-section (5) at the point of entry of passengers, a passenger having with him or her any goods required to be declared at customs or subject to duty shall proceed to the red channel, declare such goods before the Customs Officer, and get them released by paying the chargeable duty.
- (7) A passenger not having with him or her any goods required to be declared at customs or subject to duty may exit through the green channel.
- (8) The Department may make necessary arrangements to receive in advance in the computer system, from the concerned airline operator, the details of passengers coming to Nepal by air.
- (9) Where arrangements have been made pursuant to sub-section (8), it shall be the duty of the concerned airline operator to make such details available in advance.
- (10) The Customs Officer may carry out the examination and clearance of passengers and the goods with them on the basis of risk analysis.

Chapter-6

Search, Seizure, Arrest and Confiscation

42. Power to conduct search:

- (1) If there are reasonable grounds to believe or suspect that any goods on which duty has not been paid, or which are about to be exported by way of export smuggling, or which have been brought by way of import smuggling, have been concealed or kept by any person in any house, building, shop, godown or place, the Director General or the Customs Officer shall, by making a decision, conduct a search of such house, shop, godown, building or place.
- (2) Before conducting a search pursuant to sub-section (1), a written notice, also stating the reasons for conducting the search, shall be given to the owner of such house, building, shop, godown or place, or to the person currently residing in such house, building, shop, godown or place.
- (3) If such person refuses to accept the notice given pursuant to sub-section (2), a copy of such notice shall be affixed at such house, building, shop, godown or place so that it is visible to all. The notice so affixed shall be deemed to have been duly received by the concerned person.
- (4) After the notice has been given to the concerned owner or person pursuant to sub-section (2) or (3), such owner or person shall allow the employee deputed to conduct the search to search such house, building, shop, godown or place. If anyone obstructs or resists such search, the employee deputed to conduct the search shall order the persons staying in the house, building, shop, godown or place to be searched to leave such place.

- (5) If any person does not leave such place when ordered to leave pursuant to sub-section (4), the employee conducting the search may remove such person by using necessary force with the assistance of security personnel and, if the outer or inner door or window of the house, building, shop, godown or place to be searched is locked or latched, open or break the same, and also remove any other obstruction, and conduct the search at any time from sunrise until before sunset.
- (6) Notwithstanding anything contained in sub-section (5), if, while giving the notice of search or conducting the search within the time referred to in that sub-section, it is suspected that the goods imported by way of import smuggling or about to be exported by way of export smuggling may be shifted elsewhere from such house, building, shop, godown or place or sent to a foreign country, the employee conducting the search may conduct the search at any time.
- (7) While conducting a search pursuant to sub-section (5) or (6), the employee conducting the search shall, as far as available, keep as witness the concerned ward chairperson or ward member of the Rural Municipality or Municipality, or an employee of any government office, or the house owner or his or her representative, or any person who has attained the age of eighteen years. If no person to stand as witness is found, or if such person, though found, refuses to stand as witness, the employee conducting the search shall record such fact in a deed (muchulka) and sign it.
- (8) If the following goods are found while conducting a search pursuant to this Section, the employee conducting the search may recover and take them into his or her possession:
- (a) Goods brought by evading customs or by way of import smuggling, or about to be exported by way of export smuggling,
 - (b) Other goods liable to confiscation pursuant to this Act or the prevailing law relating to customs duty,
 - (c) Books of account, records, computers and other materials related to the goods which may be directly or indirectly related to the transaction of the goods mentioned in clause (a),
 - (d) Other goods which may be related to an offence under this Act.
- (9) Where the employee conducting the search has recovered and taken goods into possession pursuant to sub-section (8), he or she shall prepare the details of such goods and immediately hand over a copy thereof to the concerned person. If the concerned person refuses to accept such details, or if the same cannot be handed over to him or her, a deed (muchulka) shall be prepared in the presence of two witnesses and affixed at the place where the search was conducted. Where the details have been so affixed, the owner of the concerned goods shall be deemed to have received such details.
- (10) The employee conducting the search shall submit the details of the goods referred to in sub-section (9), the documents relating thereto and the goods taken into possession to the Customs Officer. After such submission, the Customs Officer shall initiate necessary action pursuant to this Act.

43. Power to search or examine aircraft:

- (1) If the Customs Officer receives information that any goods imported by way of import smuggling, or any goods concealed with the intention of import smuggling or export smuggling, are in any aircraft which has arrived at any airport of Nepal from a foreign country or is in the course of departing from any airport of Nepal to a foreign country, and there are sufficient grounds to believe such information, the Customs Officer may, if he or she considers it necessary, by informing the airport operator, enter such aircraft and search or examine all parts of the aircraft, examine all goods contained in the aircraft or about to be loaded onto or unloaded from the aircraft, or demand documents relating thereto.
- (2) While searching or examining an aircraft pursuant to sub-section (1), the Customs Officer may demand from the captain of the aircraft necessary information relating to the aircraft, cargo, crew members, passengers or other matters. It shall be the duty of the captain of the concerned aircraft to make the information so demanded available to the Customs Officer and to provide necessary cooperation in the search or examination of goods.
- (3) If, while conducting a search or examination pursuant to sub-section (1), any goods which have been exported or imported by way of smuggling, or concealed with the intention of doing so, or any other restricted or prohibited goods, are found, the Customs Officer shall take into possession such goods together with the documents relating thereto and give information thereof to the concerned aircraft operator.

44. Power to stop and search or examine conveyances:

- (1) The Customs Officer or an employee deputed at customs shall have the power to stop any conveyance at any place and time and to search or examine such conveyance in order to ascertain whether there are any goods in such conveyance on which duty has not been paid, or which are about to be exported by way of export smuggling, or which have been imported by way of import smuggling, or which are restricted or prohibited.
- (2) If the Customs Officer or an employee deputed at customs orders any conveyance to stop pursuant to sub-section (1), the driver of such conveyance shall immediately stop the conveyance and allow it to be searched or examined. The conveyance so stopped for search or examination shall not be taken elsewhere without the permission of the Customs Officer.
- (3) Where the Customs Officer or an employee deputed at customs has ordered any conveyance to stop pursuant to sub-section (2), and the owner or driver of the conveyance does not stop such conveyance, or, disobeying the order, attempts to drive away or drives away such conveyance without getting it examined by committing riot or using force, the Customs Officer may order the security personnel deputed at customs to shoot at the tyres of such conveyance.
- (4) Where shooting is required pursuant to sub-section (3), information thereof shall be given through the quickest means to the Director General and the concerned Chief District Officer.

45. Power to search persons:

- (1) If there are reasonable grounds to suspect that any goods have been concealed with the intention of evading duty, or that any restricted or prohibited goods are kept, on the person or in the baggage of any person about to come to Nepal from a foreign country or to go to a foreign country from Nepal, an employee deputed at customs may search such person by giving oral information thereof to the concerned person.
- (2) If, while searching the body of any person pursuant to sub-section (1), it is suspected that such person has concealed any goods inside his or her body, the Customs Officer may order the concerned employee to conduct the search by having such person X-rayed or having necessary examination conducted by a medical practitioner.
- (3) If there are reasons to suspect, or information is received, that any person is about to export any goods by way of export smuggling, or has imported or is about to import any goods by way of import smuggling, the employees deputed at customs may stop such person at any time or place and, by giving oral information, search the body of such person or the goods with him or her.

Provided that the body of a woman shall be searched by a female employee deputed at customs or a female police personnel, and in the case of a sexual minority, by a female or male employee or police personnel chosen by such person.

- (4) If any person is about to export or import goods through any route other than the route prescribed pursuant to Section 6, the Customs Officer, an employee deputed at customs or any other authorized government employee may stop such person immediately.
- (5) If such person, when sought to be stopped pursuant to sub-section (4), attempts to flee or escape by committing riot or using force against such Customs Officer or employee, the Customs Officer or such employee may arrest such person.
- (6) If, while arresting such person pursuant to sub-section (5), he or she uses force or attempts to flee or escape and it is not possible to arrest him or her immediately, such Customs Officer or authorized official may, for his or her own protection and for the performance of his or her duty, order the security personnel deputed at customs to fire in the air to bring the situation under control and, if the situation is not controlled even by firing in the air, to open fire in such a manner as to cause the least possible damage.
- (7) Where firing is required pursuant to sub-section (6), information thereof shall be given through the quickest means to the Director General and the concerned Chief District Officer.

46. Production before Customs Officer:

- (1) If any person about to be searched pursuant to Section 45 demands that he or she be searched in the presence of the Customs Officer, the concerned employee shall immediately produce such person before the Customs Officer.
- (2) If there appear reasonable grounds for searching the person produced pursuant to sub-section (1), the Customs Officer shall conduct the search himself or herself or

cause an employee subordinate to him or her to conduct the search in his or her presence.

47. Deemed export smuggling or import smuggling:

- (1) If, while conducting a search pursuant to this Chapter, any goods are recovered which are subject to duty or which are required to be exported or imported upon declaration pursuant to this Act or the prevailing law relating to customs duty, the Customs Officer shall order the concerned person to submit evidence of the customs clearance of such goods.
- (2) If such person fails to submit evidence of the clearance of the goods in accordance with the order given by the Customs Officer pursuant to sub-section (1), he or she shall be deemed to have made export smuggling or import smuggling of such goods.

48. Power to arrest person related to offence:

- (1) If, while conducting a search pursuant to this Chapter, it appears that any person has committed an offence under this Act, the Customs Officer shall make an application to the adjudicating authority, together with the details disclosing the identity of such person, for permission to arrest such person.
- (2) If, from the application made pursuant to sub-section (1), there appear reasonable grounds for arresting such person, the adjudicating authority may grant permission to issue an arrest warrant in the name of such person.
- (3) Notwithstanding anything contained elsewhere in this Section, if a person required to be arrested pursuant to this Act is not arrested immediately and there is a likelihood that such person may flee or escape or destroy any exhibit, evidence or proof, or if any absconding person related to the offence is found, the Customs Officer or an employee deputed by him or her may arrest such person from any place at any time by issuing an emergency arrest warrant.
- (4) A person arrested pursuant to sub-section (2) or (3) shall be produced before the adjudicating authority within twenty-four hours of the arrest, excluding the time required for the journey.

49. Power to arrest absconding person:

If any person who commits any act deemed to be an offence under this Act cannot be arrested at the time of committing the offence, or absconds even after being arrested, the Customs Officer, the Investigation Officer or any other employee deputed by him or her may arrest such person at any time.

50. Power to seize goods:

- (1) If the Customs Officer, an employee deputed by him or her, or the police deputed for security at customs sees or detects any goods liable to confiscation pursuant to this Act or the prevailing law relating to customs duty, he or she may seize such goods at any place and at any time.
- (2) The person seizing goods pursuant to sub-section (1) shall, within three days of the seizure, give to the owner of the concerned goods a receipt stating the reasons for the seizure and the details of the goods seized.

51. Goods to be handed over:

- (1) An employee of the Customs Office or any other body shall, as soon as possible, hand over to the Customs Officer the goods seized pursuant to this Act together with a copy of the details thereof.
- (2) After the goods have been submitted pursuant to sub-section (1), the Customs Officer shall inquire whether or not such goods are required to be seized pursuant to this Act. If, upon such inquiry, it appears that such goods have been seized without reason or are not required to be seized, he or she shall immediately return such goods to the owner of such goods.
- (3) If, upon inquiry pursuant to sub-section (2), the Customs Officer finds that the goods may be liable to confiscation, he or she may cause investigation and inquiry to be conducted in relation to such goods by the Investigation Officer.

52. Confiscation of goods:

- (1) The Customs Officer shall confiscate any goods which are not declared within the period referred to in sub-section (14) of Section 20, or which are not cleared and taken away from the customs area or the customs warehouse within the prescribed period.
- (2) Before confiscating goods pursuant to sub-section (1), the concerned Customs Office shall give a notice of fifteen days to the owner of the goods to release and take away such goods.
- (3) If the owner of the goods makes an application, within the period of the notice given pursuant to sub-section (2), to release and take away the goods, and the reason appears reasonable, the Customs Officer may clear such goods within the period of the public notice.

53. Other goods to be confiscated:

- (1) Where a decision has been made to confiscate any goods pursuant to this Act or the prevailing law relating to customs duty, the goods including the parcels or packets used for packing such goods shall also be confiscated.
- (2) While confiscating goods pursuant to sub-section (1), the vehicle or means of transport used for transporting such goods shall not be confiscated.

Provided that if the owner of such vehicle or means of transport cannot be found and no claim is made in response to the notice of claim issued in relation thereto, nothing shall bar the confiscation of such vehicle or means of transport.

54. Notice of confiscation to be given:

Where any goods have been confiscated pursuant to this Act or the prevailing law relating to customs duty, the Customs Officer shall give information thereof to the owner of such goods through the quickest means.

55. Goods to belong to the Government of Nepal:

Any goods imported by an importer and left at the Customs Office without being released from the Customs Office, so as to belong to the Government of Nepal pursuant to the prevailing law relating to customs duty, and any goods confiscated pursuant to this Act, shall belong to the Government of Nepal.

56. Power to install barriers in customs area:

- (1) The Customs Officer may, as required, install barriers on any public road or place used for movement in the customs area in order to control and regulate acts through which export smuggling or import smuggling of goods may be made or duty may be evaded through such road or place.

Explanation: For the purposes of this Section, "barrier" means a physical object or structure for controlling movement, such as a bar, gate or barrier installed at a place through which passengers or conveyances move via the customs area, for the purpose of controlling and regulating passengers or conveyances.

- (2) Upon reaching near the barrier installed pursuant to sub-section (1), the driver of any conveyance shall stop his or her conveyance and obtain permission from the customs employee to proceed beyond such barrier.
- (3) The Customs Officer or any other customs employee shall not be liable if any conveyance is damaged, or the driver or any other person in such conveyance sustains any injury, from the barrier installed pursuant to sub-section (1).

Chapter-7

Customs Warehouse

57. Establishment and operation of customs warehouse:

- (1) The Department may construct and operate customs warehouses within the premises of a Customs Office, at any place or in a customs area for the safe keeping of goods to be exported or imported goods until their clearance.
- (2) If any person wishes to construct a customs warehouse within the premises of a Customs Office, or at any place or in a customs area, or to operate a warehouse established under government ownership, he or she shall obtain approval from the Department.
- (3) The Director General may prescribe that goods of any special type are required to be kept only in a specific customs warehouse.
- (4) Any person who has obtained a licence pursuant to the prevailing law for the operation of a private warehouse at any place of Nepal shall obtain the approval of the Director General to deposit or safely keep in such warehouse the imported goods or goods to be exported until their clearance.
- (5) The licence of a customs warehouse operated by any person other than a customs warehouse operated by the Customs Office itself shall be renewed pursuant to the prevailing law.
- (6) The Director General may prescribe the period for keeping goods in a customs warehouse and other conditions.
- (7) If the conditions prescribed by the Director General pursuant to this Section are not complied with while operating a customs warehouse, the Director General may at any time revoke the approval given pursuant to sub-section (4) and write to the concerned body for the cancellation of the licence of such warehouse.

- (8) The Customs Officer or any customs employee deputed by him or her may at any time enter a customs warehouse, inspect the goods, open and examine each item of the goods or carry out random checks from time to time, or collect samples of the goods.
- (9) No other person shall have the right to enter a customs warehouse, inspect the goods or collect samples of the goods without the permission of the Director General or the Customs Officer.

58. Power to transfer goods kept in customs warehouse:

- (1) If the owner of any goods wishes to transfer the goods kept in one customs warehouse to another customs warehouse, he or she may make an application to the Customs Officer.
- (2) If the contents of the application received pursuant to sub-section (1) appear reasonable, the Customs Officer may grant permission to transfer the goods.
- (3) If, while transferring the goods with permission pursuant to sub-section (2), the owner of the goods misappropriates the imported goods, he or she shall be deemed to have made import smuggling of such goods.

59. Goods in customs warehouse to remain under control of Customs Office:

- (1) Goods kept for export or import in a customs warehouse operated pursuant to sub-section (1), (2) or (5) of Section 57 shall remain under the control of the concerned Customs Office until their clearance.
- (2) Goods kept in a customs warehouse may be taken out of the customs area only in the following circumstances:
 - (a) The goods have been declared at the Customs Office and all amounts payable, including the entire duty, fine, interest and rent of the customs warehouse, assessed on such goods pursuant to this Act or the prevailing law relating to customs duty, have been paid, and
 - (b) The goods have been cleared by the Customs Officer.

60. Compensation for goods kept in customs warehouse:

- (1) The operator of a customs warehouse shall keep the goods kept in the customs warehouse safely so that they are not damaged.
- (2) If the goods kept in a customs warehouse are stolen, lost, destroyed or damaged, or caused to be damaged, due to a calamity or accident or due to any reason other than breakage which may naturally occur in the course of keeping or lifting the goods, or are handed over negligently or knowingly to any other unauthorized person, the owner of the goods shall be entitled to recover compensation for such goods from the operator of the customs warehouse pursuant to the prevailing law.
- (3) If the goods kept in a customs warehouse are stolen, lost, burnt by fire, or damaged or lost in any other manner due to the negligence of the operator of the customs warehouse, the Customs Officer shall recover from the operator of the customs warehouse an amount equal to double the duty chargeable on such goods.

61. Licence may be granted to operate bonded warehouse:

- (1) If any industry wishes to obtain a licence to operate a bonded warehouse for importing raw materials and auxiliary raw materials and keeping them in a licensed bonded warehouse, and producing, processing or manufacturing finished goods from such raw materials for export to a foreign country or for sale domestically in convertible foreign currency, it may make an application to the Director General.
- (2) If the contents of the application received pursuant to sub-section (1) appear reasonable, the Director General may grant a licence to such industry to operate a bonded warehouse.

62. Power to suspend or cancel licence:

If a person who has obtained a licence for the operation of a bonded warehouse fails to comply with any of the following conditions, the Director General may suspend or cancel such licence:

- (a) If an export-oriented industry declares finished goods as raw materials,
- (b) If the facility obtained for the bonded warehouse is misused,
- (c) If the conditions mentioned in the licence are not complied with.

63. Power to grant licence to operate duty free shop:

- (1) The Director General may grant a licence to any person to operate a duty free shop for the purpose of selling goods, as specified, to bodies, officials or persons entitled to diplomatic facility or duty facility.

Explanation: For the purposes of this Section,

- (a) "duty free shop" means a shop operated at any place under a licence obtained from the Director General to store goods imported against a bank guarantee pursuant to the prevailing law relating to customs duty and to sell such goods with exemption from the taxes chargeable thereon pursuant to this Act and the prevailing law.
 - (b) "diplomatic facility" means such facility or concession as allows the export or import of any goods pursuant to the provisions of a treaty or agreement to which Nepal is a party, by keeping only books of record, without examining such goods and without collecting duty.
 - (c) "duty facility" means such facility as allows the export or import of any goods by keeping only books of record, without collecting duty pursuant to the prevailing law, whether or not examining such goods.
- (2) While granting a licence for the operation of a duty free shop pursuant to sub-section (1), the number and area shall be ascertained on the basis of an analysis of the need, a minimum fee shall be fixed, and the licence shall be granted on a competitive basis through sealed tenders on such fee.
 - (3) If a person licensed pursuant to sub-section (1) sells the goods imported for the duty free shop to any person other than those mentioned in sub-section (1), or if the stock is not found to be accurate in accordance with the sales, the Director

General may recover from such person the duty chargeable on such goods and a fine of double the amount thereof, and cancel such licence.

Chapter-8

Inland Transportation of Goods and International Transit

64. Facility of inland transportation of goods may be provided:

If any goods which have arrived at any Customs Office are intended to be taken to another Customs Office and cleared there without being cleared from such Customs Office, the facility of inland transportation may be provided for taking such goods up to another Customs Office.

65. Provisions relating to international transit:

- (1) The Government of Nepal may, by a notification published in the Nepal Gazette, grant permission for international transit, with conditions, to any country for taking any goods to another country through the territory of Nepal.
- (2) No duty shall be charged on goods imported into Nepal for international transit pursuant to sub-section (1).
- (3) The matters relating to the Customs Office of arrival of goods for international transit, the route that may be used and the Customs Office of departure shall be as mentioned in the bilateral or multilateral treaty, and where not so mentioned, as prescribed by the Government of Nepal by a notification published in the Nepal Gazette.
- (4) The procedures to be adopted, the conditions to be complied with, the measures to be adopted for security, and the fees and charges to be levied for providing any service, in relation to the goods imported into Nepal for transit, shall be as prescribed by the Government of Nepal by a notification published in the Nepal Gazette.

Chapter-9

Expedited Clearance and Export or Import by Post

66. Power to provide facility of expedited clearance:

- (1) The Ministry may provide the facility of expedited clearance for goods exported or imported by air by express service or courier companies operated by the private sector.
- (2) The procedures to be adopted while providing the facility of expedited clearance pursuant to sub-section (1), the conditions and restrictions to be complied with by the exporter or importer, and the date from which such facility comes into effect shall be as prescribed by the Ministry by a notification published in the Nepal Gazette.
- (3) The Government of Nepal may grant duty exemption on goods exported or imported by air by express service or courier companies operated by the private sector.

67. Goods exported or imported by post to be submitted to the Customs Officer:

- (1) If any goods arrive by post in a parcel in the name of any person, the concerned post office shall give information thereof to the person receiving the parcel and submit such parcel to the Customs Officer of the nearest Customs Office for clearance. The post office shall hand over the parcel so submitted to the concerned person only after the Customs Officer has cleared it.
- (2) If any person brings a parcel of goods for export by post, the concerned post office shall accept and dispatch such parcel only after such goods have been cleared by the Customs Officer of the nearest Customs Office and brought back.
- (3) Notwithstanding anything contained in sub-sections (1) and (2), the Ministry may make necessary arrangements so that goods exported or imported by post are not required to be submitted to the Customs Officer.

Chapter-10

Advance Ruling

68. Power to issue advance ruling:

- (1) If an importer makes an application to the Director General for an advance ruling in relation to the classification or origin of the goods to be imported by him or her, the Director General may give an advance ruling.

(1A) A fee of three thousand rupees shall be charged while making an application pursuant to sub-section (1).

- (2) If it is considered necessary to obtain advice in relation to the classification or origin of such goods before giving an advance ruling pursuant to sub-section (1), the Director General may form an advisory committee.
- (3) The Director General may, in relation to the goods for which an advance ruling has been sought, obtain a report by having the goods tested in a laboratory, or obtain the opinion of an expert on the concerned subject, any government body or the World Customs Organization.
- (4) While giving an advance ruling pursuant to sub-section (1), it shall be given in accordance with Section 36 in relation to the classification of goods, and in a manner not inconsistent with the regional or bilateral treaty or agreement to which Nepal is also a member in relation to the origin of goods.
- (5) Notwithstanding anything contained elsewhere in this Section, no advance ruling relating to the origin of goods shall be given in relation to goods other than those for which the rate of customs duty differs on the basis of the country of origin pursuant to a regional or bilateral treaty or agreement to which Nepal is a party.

Chapter-11

Provisions Relating to Offences and Punishment

69. Deemed to have committed an offence:

If any person does or causes to be done any of the following acts, he or she shall be deemed to have committed an offence under this Act:

- (a) If he or she exports or imports, or attempts to export or import, through any place other than the customs area or route prescribed pursuant to Section 6, or makes or attempts to make export smuggling or import smuggling of any goods,
- (b) If he or she fails to submit the details of goods pursuant to Section 17,
- (c) If he or she fails to have the conveyance examined pursuant to Section 18,
- (d) If he or she transports goods on which duty has not been paid or which have not been cleared through customs, in contravention of Section 19,
- (e) If any person other than the authorized official referred to in Section 29 opens, views or examines the goods cleared and sealed by the Customs Office or the means of transport carrying such goods,
- (f) If he or she does not use the red channel pursuant to sub-section (6) of Section 41,
- (g) If he or she does not allow the search of a house, building, shop, godown or place pursuant to Section 42,
- (h) If the captain or a crew member of the aircraft does not allow entry into the aircraft, or the search or examination of goods, or obstructs or resists the same, pursuant to Section 43,
- (i) If he or she does not stop the conveyance in accordance with the order given by the Customs Officer or an employee deputed at customs pursuant to Section 44, or obstructs the search, or drives away or attempts to drive away such conveyance without having it examined,
- (j) If he or she crosses the customs barrier without the permission of the customs employee pursuant to Section 56, or proceeds ahead defiantly even when the customs employee signals the conveyance to stop,
- (k) If he or she does or causes to be done any act contrary to the prevailing law relating to customs duty in relation to a vehicle imported under a carnet,
- (l) If he or she lifts and takes away goods from the Customs Office or customs area without paying the duty or fine payable pursuant to the prevailing law,
- (m) If the owner of a vehicle knowingly makes his or her vehicle available for import smuggling or export smuggling of goods,
- (n) If the driver of a vehicle knowingly transports goods imported by way of import smuggling or about to be exported by way of export smuggling, without the consent or knowledge of the owner of the vehicle,

- (o) If he or she submits fraudulent, forged or counterfeit documents to the Customs Office with the intention of causing loss to revenue,
- (p) If he or she prepares a fraudulent, forged or counterfeit invoice and submits it to the Customs Office in order to show a value of goods lower than the actual value,
- (q) If he or she knowingly writes, signs or uses anything false in the declaration form or in any document used in the Customs Office, or forges, alters or destroys any document, lac seal, seal, signature or any other mark or sign signed or affixed by the Customs Officer,
- (r) If he or she, without a written order of the Director General or the chief of the Customs Office, alters, erases, removes or damages in any manner the computer system used in the Customs Office or the data or records contained in such system, adds data, obstructs the operating system, or manipulates the same in any manner, or establishes or attempts to establish unauthorized access to such system,
- (s) If the owner of the goods or his or her customs agent opens any customs warehouse, enters a customs warehouse, or opens in any manner the goods kept in such warehouse, with the intention of stealing the goods or causing damage to such goods,
- (t) If he or she removes or takes away goods kept in a customs warehouse without the approval of the Customs Officer,
- (u) If the employee or person in whose custody the goods kept in a customs warehouse are loses or damages such goods,
- (v) If an unauthorized employee removes, or orders the removal of, goods kept in a customs warehouse,
- (w) If he or she uses or sells the goods imported under full or partial duty exemption or facility pursuant to this Act or other prevailing law contrary to the purpose for which they were imported, or if a person not entitled to the exemption or facility imports any goods under full or partial duty exemption or facility,
- (x) If he or she knowingly obstructs the Customs Officer or an employee of the Customs Office in exercising the powers conferred by this Act or the prevailing law, or in the work of the Customs Office,
- (y) If he or she conceals or keeps any goods while knowing that such goods have been exported or imported by way of export smuggling or import smuggling,
- (z) If he or she does any other act contrary to this Act or the prevailing law relating to customs duty,
- (aa) If he or she assists in, or abets, the commission of any offence referred to in clause (a) to clause (z).

70. Fine and punishment:

- (1) If any person commits an offence referred to in clause (a), (d), (f), (i), (k) or (l) of Section 69, the goods related to the offence shall be confiscated and he or she shall be liable to the following punishment:
 - (a) Where the amount in controversy is up to one million rupees, a fine equal to the amount in controversy,
 - (b) Where the amount in controversy exceeds one million rupees and is up to ten million rupees, a fine equal to the amount in controversy and imprisonment as follows:
 - (1) Imprisonment for a term of up to two months where the amount in controversy exceeds one million rupees and is up to two million five hundred thousand rupees,
 - (2) Imprisonment for a term of two months to six months where the amount in controversy exceeds two million five hundred thousand rupees and is up to five million rupees,
 - (3) Imprisonment for a term of six months to one year where the amount in controversy exceeds five million rupees and is up to ten million rupees.
- (2) If the amount in controversy of the offence referred to in sub-section (1) exceeds ten million rupees, such goods shall be confiscated and the offender shall be liable to a fine equal to the amount in controversy of the goods and imprisonment as follows:
 - (a) Imprisonment for a term of one year to three years where the amount in controversy exceeds ten million rupees and is up to thirty million rupees,
 - (b) Imprisonment for a term of three years to five years where the amount in controversy exceeds thirty million rupees.
- (3) If any person commits any of the following offences, he or she shall be liable to punishment as follows:
 - (a) If he or she commits an offence referred to in clause (b), (e) or (h) of Section 69, a fine of up to ten thousand rupees,
 - (b) If he or she commits an offence referred to in clause (c) or (i) of Section 69, in the case of a conveyance not registered in Nepal and a conveyance registered in Nepal carrying goods, the punishment referred to in sub-section (1) where the amount in controversy of the offence is up to ten million rupees, and the punishment referred to in sub-section (2) where the amount in controversy of the offence exceeds ten million rupees, and in the case of an empty conveyance registered in Nepal, a fine of up to five thousand rupees,
 - (c) If he or she commits an offence referred to in clause (g) of Section 69, a fine of up to fifty thousand rupees.
- (4) If any person commits an offence referred to in clause (m) or (n) of Section 69, he or she shall be liable to the following punishment:
 - (a) Where a vehicle used for transporting goods with the amount in controversy mentioned in clause (a) of sub-section (1) has been used with the consent or

knowledge of the owner of such vehicle, the owner of such vehicle shall be liable to a fine of one hundred thousand rupees to two hundred thousand rupees, and where the driver of the vehicle has knowingly used such vehicle for transporting such goods without the consent or knowledge of the owner of the vehicle, such driver shall be liable to a fine of one hundred thousand rupees to two hundred thousand rupees,

- (b) Where a vehicle used for transporting goods with the amount in controversy mentioned in clause (b) of sub-section (1) or in sub-section (2) has been used with the consent or knowledge of the owner of such vehicle, the owner of such vehicle shall be liable to a fine of three hundred thousand rupees to five hundred thousand rupees, or imprisonment for a term of up to one year, or both, and where the driver of the vehicle has knowingly used such vehicle for transporting such goods without the consent or knowledge of the owner of the vehicle, such driver shall be liable to a fine of one hundred thousand rupees to three hundred thousand rupees, or imprisonment for a term of up to one year, or both.

(c) Notwithstanding anything contained in clauses (a) and (b), if any of the following means of transport is used, the fine shall be as follows:

(1) In the case of a cart, tanga, thela (hand cart), rickshaw or bicycle, a fine of up to ten thousand rupees on the owner or driver of the vehicle,

(2) In the case of a scooter or motorcycle, a fine of up to twenty thousand rupees.

- (5) A person who commits an offence referred to in clause (o) of Section 69 shall be liable to a fine of two hundred percent of the amount of duty so lost or attempted to be lost, or imprisonment for a term of six months to one year, or both. In the case of fraud or forgery, the Customs Officer shall write to the concerned body or authority for action pursuant to the prevailing law.
- (6) A person who commits an offence referred to in clause (p) of Section 69 shall, with the confiscation of such goods, be liable to a fine of two hundred percent of the duty chargeable on such goods. In the case of fraud or forgery, the Customs Officer shall write to the concerned body or authority for action pursuant to the prevailing law.
- (7) A person who commits an offence referred to in clause (q) of Section 69 shall be liable to a fine of up to fifty thousand rupees and imprisonment for a term of up to one year. In the case of forgery of government documents, the Customs Officer shall write to the concerned body or authority for action pursuant to the prevailing law.
- (8) A person who commits an offence referred to in clause (r) of Section 69 shall be liable to imprisonment for a term of up to one year and a fine of up to five hundred thousand rupees. If it is found that duty has been reduced or evaded, or liability has been reduced in any manner, by such offence, an amount equal to five times the amount of duty so lost shall be recovered from such person. If any person has suffered any loss or damage from such act, the Customs Officer may also cause such loss or damage to be recovered from the person committing the offence.

- (9) A person who commits an offence referred to in clause (s) of Section 69 shall be liable to a fine of twenty-five thousand rupees to one hundred thousand rupees.
- (10) A person who commits an offence referred to in clause (t) of Section 69 shall be caused to deposit such goods and shall be liable to a fine equal to the value of such goods and imprisonment for a term of up to six months, and if the goods cannot be deposited, he or she shall be liable to a fine of double the value of the goods and imprisonment for a term of up to six months.
- (11) The value of such goods and the chargeable duty shall be recovered from a person who commits an offence referred to in clause (u) of Section 69, and he or she shall be liable to a fine of up to ten thousand rupees.
- (12) A person who commits an offence referred to in clause (v) of Section 69 shall be liable to a fine of up to fifty thousand rupees, or imprisonment for a term of up to six months, or both.
- (13) The duty chargeable on such goods shall be recovered from a person who commits an offence referred to in clause (w) of Section 69, and he or she shall be liable to a fine of two hundred percent of the duty chargeable on such goods.
- (14) If the person who commits an offence referred to in clause (x) of Section 69 is a government employee, he or she shall be liable to a fine of ten thousand rupees to fifty thousand rupees, or imprisonment for a term of up to one year, or both, and if he or she is any other person, a fine of ten thousand rupees to fifty thousand rupees, or imprisonment for a term of up to six months, or both.
- (15) A person who commits an offence referred to in clause (y) of Section 69 shall be liable to a fine of up to fifty thousand rupees, and such goods shall be confiscated.
- (16) A person who commits an offence referred to in clause (z) of Section 69 shall be liable to a fine of five thousand rupees to one hundred thousand rupees, according to the circumstances and gravity of the offence.
- (17) A person who commits an offence referred to in clause (aa) of Section 69 shall be liable to the same punishment as the offender.
- (18) Even where any goods are found to be liable to confiscation pursuant to this Act or the prevailing law, an amount equal to the amount in controversy of the goods which have already been consumed or not traced may be recovered from the concerned person.

71. Punishment for declaring goods with different details:

If any declarant, while declaring goods, declares the following details differently, the Customs Officer may act as follows:

- (a) If the quantity is declared less, even though the name, nature, physical features, characteristic properties, measurement, size and quality of the imported goods are correct, to clear such goods by collecting from such declarant a fine of one hundred percent of the value of the goods by the quantity so under-declared and the chargeable duty,
- (b) If the country of origin is declared differently, even though the name, nature, physical features, characteristic properties, measurement, size, quality and quantity of the imported goods are correct, to clear such goods by collecting

from such declarant a fine of twenty-five percent of the customs duty chargeable on such goods and the chargeable duty,

- (c) If one imported item is declared as another item, or goods made of one type of material are declared as goods made of another type of material, or all or any of the nature, physical features, characteristic properties, measurement, size, weight or quality of the goods are declared differently, or any goods are not declared at all, to confiscate such goods by imposing on such declarant a fine equal to the value of such goods, or to clear such goods by recovering from him or her a fine of two hundred percent of the value of the goods and the chargeable duty,
- (d) Where the brand, company, model, item number or any similar detail identifying such goods is clearly marked on the imported goods or on their packaging, and such goods are declared without disclosing the details clearly identifying them, to clear such goods by recovering from such declarant a fine of **twenty-five percent** of the duty chargeable on the goods and the chargeable duty,
- (e) If a quantity higher than the actual quantity of goods to be exported is mentioned, to clear the goods by imposing on such declarant a fine of two hundred percent of the value of the goods by the quantity so over-declared and by mentioning such fact in the computer system or the declaration form,
- (f) If all or any of the details of the name, nature, physical features, characteristic properties, measurement, size, weight or quality of goods to be exported are declared differently, to confiscate such goods and impose on such declarant a fine equal to the value of the goods,
- (g) If any detail relating to the goods mentioned on the goods or their packaging is found to have been erased, torn, scratched or altered, or the label is found to have been removed, to confiscate such goods or to clear them by collecting a fine equal to the value of such goods and the chargeable duty,
- (h) Where any goods have once been classified, or an advance ruling has been given, by the Director General, or the goods have been classified and cleared by any Customs Office, and the same importer, while importing the same goods again, declares a different classification with the intention of evading duty, to clear such goods by recovering a fine of one hundred percent of the customs duty chargeable on such goods and the chargeable duty,
- (i) If the declarant, while declaring the details of goods in the computer system through electronic means pursuant to sub-section (3) of Section 20, **intentionally** attaches the documents required to be attached in a different manner, to clear such goods by recovering from such declarant a fine of ten percent of the customs duty chargeable according to such declaration and the chargeable duty.

72. Fine where goods cleared without physical examination are found different:

- (1) The Customs Officer or any other authorized official may re-examine pursuant to this Act the goods cleared without physical examination pursuant to clause (a), (b)

or (c) of sub-section (1) of Section 23, before or after the declarant takes such goods out of the customs area.

- (2) If, upon re-examination of the goods pursuant to sub-section (1), the name, nature, physical features, characteristic properties, measurement, size, weight, quality or quantity of the goods is found to be different from that declared by the declarant, it shall be deemed that an offence has been committed under this Act.
- (3) If an offence is committed pursuant to sub-section (2), the Customs Officer may release the goods by recovering, for declaring different details at the time of clearance, a fine of two hundred percent of the value of the goods to the extent the details are found to be different, and the chargeable duty.
- (4) The amount of duty paid at the time of clearance of such goods shall not be adjusted against or deducted from the amount of fine and duty payable pursuant to sub-section (3).
- (5) If any goods dispatched for a specified Customs Office with approval from the Customs Office for inland transportation pursuant to Section 64 are diverted on the way and duty is evaded, or if the global positioning system (GPS) enabled lock or the seal with serial number affixed to the container is not kept intact, or the road route specified for inland transportation is not used, the Customs Officer shall impose a fine as follows:
 - (a) If it is found that the goods under inland transportation have been diverted on the way with the intention of evading duty, to confiscate such goods by imposing a fine of three hundred percent of the value of such goods, or, if the goods are not found, to impose a fine of five hundred percent of the value of the goods,
 - (b) If it is found that, even though there was no intention of evading duty in respect of the goods under inland transportation, the global positioning system (GPS) enabled lock or the seal with serial number affixed to the container has not been kept intact, or the road route specified for inland transportation has not been used except in circumstances beyond control, or the goods have not reached the specified Customs Office within the specified period, to impose a fine of fifty thousand rupees to one hundred thousand rupees.

73. Punishment to customs agent:

- (1) If a customs agent is found to be involved in any act referred to in Section 71 or 72, the Customs Officer may impose on such customs agent a fine of fifty thousand rupees to one hundred thousand rupees, or imprisonment for a term of one month to six months, or both.
- (2) The owner of the goods shall not be exempted from the punishment or fine that may be imposed pursuant to this Act merely on the ground that the customs agent has been punished pursuant to sub-section (1).

74. Punishment pursuant to prevailing law:

If any offence under this Act is also an offence pursuant to any other prevailing law, nothing in this Act shall be deemed to prevent action and punishment for such offence pursuant to such law.

Chapter-12

Investigation, Inquiry and Filing of Cases

75. Government of Nepal to be plaintiff:

The Government of Nepal shall be the plaintiff in cases involving imprisonment for an offence under this Act.

76. Adjudicating authority:

The original proceedings and adjudication of cases involving a fine only and imprisonment for a term of up to one year pursuant to this Act shall be carried out by the Customs Officer, and the original proceedings and adjudication of cases involving imprisonment for a term exceeding one year shall be carried out by the concerned District Court.

77. Investigation Officer to be designated:

- (1) If it appears necessary to conduct investigation and inquiry and take action in relation to a person arrested and produced before the Customs Officer pursuant to this Act, or a person who has appeared within the time limit of the notice issued by the Customs Officer, or goods seized and handed over for action, the Customs Officer shall designate any officer-level employee of the Customs Office as the Investigation Officer to conduct the investigation and inquiry of such case.
- (2) Notwithstanding anything contained in sub-section (1), if there is only one Customs Officer in a Customs Office, nothing shall prevent the designation of a lower-level employee of the concerned Customs Office as the Investigation Officer.

78. Functions, duties and powers of the Investigation Officer:

- (1) The functions, duties and powers of the Investigation Officer shall be as follows:
 - (a) In the course of the investigation of a case, to take the statement of the accused, collect evidence related to the case, summon other persons who appear to be related to the case by issuing a notice of time limit, and inquire of them,
 - (b) To search any house, building, shop, godown or place,
 - (c) To arrest or cause to be arrested a person related to the offence if he or she has absconded,
 - (d) If, in the course of the investigation of a case, it appears from the evidence immediately available that the accused may be the offender, to demand a cash deposit sufficient to cover the amount for imprisonment and fine that may be imposed on him or her for such offence pursuant to this Act and, where the amount in controversy is also to be recovered, an amount equal to such amount in controversy, and, if he or she deposits the same, to conduct the investigation and inquiry of the case by keeping him or her on date (tarekh),
 - (e) If the cash deposit demanded pursuant to clause (d) is not deposited, to proceed with the case by keeping him or her in custody with the permission of the adjudicating authority,

- (f) Notwithstanding anything contained in clause (d), if, in the event of not being kept in custody, the person related to the offence may cause the destruction of evidence or abscond, or there is a low probability of his or her being arrested later, to conduct the investigation of the case by keeping such person in custody.
- (2) While taking a deposit for imprisonment pursuant to clause (d) of sub-section (1), it shall be taken at the rate fixed by the prevailing law for one day of imprisonment.
- (3) Notwithstanding anything contained elsewhere in this Act, if, among the goods produced in the course of investigation, there are live animals, animals and birds or goods which may perish quickly, or goods which cannot or may not be kept in the Customs Office or customs warehouse for maintaining their quality, due to lack of space or from the viewpoint of security, the Investigation Officer may immediately auction such goods and keep the proceeds in deposit, or send such goods to be handed over to any government body.

79. Cases to be filed:

- (1) The Investigation Officer shall complete the investigation and file a case before the adjudicating authority within twenty-five days from the commencement of the investigation of an offence under this Act.
- (2) In the case of a case in which the Government of Nepal is the plaintiff pursuant to Section 75, a decision of the government attorney shall have been made while filing the case pursuant to sub-section (1).

80. Detention warrant to be given:

While keeping any person in custody pursuant to this Act, the Investigation Officer or the adjudicating authority shall give a detention warrant stating the reasons for keeping such person in custody and the legal basis therefor in the format pursuant to the prevailing law.

81. Maximum period of detention:

Notwithstanding anything contained elsewhere in this Act, while keeping any accused in custody for trial, he or she shall not be kept in custody for a period exceeding the maximum term of imprisonment which may be imposed if the charge against him or her is proved.

Chapter-13

Proceedings, Decision and Execution of Cases

82. Proceedings of case to be initiated:

After the Investigation Officer files a case before the adjudicating authority pursuant to Section 79 in relation to any offence pursuant to this Act, the adjudicating authority shall immediately initiate the proceedings of such case.

83. Statement of accused to be recorded:

- (1) After the accused appears in relation to an offence to be proceeded against and adjudicated by the Customs Officer pursuant to this Act, the Customs Officer shall take his or her written statement.
- (2) If any matter required to be inquired into is omitted while taking the statement pursuant to sub-section (1), the Customs Officer may cause such accused to be present and take his or her statement again on the omitted matter.

84. Power to decide case immediately:

- (1) If any accused makes a statement before the Customs Officer confessing the charge of the offence against him or her, the Customs Officer may, after considering the truthfulness and credibility of such statement, decide the case immediately if it does not appear necessary to examine any other evidence.
- (2) If any accused partially confesses the charge against him or her, the Customs Officer may order the examination of additional evidence on the matters to the extent he or she has not confessed.

85. Proceedings by keeping in custody or on date:

- (1) If, from the evidence immediately available, any accused appears to be the offender pursuant to this Act, or there are reasonable grounds to believe that he or she is the offender, the Customs Officer may demand from him or her a cash deposit sufficient to cover the amount for imprisonment and fine that may be imposed for such offence pursuant to this Act and, where the amount in controversy is also to be recovered, an amount equal thereto. If the accused deposits the deposit amount so demanded, the proceedings of the case shall be carried out by keeping him or her on date (tarekh).
- (2) If the cash deposit demanded pursuant to sub-section (1) is not deposited or cannot be deposited, or if, in the event that any accused is not kept in custody, he or she may cause the destruction of evidence or abscond, or there is a low probability that he or she may be arrested later and the proceedings of the case carried out, the Customs Officer may keep such accused in custody for trial.
- (3) While taking a deposit for imprisonment pursuant to sub-section (1), it shall be taken at the rate mentioned in sub-section (2) of Section 78.
- (4) While taking a deposit from any accused, a document shall be executed mentioning the condition that the deposit shall be forfeited if he or she does not appear on the specified date.

86. Order sheet to be prepared:

While keeping any accused in custody, releasing an accused kept in custody, or taking a deposit from any accused pursuant to this Act, an order sheet stating the reasons shall be prepared.

87. Issuance of summons or arrest warrant:

- (1) Notwithstanding anything contained in the prevailing law, in order to cause an accused who has not appeared together with the complaint to appear in a case relating to an offence under this Act, the Customs Officer may issue summons

pursuant to the prevailing law in the name of the concerned accused, giving a time limit of fifteen days.

- (2) Notwithstanding anything contained in sub-section (1), if there are reasonable grounds to believe that the accused may abscond and may not be arrested again, or if the accused does not appear at the Customs Office within the time limit specified in the summons, the Customs Officer may issue an arrest warrant pursuant to the prevailing law in respect of such accused.

88. Time limit not to be extended and representative not to be appointed:

In a case relating to an offence under this Act, the time limit issued pursuant to Section 87 shall not be extended, and no representative (waris) shall be appointed.

Provided that if any accused makes an application showing the reason that he or she could not appear within the specified time limit due to circumstances beyond control, and the adjudicating authority finds the contents of such application reasonable, the adjudicating authority may extend the time limit for up to fifteen days, excluding the time required for the journey, after the circumstances beyond control have ceased.

89. Powers equivalent to court:

For the purposes of this Act, the Customs Officer shall have the same powers as a court of first instance has pursuant to the prevailing law in relation to summoning the concerned person, recording statements, examining evidence, causing documents to be submitted and conducting the trial of cases, or executing the decisions made in the cases filed before the Customs Officer.

90. Forfeiture of deposit:

- (1) If a person who has furnished a deposit pursuant to this Act does not appear on the date specified by the Customs Office, except in circumstances beyond control, the deposit furnished by him or her shall be forfeited.
- (2) Notwithstanding anything contained in sub-section (1), where the proceedings of a case have been carried out by taking a deposit from any accused pursuant to Section 85, and the charge is proved upon the decision of such case, the amount of fine payable by him or her shall be recovered by adjusting (sadarsyaha) it from such deposit. The amount of fine shall not be recovered again merely on the ground that he or she has failed to appear on the date.

91. Period for deciding case:

The Customs Officer shall ordinarily decide a case under this Act within thirty days from the completion of the examination of evidence.

Chapter-14

Management of Confiscated, Purchased or Seized Goods

92. Management of confiscated or purchased goods:

- (1) Goods confiscated pursuant to this Act or the prevailing law relating to customs duty, or purchased pursuant to sub-section (4) of Section 33, shall ordinarily be managed within sixty days in any of the following ways:

- (a) To hand over to any government body upon a decision of the Ministry,
 - (b) To auction,
 - (c) In the case of goods which could not be auctioned pursuant to clause (b) or which cannot be brought into use in any manner, to decompose, melt or destroy,
 - (d) If it appears that giving the goods to the concerned government body for distribution to persons affected by a calamity would be more useful than auctioning them, for the Customs Officer to hand over the same to such government body with the approval of the Ministry.
- (2) Notwithstanding anything contained in sub-section (1), the auction or other necessary management of gold, silver, jewellery, goods which may be sold only upon obtaining a licence, or precious mineral substances, which have been confiscated or have come to be deposited in the name of the Government of Nepal without being released from the Customs Office, shall be made.
- Provided that the Customs Officer may auction silver ornaments or other finished silver goods pursuant to clause (b) of sub-section (1).
- (3) If any goods seized pursuant to this Act may rot, decay or depreciate in value by becoming old, or if it is difficult to keep them due to lack of a customs warehouse or space, the Customs Officer may auction such goods even before the decision of the case.
- (4) The Customs Office shall credit the amount received from the auction pursuant to sub-section (3) to the deposit account.
- (5) If the owner of the goods makes an application demanding the amount received from the auction pursuant to sub-section (3) of Section 78 or this Section, the Customs Office shall pay such amount to him or her only in the following circumstances:
- (a) Where the goods taken under control on the charge of import smuggling or export smuggling and auctioned pursuant to this Act are held, in the final decision of the case, not to have been imported or exported by way of import smuggling or export smuggling, and the application is made within thirty-five days from the date of such decision, or
 - (b) Where the concerned person submits an application, with evidence, to the Customs Officer within thirty-five days from the date of the auction, claiming that the goods confiscated and auctioned pursuant to Section 52 belong to him or her and requesting the refund of the remaining amount after deducting the amount referred to in sub-section (6), and it is established from such evidence that such goods belong to him or her.
- (6) While making payment pursuant to sub-section (5), the Customs Office shall pay only the remaining amount after deducting the following amounts:
- (a) The tax levied on the auction price at the time of auctioning the goods, the expenses incurred for the purpose of storing such goods or the demurrage, and the expenses incurred for the purpose of auction, and

Explanation: For the purposes of this clause, "demurrage" means the demurrage charge required to be paid by the owner of goods to the Government of Nepal pursuant to the prevailing law relating to customs duty if such goods kept in a customs warehouse operated or managed by the Customs Office, in the premises of the Customs Office or at any place in the customs area are not cleared and taken away within the period fixed by law.

- (b) The amount of duty that may be chargeable on the day of the auction on the normal import of goods similar to the goods auctioned, and the amount of interest, if any.

Chapter-15

Administrative Review and Appeal

93. Administrative review:

- (1) Except in a case deemed to be an offence of export smuggling or import smuggling pursuant to this Act and matters related thereto, any person who is not satisfied with an order relating to the determination of customs value and classification of goods, or any other decision, made by the Customs Officer may make an application to the Director General for review within thirty days from the date of such order or decision.
- (2) While making an application to the Director General for review pursuant to sub-section (1), the necessary documents and, in the case of a matter relating to the determination of customs value and classification of goods, as far as possible, a sample of such goods shall also be submitted together with the application.
- (3) While making an application pursuant to sub-section (1), the receipt showing that the duty and, if any, the fine imposed pursuant to the order or decision against which the application is made has been paid, or that an equivalent amount has been kept as a cash deposit at the concerned Customs Office, shall also be attached with the application.

Provided that a person who is in custody due to inability to pay such amount of duty or fine may make an application for review without furnishing a deposit.

94. Decision on administrative review:

- (1) The Director General shall decide on the application for review made pursuant to Section 93 within sixty days.
- (2) While making a decision pursuant to sub-section (1), the Director General may, after making necessary inquiry, uphold or quash, in part or in full, the original order or decision, or order a fresh decision, or make a decision himself or herself by disclosing the grounds and reasons pursuant to this Act.
- (3) While deciding on an application for review relating to the classification of goods pursuant to this Section, the Director General may act pursuant to sub-section (3) of Section 37, subject to sub-section (1) of Section 36.

- (4) While deciding on an application for review relating to the customs valuation of goods, the Director General shall do so subject to Section 31.
- (5) Where the Director General, while making a review decision on a matter relating to the classification of goods, has sought the opinion of any international body related to customs, the time limit referred to in sub-section (1) shall not apply.
- (6) While deciding on an application for review pursuant to this Section, the grounds and reasons shall also be disclosed.
- (7) The Department shall give written information of the order or decision made by the Director General on the application for review pursuant to this Section to the concerned person within three days.

95. Appeal:

- (1) Any person who is not satisfied with an order or decision made by the Director General, the Customs Officer or the Customs Examiner on the following matters pursuant to this Act may file an appeal to the Revenue Tribunal within thirty-five days from the date of receipt of the information of such order or decision:
 - (a) The decision made by the Director General in relation to classification of goods pursuant to Section 37,
 - (b) The decision on review made pursuant to Section 94,
 - (c) The decision made pursuant to Chapter-17 assessing duty or imposing a fine,
 - (d) The punishment imposed by the Customs Officer pursuant to this Act.

Provided that if a person is not satisfied with the decision made by the District Court, he or she may file an appeal to the concerned High Court.

- (2) The person filing an appeal pursuant to sub-section (1) shall, out of the amount of duty and fine imposed pursuant to the decision or order against which the appeal is filed, pay the undisputed duty to the concerned Customs Office or Post Clearance Audit Office and keep a cash deposit of one hundred percent of the disputed duty and fine.

Provided that a person who is in custody due to inability to pay such amount of duty and fine may file an appeal without furnishing a deposit.

- (3) The bank voucher of the deposit amount referred to in sub-section (2) deposited into the deposit account maintained at the District Treasury Controller Office in the name of the concerned Customs Office or Post Clearance Audit Office shall be submitted together with the appeal.
- (4) Notwithstanding anything contained in other prevailing law, where there is a provision for administrative review pursuant to Section 93, an appeal may be filed to the Revenue Tribunal pursuant to this Section only after the decision on review has been made, if a person is not satisfied with such decision.
- (5) The appellant shall compulsorily provide a copy of the appeal to the Department and the concerned Customs Office or Post Clearance Audit Office within seven days of filing the appeal pursuant to this Section.

Chapter-16

Customs Agent

96. Customs agent may be appointed:

- (1) If the owner of any goods is unable to take delivery himself or herself of the goods to be exported or imported from the Customs Office, or wishes to have any act relating to the Customs Office performed through a customs agent instead of performing it himself or herself, he or she may appoint a customs agent.

Provided that a customs agent shall not be entitled to appoint another agent for customs clearance.

- (2) If the owner of any goods is a firm, company, corporate body or body registered pursuant to the prevailing law, the director, partner, chief executive or administrative chief of such firm, company, corporate body or body, or an officer-level employee of such firm, company, corporate body or body designated by the chief executive, may appear at the Customs Office and take delivery of the goods or perform other acts relating to the Customs Office.

97. Licence of customs agent to be obtained:

- (1) A Nepali citizen who wishes to work as a customs agent for taking delivery of goods to be exported or imported from the Customs Office or for any act relating to the Customs Office shall obtain a licence of customs agent from the Department.
- (2) In order to obtain a licence of customs agent pursuant to sub-section (1), a person shall possess the following qualifications:
- (a) Being a Nepali citizen who has completed the age of twenty-one years,
 - (b) Having obtained at least a bachelor's degree from a recognized educational institution,
 - (c) Not having been convicted by a court of any criminal charge.
- (3) For the selection of customs agents, the Department shall conduct an examination within two years from the date of commencement of this Act and thereafter periodically as required. While making such selection, priority shall be given to persons having experience in the concerned field.
- (4) Notwithstanding anything contained elsewhere in this Section, a licensed customs agent existing at the time of enactment of this Act shall, after the commencement of this Act, ipso facto be converted into a customs agent.

98. Customs agent deemed to be owner of goods:

A customs agent appointed by the owner of any goods for taking delivery of his or her goods from the Customs Office or for performing other acts relating to the Customs Office pursuant to this Act or the prevailing law relating to customs duty shall, for that purpose, be deemed to be the owner of such goods.

99. Functions and duties of customs agent:

The functions and duties of a customs agent shall be as follows:

- (a) Where authorized to take delivery of the goods of any exporter or importer from the Customs Office, to declare such goods in accordance with the Rules and to take delivery of the same after having them cleared from the Customs Office,
- (b) If the Customs Officer gives a written notice for causing the exporter or importer appointing the customs agent to appear before him or her, to give such notice to the concerned exporter or importer,
- (c) To simplify the customs clearance procedure, to assist the Customs Office in the collection of duty, and to provide necessary assistance in recovering any duty remaining to be recovered,
- (d) To comply with the laws relating to customs.

100. Customs agent to be liable:

If a customs agent licensed pursuant to Section 97 causes any loss or damage to any goods by doing any act contrary to this Act or the prevailing law relating to customs duty, he or she shall pay an amount equal to such loss or damage to the owner of such goods.

101. Licence may be suspended or cancelled:

- (1) The Customs Officer may suspend the licence of a customs agent for a period from one month to six months in the following circumstances:
 - (a) If he or she has been punished pursuant to Section 73,
 - (b) If he or she has failed to perform the duties referred to in Section 99,
 - (c) If he or she has done any act contrary to this Act or the prevailing law relating to customs duty.
- (2) If a case is filed in a court against any customs agent on any criminal offence pursuant to the prevailing law, his or her licence of customs agent shall ipso facto be suspended from the date of filing of such case.
- (3) The Director General may cancel the licence of a customs agent in the following circumstances:
 - (a) If the licence has been suspended up to three times pursuant to sub-section (1),
 - (b) If the Customs Officer writes to the Director General for the cancellation of his or her licence stating that he or she has obtained the licence by submitting a fake educational qualification certificate or other false documents or particulars,
 - (c) If he or she is found to be involved in any act of export smuggling, import smuggling or revenue leakage,
 - (d) If he or she is convicted by a court of any criminal charge,
 - (e) If he or she makes an application to the Director General for the cancellation of the licence obtained by him or her,
 - (f) If he or she is incapable of working as a customs agent due to physical or mental illness,

- (g) If he or she dies.
- (4) Before suspending the licence pursuant to sub-section (1) or cancelling the licence pursuant to clause (a), (b) or (c) of sub-section (3), he or she shall be given an opportunity to submit his or her defence.
- (5) Where the licence of a customs agent has been suspended pursuant to sub-section (1) or (2), throughout such period, and after the licence of a customs agent has been cancelled pursuant to sub-section (3), such person shall not be entitled to perform any act relating to customs agent.
- (6) Except in the circumstance referred to in clause (f) of sub-section (3), a person whose licence has been cancelled pursuant to this Section shall not be eligible to obtain the licence of customs agent again.

Chapter-17

Post Clearance Audit and Re-examination

102. Post clearance audit may be conducted:

- (1) In order to ascertain the following matters in relation to any goods exported or imported, the Director General, the Customs Examiner or the Customs Officer designated by the Director General may audit all particulars, documents or records relating to the business of any exporter or importer, including the books of account, records or other similar documents relating to the purchase, sale, export or import of goods, bank records and the computer system of such exporter or importer:
 - (a) Whether or not the goods have been declared pursuant to sub-section (4) of Section 20,
 - (b) Whether or not the goods are as declared,
 - (c) Whether or not the customs value of the goods is correct,
 - (d) Whether or not the classification heading of the goods is correct,
 - (e) Whether or not the duty payable pursuant to the prevailing law at the time of export or import of the goods has been paid,
 - (f) Whether or not the goods imported with full or partial exemption or facility of customs duty pursuant to this Act or the prevailing law have been used for the intended purpose, and whether or not the concerned person has imported the same,
 - (g) Whether or not there is uniformity between the measurement, size and unit mentioned in the declaration form, purchase invoice or other documents relating to import at the time of importing the goods and the measurement, size and unit mentioned in the purchase book, sales book and sales invoice of the importer.
- (2) Goods cleared from the Customs Office pursuant to clause (c) of sub-section (1) of Section 23 shall be audited to ascertain whether or not the matters referred to in sub-section (1) exist.

103. Recovery of short-levied duty and fine:

- (1) If, while conducting post clearance audit, it is found that the declarant has exported or imported goods different from those declared or from those conforming to the declaration, or that duty lower than that chargeable has been recovered due to the under-declaration of the value or quantity of such goods, the Customs Examiner shall reassess the duty on such goods.
- (2) While assessing the duty pursuant to sub-section (1), the Customs Examiner shall recover from the owner of the goods concerned the duty short-levied due to the under-declaration of the value or quantity at the time of clearance of such goods, the amount of fine leviable pursuant to this Act for the under-declaration of quantity and, in the case of under-declaration of value, a fine of one hundred percent of the duty chargeable on such goods.
- (3) If, while conducting post clearance audit, it is found that duty lower than that chargeable has been recovered due to a change made in the classification heading of the goods, the Customs Examiner shall recover from the owner of the goods concerned the amount of duty so short-levied and a fine equal to such amount.
- (4) If, while conducting post clearance audit, it is established that duty lower than that chargeable has been recovered for any reason other than those referred to in sub-section (2) or (3), the Customs Examiner shall recover from the owner of the goods concerned the amount of duty so short-recovered and a fine equal to such amount.

Provided that no fine shall be imposed if duty lower than that chargeable has been recovered for any reason other than the reason attributable to the declarant.

- (5) If, while conducting post clearance audit, it is found that any person has used or sold any goods imported with full or partial exemption or facility of customs duty pursuant to this Act or other prevailing law contrary to the purpose for which such goods were imported, or that a person not entitled to such exemption or facility has imported any goods with full or partial exemption or facility of customs duty, the Customs Examiner shall recover from him or her the duty chargeable on such goods and a fine of two hundred percent of the duty.
- (6) If, while conducting audit pursuant to Section 102, it is found that goods have been imported without making a declaration pursuant to clause (a) of sub-section (1) thereof, the Director General or the Customs Examiner shall impose a fine of five percent of the customs value of such goods.

Provided that no fine shall be imposed pursuant to this sub-section merely on the ground that such particulars as cannot be disclosed due to the nature of the goods have not been disclosed.

- (7) For the purpose of assessing duty pursuant to sub-section (1), the Customs Examiner shall, while determining the value of the imported goods, determine the same pursuant to Section 31.

104. Power to inquire of person concerned:

- (1) While conducting post clearance audit, the Customs Examiner may summon the concerned person to his or her office, record his or her statement, take evidence,

cause him or her to submit documents, issue a notice or time limit, or recover from him or her the additional amount or fine chargeable pursuant to this Act or the prevailing law relating to customs duty.

- (2) If the owner of any goods fails to appear when summoned or within the time limit issued pursuant to sub-section (1), or fails to submit the documentary evidence or documents as demanded, the Customs Examiner may impose on him or her a fine of ten thousand rupees for each instance, withhold his or her transactions relating to export or import, and conduct post clearance audit on the basis of such documentary evidence or documents as are available.

Provided that if any additional evidence or document is received in that respect after the post clearance audit has been conducted, nothing shall bar the conduct of post clearance audit again on the basis of such evidence or document.

105. Opportunity to submit defence to be given:

- (1) Before giving an order to recover any fine or additional duty amount pursuant to this Chapter, the Director General or the Customs Examiner shall give the owner of the goods concerned a reasonable opportunity to submit his or her defence in that respect, by giving information on the duty and fine assessed and a time limit of fifteen days.
- (2) After the defence is submitted pursuant to sub-section (1), or, if the defence is not submitted, after the expiry of the time limit for submitting the defence, the Director General or the Customs Examiner shall make the final assessment of the duty and fine and give an order to the concerned exporter or importer to deposit the amount accordingly.

106. Duty or fine to be paid:

- (1) The owner of the goods concerned shall deposit the amount of duty or fine assessed pursuant to this Chapter into the bank specified by the Customs Office within thirty-five days from the date of receipt of the order to deposit such amount. If the amount is not deposited within that period, such amount shall be recovered together with interest calculated thereon at the rate of zero point zero four two percent (0.042%) per day from the date of the order to deposit such duty or fine amount.
- (2) The Customs Examiner shall withhold the transactions relating to export or import, the bank accounts and the movable or immovable property of the owner of goods who fails to pay the amount payable pursuant to sub-section (1), and recover such amount from such property.
- (3) If a matter is referred for withholding pursuant to sub-section (2), the concerned body shall immediately withhold such transactions, bank accounts and movable or immovable property as referred by the Post Clearance Audit Office, and give information thereof to the Customs Examiner.
- (4) If the owner of goods who fails to pay the amount payable pursuant to sub-section (1) is found to have any amount receivable as payment from any government body or bank, the Customs Examiner may write to such body or bank to immediately remit such amount in the name of the Post Clearance Audit Office.

- (5) If a matter is referred pursuant to sub-section (4), the concerned body or bank shall immediately remit such amount in the name of the Post Clearance Audit Office.
- (6) If the amount cannot be recovered pursuant to sub-section (2) or (4), such amount shall be recovered as government dues.

107. Particulars demanded to be provided:

- (1) If the Customs Examiner considers necessary for the purposes of this Chapter, he or she may demand from a bank or any other person or body related to the transactions of the owner of goods such particulars or documents as payments, bank accounts, profit and loss accounts, tax returns and invoices relating to the owner of the goods concerned, his or her transactions or the goods.
- (2) It shall be the duty of the concerned person or body to make available the particulars or documents demanded pursuant to sub-section (1).

108. Period within which post clearance audit may be conducted and other provisions:

Post clearance audit may be conducted pursuant to this Chapter in relation to any goods within two years from the date on which such goods were cleared pursuant to this Act or the prevailing law relating to customs duty.

Provided that if it is proved that any declarant has paid duty lower than that chargeable by preparing false documents or papers, the Customs Examiner may, with the permission of the Director General, conduct post clearance audit in relation to such goods even after the expiry of such period.

109. Power to re-examine:

- (1) The Director General, the Customs Officer or an employee deputed by him or her may re-examine the documents relating to import or export, including the declaration forms of the goods cleared from the Customs Office, and records in any form whatsoever, within two years from the date of clearance of such goods.
- (2) If, while re-examining pursuant to sub-section (1), it is found that any duty required to be recovered has been omitted to be recovered, the Customs Officer shall recover from the owner of the goods the duty so omitted on such goods.

Provided that if it is found that a difference in duty has arisen due to the submission of a fake bill, invoice or document by the declarant, the Customs Officer may impose a fine of three hundred percent of the duty difference so arisen. **If the documents so submitted indicate that a government document has been forged, the Customs Officer shall write to the concerned body or authority for action pursuant to the prevailing law.**

Chapter-18

Refund of Duty and Fine

110. Refund of customs duty:

- (1) If any person has paid customs duty in excess of that chargeable pursuant to the prevailing law at the time of export or import, or if, after the payment of customs

duty upon a declaration, such declaration is cancelled pursuant to sub-section (11) of Section 20, the Customs Officer shall refund such customs duty to him or her.

- (2) Notwithstanding anything contained in sub-section (1), customs duty shall not be refunded in the following circumstances:
- (a) If no application is made to the concerned Customs Office for the refund of such duty within sixty days of taking delivery of the goods,
 - (b) If the amount claimed for refund is less than five hundred rupees,
 - (c) If the duty has been recovered before the examination of the goods and, upon examination of the goods pursuant to clause (d) of sub-section (1) of Section 23 of the Act, different goods are found instead of the goods as per the particulars mentioned in the declaration made by the declarant or in the documents attached thereto.

111. Special provision relating to refund of duty:

If an industry which has not obtained the facility of importing by keeping a cash deposit pursuant to the prevailing law relating to customs duty or a licence of bonded warehouse pursuant to Section 61 imports raw materials and auxiliary raw materials required for the production of goods to be exported by it and exports the finished goods produced therefrom, the duty paid at the customs point at the time of import of such raw materials shall be refunded by the Customs Office at a flat rate as specified in a notification published in the Nepal Gazette by the Government of Nepal.

112. Duty or fine not to be refunded until final disposal of case:

Where, upon the decision of an appeal filed pursuant to this Act against the decision of the Customs Officer to recover duty or fine, a decision is made that the whole or any part of the duty or fine so recovered is not leviable, the Customs Officer shall refund to the person concerned the amount of duty or fine stated to be refundable pursuant to such decision only after the final decision is made upon an appeal where there is a provision for appeal against such decision, or, in a case where leave to appeal is required to be sought, if leave to appeal is not obtained upon an application for such leave, or, if leave is obtained, after the final disposal of such appeal.

Chapter-19

Miscellaneous

113. Goods infringing intellectual property rights not to be exported or imported:

- (1) No person shall export or import any goods in such a manner as to infringe the rights over any intellectual property, such as a patent, design, trademark or copyright, obtained by any person pursuant to the prevailing law.
- (2) If any person is about to export or import any goods in contravention of sub-section (1), the interested person may, along with evidence, make an application to the concerned Customs Officer for withholding such export or import.
- (3) If an application is made pursuant to sub-section (2), the Customs Officer shall withhold such goods at the Customs Office and write to the concerned body or authority for necessary action in that respect.

- (4) If a matter is referred pursuant to sub-section (3), the concerned body or authority shall complete the action in that respect pursuant to the prevailing law and give information thereof to the Customs Office.
- (5) If, while taking action pursuant to the prevailing law pursuant to sub-section (4), the concerned body or authority holds that such goods are to be confiscated, the Customs Officer may destroy such goods at the cost of the declarant himself or herself.
- (6) If the Customs Officer suspects that any person has imported or attempted to import fake or counterfeit goods prepared by imitating the manufacturing company, brand, model, design, make, logo or similar thing of any goods, he or she may demand from the importer evidence establishing the fact that such goods are not counterfeit or fake, obtain a test report by sending such goods for technical testing to the laboratory of the Department or of any other government body, or demand necessary information in that respect from the manufacturer whose goods are suspected to have been imitated.
- (7) Where evidence has been demanded from the importer pursuant to sub-section (6), he or she shall submit such evidence within fifteen days.
- (8) If, on the basis of the test report or information received pursuant to sub-section (6) or the evidence submitted pursuant to sub-section (7), such goods are found to be counterfeit, the Customs Officer shall confiscate and destroy such goods.

114. Export or import code number to be obtained:

- (1) No person shall be entitled to export or import any goods without obtaining an export or import code number.
Provided that nothing shall bar the Department from making a separate arrangement allowing export or import without obtaining an export or import code number.
- (2) The export or import code number obtained pursuant to sub-section (1) shall be renewed.
- (3) No transaction relating to export or import shall be carried out by using such export or import code number without renewing the same.
- (4) If a person wishing to cancel his or her export or import code number makes an application to the Department upon paying the renewal fee, the Department may cancel the export or import code number of such person.
- (5) The export or import code number referred to in this Section shall be administered by the body specified by the Government of Nepal by a notification published in the Nepal Gazette, and until the Government of Nepal specifies such body, the export or import code number shall be administered by the Department.

115. Records to be kept safely:

The owner of goods shall keep safely the documents relating to the customs procedure of the goods exported or imported by him or her and the records relating thereto for at least four years from the date of export or import of such goods.

116. Reward to be given:

A reward shall be given to an employee or person who gives information to the Customs Office that any person is about to make or has made export smuggling or import smuggling of any goods, or who takes such goods under control and deposits them at the Customs Office, if such act is proved.

117. Owner of goods to bear expenses:

The expenses required for such acts as carrying the goods, taking them to an appropriate place for examination and opening, placing them in and taking them out of any machine, opening, sorting, and marking the goods or the container, box, bag, packet, sack or other similar packing materials in which such goods are contained, while clearing the goods pursuant to this Act or the prevailing law relating to customs duty, shall be borne by the owner of the goods concerned.

118. Confidentiality to be maintained:

- (1) Notwithstanding anything contained in the prevailing law, the information relating to customs valuation, the documents relating to the clearance of goods and other personal business information submitted by the declarant to the Customs Office shall be kept confidential.
- (2) Notwithstanding anything contained in sub-section (1), if any particulars or documents in relation to any goods are demanded by an authority empowered to conduct investigation pursuant to the prevailing law for the purpose of such investigation or audit, or by a court for the purpose of judicial proceedings, the Customs Officer shall make available such particulars or documents and any information relating thereto.
- (3) If any declarant demands a certified copy of the declaration form, invoice or other documents relating to his or her goods kept at the Customs Office, the Customs Officer shall make available the certified copy of such documents upon charging the prescribed fee.

119. Issuance of notice:

Except where otherwise provided for in this Act or the prevailing law relating to customs duty, while issuing a personal or public notice in the name of any person who is or may be concerned with the functions and proceedings of the Customs Office, the Customs Office shall issue such notice by giving a period of fifteen days.

120. Power to delegate:

- (1) The Government of Nepal may, by a notification published in the Nepal Gazette, delegate the powers vested in it pursuant to this Act to the Director General or any other officer employee.
- (2) The Ministry may delegate the powers vested in the Customs Officer or the Customs Examiner under this Act to any officer of the Government of Nepal.
- (3) The Director General may delegate the powers conferred on him or her pursuant to this Act, except the powers relating to the classification of goods, review on customs valuation or classification of goods and the powers referred to in sub-section (2) of Section 5, to an officer-level employee subordinate to him or her.

- (4) The Chief Customs Administrator may delegate the powers conferred on him or her pursuant to this Act, except the powers conferred on him or her to take action and dispose of cases pursuant to Section 70, to any officer subordinate to him or her.
- (5) The Chief Post Clearance Audit Administrator may delegate some of the powers conferred on him or her pursuant to this Act to any Examiner subordinate to him or her.
- (6) If the Department receives, through any means, information that any Customs Officer or other employee deputed to the work of the Customs Office has done or is about to do any act contrary to this Act or the prevailing law relating to customs duty, and if there appear reasonable grounds to believe such information, the Director General may give authority to another Customs Officer or employee to perform or cause to be performed the work being performed by such Customs Officer or employee.

121. Recognition of documents:

- (1) Notwithstanding anything contained in other prevailing law, any document relating to clearance printed from the computer system by the Customs Officer by using his or her official password shall be recognized as if it bore the signature of the employee, even if it does not bear the signature of the employee.
- (2) Any document printed on the basis of the record relating to the declaration of goods, exchange of information or clearance made through electronic means in the computer system by using the official password made available by the Customs Office shall be recognized as if it bore the signature of the concerned person, even if it does not bear the signature of the concerned person.

122. Payment may be made through electronic means:

- (1) Notwithstanding anything contained elsewhere in this Act, the Department may make necessary arrangements so that the duty, fine or any other amount payable to the Customs Office pursuant to this Act or other prevailing law may, as far as possible, be paid through electronic means (e-payment).
- (2) The arrangements relating to payment through electronic means (e-payment) pursuant to sub-section (1) shall be as specified by the Department.

123. Functions may be performed through National Single Window System:

- (1) The Government of Nepal may develop and bring into implementation a National Single Window System in order to systematize international trade.
- (2) The National Single Window System referred to in sub-section (1) shall be implemented by the Department.
- (3) The bodies relating to export or import shall be linked to the National Single Window System developed by the Government of Nepal pursuant to sub-section (1).
- (4) Notwithstanding anything contained in this Act or other prevailing law, the bodies relating to export or import linked to the National Single Window System shall perform their functions through the system referred to in sub-section (1).

124. Information to be given:

The Customs Office shall give information on the particulars of the property and instruments confiscated by the Customs Officer pursuant to this Act to the body specified pursuant to the prevailing law relating to the withholding, control and confiscation of property and instruments related to offence.

125. Cooperation to be extended:

If, while performing his or her duties and exercising his or her powers pursuant to this Act or the prevailing law relating to customs duty, the Customs Officer or any other employee of the Customs Office seeks any kind of cooperation, information or assistance from any government office, employee, police, bank or financial institution, it shall be the duty of the concerned office, employee, police, bank or financial institution to provide such cooperation, information or assistance and to deliver services in such a manner as to maintain harmony with the performance of the Customs Office.

126. No interference to be made:

- (1) No other body or authority shall make any kind of interference in relation to any goods kept in the area or premises of the Customs Office or in a customs warehouse for export or import, until such goods are cleared from such Customs Office and taken out of the customs area.
- (2) Notwithstanding anything contained in sub-section (1), nothing shall bar the body or authority designated pursuant to the prevailing law to conduct investigation or inquiry in relation to any goods from inspecting such goods or collecting samples thereof with the approval of the Customs Officer.

127. Shipping containers may be cleared:

If a shipping company registered in Nepal to operate container services pays the duty chargeable on containers which, although purchased abroad, cannot be physically imported, such containers may be cleared by deeming them to have been imported.

128. Protection of acts done in good faith:

- (1) Notwithstanding anything contained elsewhere in this Act, no customs employee shall be personally liable for any act or action done in good faith in the course of performing his or her duties.
- (2) If any discrepancy is found in any goods cleared pursuant to clause (a) or (c) of sub-section (1) of Section 23, the officer or other employee involved in the clearance of such goods shall not be liable.
- (3) In relation to any goods cleared pursuant to clause (b) of sub-section (1) of Section 23, the officer or other employee involved in the clearance of such goods shall be liable to the extent of examining the documents of such goods.

129. Power to remove difficulties:

If any difficulty arises in implementing this Act, the Government of Nepal may, by a notification published in the Nepal Gazette, remove such difficulty without being inconsistent with this Act.

130. Power to frame Rules:

In order to implement this Act, the Government of Nepal may frame Rules on the following matters:

- (a) Relating to the clearance of goods from Sub-customs Offices,
- (b) Relating to the particulars of conveyances and the goods contained in conveyances,
- (c) Relating to the examination of conveyances, other than aircraft, before entering Nepal and before departing to a foreign country,
- (d) Relating to the format of the declaration form, declaration of goods and the documents required to be attached,
- (e) Relating to the release of deposits, refund of duty and recovery of duty omitted to be recovered,
- (f) Relating to the expeditious clearance of goods,
- (g) Relating to the clearance of goods before receiving the test report and expert opinion,
- (h) Relating to the clearance of goods on the basis of risk analysis,
- (i) Relating to the on-site examination of goods and the fee therefor,
- (j) Relating to the sample testing of goods,
- (k) Relating to Authorized Economic Operators,
- (l) Relating to specifying the means of transport for transporting the cleared goods, affixing seals and recording,
- (m) Relating to the return of imported goods,
- (n) Relating to the declaration of customs value and the determination of transaction value of imported goods,
- (o) Relating to the purchase of under-invoiced goods,
- (p) Relating to the limit of duty for clearing goods without charging duty,
- (q) Relating to the goods brought by passengers along with them,
- (r) Relating to the establishment, operation, regulation and management of customs warehouses,
- (s) Relating to the operation and management of warehouses established by the private sector,
- (t) Relating to the operation and management of bonded warehouses,
- (u) Relating to the operation of duty free shops,
- (v) Relating to the inland transportation of goods,
- (w) Relating to the goods to be exported or imported by air by express service or courier companies and the exemption on value,
- (x) Relating to the goods to be exported or imported through postal service and the exemption on value,

- (y) Relating to advance rulings,
- (z) Relating to the limit of value of goods to be investigated and inquired into,
- (aa) Relating to the auction sale and destruction of goods,
- (ab) Relating to the format of decisions on cases,
- (ac) Relating to administrative review,
- (ad) Relating to customs agents,
- (ae) Relating to post clearance audit and re-examination,
- (af) Relating to the export and import code number, its renewal and fee,
- (ag) Relating to informants and rewards,
- (ah) Relating to copies of documents and the fees therefor,
- (ai) Relating to the operation of the National Single Window System,
- (aj) Relating to the rules of origin of goods.

131. Power to frame directives and procedures:

Subject to this Act, the Department may frame directives or procedures on the following matters:

- (a) Relating to customs valuation of goods,
- (b) Relating to electronic declaration, clearance and payment of revenue,
- (c) Relating to post clearance audit,
- (d) Relating to risk management,
- (e) Relating to the clearance of relief materials,
- (f) Relating to the conduct of examinations for customs agents,
- (g) Relating to the computer system,
- (h) Relating to the National Single Window System,
- (i) Relating to other necessary matters concerning customs administration.

132. Repeal and saving:

- (1) The Customs Act, 2064 (2007) is hereby repealed.
- (2) The acts and actions done and performed under the Customs Act, 2064 (2007) shall be deemed to have been done and performed under this Act.
- (3) The applications pending decision before the Valuation Review Committee or the Advance Ruling Committee at the time of commencement of this Act shall be decided pursuant to this Act.