

		<p style="text-align: center;">प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा OFFICE OF THE PRINCIPAL COMMISSIONER, CUSTOM HOUSE, MUNDRA Port User Building (PUB), Mundra (Gujarat – 370421) ई-मेल/ E-Mail: group4-mundra@gov.in</p>
A	फा. सं./ FILE NO.	GEN/ADJ/ADC/784/2025-Adjn
B	मूल आदेश सं. ORDER-IN-ORIGINAL NO.	MCH/ADC/ZDC/681/2025-26
C	द्वारा पारित किया गया PASSED BY	Dipak Zala Additional Commissioner of Customs Customs House, Mundra
D	आदेश की तिथि DATE OF ORDER	27.02.2026
E	जारी करने की तिथि DATE OF ISSUE	27.02.2026
F	कारण बताओ नोटिस सं. एवं तिथि SCN NUMBER & DATE	CUS/APR/INV/67/2025-Gr4-0/0 Pr Commr-Cus-Mundra dated 01.03.2025
G	नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER	M/s Shri Mahadev Ji Exports (IEC CPTPG4273F) 1st Floor Plot No A-104 Block A, Wazirpur Indl. Area, Near Shri Ram Chowk , Delhi - 110052
H	डिन सं . DIN NUMBER	20260271MO0000777AF8

1. यह अपील आदेश संबन्धित को निःशुल्क प्रदान किया जाता है।

This Order - in - Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 129A(1) के अंतर्गत प्रपत्र सीए 3-में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-

Any person aggrieved by this Order - in - Original may file an appeal under Section 128 A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

“सीमा शुल्क आयुक्त (अपील), चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड, नवरंगपुरा, अहमदाबाद 380009”

“The Commissioner of Customs (Appeals), Mundra, 4TH Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009.”

3. उक्त अपील यह आदेश भेजने की दिनांक से साठ दिन के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within sixty days from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए-

Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must accompanied by

–

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रूपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं०-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प वहन करना चाहिए।

The appeal should bear Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paisa only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.

6. अपील ज्ञापन के साथ ड्यूटी/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये। Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.
7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के सभी मामलों में पालन किया जाना चाहिए।

While submitting the appeal, the Customs (Appeals) Rules, 1982 and the Customs Act, 1962 should be adhered to in all respects.

8. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (Appeals) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Commissioner (A) on 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 Shri Mahadev Ji Exports (IEC CPTPG4273F and GSTIN 07CPTPG4273F1ZM) 1st Floor Plot No A-104 Block A, Wazirpur Indl. Area, Near Shri Ram Chowk, Delhi - 110052 (hereinafter referred to as 'The importer' for the sake of brevity) had filed Bills of Entry for import of (i) Stainless Steel Circle Grade J3, (ii) Stainless Steel Coil Grade J3, (iii) CR Stainless Coil Grade J3 and (iv) Cold Rolled Stainless Steel Circle Grade J3 falling under Chapter 72 of Schedule-I of the Customs Tariff Act, 1975 at Mundra Port.

2. An Alert Notice No. 01/2021 dated 08.04.2021 issued by the Commissioner of Customs-VII, New Custom House, Chennai was received wherein, it had been stated that in their jurisdiction there had been a

case wherein the Importer M/s. Shri Mahadevji Exports, A 104, First floor, Wazirpur Industrial Area, New Delhi 110052 had availed the benefit of Notification No. 46/2011 dated 1.6.2011 for clearing Stainless Steel Coil Grade 33 (Stock Lot) falling under the CTH 72299090 and as per Rule 6(1) of the Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020, COOs were sent for verification and it was found that the COOs were not authentic. They further stated that the above importer or any other importer may use same modus operandi on any of the other Indian ports and thereby defraud the exchequer.

3. On the basis of the said Alert Notice, investigation was initiated against the importer. Based on the above, inquiry was initiated against the importer. From the data available from the EDI system, it was gathered that M/s Shri Mahadev Ji Exports, A-104, First Floor, Wazirpur industrial Area, New Delhi-110052 had imported goods from M/s.Pt.Unique Steel Indonesia, Komplek Bintank Makmur Industries, Block B.No.03A, Batam, Indonesia, under CTH 7219 and 7220 by availing the concessional rate of duty under Notification No. 46/2011-Cus dated 01.06.2011, as amended, read with Notification No. 189/2009-Cus.(N.T.) dated 31.12.2009, as detailed in Table-A below:

Table-A

Sr.No	Bill of Entry No.	BE Date	Supplier Invoice No. & Date	COO Certificate No. & Date
1	7359441	26.03.2020	USI/2020 /03 /003 dt.09.03.2020	01637 /KBM/2020 dt.19.03.2020
2	7570738	02.05.2020	USI/2020 /03 /004 dt.19.03.2020	01776/KBM/2020 dt.26.03.2020
3	7570835	02.05.2020	USI/2020 /03 /005	02037 /KBM/2020

			dt.27.03.2020	dt.03.04.2020
4	7571140	02.05.2020	USI/2020 /04/006 dt.03.04.2020	02181/KBM/2020 dt.09.04.2020
5	7572318	02.05.2020	USI/2020 /04/009 dt.06.04.2020	02159/KBM/2020 dt.09.04.2020
6	7572843	02.05.2020	USI/2020 /04/007 dt.04.04.2020	02182/KBM/2020 dt.09.04.2020
7	7573155	02.05.2020	USI/2020/04/008 dt.06.04.2020	02160/KBM/2020 dt.09.04.2020
8	8203822	18.07.2020	USI/2020/06/015 dt.27.06.2020	04086/KBM/2020 dt.07.07.2020
9	8203964	18.07.2020	USI/2020/06/014 dt.27.06.2020	04168/KBM/2020 dt.08.07.2020
10	8330114	30.07.2020	USI/2020/07 /016 dt.09.07.2020	04212/KBM/2020 dt.10.07.2020
11	8407447	07.08.2020	USI/2020/07 /017 dt.14.07.2020	04305/KBM/2020 dt.15.07.2020
12	8407448	07.08.2020	USI/2020/07 /018 dt.20.07.2020	04512/KBM/2020 dt.23.07.2020
13	8541699	20.08.2020	USI/2020/08/020 dt.01.08.2020	04568/KBM/2020 dt.08.08.2020
14	8541700	20.08.2020	USI/2020/08/021 dt.01.08.2020	04568/KBM/2020 dt.08.08.2020
15	8664112	01.09.2020	USI/2020/08/024 dt.10.08.2020	04675/KBM/2020 dt.19.08.2020
16	8664131	01.09.2020	USI/2020/08/023 dt.09.08.2020	04674/KBM/2020 dt.19.08.2020
17	8664152	01.09.2020	USI/2020/08/022 dt.08.08.2020	04676/KBM/2020 dt.19.08.2020
18	8665410	01.09.2020	USI/2020/08/025 dt.11.08.2020	04674/KBM/2020 dt.19.08.2020
19	8791152	12.09.2020	USI/2020/08/027	05567 /KBM/2020

			dt.24.08.2020	dt.11.09.2020
20	8872728	19.09.2020	USI/2020/08/028 dt.24.08.2020	05594/KBM/2020 dt.11.09.2020
21	8925486	24.09.2020	USI/2020/08/029 dt.29.08.2020	05568/KBM/2020 dt.11.09.2020
22	8925487	24.09.2020	USI/2020/08/030 dt.29.08.2020	05573/KBM/2020 dt.11.09.2020

4. During the course of investigation, statement of Shri Pranshu Goel, Proprietor of M/s. Shri Mahadev Ji Exports, was recorded on 03.01.2023, wherein he inter-alia stated that:-

- Directorate of Revenue Intelligence, Head Quarter, New Delhi had filed a case against M/s Shri Mahadev Ji, M/s Goel Exim, M's Maha Shakti, M/s Shree International and M/s Ganesh Steel wherein M/s Shree Mahadev Ji is owned by him as Proprietor, M/s Goel Exim is owned by his mother whose authorised persons are Shri Vijay Goel and himself, M/s Maha Shakti, M/s Shree International and M/s Ganesh Steel are proprietorship firms managed by themselves but they (himself and his father Shri Vijay Goel) help them for import of CR Coils and Circles;
- DRI has alleged that he had done undervaluation of the consignments imported by five firms viz. M/s Shri Mahadev Ji, M/s Goel Exim, M/s Maha Shakti, M/s Shree International and M/s Ganesh Steel and arrested by DRI HQ, New Delhi but released on bail. He had been issued Show Cause Notice for the live shipments pending at Mundra Port which were related to import of CR Stainless Steel Coils imported by M/s Shri Mahadev Ji exports, M/s Goel Exim, M/s Maha Shakti covered under 10 containers;
- As they were dealing with CR Coils and circles, they got into touch with M/s Pt. Unique Steel Indonesia;
- On being asked regarding payment of differential duty in the event AIFTA certificates found to be fake, he stated that he would discuss

the matter with his father and revert back;

- COFEPOSA has been imposed against his father Shri Vijay Goel in the matter of export of ready-made garments in the year 2016, import of CR stainless Steel coils of Malaysian Origin and under valuation in import of CR Stainless Steel coils of China, Indonesia and Malaysian origin.
- They are having BIS Certificate for all the live shipments pending at Mundra.

5. During the investigation regarding verification of Country-of-Origin Certificates said to be issued by the Issuing Office in Kota Batam, Indonesia, was carried out. The FTA Cell, Directorate of International Customs, CBIC, New Delhi vide letters dated 18.03.202 and 05.11.2024 , forwarded Verification Results received from the Industry and Trade Department of Batam Municipality Government in relation to the Certificate of Origin (CoO) issued in favour of exporter from Indonesia namely, PT Unique Steel, Indonesia. As per the results, the following Certificates of Origin were found to be not issued by the Indonesian Authorities:-

Table-B

COO No.	COO Date
0004568/KBM/2020	08.08.2020
004675/KBM/2020	19.08.2020
004674/KBM/2020	19.08.2020
004676/KBM/2020	19.08.2020

5.1 The importer had availed benefit of the above referred COOs Bills of Entry detailed in the following table:-

Table-C

Sr.No.	BOE	BE Date	COO No.
1	8541699	20.08.2020	04568/KBM/2020 dt.08.08.2020
2	8541700	20.08.2020	04568/KBM/2020 dt.08.08.2020
3	8664112	01.09.2020	04675/KBM/2020 dt.19.08.2020
4	8664131	01.09.2020	04674/KBM/2020 dt.19.08.2020
5	8664152	01.09.2020	04676/KBM/2020 dt.19.08.2020
6	8665410	01.09.2020	04674/KBM/2020 dt.19.08.2020

6. Further, summons issued to the importer dated 12.12.2024, 27.12.2024 and 09.01.2025 to seek their views on the above COOs not found to be issued by Indonesian authorities. The summonses were sent through post and through e-mail on email addresses prgoel766@gmail.com and shrimahadevji2000@gmail.com. However, the importer neither appeared nor furnished any written submission.

7. In view of the investigation carried out by this office, the Certificate-of-Origin as detailed in Table-B above and used by the importer, for import of goods vide Bills of Entry as detailed in Table-C above from Mundra Port is found to be **non authentic and counterfeited**.

8. Whereas, the Notification No. 81/2020-Customs (N.T.) dated 21.08.2020 provides the method and manner of implementation of The Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020 (CAROTAR, 2020). The relevant portion of the CAROTAR Rules applicable in the present matter is reproduced below:-

Rule 3 . Preferential tariff claim . -

(1) To claim preferential rate of duty under a trade agreement, the importer or his agent shall, at the time of filing bill of entry,-

(a) make declaration in the bill of entry that the goods qualify as originating

- goods for preferential rate of duty under that agreement;
- (b) indicate in the bill of entry the respective tariff notification against each item on which preferential rate of duty is claimed;
- (c) produce certificate of origin covering each item on which preferential rate of duty is claimed; and
- (d) enter details of certificate of origin in the bill of entry, namely:
- (i) certificate of origin reference number;
- (ii) date of issuance of certificate of origin;
- (iii) originating criteria;
- (iv) indicate if accumulation/cumulation is applied;
- (v) indicate if the certificate of origin is issued by a third country (back-to-back); and
- (vi) indicate if goods have been transported directly from country of origin.

Rule 6 (7) The proper officer may deny claim of preferential rate of duty without further verification where:

- (a) The verification Authority fails to respond to verification request within prescribed timelines;
- (b) The verification Authority does not provide the requested information in the manner as provided in this rule read with the Rules of Origin
- (c) The information and documents furnished by the Verification Authority and available on record provide sufficient evidence to prove that goods do not meet the origin criteria prescribed in the respective Rules of Origin.

Rule 7. Identical goods .-

- (1) Where it is determined that goods originating from an exporter or producer do not meet the origin criteria prescribed in the Rules of Origin, the Principal Commissioner of Customs or the Commissioner of Customs may, without further verification, reject other claims of preferential rate of duty, filed prior to or after such determination, for identical goods imported from the same exporter or producer.
- (2) Where a claim on identical goods is rejected under sub-rule (1), the

Principal Commissioner of Customs or the Commissioner of Customs shall,

(a) Inform the importer the reasons of rejection in writing including the detail of the cases wherein it was established that the identical goods from the same exporter or producer did not satisfy the origin criteria; and

(b) Restore preferential tariff treatment on identical goods with prospective effect, after it is demonstrated on the basis of information and documents received, that the manufacturing or other origin related conditions have been modified by the exporter or producer so as to fulfill the origin requirement of the Rules of Origin under the trade agreement.

Rule 8. Miscellaneous . -

(1) Where an importer fails to provide requisite information and documents by the due date prescribed under rule 5, or where it is established that he has failed to exercise reasonable care to ensure the accuracy and truthfulness of the information furnished under these rules, the proper officer shall, notwithstanding any other action required to be taken under these rules and the Act, verify assessment of all subsequent bills of entry filed with the claim of preferential rate of duty by the importer, in terms of sub-section (2) of section 17 of the Act, in order to prevent any possible misuse of a trade agreement. The system of compulsory verification of assessment shall be discontinued once the importer demonstrates that he is taking reasonable care, as required under section 28DA of the Act, through adequate record-based controls.

(2) Where it is established that an importer has suppressed the facts, made wilful mis-statement or colluded with the seller or any other person, with the intention to avail undue benefit of a trade agreement, his claim of preferential rate of duty shall be disallowed and he shall be liable to penal action under the Act or any other law for the time being in force.

(3) In the event of a conflict between a provision of these rules and a provision of the Rules of Origin, the provision of the Rules of Origin shall prevail to the extent of the conflict.

(4) The Central Government may, by notification in the Official Gazette, relax such provisions of these rules for such class of persons as may be deemed necessary.

		(Rs.)									
	8541	2119	158	158	4130	5879			3815	3815	20635
1	699	754	982	98	34	14	0	0	56	56	8
	8541	4365	327	327	8506	1210			7858	7858	42501
2	700	813	436	44	79	859	0	0	46	46	3
	8664	2163	162	162	4215	6000			3894	3894	21060
3	112	400	255	26	39	20	0	0	12	12	8
	8664	4872	365	365	9494	1351			8771	8771	47437
4	131	875	466	47	80	493	0	0	18	18	5
	8664	7449	558	558	1451	2066			1340	1340	72525
5	152	965	747	75	626	248	0	0	994	994	4
	8665	8678	650	65	1690	2406			1562	1562	84483
6	410	307	873	08	968	928	0	0	095	095	3
TO											
TA						8223			5337	5337	2886
L						462			021	021	441

11. Legal Provisions:

12. Legal Provisions:

11.1 As per Section 2 **(39)**, '**smuggling**', in relation to any goods, *means any act or omission which will render such goods liable to confiscation under section 111 or section 113;*

11.2. Relevant Portion of Section 28 of the Act

28. Recovery of {duties not levied or not paid or short-levied or short-paid} or erroneously refunded.-{)} Where any duty has not been levied or not paid or short-levied or short-paid or

erroneously refunded, or any interest payable has not been paid, part-paid or erroneously refunded, for any reason other than the reasons of collusion or any wilful mis-statement or suppression of facts, --

(a) the proper officer shall, within two years from the relevant date, serve notice on the person chargeable with the duty or interest which has not been so levied or paid or which has been short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice:

Provided that before issuing notice, the proper officer shall hold pre-notice consultation with the person chargeable with duty or interest in such manner as may be prescribed;

(b) the person chargeable with the duty or interest, may pay before service of notice under clause (a) on the basis of, -

(i) his own ascertainment of such duty; or

(ii) the duty ascertained by the proper officer, the amount of duty along with the interest payable thereon under section 28AA or the amount of interest which has not been so paid or part-paid.

Provided that the proper officer shall not serve such show cause notice, where the amount involved is less than rupees one hundred.

(2) The person who has paid the duty along with interest or amount of interest under clause (b) of sub-section (1) shall inform the proper officer of such payment in writing, who, on receipt of such information, shall not serve any notice under clause (a) of that sub-section in respect of the duty or interest so paid or any penalty leviable under the provisions of this Act or the rules made thereunder in respect of such duty or interest:

(3) Where the proper officer is of the opinion that the amount paid under clause (b) of sub-section (1) falls short of the amount actually payable, then, he shall proceed to issue the notice as

provided for in clause (a) of that sub-section in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of 2 {two years} shall be computed from the date of receipt of information under sub-section (2).

(4) Where any duty has not been 3 {levied or not paid or has been short-levied or short-paid} or erroneously refunded, or interest payable has not been paid, part-paid or erroneously refunded, by reason of,- (a) collusion; or (b) any wilful mis-statement; or

(c) suppression of facts, by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been so levied or not paid or which has been so short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice.

(5) Where any duty has not been levied or not paid or has been short-levied or short paid or the interest has not been charged or has been part-paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts by the importer or the exporter or the agent or the employee of the importer or the exporter, to whom a notice has been served under sub- section (4) by the proper officer, such person may pay the duty in full or in part, as may be accepted by him, and the interest payable thereon under section 28AA and the penalty equal to fifteen per cent. of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing.

11.3. SECTION 46 of the Act, prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

11.4. Further, Section 28DA of the Customs Act, 1962 prescribes the procedure regarding claim of preferential rate of duty. Relevant portion of the section 28DA is reproduced below:

1. An importer making claim for preferential rate of duty, in terms of any trade agreement, shall –

- i. make a declaration that goods qualify as originating goods for preferential rate of duty under such agreement;
- ii. possess sufficient information as regards the manner in which country of origin criteria, including the regional value content and product specific criteria, specified in the rules of origin in the trade agreement, are satisfied;
- iii. furnish such information in such manner as may be provided by rules ;
- iv. exercise reasonable care as to the accuracy and truthfulness of the information furnished.

- The fact that the importer has submitted a certificate of origin issued by an Issuing Authority shall not absolve the importer of the responsibility to exercise reasonable care.
- Where the proper officer has reasons to believe that country of origin criteria has not been met, he may require the importer to furnish further information, consistent with the trade agreement, in such manner as may be provided by rules .
- Where importer fails to provide the requisite information for any reason, the proper officer may,-
 - i. cause further verification consistent with the trade agreement in such manner as may be provided by rules ;
 - ii. pending verification, temporarily suspend the preferential tariff treatment to such goods:

Provided that on the basis of the information furnished by the importer or the information available with him or on the relinquishment of the claim for preferential rate of duty by the importer, the Principal Commissioner of

Customs or the Commissioner of Customs may, for reasons to be recorded in writing, disallow the claim for preferential rate of duty, without further verification.

5. Where the preferential rate of duty is suspended under sub-section (4), the proper officer may, on the request of the importer, release the goods subject to furnishing by the importer a security amount equal to the difference between the duty provisionally assessed under section 18 and the preferential duty claimed: Provided that the Principal Commissioner of Customs or the Commissioner of Customs may, instead of security, require the importer to deposit the differential duty amount in the ledger maintained under section 51A. (11) Where the verification under this section establishes non-compliance of the imported goods with the country-of-origin criteria, the proper officer may reject the preferential tariff treatment to the imports of identical goods from the same producer or exporter, unless sufficient information is furnished to show that identical goods meet the country-of-origin criteria.

11.5 Further, **Section 28 AA of the Act;** provides the recovery of interest on delayed payment of duty, which reads as under:-

1. Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any other provision of this Act or the rules made thereunder, the person, who is liable to pay duty in accordance with the provisions of section 28, shall, in addition to such

duty, be liable to paid interest, if any, at the rate fixed under sub-section

2. whether such payment is made voluntarily or after determination of the duty under that section.

(2) Interest at such rate not below ten per cent. and not exceeding

thirty -six per cent. per annum, as the Central Government may, by notification in the Official Gazette, fix, shall be paid by the person liable to pay duty in terms of section 28 and such interest shall be calculated from the first day of the month succeeding the month in which the duty ought to have been paid or from the date of such erroneous refund, as the case may be, up to the date of payment of such duty.

11.6. Section 28DA prescribed procedure for claiming preferential rate of duty, which reads as follows:-

28DA. Procedure regarding claim of preferential rate of duty.-(1) An importer making claim for preferential rate of duty, in terms of any trade agreement, shall,-- (i) make a declaration that goods qualify as originating goods for preferential rate of duty under such agreement; (ii) possess sufficient information as regards the manner in which country of origin criteria, including the regional value content and product specific criteria, specified in the rules of origin in the trade agreement, are satisfied; (iii) furnish such information in such manner as may be provided by rules; (iv) exercise reasonable care as to the accuracy and truthfulness of the information furnished.

(2) The fact that the importer has submitted a certificate of origin issued by an Issuing Authority shall not absolve the importer of the responsibility to exercise reasonable care.

(3) Where the proper officer has reasons to believe that country of origin criteria has not been met, he may require the importer to furnish further information, consistent with the trade agreement, in such manner as may be provided by rules.

(4) Where importer fails to provide the requisite information for any reason, the proper officer may, - (i) cause further verification consistent with the trade agreement in such manner as may be provided by rules; (ii) pending verification, temporarily suspend the preferential tariff treatment to such goods: Provided that on the basis of the information furnished

by the importer or the information available with him or on the relinquishment of the claim for preferential rate of duty by the importer, the Principal Commissioner of Customs or the Commissioner of Customs may, for reasons to be recorded in writing, disallow the claim for preferential rate of duty, without further verification.

(5) Where the preferential rate of duty is suspended under sub-section (4), the proper officer may, on the request of the importer, release the goods subject to furnishing by the importer a security amount equal to the difference between the duty provisionally assessed under section 18 and the preferential duty claimed: Provided that the Principal Commissioner of Customs or the Commissioner of Customs may, instead of security, require the importer to deposit the differential duty amount in the ledger maintained under section 51A.

(6) Upon temporary suspension of preferential tariff treatment, the proper officer shall inform the Issuing Authority of reasons for suspension of preferential tariff treatment, and seek specific information as may be necessary to determine the origin of goods within such time and in such manner as may be provided by rules.

(7) Where, subsequently, the Issuing Authority or exporter or producer, as the case may be, furnishes the specific information within the specified time, the proper officer may, on being satisfied with the information furnished, restore the preferential tariff treatment.

(8) Where the Issuing Authority or exporter or producer, as the case may be, does not furnish information within the specified time or the information furnished by him is not found satisfactory, the proper officer shall disallow the preferential tariff treatment for reasons to be recorded in writing: Provided that in case of receipt of incomplete or non-specific information, the proper officer may send another request to the Issuing Authority stating specifically the shortcoming in the information furnished by such authority, in such circumstances and in such manner as may be provided by rules.

(9) Unless otherwise specified in the trade agreement, any request for verification shall be sent within a period of five years from the date of claim of preferential rate of duty by an importer.

(10) *Notwithstanding anything contained in this section, the preferential tariff treatment may be refused without verification in the following circumstances, namely:*

- (i) the tariff item is not eligible for preferential tariff treatment; (ii) complete description of goods is not contained in the certificate of origin; (iii) any alteration in the certificate of origin is not authenticated by the Issuing Authority; (iv) the certificate of origin is produced after the period of its expiry, and in all such cases, the certificate of origin shall be marked as "IN APPLICABLE".

(11) *Where the verification under this section establishes non-compliance of the imported goods with the country of origin criteria, the proper officer may reject the preferential tariff treatment to the imports of identical goods from the same producer or exporter, unless sufficient information is furnished to show that identical goods meet the country of origin criteria. Explanation.--For the purposes of this Chapter,- (a) "certificate of origin" means a certificate issued in accordance with a trade agreement certifying that the goods fulfil the country of origin criteria and other requirements specified in the said agreement; (b) "identical goods" means goods that are same in all respects with reference to the country of origin criteria under the trade agreement; (c) "Issuing Authority" means any authority designated for the purposes of issuing certificate of origin under a trade agreement; (d) "trade agreement" means an agreement for trade in goods between the Government of India and the Government of a foreign country or territory or economic union.]*

11.7. *Further, **Section 111 of the Act**, prescribes the Confiscation of improperly imported goods, etc. as under The following goods brought from a place outside India shall be liable for confiscation: (m) any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under Section 77 in respect thereof, or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54. (q) any goods imported on a claim of*

*preferential rate of duty which contravenes any provision of Chapter VAA or any rule made thereunder*11.8. **Further, Section 112** of the Act provides the penal provisions for improper importation of goods, etc. which read as under:

Any person, -

- a. *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 111, or abets the doing or omission of such an act, or*
- b. *who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111,*

shall be liable, -

- i. *in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty not exceeding the value of the goods or five thousand rupees, whichever is the greater;*
- ii. *in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher:*

Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined;]

- iii. *in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the*

- declared value) is higher than the value thereof, to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees], whichever is the greater;*
- iv. *in the case of goods falling both under clauses (i) and (iii), to a penalty not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;*
- v. *in the case of goods falling both under clauses (ii) and (iii), to a penalty not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.*

11.9. **Section 114A** of the Act provides for short-levy or non-levy of duty, which reads as follows:-

114A. *Penalty for short-levy or non-levy of duty in certain cases.— Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under subsection (8) of section 28 shall, also be liable to pay a penalty equal to the duty or interest so determined:*

Provided that where such duty or interest, as the case may be, as determined under sub-section (8) of section 28, and the interest payable thereon under section 28AA, is paid within thirty days from the date of the communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the duty or interest, as the case may be, so determined:

Provided further that the benefit of reduced penalty under the first proviso shall be available subject to the condition that the amount of penalty so determined has also been paid within the period of thirty days referred to in that proviso:

Provided also that where the duty or interest determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, for the purposes of this section, the duty or interest as reduced or increased, as the case may be, shall be taken into account:

Provided also that in a case where the duty or interest determined to be payable is increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, the benefit of reduced penalty under the first proviso shall be available if the amount of the duty or the interest so increased, along with the interest payable thereon under section 28AA, and twenty-five per cent. of the consequential increase in penalty have also been paid within thirty days of the communication of the order by which such increase in the duty or interest takes effect:

Provided also that where any penalty has been levied under this section, no penalty shall be levied under section 112 or section 114.

Explanation.—For the removal of doubts, it is hereby declared that—

- (i) the provisions of this section shall also apply to cases in which the order determining the duty or interest under sub-section (8) of section 28 relates to notices issued prior to the date on which the Finance Act, 2000 (10 of 2000) receives the assent of the President;*
- (ii) any amount paid to the credit of the Central Government prior to the date of communication of the order referred to in the first proviso or the fourth proviso shall be adjusted against the total amount due from such person.*

11.10. Further, **Section 114AA of the Customs Act, 1962** prescribes the penal action for use of false and incorrect material, which read as under:

*SECTION 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.]*

11.11. Contraventions of the provisions of the law.

From the discussion in para supra, it appears that the importer has contravened following provisions of the Customs Act, 1962 and Rules made thereunder:-

- i. Section 28 DA of the Customs Act, 1962 read with Rule 3 of the CAROTAR Rules, 2020 in as much as they failed to submit correct information as prescribed under the statute for making claim for preferential rate of duty in terms of the trade agreement. **The importer failed to exercise reasonable care as to the accuracy and truthfulness of the COO being submitted by them.** Rather, they produced and submitted a counterfeited COO to make the imported consignment eligible for FTA based duty exemption.
- ii. Section 17 and Section 46 of the Customs Act, 1962 in as much as they failed to assess their duty liability and accordingly failed to file Bill of Entry for imported consignment correctly.

12 Outcome of the investigation:

12.1 In view of the above discussion, it appeared that the

importer has submitted counterfeited COOs Certificate to claim the FTA based duty exemption in case of BE Nos. detailed in Table-C above. The COO Certificate accompanied with these Bills of Entry have proven to be counterfeit on the basis of verification reports received from the issuing authority.

12.2 After introduction of self-assessment vide Finance Act, 2011, the onus lies on the importer for making true and correct declaration with respect to all aspects of the Bill of Entry and to pay the correct amount of duty. In light of the discussions in the preceding paragraphs, it becomes evident that the importer has submitted a counterfeit COO certificate to claim benefit of the FTA based duty exemption. This intentional submission of counterfeit COO appeared an attempt to evade Customs Duty, constituting willful misstatement and suppression of facts on the part of the importer, leading to the evasion of duty amounting to **Rs. 28,86,441** /-.

12.3 It is noteworthy that the importer was fully cognizant of the technical specifications of their product and requirement of a valid COO Certificate for claiming the FTA based duty exemption. Despite this awareness, they persistently submitted counterfeited COO to the Customs department on repetitive occasions presumably with the motive of evasion of Customs Duty payment.

12.4 Thus, it appeared that the importer had attempted to avail FTA based duty exemption benefit on the basis of counterfeited/forged documents. Total revenue involved in the matter is **Rs. 28,86,441/- (BCD Rs. 22,23,759/- + SWS Rs. 2,22,377 /- + IGST Rs.4,40,305/-)** as detailed in Table-D above, which is to be recovered from the importer under Section 28 (4) of the Customs Act, 1962 along with applicable interest under 28AA of the Act, as applicable by way of rejecting the FTA based duty exemption claimed by the importer on the basis of counterfeited COO under Section 28 DA of the Customs

Act, 1962.

12.5 Furthermore, it appeared that the importer had claimed inadmissible benefit of FTA based exemption from the Customs Duty by using forged/counterfeited COO Certificates. Thus, the importer has contravened the provisions of Section 17 and Section 46 of the Customs Act, 1962 read with CAROTAR Rules, 2020. These acts of omission and commission on the part of importer has made goods valued at **Rs. 2,96,50,114/-**, though not available physically, liable for confiscation under Section 111 (m) and Section 111 (q) of the Act, *ibid* and has thus rendered themselves liable for penal action under Section 112 (a) (ii) of the Customs Act, 1962. Furthermore, the intentional alteration on the part of importer to an attempt to evade Customs Duty, constituting willful misstatement and suppression of facts on the part of the importer also made them liable for penal action under Section 114A of the Customs Act, 1962.

12.6 Therefore, on completion of investigation, a Show Cause Notice bearing No. CUS/APR/INV/67/2025-Gr4-0/0 Pr Commr-Cus-Mundra dated 01.03.2025 had been issued to M/s Shri Mahadev Ji Exports (IEC CPTPG4273F and GSTIN 07CPTPG4273F1ZM) 1st Floor Plot No A-104 Block A, Wazirpur Indl. Area, Near Shri Ram Chowk , Delhi - 110052 calling upon to show cause in writing to the Additional Commissioner of Customs, having office at Office of the Commissioner, Custom House, 5 B, Port User Building, Mundra Port, Mundra Kutch within thirty days from the date of receipt of the notice, as to why:

i. The FTA based duty exemption claimed by them on the basis of Certificate of Origin said to be issued by Issuing Office in Kota Batam, should not be denied and rejected in case of BE Nos. 8541699, 8541700, 8664112, 8664131, 8664152 and 8665410 in terms of provisions of section 28DA of the Customs Act, 1962 read with Circular No. 38/2020-Customs dated 21.08.2020 and CAROTAR Rules,

2020;

ii. The imported goods having declared value as **Rs. 2,96,50,114/-** of the consignment covered under above said Bills of Entry, though not available physically, should not be held liable for confiscation under Section 111 (m) and Section 111 (q) of Customs Act, 1962;

iii. Differential duty of **Rs. 28,86,441/- (BCD Rs. 22,23,759/- + SWS Rs. 2,22,377 /- +IGST Rs. 4,40,305/-)** in case of above said BE should not be demanded and recovered from them under section 28 (4) read with Section 28DA of the Customs Act, 1962.

iv. Interest at appropriate rates should not be levied and recovered from them under Section 2SAA of the Customs Act, 1962.

v. Penalty should not be imposed upon them under the provisions of Section 112 (a)(ii) or 114A of the Customs Act, 1962.

vi. Penalty should not be imposed upon them under the provisions of Section 114AA of the Customs Act, 1962 for using counterfeit COO Certificates.

13 Personal Hearing and Defence Submission:

Personal Hearing in the matter was fixed on Dated 19.02.206, 23.02.2026 and 26.02.2026. However, the noticee M/s Shri Mahadev Ji Exports (IEC CPTPG4273F) has neither submitted any defence submission nor appeared for any of the personal hearings.

14 DISCUSSION AND FINDINGS:

I note that the importer has been granted opportunity to defend themselves by providing personal hearing on 19.02.206, 23.02.2026 and 26.02.2026.. Despite being given sufficient opportunities of hearing, the noticee has not availed the same. Therefore, I find that in the

instant case, adequate opportunities have been provided to the importer to respond to the impugned demand notice. However, the importer has failed to file any defence, despite a considerable amount of time having been passed. I find that the importer failed to avail themselves of the opportunities for personal hearings provided to defend their case. Neither the noticee nor the authorized representative appeared for the personal hearing on any of the three dates given to present their case, nor have they submitted any reply to the allegations mentioned in the impugned Show Cause Notice (SCN). Thus, I find that sufficient time and opportunity have been given to the noticee, and therefore, the principles of natural justice have been complied with. I am of the considered opinion that sufficient opportunities have been offered to the Noticee in keeping with the principle of natural justice and there is no prudence in keeping the matter in abeyance indefinitely.

15 In the instant case, I find that the following main issues are required to be decided at the stage of adjudication:

- (i) Whether The FTA based duty exemption claimed by them on the basis of Certificate of Origin said to be issued by Issuing Office in Kota Batam, should not be denied and rejected in case of BE Nos. 8541699, 8541700, 8664112, 8664131, 8664152 and 8665410 in terms of provisions of section 28DA of the Customs Act, 1962 read with Circular No. 38/2020-Customs dated 21.08.2020 and CAROTAR Rules, 2020;
- (ii) The imported goods having declared value as **Rs. 2,96,50,114/-** of the consignment covered under above said Bills of Entry should not be held liable for confiscation under Section 111 (m) and Section 111 (q) of Customs Act, 1962;
- (iii) Differential duty **of Rs. 28,86,441/- (BCD Rs. 22,23,759/- + SWS Rs. 2,22,377 /- + IGST Rs. 4,40,305/-)** in case of above said BE should not be demanded and recovered from them under section 28 (4) read with Section 28DA of the Customs Act, 1962.

1	85416 99	2119 754	1589 82	158 98	4130 34	5879 14	0	0	3815 56	3815 56	206358
2	85417 00	4365 813	3274 36	327 44	8506 79	1210 859	0	0	7858 46	7858 46	425013
3	86641 12	2163 400	1622 55	162 26	4215 39	6000 20	0	0	3894 12	3894 12	210608
4	86641 31	4872 875	3654 66	365 47	9494 80	1351 493	0	0	8771 18	8771 18	474375
5	86641 52	7449 965	5587 47	558 75	1451 626	2066 248	0	0	1340 994	1340 994	725254
6	86654 10	8678 307	6508 73	650 87	1690 968	2406 928	0	0	1562 095	1562 095	844833
TOT AL						8223 462			5337 021	5337 021	288644 1

During investigation, it was found that the importer had claimed inadmissible benefit of FTA based exemption from the Customs Duty by using forged/counterfeited COO Certificates. Thus, the importer has contravened the provisions of Section 17 and Section 46 of the Customs Act, 1962 read with CAROTAR Rules, 2020. These acts of omission and commission on the part of importer has made goods valued at **Rs. 2,96,50,114/-**, liable for confiscation under Section 111 (m) and Section 111 (q) of the Customs Act, 1962.

18. Regarding the third and fourth issue, the self-assessment done by the importer is liable to be rejected and the said Bills of Entry needs to be re-assessed with differential duty of Rs. 28,86,441/- (BCD Rs. 22,23,759/- + SWS Rs. 2,22,377/- + IGST Rs. 4,40,305/-) under Section 28(4) of the Customs Act, 1962. I find that from the above discussion, it is evident that the importer had claimed inadmissible benefit of FTA based exemption from the Customs Duty by using forged/counterfeited COO Certificates resulting in the duty difference of Rs. 28,86,441/-. Therefore, I find that the self assessment done by importer is liable for rejection and differential duty should be recovered from the importer under Section 28(4) of the Customs Act, 1962, along with applicable rate of interest under Section 28AA of the Customs Act, 1962.

19. Regarding fifth issue, I find that After introduction of self-assessment vide Finance Act, 2011, the onus lies on the importer for making true and correct declaration with respect to all aspects of the Bill of Entry and to pay the correct amount of duty. In light of the discussions in the preceding paragraphs, it becomes evident that the importer has submitted a counterfeit COO certificate to claim benefit of the FTA based duty exemption leading confiscation of goods under Section 111(m) and 111(q) of the Customs Act, 1962 and this act of importer rendered themselves liable for penalty under Section 114A of the Customs Act, 1962. Since, importer is liable for penalty under Section 114A, importer is not liable for penalty under Section 112(a)(ii) of the Customs Act, 1962.

20. Regarding the sixth issue, I find that Importer has intentionally submitted counterfeit COO certificates in order to evade Customs Duty, constituting willful misstatement and suppression of facts on the part of the importer rendered themselves liable for penalty under Section 114AA of the Customs Act, 1962.

21. In view of the forgoing discussions and finding, I pass the following

ORDER

(i) I reject FTA based duty exemption claimed by the importer on the basis of Certificate of Origin said to be issued by Issuing Office in Kota Batam, in case of BE Nos. 8541699, 8541700, 8664112, 8664131, 8664152 and 8665410 in terms of provisions of section 28DA of the Customs Act, 1962 read with Circular No. 38/2020-Customs dated 21.08.2020 and CAROTAR Rules, 2020;

(ii) I order to confiscate the goods covered under above said

Bills of Entry, having declared value as **Rs. 2,96,50,114/-** under Section 111 (m) and Section 111 (q) of Customs Act, 1962. However, I give the importer an option under provision of Section 125(1) of the Customs Act, 1962, on payment of redemption fine of **Rs.2,00,000/- (Rupees Two Lakh only)**.

(iii) I confirm and order for recovery of Differential duty of **Rs. 28,86,441/- (Twenty-Eight Lac Eighty-Six Thousand Four Hundred Forty-one)** not paid/short paid by them on the aforesaid imported goods under Section 28(4) of the Customs Act, 1962 along with applicable rate of interest under Section 28AA of the Customs Act, 1962.

(iv) I impose a Penalty of **Rs. 28,86,441/- (Twenty-Eight Lac Eighty-Six Thousand Four Hundred Forty-one)** under the provisions of 114A of the Customs Act, 1962.

(v) I impose a Penalty of **Rs.5,00,000/- (Rs. Five Lakh only)** under the provisions of Section 114AA of the Customs Act, 1962 for using counterfeit COO Certificates.

22. This order is issued without prejudice to any other action which may be required to be taken against any person as per the provision of the Customs Act, 1962 or any other law for the time being in force.

23. The Show Cause Notice bearing No. CUS/APR/INV/67/2025-Gr4-0/0 Pr Commr-Cus-Mundra dated 01.03.2025 stands disposed in above terms.

Additional Commissioner of Customs**Import Assessment
Custom House, Mundra**

To,

M/s Shri Mahadev Ji Exports (IEC CPTPG4273F)

1st Floor Plot No A-104 Block A, Wazirpur Indl. Area, Near Shri Ram
Chowk , Delhi - 110052

Copy To,

1. The Addl. Commissioner (PCA), Custom House, Mundra.
2. The Assistant Commissioner (RRA/TRC/EDI), Custom House,
Mundra.
3. Guard File