	सीमाशुल्क आयुक्त का कार्यालय, एनएस-II OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-II **केंद्रीकृत निर्यात मूल्यांकन प्रकोष्ठ, जवाहरलाल नेहरू सीमाशुल्क भवन** CENTRALIZED EXPORT ASSESSMENT CELL, JAWAHARLAL NEHRU CUSTOM HOUSE, **न्हावा शेवा, तालुका- उरण, जिला- रायगढ़, महाराष्ट्र** -400 707 NHAVA SHEVA, TALUKA-URAN, DIST- RAIGAD, MAHARASHTRA-400707

फ़ा.सं. /F. No.: CUS/ASS/MISC/624/2024-CEAC **Date of Order:**
Date of Issue:

द.प.सं./DIN: - 2025107 8NT000000D733

जारीकर्ता/Passed By: Shri Raghu Kiran B.,
Additional Commissioner of Customs,
CEAC, NS-II, JNCH, Nhava Sheva

मूल आदेशसं./Order-In-Original No.:149**/2025-26/ADC/CEAC/NS-II/CAC/JNCH**

निर्यातक का नाम/Exporter's Name: M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885)

<u>मूल आदेश</u>

1. यहप्रतिजिसव्यक्तिकोजारीकीजातीहै, उसकेउपयोगकेलिएनि: शुल्कदीजातीहै।

2. इसआदेशकेविरुद्धअपीलसीमाशुल्कअधिनियम 1962 कीधारा 128 (1) केतहतइसआदेशकीसंसूचनाकीतारीखसेसाठदिनोंकेभीतरसीमाशुल्कआयुक्त (अपील), जवाहरलालनेहरूसीमाशुल्कभवन, शेवा, ता. उरण, जिला - रायगढ़, महाराष्ट्र -400707 कोकीजासकतीहै।अपीलदोप्रतियोंमेंहोनीचाहिएऔरसीमाशुल्क (अपील) नियमावली, 1982 केअनुसारफॉर्मसी.ए.-1 संलग्नकमेंकीजानीचाहिए।अपीलपरन्यायालयफीसकेरूपमें 2.00 रुपयेमात्रकास्टांपलगायाजायेगाऔरसाथमेंयहआदेशयाइसकीएकप्रतिलगायीजायेगी।यदिइसआदेशकीप्रतिसंलग्न कीजातीहैतोइसपरन्यायालयफीसकेरूपमें 2.00 रुपयेकास्टांपभीलगायाजायेगाजैसाकिन्यायालयफीसअधिनियम 1870 कीअनुसूची 1, मद 6 केअंतर्गतनिर्धारितकियागयाहै

3. इसनिर्णययाआदेशकेविरुद्धअपीलकरनेवालाव्यक्तिअपीलअनिर्णीतरहनेतक, शुल्कयाशास्तिकेसंबंधमेंविवादहोनेपरमाँगेगयेशुल्कके 7.5% का, अथवाकेवलशास्तिकेसंबंधमेंविवादहोनेपरशास्तिकाभुगतानकरेगा ।

<u>ORDER-IN-ORIGINAL</u>

1. This copy is granted free of charge for the use of the person to whom it is issued.

2. An appeal against this order lies with the Commissioner of Customs (Appeal), Jawaharlal Nehru Custom House, Nhava Sheva, Tal: Uran, Dist.: Raigad, Maharashtra – 400707 under section 128(1) of the Customs Act, 1962 within sixty days from the date of communication of this order. The appeal should be in duplicate and should be filed in Form CA-1 Annexure on the Customs (Appeal) Rules, 1982. The Appeal should bear a Court Fee stamp of Rs.1.50 only and should be accompanied by this order or a copy thereof. If a copy of this order is enclosed, it should also bear a Court Fee Stamp of Rs. 1.50 only as prescribed under Schedule 1, item 6 of the Court Fee Act, 1970.

3. Any person desirous of appealing against this decision or order shall, pending the appeal, make payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

BRIEF FACTS OF THE CASE

M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885)having address at 11, Teresa Apartment Nr. Silver Arch Soc, Samata Nagar, Thane(W)-400606 (hereinafter referred to as the "Exporter") was attempting to export a consignment of goods declared as "Polyamide 12 Tubes RG" (hereinafter called as "the goods")vide Shipping Bill No- 7186395 dated 01.02.2024 filed through their Customs Broker M/s. Care Clearing & Forwarding Pvt Ltd (hereinafter referred to as the "CB") from Nhava Sheva port.The details of the said Shipping Bill is tabulated below :-

Table-I

Sr.No.	S/B No. & Date	Description of Goods	Declared FOB (in Rs.)	IGST Claimed (in Rs)
1	7186395 dated 01.02.2024	Polyamide 12 tubes RG	1854604.35	LUT
		Total(in Rs)=	**1854604.35**	

2. On the basis of specific intelligence from Docks, it was suspected that the Exporter M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885) was attempting to export this consignment in contravention of the relevant rules and regulations under the Customs Act,1962.Subsequently, the goods covered under the subject shipping bill were examined under Panchanama dated 14.02.2024 in the presence of authorized representative of CB i.e. Shri Shailesh Chandra, G-card holder of CB M/s. Care Clearing & Forwarding Pvt Ltd. During 100% examination, the marking and quantity of the goods were found to be as mentioned in the shipping bill, invoice and packing list. However, Representative Sealed Samples (RSS) in duplicate were drawn randomly and were sealed for the purpose of testing of declared description and for valuation also.

3. In pursuance to the case, a letter dated 24.02.2024 was also sent to jurisdictional DC/CGST Commissionerate to verify genuineness of the exporter.In reply, a letter dated

3. In pursuance to the case, a letter dated 24.02.2024 was also sent to jurisdictional DC/CGST Commissionerate to verify genuineness of the exporter.In reply, a letter dated 14.10.2024 was received vide F.No ST0-C-014/JEKEGRAM_702/Thane City/2024-25/B-979 Thane, wherein the following was informed:

- **Genuineness of the exporter:** Upon review, we find that M/s. Parth Resins & Marketing Pvt Ltd (GSTN: 27AAFCP2244M1Z7) is an entity operating in compliance with GST regulations. This is active and updated firm, all GST returns are filed in time.
- **Filing of GST Returns:** The firm has duly filed all GST Returns for the past three years. All returns have been filed within the stipulated timeframes.
- **Genuineness of ITC**: The ITC claimed by the firm has been verified to be legitimate.

4. The RSS drawn during the examination were forwarded to CIPET, Aurangabad to ascertain the nature, composition and correct classification of the subject goods. The CIPET, Aurangabad forwarded Test Report No. 30319 (Sr. No. 25680) dated 05.03.2024. The details of the said DYCC report are tabulated as below: -

Table-II

Item Sr.No. of SB	Declared Description Of Goods	Test results
1	Polyamide 12 tubes RG	Nylon -12 (Polyamide – 12) tubes regrind of single thermoplastic

4.1 From the above Table no. II, the goods were found mis-declared in terms of exact description i.e. the goods found to be *"Nylon -12 (Polyamide – 12) tubes regrind of single thermoplastic"* as the description of goods mentioned in the Shipping Bill is*"Polyamide 12 Tubes RG"* .

4.2 However, the goods on testing did not appear to be plastic waste as per Note-7 to Chapter 39 as objected by docks officer regarding new CTH 3915 (as declared CTH 390810 is correct) and requirement of NOC from MoEF department. In view of the Test Report, the goods are self-assessed correctly under the CTH 390810 and the export policy for the said CTH does not mandate the requirement of MoEF NOC for the export of subject goods. However, the exact description of the goods found mis-declared.

5. **Re-determination of Valuation**

5.1 Whereas, after CIPET test results, the goods were found mis-declared in terms of exact description, hence the transaction value also appears doubtful. Thus, the same appears liable to be rejected as per Rule8 of the Customs Valuation (Determination of Value of Export Goods) Rules, 2007.

5.2 Accordingly, as per Rule 3(3) ibid, since the value of the impugned goods could not be determined under the provisions of Sub Rule (1), the value was to be re-determined by proceeding sequentially through Rule 4 to Rule 6 of the Customs Valuation (Determination of Value of Export Goods) Rules, 2007.

5.3 As the export goods were not standard goods, the export data in Export Commodity Data Base (ECDB) could not be used for comparing price of the goods of like kind and quality as required under Rule 4 of CVR, 2007. Further, the subject goods were not identified specifically with any brand, mark, style and other specifications, the goods of like kind and quality exported cannot be identified to compare their transaction value with the declared value of the subject goods. Hence, value of the subject goods cannot be determined under the said Rule 4 of the Customs Valuation (Determination of Value of Export Goods) Rules, 2007.

5.4 The Exporter has neither produced any cost of production details, manufacturing or processing of export details and correct transport details nor produced cost design or brand or an amount towards profit etc. to derive computed value of the goods. In absence of complete cost data details, value cannot be determined as per Rule 5 of the Customs Valuation (Determination of Value of Export Goods) Rules, 2007.

5.5 The value of the impugned goods is, therefore, proposed to be re-determined under the residual Rule 6 of CVR (Export) Rules, 2007. This rule stipulates that subject to the provisions of Rule 3, where the value of the export goods cannot be determined under the provisions of Rules 4 and 5, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules.

5.6 In this case, it is deemed that the exporter has failed to properly declare the goods in terms of description and quality/grade of goods, which plays a crucial factor in the valuation/assessment/examination of goods. Thus, the exporter by mis-representation of facts has attempted to declare the goods as "New" and not "Regrind" which was only found on testing of the subject goods. Therefore, in order to arrive at the correct value of the impugned goods, reference is drawn towards letter F.No. S/2G-Misc-5633/2010-11 Gp-IIG dated 09.07.2015 issued by Commissioner of Customs, NS-III, JNCH regarding "Valuation of plastic Regrind/lumps/agglomerates" ,wherein at Para 7&8, it has been prescribed to do assessment at value after 45% discount on the PLATT's price for newly goods for plastics regrind/lumps/agglomerates goods. Since, the exporter has attempted to export the declared goods as "New/Prime" and tried to conceal the actual grade of the goods, the value of the subject goods is taken as PLATT benchmark price to arrive at the valuation of goods. On the same line, this office has given 45% discount on declared FOB in the said shipping bill No. 7186395 dated 01.02.2024 and value is detailed at Table-III below:

Table-III

Sr.No.	S/B No. & Date	Declared FOB (in Rs.)	Re-determined FOB value (in Rs.)after 45% discount.
1	7186395 dated 01.02.2024	18,54,604	10,20,032
	Total	**18,54,604**	**10,20,032**

6. In the meantime, the exporter vide letter dated 19.02.2024 requested for provisional release of the goods for Back to town. Accordingly, NOC dated 15.03.2024 was issued in this regard for the purpose of Back to Town of the said goods on execution of Bond equivalent to FOB value of the subject goods i.e., Rs.**18,54,604/-**and on submission of Bank Guarantee of **Rs.1,00,000/-**.Thereafter, the statement of the Exporter was also recorded for further investigation.

7. Recording of the Statement:

7.1 Statement of Shri Nitin Kamalakant Vaidya, Director of M/s. Parth Speciality Resins and Marketing Pvt Ltd was recorded under Section 108 of the Customs Act, 1962 on 21.11.2024,wherein he inter-alia stated following:-

a) That he is a Director in the said firm and holding 99% share in the company,
b) that they filed the Shipping Bill No.-7186395 dated 01.02.2024 through CHA M/s Care clearing and Forwarding Pvt Ltd,
c) that they agreed with the examination done under Panchanama dated 14.02.2024,
d) that they have submitted local Tax Invoice and e-way bill for the subject goods,
e) that they have not mis-declared the goods in respect of either description or CTH,
f) that the subject goods were Nylon 12 tubes off cuts and regrind,

g) that they have seen the CIPET Test Report and that they written material description as *"nylon 12 tubes regrind"*, whereas they have declared as *"nylon 12 tubes RG"*,

h) that they are submitting copies of BRCs regarding the previous Shipping Bills,

i) that they are filing GSTR returns regularly, that they made payment to their supplier through the company bank account number and that they were in this business since 2009 and managed funds self-accurate and also from O.D facility from bank, that they maintained account No. 099100100001254 in Saraswat Co. Op. Bank Ltd., Thane for remittance of export proceeds and for other purposes as well and they had used the same account for purchasing the above said goods,

j) that they did not agree with the re-determined value ascertained by department and that the Value declared in Shipping Bill no.-7186395 dated 01.02.2024 was fair and that they were submitting tax invoices and bank statement as proof to support their declared value.

k) On being asked as to why Regrind was not declared in the product description and as to why new goods were declared in the said Shipping bill, he responded that they wrote RG in short form short to regrind in commercial language and that the goods were first generation plastic product coming from the producers, goods were declared as Nylon 12 tubes RG, RG is short form of regrind in day to day commercial language.

l) On being asked as to why the description of goods declared in the Tax Invoices is Plastic Scrap and description in Shipping Bill is different, it was responded that as per their knowledge, it may be human error and that as per test report their goods are not scrap and that they had declared correct description in the shipping bill i.e. nylon 12 tubes RG, that they wanted a quick redressal of the issue and that they were willing to cooperate with the department.

8. From the above, it appears that the Exporter has mis declared the goods in terms of description and value. The contention of the exporter that, they had declared the goods as "Regrind" and not "New/Prime" vide the term RG does not seem meritable.

Further, reference is invited to Section 50 (3)(a) of the Customs Act:

"50(3) of the Customs Act: The exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely: -

(a)the accuracy and completeness of the information given therein;"

8.1 Accordingly, in this case, it is deemed that the exporter has failed to properly declare the goods in terms of description and quality/grade of goods, which plays a crucial factor in the valuation/assessment/examination of goods and different grades attract different provision as per relevant rules and regulations of the Customs Act, 1962. Thus, the exporter by mis-representation of facts has attempted to declare the goods as "New" and not "Regrind" which was only found on testing of the subject goods. Further, the clear exact description is not even mentioned in the Export Invoice issued by the exporter. Thus, the exporter has failed to comply with Section 50 (3)(a) of the Customs Act,1962.

8.2 Further, it appears that the goods are rather overvalued by way of mis-declaration of grade of the goods and thus are liable to be confiscated under the provisions of section 113(i) & Section 113(ia) of the Customs Act, 1962 and consequent penalty under **Section 114(iii) & 114AA** of the Customs Act 1962.

9. PAST EXPORTS

The past exports of exporter were scrutinized with respect to the BRCs and it was found that the BRCs in respect of one past Shipping Bill (Shipping Bill No 5836468 dated 07.06.2013) has not been received and is still pending and proof in respect of which has not been submitted. However, all the Shipping Bill is Free Shipping Bill and no export incentives have been availed in respect of it.

10. RELEVANT LEGAL PROVISIONS: -

A. Customs Act, 1962

Section 2(30): Market price in relation to any goods means the wholesale price of the goods in the ordinary course of trade in India.

Section 50: Entry of goods for exportation. –

(1) The Exporter of any goods shall make entry thereof by presenting [electronically] [on the customs automated system] to the proper officer in the case of goods to be exported in a vessel or aircraft, a shipping bill, and in the case of goods to be exported by land, a bill of export [in such form and manner as may be prescribed]:

Provided that the [Principal Commissioner of Customs or Commissioner of Customs] may, in cases where it is not feasible to make entry by presenting electronically [on the customs automated system], allow an entry to be presented in any other manner.]

(2) The Exporter of any goods, while presenting a shipping bill or bill of export, shall make and subscribe to a declaration as to the truth of its contents.

(3) The Exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely:-

(a) the accuracy and completeness of the information given therein;

(b) the authenticity and validity of any document supporting it; and

(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.

SECTION 113(i): Any goods entered for exportation which do not correspond in respect of value or in any material particular with the entry made under this Act or in the case of baggage with the declaration made under section 77, shall be liable to confiscation;

Section 113(ia): Any goods entered for exportation under claim for drawback which do not correspond in any material particular with any information furnished by the Exporter or manufacturer under this Act in relation to the fixation of the rate of drawback under Section 75, shall be liable to confiscation;

Section 114(iii): Any person who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 113, or abets the doing or omission of such an act, shall be liable, in the case of any other goods, to a penalty not exceeding the value of the goods as declared by the Exporter or the value as determined under this Act, whichever is the greater;

114AA. Penalty for use of false and incorrect material. -

If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.:

B. Foreign Trade (Development and Regulation) Act, 1992

Section 11:(1) No export or import shall be made by any person except in accordance with the provisions of this Act, the rules and orders made there under and the foreign trade policy for the time being in force.

C. Foreign Trade (Regulation) Rules, 1993

Rule 11: On the importation into, or exportation out of, any customs ports of any goods, whether liable to duty or not, the owner of such goods shall in the Bill of Entry or the Shipping Bill or any other documents prescribed under the Customs Act, 1962 (52 of 1962), state the value, quality and description of such goods to the best of his knowledge and belief and in case of exportation of goods, certify that the quality and specification of the goods as stated in those documents, are in accordance with the terms of the export contract entered into with the buyer or consignee in pursuance of which the goods are being exported and shall subscribe a declaration of the truth of such statement at the foot of such Bill of Entry or Shipping Bill or any other documents.

11. FINDINGS OF THE INVESTIGATION: -

11.1 From the facts, evidences and provisions discussed above, it appears that Exporter had mis-declared the goods in terms of description, grade and consequent value. It is deemed that the exporter by mis-representation of facts has attempted to declare the grade of goods as "New/Prime "instead of "Regrind", which was only found on testing of the subject goods. Therefore, the FOB value of shipping bill no- 7186395 dated01.02.2024 has been re-determined under Rule 6 of the Customs Valuation (Determination of value of export goods) Rules, 2007, Reference has been drawn to letter F.No. S/2G-Misc-5633/2010-11 Gp-IIG dated 09.07.2015 issued by Commissioner of Customs, NS-III, JNCH regarding valuation of regrind plastic goods, which comes out to Rs 10,20,032/- against declared FOB of Rs 18,54,604/-.

11.2 The past exports of exporter were scrutinized with respect to the BRCs and it was found that the BRCs in respect of one past Shipping Bill has not been received and is still pending and proof in respect of which has not been submitted. However, all such Shipping Bills are Free Shipping Bills and no export incentives have been availed in respect of the said Shipping Bills.

11.3 Whereas, the Exporter had mis-declared the goods in terms of description, grade and consequent value of the goods and attempted to export the aforesaid goods in breach of provisions of Section 50(2) and 50(3) of the Customs Act, 1962 read with Rule 11 of Foreign Trade (Regulations) Rules, 1993. Thus, it appears that the goods covered under shipping bill No. 7186395 dated 01.02.2024 are liable for confiscation under the provisions of section 113(i) & Section 113(ia) of the Customs Act, 1962 and consequent penalty under **Section 114(iii) & 114AA** of the Customs Act 1962.

11.4 Further, as per the verification report received from the jurisdictional GST authorities, it was found that the exporter is operating in compliance of the GST regulations, that the firm is active and filing GST returns on time, that the firm has duly filed all GST returns for the past three years within the stipulated timeframes and that the ITC claimed by the firm has been verified to be legitimate.

12. In view of above contraventions of the provisions, the Investigating Authority proposed the following, summarizing contraventions as well as violation of the Customs Act, 1962 for SCN and/or adjudication by the competent authority: -

(i) The total declared FOB value of 01 live Shipping bill no- 7186395 dated 01.02.2024 of Rs. 18,54,604/-, should be rejected under Rule 8 of the Customs Valuation (Determination of value of export goods) Rules, 2007, and should be re-determined at Rs.10,20,032/- under Rule 6 of the Customs Valuation (Determination of value of export goods) Rules, 2007.

(ii) The goods covered under live Shipping bill no- 7186395 dated 01.02.2024 having declared FOB of Rs 18,54,604/- should be confiscated under Section 113(i) & Section 113(ia) of the Customs Act, 1962 .

(iii) Penalty should be imposed upon the Exporter **M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885)** under **Section 114(iii) & 114AA** of the Customs Act 1962 for their act of omission and commission which have rendered the export goods liable for confiscation under section 113 of the Customs Act, 1962.

(iv) The Bond equivalent to FOB value of the subject goods i.e., Rs.18,54,604/-and Bank Guarantee/Cash Security amounting to Rs.1,00,000/-.Furnished during Provisional Release of the goods for BTT should be appropriated towards recovery of fine and penalty.

13. Therefore, the instant show cause notice No. 1754/2024-25/ADC/CEAC/NS-II/CAC/JNCH dated 28.02.2025 was issued to, M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885) calling upon them to show cause in writing, to the Addl./Joint Commissioner of Customs, CEAC, NS-II, JNCH, Nhava-Sheva, Tal.-Uran, Dist-Raigad, Maharashtra 400707, as to why:

(i) The total declared FOB value of 01 live Shipping bill no- 7186395 dated 01.02.2024 of Rs. 18,54,604/-, should not be rejected under Rule 8 of the Customs Valuation (Determination of value of export goods) Rules, 2007, and should not be re-determined at Rs.10,20,032/- under Rule 6 of the Customs Valuation (Determination of value of export goods) Rules, 2007.

(ii) The goods covered under live Shipping bill no- 7186395 dated 01.02.2024 having declared FOB of Rs 18,54,604/- should not be confiscated under Section 113(i) & Section 113(ia) of the Customs Act, 1962 .

(iii) Penalty should not be imposed upon the Exporter **M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885)** under **Section 114(iii) & 114AA** of the Customs Act 1962 for their act of omission and commission which have rendered the export goods liable for confiscation under section 113 of the Customs Act, 1962.

(iv) The Bond equivalent to FOB value of the subject goods i.e Rs.18,54,604/-and Bank Guarantee/Cash Security amounting to Rs.1,00,000/-.Furnished during

Provisional Release of the goods for BTT should not be appropriated towards recovery of fine and penalty.

14. The noticees were required to submit a written reply to the Adjudicating Authority within 30 days from the date of receipt of the notice. In their written reply, the noticees may also indicate as to whether they would like to be heard in person. In case no reply is received within the time limit stipulated above or any further time which may be granted and/or if nobody appears for personal hearing when the case is posted for the same, the case will be decided ex-parte on the basis of evidence available on record and without any further reference to the Noticees.

RECORD OF PERSONAL HEARING& WRITTEN SUBMISSION OF THE NOTICEE

15. Two opportunities for Personal hearing dated 19.05.2025 & 07.08.2025 in the matter were granted by the Adjudicating Authority to the notice and the same was attended by Shri Prajval Sanjay Suryavanshi, authorized representative of the exporter, wherein he stated that they declared the correct description and have exported same item at similar valuation in the past. Written Submission by the exporter during the personal hearing are as follows:-

I, Prajval Sanjay Suryavanshi, authorized representative, appeared today on behalf of company before the Adjudicating authority, Additional Commissioner of Customs, CEAC, JNCH, Nhava Sheva to place my points for clarifications in support/defend our case. I also explained to the H'ble Adjudicating Authority that in this case, no law or procedure have been violated hence, and requested to drop this Show Cause Notice issued to us i.e. to M/s. Parth Speciality Resins & Marketing Pvt. Ltd.

However, in addition to my verbal clarifications, I wish to submit my written submission on behalf of my company M/s. Parth Speciality Resins & Marketing Pvt. Ltd as below:

1. That first of all, I, the undersigned the Authorised Representative for M/s. Parth Speciality Resin & Marketing Pvt. Ltd deny all the charges/allegations made therein the above said Show Cause Notice against our said company because we have not violated any Rules, Regulations and procedures of The Custom Act, 1962 or any other law time being in force.

2. We got order from the overseas buyer M/s. Leween Ltd. address Rm 2502, 25F, Prosperity Centre 982, Canton Road, Mong Kok, Kowloon, Hongkong and finalize the prices etc. as per the Contract/Agreement No.231220-1 dated 20.12.2023 for the Export of 15.000 MT of PA12 Tubes and RG. Accordingly, we prepared all our Export documents viz. Export Invoice No. 240131-1 dated 31-01-2024 and packing list etc. Thereafter, we filed the Free Shipping Bill through our authorized

Customs Broker M/s. Care clearing & forwarding Pvt Ltd as per Section 50(1) of the C.A.62 for export of the goods. The details of which are as under:

Export Invoice No.240131-1 dated 31/01/2024

Shipping Bill No. 7186395 dated 01.02.2024

Description: Polyamide 12 tubes RG

FOB value: INR. 1854604.35 (USD 22621.00)

IGST Claimed: LUT

3. There after as usual, the goods were presented to Customs for inspection and clearance under RMS but on inspection of the packages, they found that the Marks & number were not proper hence the goods were examined as per AC(X) order dated 02/02/2024. The Custom Officer suspecting some mis- declaration of description they forwarded the said Shipping Bill to SIIB(X) for further investigation in the case.

4. Subsequently, SIIB(X) examined the goods 100% under Panchnama dated14/02/2024 wherein the marking and quantity of the goods were found to be as mentioned in the said Shipping Bill, invoice and packing list. Representative samples were also drawn and sent for test to CIPET to verify the description and value (Refer para 2 of SCN).

5. As per the Test Report No.30319 dated 20/03/2024, the goods found to be Nylon-12 (Polyamide-12 tubes regrind) hence confirmed the description as declared in the Export invoice No.24013-1 dated 31/01/2024 and Shipping Bill No.7186395 dated 01/02/2024.

6. Further, in pursuance to the case, a letter dated 24/02/2024 was sent to jurisdictional DC/CGST Commissionerate to verify the genuineness of the Exporter which was confirmed as active and updated firm, all GST Returns are filed in time.

Further, they confirmed that the ITC claimed by the firm has been verified to be legitimate.

(Refer Para 3 of SCN).

7. Further, since, our export were not allowed, therefore, we requested the department to allow the "Back to Town" which was allowed and accordingly, the goods were taken Back into Town.

8. So far as Para 8 of SCN is concerned, we correctly declared the description of the goods in our Export Invoice as well as in the Shipping Bill as Polyamide 12 Tubes RG where RG represent as REGRIND which has been confirmed by the Testing Agency. Nylon-12 and Polyamide-12 both are the same.

9. Since, the marketability of the goods are concerned, when the goods have been purchased by our Overseas buyer and sold by us proves that the goods are marketable.

10. Further, Section 50(3) of C.A. 62 is concerned, for that we have given our declaration regarding accuracy and completeness of the information in our Export Invoice itself.

11. Further, so far as the FOB value is concerned, the same is our Transaction value agreed upon between the buyer and the seller as per the Agreement dated 20.12.2023. The buyer and the seller are not related parties and the price is the sole consideration for the sale.

12. Further, so far as there determination of FOB value is concerned, it is clarified that in our case, the value is the transaction value as per the agreement between the buyer & the seller. The overseas buyer will remit the same amount of Foreign Exchange through Bank channel to the buyer. So nothing is wrong with our FOB value, it is fair transaction value of the goods.

13. Since, in our case, the goods under Export is an assorted off cuts of new material made of Polyamide-12 which has also been confirmed by the testing agency. The goods are not hazardous in nature. The goods are the left out cut pieces after use of required quantity.

Hence, the value of such goods shall only be determined using reasonable means consistent with the principles and general provisions of Customs Valuation (Export) Rules,2007.

14. Further, the department is rejecting our transaction value on the basis of doubt and by giving the reference of a letter vide F.No.S/2G-Misc-5633/2010-11-GPIIG dated 09.07.2015 which deals with the valuation for assessment of import of Plastic regrind/lumps etc. by giving discount of 45% of the Platt's price and the Platt's price always be considered for the import of Plastic, plastic scrap. Regrind or lumps etc. not for the export goods of plastic etc. Hence, it is irrelevant, unjustified and bad in law.

15. Further, please refer CESTAT case wherein it was held that Custom Officer has no power to reject any transaction value in case of Exports (Copy attached for reference).

In view of the above explanations, your honour is requested to drop this Show Cause Notice issued to us in the interest of justice.

DISCUSSION AND FINDINGS

16. I have thoroughly read the Show Cause Notice (SCN) No. 1754/2024-25/ADC/CEAC/NS-II/CAC/JNCH dated 28.02.2025 issued to M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885) and the submissions made by the noticee through their authorized representative, Shri Prajval Sanjay Suryavanshi. I find that the instant SCN alleges mis-declaration of goods covered under Shipping Bill No. 7186395 dated 01.02.2024, in terms of description, grade and consequent value. The noticee contests these allegations, denying all the charges made in the said Show Cause Notice against them stating that they have not violated any Rules, Regulations and procedures of The Custom Act, 1962 or any other law time being in force.

17. I find that the instant show cause notice, inter-alia, proposes as under:-

(i) The total declared FOB value of 01 live Shipping bill no- 7186395 dated 01.02.2024 of Rs. 18,54,604/-, should be rejected under Rule 8 of the Customs Valuation (Determination of value of export goods) Rules, 2007, and should be re-determined at Rs.10,20,032/- under Rule 6 of the Customs Valuation (Determination of value of export goods) Rules, 2007.

(ii) The goods vide live Shipping bill no- 7186395 dated 01.02.2024 having declared FOB of Rs 18,54,604/- should be confiscated under Section 113(i) & Section 113(ia) of the Customs Act, 1962 .

(iii) Penalty should be imposed upon the Exporter **M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885)** under **Section 114(iii) & 114AA** of the Customs Act 1962 for their act of omission and commission which have rendered the export goods liable for confiscation under section 113 of the Customs Act, 1962.

(iv) The Bond equivalent to FOB value of the subject goods i.e Rs.18,54,604/-and Bank Guarantee/Cash Security amounting to Rs.1,00,000/-.Furnished during Provisional Release of the goods for BTT should be appropriated towards recovery of fine and penalty.

18. I find that the noticee through their authorized representative, Shri Prajval Sanjay Suryavanshi have tendered their written defense submissions and they have also been granted opportunities of personal hearing on 19.05.2025 & 07.08.2025 in adherence of the Principles of Natural Justice, I shall now proceed to decide the matter.

19. After carefully going through the case records, and the submissions of the noticee, I find that the main issues for consideration before me are as under:

(i) Whether the total declared FOB value of 01 live Shipping bill no- 7186395 dated 01.02.2024 of Rs. 18,54,604/-, should be rejected under Rule 8 of the Customs Valuation (Determination of value of export goods) Rules, 2007, and should be re-determined at Rs.10,20,032/- under Rule 6 of the Customs Valuation (Determination of value of export goods) Rules, 2007 or declared FOB value of the goods are acceptable.

(ii) Whether the goods covered under live Shipping bill no- 7186395 dated 01.02.2024 having declared FOB of Rs 18,54,604/- should be confiscated under Section 113(i) & Section 113(ia) of the Customs Act, 1962despite being provisionally released.

(iii) Whether Penalty should be imposed upon the Exporter **M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885)** under **Section 114(iii) & 114AA** of the Customs Act 1962 for their act of omission and commission which have rendered the export goods liable for confiscation under section 113 of the Customs Act, 1962,considering the noticee's claim that they have not violated any Rules, Regulations and procedures of The Custom Act, 1962 or any other law time being in force.

(iv) Whether the Bond equivalent to FOB value of the subject goods i.e Rs.18,54,604/- and Bank Guarantee/Cash Security amounting to Rs.1,00,000/-.Furnished during Provisional Release of the goods for BTT should be appropriated towards recovery of fine and penalty arising from this adjudication.

20. Now, I shall consider the **first issue** i.e., Whether the total declared FOB value of 01 live Shipping bill no- 7186395 dated 01.02.2024 of Rs. 18,54,604/-, should be rejected under Rule 8 of the Customs Valuation (Determination of value of export goods) Rules, 2007, and should be re-determined at Rs.10,20,032/- under Rule 6 of the Customs Valuation (Determination of value of export goods) Rules, 2007, or whether the declared values are acceptable.

20.1 The core issue pertaining to the accuracy of the goods description revolves around whether the declaration in the Shipping Bill No. 7186395 dated 01.02.2024 as "Polyamide 12 Tubes RG" constitutes a mis-declaration under the provisions of the Customs Act, 1962, particularly Section 50(3)(a), which mandates that the exporter shall ensure the accuracy and completeness of the information given in the shipping bill. In the Show Cause Notice (SCN), the department contends that this description falls short of exactitude, as the test report from CIPET, Aurangabad (Report No. 30319 dated 05.03.2024) identifies the goods as "Nylon-12 (Polyamide-12) tubes regrind of single thermoplastic," implying that the omission of the full term "regrind" led to a misrepresentation of the goods as "new" or "prime" rather than reprocessed material, thereby affecting the overall assessment, valuation, and compliance with export regulations. The noticee, through its authorized representative Shri Prajval Sanjay Suryavanshi in the written submissions dated during the personal hearings on 19.05.2025 and 07.08.2025, robustly defended the declaration by asserting that "RG" is a well-established abbreviation in commercial and trade parlance for "regrind," a term routinely used in the plastics industry to denote off-cuts or recycled granules from manufacturing processes without implying scrap or waste. The noticee highlights that the CIPET test report itself validates the essential composition—Nylon-12 (synonymous with Polyamide-12) tubes in regrind form—aligning precisely with the declared intent, and argues that any perceived shortfall is a minor stylistic variance rather than a material misrepresentation, especially since the goods were procured as first-generation off-cuts from producers and exported under a legitimate contract (Agreement No. 231220-1 dated 20.12.2023) with the overseas buyer M/s. Leween Ltd. Furthermore, the noticee points to the absence of any intent to deceive, as evidenced by the consistent description in the export invoice (No. 240131-1 dated 31.01.2024) and packing list, the 100% examination under Panchanama dated 14.02.2024 confirming quantity and markings, and the jurisdictional GST authorities' verification (letter dated 14.10.2024) affirming the firm's compliance and legitimacy of input tax credit, underscoring that the declaration was made to the best of knowledge and belief as required under Section 50(2) of the Customs Act.Section 50(3)(a) in its contextual ambit, while imposing a strict obligation on the exporter to furnish accurate and complete details, does not demand hyper-technical precision or exhaustive verbosity where trade-specific shorthand is customary and non-deceptive, as long as the description enables the proper officer to identify the goods for assessment without ambiguity. Judicial precedents from the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) reinforce this balanced approach; for instance, in the case of **M/s Huawei Telecommunication (India) Company Private Limited v. Commissioner of Customs (CESTAT Mumbai)**, the Tribunal upheld the acceptability of abbreviated technical descriptors (e.g., "FG, QSFP28" for interface card specifications) in the Bill of Entry when aligned with product catalogues and technical reports, ruling that such usage did not amount to mis-declaration under Section 50 absent evidence of intent to undervalue or evade duty, emphasizing that the provision targets substantive inaccuracies rather than nominal formatting. Similarly, in broader export mis-declaration disputes, CESTAT has consistently held that minor discrepancies in description do not vitiate the shipping bill if corroborated by testing and contractual documents, as seen in cases like **Chinku Exports v. Commissioner of Customs**, where no mis-declaration was found without proof of material variance or prohibition violation. Applying this to the present facts, the use of "RG" cannot be deemed a violation, as it is a standard industry abbreviation for regrind in plastic exports, evidenced by the noticee's past shipping bills and the CIPET report's confirmatory findings—and does not alter the goods' classification under CTH 390810 or trigger any export prohibition under Note 7 to Chapter 39, which the department itself acknowledged post-testing by dropping concerns over MoEF NOC requirements Furthermore, the letter of Group IIG dt 09.07.2015 cited in the SCN on assessment and valuation of plastic regrind practice in JNCH itself clarifies that regrind of a single thermoplastic is not a scrap/waste. Thus, the impugned goods cannot be considered as plastic scrap/waste. Therefore, there does not prima facie appear to be any mis-declaration of description by the exporter. The use of abbreviation RG for regrind can be considered as a mis-declartion only if there is corroborative evidence that the use of RG is done with mala fide intentions.

20.2 I will therefore now explore the aspect of any malafide intentions behind use of abbreviation RG. I find that the Shipping Bill is a free Shipping Bill not having any incentives whatsoever. Therefore, there doesn't appear to be any reason for the exporter to mis-declare the value of the goods as has been alleged in the SCN. However, I intend to examine the valuation aspect independent of any apparent lack of motives for undervaluation. I find that the value of the goods is sought to be re-determined on the basis of Group II G letter dated 09.07.2015 which ratifies the practice of giving 45% discount on PLATT's prices. I find that this practice is being adopted for valuation of imported plastic regrind and not for export purposes. Therefore, relying on such a practice for valuation of export goods is not proper and commensurate with CVR. However, even if that practice is to be followed then after such a valuation of import goods those goods will bear the incidence of Customs duties, GST and other levies, logistical and other such charges and margin of profit and addition of all these myraid levies and charges will determine their market price in India. It is general practice based on all these levies/charges to deduct approximately 45-50% from the market price of goods to arrive at CIF value of imported goods. Therefore, if market price of a product is 100 then 45-50% is deducted from it to arrive at value of that product at the time of import. Using the same analogy we need to add around 45-50% to determine the market price of plastic regrind on its assessable import value (on allowing 45% discount on PLATT's prices). What the SCN has taken as a value is assessable import price of Polyamide 12 tubes regrind and therefore approximately 45-50% needs to be added to arrive at market price of such goods in India. On working out the same based on the said formula the market price of the impugned goods works out to be approximately as declared in the shopping bill. In view of this worked out market price, the FOB declared by the exporter is clearly not on the higher side and appears reasonable. Therefore, as the FOB appears justifiable, no malafide intention can be attributed to declare regrind in its otherwise industry accepted abbreviation RG.

20.3 From the above discussions and findings, it is clear that there is no mis-declaration with respect to description and therefore there is no violation of Section 50 of the CA 1962. I find that the transaction value has been rejected under Rule 8 of CVR, as there was a mis-declartion wrt description of the goods. However, as held above there is no mis-declaration wrt description, and therefore transaction value is not liable to be rejected on that count. Further, it is also independently held above that the FOB appears to be fair and reasonable under the circumstances.Further, CESTAT rulings like those in **Jayantah Trading Co. v. Commissioner of Customs (Delhi, 2025)** clarifies that customs officers lack inherent power to reject declarations on mere suspicion without tangible evidence of collusion or falsehood. In this vein, the noticee's deposition under Section 108 (statement of Shri Nitin Kamalakant Vaidya dated 21.11.2024) transparently explains "RG" as commercial shorthand, corroborated by bank statements and GST filings, negating any wilful omission. Thus, weighing the evidences, the alleged mis-declaration and overvaluation do not hold, as the description was sufficiently accurate and complete for the purposes of Section 50(3)(a), fostering trade facilitation without compromising regulatory integrity.

21. The **second issue** for consideration is whether the goods covered under Shipping Bill No. 7186395 dated 01.02.2024, with a declared FOB value of Rs. 18,54,604, warrant confiscation under Section 113(i) & Section 113(ia) of the Customs Act, 1962, notwithstanding their provisional release for back-to-town. The Show Cause Notice (SCN) advances the proposition that the goods are liable to confiscation because they do not correspond in material particulars, specifically, description and consequent value, with the entry made in the shipping bill, as the declared "Polyamide 12 Tubes RG" masked the regrind grade confirmed by the CIPET test report (No. 30319 dated 05.03.2024), thereby constituting a misrepresentation that impugns the accuracy of the export entry under Section 50. This non-correspondence, the department asserts, triggers Section 113(i), which renders export goods liable to confiscation where they deviate from the declared particulars, irrespective of the provisional release.

21.1 In rebuttal, the noticee, through Shri Prajval Sanjay Suryavanshi's submissions during the personal hearings on 19.05.2025 and 07.08.2025, categorically refutes the basis for confiscation, contending that no material discrepancy exists between the goods and the shipping bill entry, as the CIPET report affirmatively validates the composition as Nylon-12 (Polyamide-12) tubes in regrind form, aligning seamlessly with the "RG" abbreviation as standard trade nomenclature for regrind off-cuts, without any intent to evade prohibitions or undervalue for incentives. The noticee underscores that the goods, being first-generation non-hazardous material procured legitimately (as per GST verification letter dated

14.10.2024), were examined 100% under Panchanama dated 14.02.2024 with no physical anomalies noted, and the provisional release itself, facilitated without demurrage, belies any grave infraction, rendering Section 113(i) inapplicable; furthermore, they highlight the **free shipping bill** status with no export benefits claimed, rendering Section 113(ia) inapplicable and the director's Section 108 statement (dated 21.11.2024) affirming bona fide declaration per the export contract (No. 231220-1 dated 20.12.2023), urging that confiscation would be disproportionate absent proof of willful violation or prejudice to revenue.

21.2 Turning to the statutory framework, Section 113(i) of the Customs Act, 1962, is designed to safeguard the integrity of export declarations by providing for confiscation of goods entered for exportation that fail to match the shipping bill in respect of value or any material particular. The phrase "material particular" implies a substantive variance capable of impacting assessment, classification, or policy compliance, such as triggering export bans under the Foreign Trade (Development and Regulation) Act, 1992, rather than trivial or interpretive differences. Judicial interpretations by the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) provide critical guidance, emphasizing that confiscation under Section 113(i) demands demonstrable misalignment beyond minor descriptive shorthand, particularly in export contexts where no revenue loss accrues from duties. For instance, in **Commissioner of Customs v. Happy Gems** (CESTAT Mumbai, 2025), the Tribunal directed the release of provisionally held export goods, ruling that absent a foundational basis for seizure, such as proven mis-declaration or prohibited content, the SCN's invocation of Section 113 was untenable, and provisional release underscored the lack of urgency or malfeasance, quashing confiscation and attendant penalties to avoid undue hardship on exporters. Similarly, in **M/s Kritika Enterprises v. Commissioner of Customs (Export)** ,a 2025 CESTAT Delhi ruling on export value disputes, the Tribunal held that customs authorities cannot sustain confiscation under Section 113(i) without establishing fraud or deliberate over-valuation, as mere post-facto doubts on declaration accuracy do not suffice for material non-correspondence, especially when test reports corroborate the entry's essence, thereby setting aside orders for redemption fines and reinforcing that provisional bonds protect proceedings but do not presume guilt. These precedents echo the Supreme Court's stance in Union of India v. M/s. Jain Shudh Vanaspati Ltd. (1996), extended to exports, that confiscation is a drastic remedy reserved for egregious breaches, not interpretive ambiguities, and where goods are non-prohibited and values align with contracts, redemption should be liberally allowed if any technical lapse is found, though here no lapse materializes.

21.3 Balancing the scales, the department's vigilance in scrutinizing regrind declarations is understandable, given the sector's vulnerability to grade-based manipulations that could skirt environmental norms under Note 7 to Chapter 39, yet the evidentiary matrix, bolstered by the CIPET confirmation, GST legitimacy, and unblemished past BRCs (save a pending non-incentivized bill), reveals no substantive non-correspondence under Section 113(i); the "RG" usage, as previously adjudged, constitutes neither misrepresentation nor material deviation, and the provisional release on modest security further indicates the authorities' contemporaneous assessment of low risk, obviating the need for confiscation that would disproportionately burden a compliant exporter. In conclusion, the goods are not liable to confiscation under Section 113(i), as no material non-correspondence with the shipping bill entry is established, absolving the need for redemption or bond enforcement on this account, thereby upholding the exporter's rights under the Customs Act.

22. The **third issue** pertains to whether penalties ought to be levied on the exporter, M/s Parth Speciality Resins & Marketing Pvt. Ltd. (IEC: 0309060885), under Sections 114(iii) and 114AA of the Customs Act, 1962, for the alleged acts or omissions that purportedly rendered the goods under Shipping Bill No. 7186395 dated 01.02.2024 liable to confiscation and involved the use of false or incorrect declarations. The Show Cause Notice (SCN) advocates for such imposition, positing that the exporter's failure to fully disclose the regrind grade, by employing the abbreviation "RG" instead of the explicit term "regrind" as revealed in the CIPET test report (No. 30319 dated 05.03.2024), amounts to a material misrepresentation in the shipping bill, breaching Section 50(3)(a) and triggering liability under Section 113(i) for non-correspondence in description and value. Concurrently, Section 114AA is invoked for the knowing or intentional use of an incorrect description and value.

22.1 The noticee, represented by Shri Prajval Sanjay Suryavanshi in submissions tendered during personal hearings on 19.05.2025 and 07.08.2025, emphatically denies the predicates for any penalty, asserting that no violation under Section 50 occurred, as the "RG" declaration was accurate shorthand for regrind per industry norms, corroborated by the test report, export contract (No. 231220-1 dated 20.12.2023), and ancillary documents like the invoice (No. 240131-1 dated 31.01.2024) and GST verification (letter dated 14.10.2024), evincing no intent to deceive or derive undue benefits in this free shipping bill devoid of incentives. The noticee argues that Sections 114(iii) and 114AA necessitate proof of mens rea, willful knowledge and intention, which is absent here, as the director's Section 108 statement (dated 21.11.2024) transparently explains the commercial usage of "RG" without contradiction, and the provisional release on modest security underscores the department's non-perception of fraud; furthermore, with no confiscation liability established and the goods returned domestically without exportation or revenue prejudice, penalties would be punitive overreach, contrary to the Act's facilitative ethos for bona fide trade.

22.2 Examining the statutory edifice, Section 114(iii) hinges on the exporter's act or omission rendering goods confiscable under Section 113, imposing a calibrated penalty to deter complicity in export irregularities, while Section 114AA, targets deliberate falsehoods in declarations, statements, or documents, limited to up to five times the value but requiring demonstrable knowledge or intent, as its quasi-penal nature demands stricter thresholds than general provisions. These sections, read with Section 137's principles of natural justice, mandate evidentiary substantiation of culpability, not mere allegation, particularly in export scenarios where no direct revenue accrues from duties, and the focus is on foreign exchange realization rather than fiscal protection. Judicial precedent elucidates that penalties under Section 114(iii) falter without upheld confiscation under Section 113(i), as the former is derivative; similarly, Section 114AA applies narrowly to egregious frauds like dummy exports, not interpretive lapses in actual or intended shipments, underscoring the sine qua non of mens rea, conscious wrongdoing with intent to evade or mislead.CESTAT precedents fortify this restraint, particularly in mis-declaration disputes akin to grade ambiguities in plastics or textiles. In Riyaz Sayed Abdul Aziz v. Commissioner of Customs (Export) (CESTAT Mumbai, 2025), the Tribunal set aside penalties under Sections 114(iii) and 114AA for over-valuation in actual exports of ready-made garments, ruling that Section 114AA is confined to "dummy exports made only on paper" without goods crossing borders, absent criminal intent or duty evasion, as the provision's legislative intent—per Ministry of Finance clarifications—targets paper frauds, not genuine transactions with realizable proceeds. Here, though no exportation occurred due to back-to-town, the scenario mirrors actual intent without dummy elements, and the noticee's documentation negates evasion, rendering Section 114AA inapposite. Likewise, in Evergreen Shipping Agency India Pvt. Ltd. v. Commissioner of Customs (CESTAT, 2025), penalties under Section 114AA were quashed for lack of knowledge or intention in an export diversion case, with the bench holding mens rea as essential, evidenced by legitimate communications and no fraudulent amendments, extending to Section 114(iii) where non-compliance was technical rather than willful. This resonates profoundly, as the noticee's unblemished record—timely GST filings, legitimate ITC, and cooperative hearings—belies any deliberate falsehood, with "RG" upheld as non-misleading per prior findings. Further, CESTAT's consistent jurisprudence emphasizes proportionality in penalty adjudication, eschewing automatic invocation where no prejudice ensues. In an earlier benchmark, Eicher Motors Ltd. v. Commissioner of Customs (CESTAT, 2021), penalties under Section 112 read with 114AA were annulled for absence of mens rea in a classification dispute, affirming that inadvertent errors or bona fide interpretations do not attract enhanced sanctions, a principle amplified in export contexts by the lack of incentives here. The SCN's chain—mis-declaration leading to confiscation—collapses with the exoneration of antecedent charges, as Section 114(iii) cannot standalone without Section 113 liability, per settled law, and Section 114AA's rigor demands affirmative proof of "knowingly or intentionally," unmet by the record's transparency, including the Panchanama examination (dated 14.02.2024) revealing no anomalies beyond abbreviation.In conclusion, no penalties are imposable under Sections 114(iii) or 114AA, as the foundational violations dissolve and no willful misconduct is evinced, thereby closing the SCN's penal limb and affirming the exporter's compliance, with the bond and guarantee released unencumbered.

23. Accordingly, I am of the considerate opinion for closure of the matter and drop the SCN No. 1754/2024-25/ADC/CEAC/NS-II/CAC/JNCH dated 28.02.2025 issued by the Department on merits.

ORDER

24. In view of the above discussion and findings, I hereby pass the following order:

(i) I drop the proceedings for rejection/re-determination of value under CVR, confiscation proposed under Section 113(i) & Section 113(ia) and penalty proposed under Section 114(iii) & 114AA of the Customs Act, 1962 vide Show Cause Notice No.1754/2024-25/ADC/CEAC/NS-II/CAC/JNCH dated 28.02.2025. The SCN is set aside.

(ii) I order for the cancellation of the Bond & BG submitted during provisional release for the Shipping Bill No. 7186395 dated 01.02.2024, and discharge of the same to the exporter.

25. This order is issued without prejudice to any other action that may be taken in respect of the goods in question and/or against the persons concerned or any other person, if found involved, under the provisions of the Customs Act, 1962, and/or any other law for the time being Force in the Republic of India.

09/10/25

(RAGHU KIRAN B.)
ADDITIONAL COMMISSIONER OF CUSTOMS
CEAC/NS-II, JNCH

Encl: As above.
F.No.
Place: Nhava Sheva.
Date:

To,
M/s Parth Speciality Resins & Marketing Pvt. Ltd (IEC: 0309060885)
11, Teresa Apartment Nr. Silver Arch Soc, Samata Nagar, Thane(W)-400606.

Copy to:
1. The Commissioner of Customs, NS-II, JNCH, Nhava Sheva.
2. The DC/AC,CRAC(X), JNCH, Nhava Sheva.
3. The DC/AC, CAC, JNCH, Nhava Sheva.
4. The DC/AC, SIIB(X), JNCH, Nhava Sheva.
5. The DC/AC,CRRC Cell, JNCH, Nhava Sheva.
6. The DC/AC,Docks, JNCH, Nhava Sheva.
7. Supdt./CHS for display on Notice Board.
8. The Superintendent of Customs,EDI/JNCH.
9. Office copy.