



सत्यमेव जयते

SCN N0. ADC-07/25-26

भारत सरकार

GOVERNMENT OF INDIA

वित्तमंत्रालय, राजस्वविभाग

MINISTRY OF FINANCE

DEPARTMENT OF REVENUE

आयुक्त कार्यालय, सीमा शुल्क (निवारक)

Date . 15.07.2025

OFFICE OF THE COMMISSIONER OF CUSTOMS (P) JAMNAGAR

“राजकोट-जामनगर हाईवे, जामनगर चेंबर ऑफ कॉमर्स एंड इंडस्ट्री के बगल में, जामनगर-361001”

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(SHOW CAUSE NOTICE ISSUED UNDER SECTION 124 OF THE CUSTOMS ACT, 1962)

M/s IQOSA Impex Pvt. Ltd., Office No.-9, Akshar Business Centre, Survey No.-144/P1/P10/P1, 8-A NH, Morbi, IEC- AAHCI2825D, GSTIN-24AAHCI2825D1ZY/G (hereinafter referred as M/s IQOSA), is engaged in import and trading of various Ceramics Raw Materials like Ceramic Brightener, Wollastonite Powder, Sodium Carboxymethyl Cellulose, 68 Alumina Ball, Titanium Dioxide, Zircon Replacement 25, Calcined Alumina Powder, etc. Zirconium Silicates etc. falling under Chapter Heading 38244090, 25309050, 39123100, 69149000, 28230010, 28182010 etc. Imports of above Ceramic Raw-materials undertaken by M/s IQOSA from Kandla, Mundra and ICD, Morbi. These import goods subsequently sold to different Ceramics Manufacturers on trading basis.

2. M/s IQOSA filed Bill of Entry No. 5289629 dated 28.08.2024 (RUD-1) at ICD, Morbi (INWDH6) showing import of goods declared as 196.490 MT of "Ceramic Brightener Others" in Seven Containers as under. Import goods were classified under CTH 38244090:-

Sr. No	Bill of Entry No.	Container No.	Weight (MT)
01.	5289629 dated 28.08.2024	MEDU 6285264	28.070
02.		MSDU 1383368	28.07
03.		CXDU1425340	28.07
04.		CAIU3180504	28.07
05.		UETU 26400971	28.07
06.		FCIU 4250409	28.07
07.		DFSU 3126188	28.07

**DIN - 20250771MM000011161B**

3. Documents uploaded on e-Sanchit (**RUD-2**) for BoE No. 5289629 dated 28.08.2024 were as under:-

Sr. No.	Description of Documents	Document No.	Remark
01.	Commercial Invoice	NVOICE NO – AM24-IQOS22 dated 16.07.2024	Import Goods declared as Ceramic Brightener with Marks as N.W. 40 KG, Grade-AB-1 Made in China Qty -196 MT Unit Price- USD 312 PMT Total Value- USD 61152 (CFR Mundra)
02.	Packing List	PL NO. - AM24-IQOS22 dated 16.07.2024	Marks- Ceramic Brightener N.W. 40 KG, Grade-AB-1 Made in China Qty -196 MT, Package-4900 Bags N.W- 196000 Kgs, G.W 196490 Kgs.
03.	Bill of Lading	BL No -MEDUGI746280 dated 26.07.2024	Total Item-4900 Total Gross Wt -196490 Kgs. 700 Bags of Ceramic Brightener weighing 28070 Kgs. in each of Seven Containers. HS Code- 32071090 Marks and Number CERAMIC BRIGHTENER, N.W. 40 KG, Grade- ZB-1, Made in China, Zirconium Silicate NET 40 Kg
04.	Sales Contract with M/s Amanda International Pvt. Ltd., China for 196 MT of Ceramic Brightener Grade ZB-1	Contract No. AM24-IQOS22 dated 16.07.2024	Sales Contract between M/s IQOSA and M/s Amanda International Pvt. Ltd., China for 196 MT of Ceramic Brightener Grade ZB-1 @ USD 312 PMT totally amounting to USD 61152/- (CFR)
05.	Certificate of Analysis	Technical Analysis issued by M/s Amanda International Pvt. Ltd.	Showing composition of the import goods.
06.	Certificate of Origin	Certificate No. 24C620990919/50066 dated 13.08.2022224	Country of Origin- People's Republic of China Description of Goods shown as - WOLLASTONITE 325 MESH, MADE IN CHINA HS Code 25309050
06.	Letter for Amendment in CTH.	Letter of IQOSA dated 05.09.2024	Request for approval of amendment of CTH from 3824

4. Whereas Classification of import goods declared in Bill of Entry differed with Bill of Lading, M/s IQOSA, amended the classification from CTH 38244090 to CTH 32071090 and accordingly intimated/requested to Customs for approval vide their letter dated 05.09.2024. (**RUD-03**)

5. Import consignment in Seven Containers was subjected to examination by the Customs on 07.09.2024 in view of the RMS instruction. In the examination of the import

goods, it was noticed that in two of the Containers bearing Nos. FCIU 4250409 & DFSU 3126188, import goods were packed in the Bags printed and marked with "Zirconium Silicates". In remaining five Container Nos. MEDU 6285264, MSDU 1383368, CXDU1425340, CAIU3180504 & UETU 26400971 import goods were packed in Bags marked and printed with Ceramic Brightener and M/s IQOSA Impex Pvt. Ltd.. The CHA present at the time of examination was asked about this anomaly and who was unable to explain. Therefore representative samples of import goods were drawn from two Containers FCIU 4250409 & DFSU 3126188 and were sent to CRCL, Vadodara under Test Memo No. 1235148 dated 07.09.2024 with query as under :-

- (i) Nature of the goods
- (ii) Composition and
- (iii) Whether the Test Sample is Ceramic Brightener

Test Report received vide Test Result No. RCL/ICD-Morbi/ IMP/3800/ 30.09.2024 issued by CRCL on 08.10.2024, wherein it was reported as under:-

*"The Sample is in the form of off-white powder. It is mainly composed of Silica and small number of oxides of Calcium and Iron. It is other than Ceramic Brightener." (RUD-4)*

6. In view of the above Test Result for Import goods of the two Containers FCIU 4250409 & DFSU 3126188, whereas reported to be other than Ceramic Brightener, 56 MT of import goods in the said two Containers valued at Rs. 15,00,000/- were placed under Seizure under Panchnama dated 15.10.2024 (RUD-5) and Seizure Memo dated 15.10.2024 (RUD-6) under the reasonable belief that the same was liable for confiscation under provisions of Section 111 of the Customs Act, 1962. Further representative samples were also drawn from remaining five Containers MEDU 6285264, MSDU 1383368, CXDU1425340, CAIU3180504 & UETU 26400971 by Customs under Panchnama dated 15.10.2024 (RUD-07) in presence of Importer and the CHA. Said representative sample of the remaining five containers was sent to CRCL, under Test memo No. 1240874 dated 16.10.2024 raising queries as under:-

- (i) Nature of the Product,
- (ii) Chemical Composition,
- (iii) Whether the Test Sample is Ceramic Brightener, if not then please specify the product.

Test Result No. RCL/ICD-Morbi/IMP/4195/21.10.2024, issued on 24.10.2024 as received from CRCL for the above Sample reported as under :-

*"The sample is in the form of off-white powder. It is mainly composed of Silica and small amount of oxides of Calcium and Iron. It is other than Ceramic Brightener. % of Silica = 96.45%." (RUD-08)*

7. Therefore, whereas the Test Result No. RCL/ICD-Morbi/IMP/4195 /21.10.2024 reported the imported goods in remaining five Containers to be mainly composing of Silica and Other Than Ceramic Brightener, the said goods weighing 140.35 MT and valued at Rs. 37,15,515/- was placed under seizure vide Seizure Memo dated 29.10.2024 under the reasonable belief that the same was liable for confiscation under

provisions of Section 111 of the Customs Act,1962. Thus, the import goods covered under Bill of Entry No. 5289629/28.08.2024 declared as Ceramic Brightener and classified under CTH 32071090 were seized under the reasonable belief that the same were liable for confiscation under the Customs Act,1962. Details of seizure in the subject case is as under:-

Sr. No.	Seizure Memo	Container No	Quantity (MT)	Value (Rs.)
1.	Dated 15.10.2024	FCIU 4250409 DFSU 3126188	56	1500000/-
2.	Dated 29.10.2024	MSDU 1383368 CAIU 3180504 CXDU 1425340 MEDU 6285264 UETU 2640971	140.35	37,15,515/-
<b>Total</b>			<b>196.35 MT</b>	<b>Rs. 52,35,515/-</b>

8. On request of the importer the Import goods in the said Seven Containers were allowed for warehousing in terms of Section 49 of the Customs Act,1962. Whereas import documents uploaded on e-Sanchit for Bill of Entry No. 5289629/28.08.2024 were also noticed having certain anomalies as under, Summons was issued to M/s IQOSA for their statement in the case:-

- (i) Bill of Lading No.-MEDUGI746280 dated 26.07.2024 showed Classification of import goods to be 32071090 different from the classification declared in the Bill of Entry as CTH 38244090 (however amended later on by importer as per BL). Also, description of goods in the Bill of Lading was declared under Marks and Number as CERAMIC BRIGHTENER, N.W.: 40 KG, Grade-ZB-1, Made in China, Zirconium Silicate NET: 40 Kg.;
- (ii) Certificate of Origin No. 24C620990919/50066 dated 13.08.2022224 uploaded on e-Sanchit showed description of import goods as "WOLLASTONITE 325 MESH";
- (iii) Anomalies in Packing Materials different from Packing List and indicating all-together different goods than what was declared in the Bill of Entry.

9. Statement of Shri Priyank Jagjivanbhai Kavar, one of the Directors of M/s IQOSA, in view of the above was recorded on 21.11.2024 (**RUD-09**) wherein besides other thing he interalia, stated that M/s IQOSA is engaged in import and trading of Ceramic Raw-Materials like Wollastonite, Nepheline, Ceramic Brightener etc. and their buyers are Ceramic Manufacturers in and around Morbi; that all works related to import in the company viz. M/s IQOSA is looked after by him and all decisions in the matter also taken by him;

- He was further shown copy of BE No. 5289629/28.08.2024 along with Bill of Lading No. MEDUGI746280, Commercial Invoice No. AM24-IQOS22 and corresponding Technical Analysis report and after perusing the same he stated to have imported seven containers of Ceramic Brightener having HSN 38244090 from M/s Amanda International Private Limited, China;
- Regarding difference in HS Code of import goods he stated that HSN Code for the import material is CTH 38244090 as mentioned in Bill of Entry and CTH 32071090 in Bill of Lading; that the Bill of Lading and other documents provided by his supplier and who mentioned HSN code as per their understanding; that HSN Code in Bill of Entry was entered by his CHA M/s Pravin Bhatt and Sons having CB Code-AAKFP2084MCH001;
- On being shown Seizure Memo dated 15.10.2024 for two Containers FCIU 4250409 & DFSU 3126188, he stated that as per their order goods were to be loaded in seven containers but the overseas suppliers had packing materials for five containers only; that therefore the goods in the said two containers were packed in bags printed with Zirconium Silicate; that the supplier had however also stamped Ceramic Brightener on each;
- He further stated that Ceramic Brightener and Zirconium Silicate are two different products classified also differently under HSN 2530 and 3207; that Zirconium Silicate is used as a opacifier in ceramic manufacturing and Ceramic Brightener imported by him is mainly containing Silicon-Dioxide is used as brightening agent; that there are many varieties of Ceramic Brightener viz. ZB-1, ZB-1+, ZR-30H etc.
- He was further shown the Lab Report Nos. RCL/ICD-Morbi/IMP/3800/30.09.2024 and RCL/ICD-Morbi/IMP/4195/21.10.2024 as received from CRCL, Vadodara for import goods of two containers and import goods of remaining five containers and on perusing the same he stated that import cargo is in form of off white powder and main component is Silica; that Processed Silica is known as Ceramic Brightener; that he was not agreed with the CRCL report.

10. Further whereas Test Results received from CRCL, Vadodara reported that the import goods were other than Ceramic Brightener but were not complete in respect of all the queries raised in the Test Memo Nos. 1235148 dated 07.09.2024 and 1240874 dated 16.10.2024, therefore remnant samples were sent to CRCL, Delhi for retesting as per instruction of CRCL, New Delhi C.No. 35-Cus/Misc/Corres./2022-23 dated 05.04.2022, vide letter No. CUS/SHED/MISC/1480/2024 dated 26.12.2024 with queries as under :-

- (i) Nature of the Product/Specific description of product,
- (ii) Chemical Composition of the Samples.

(iii) Whether the samples are of "Untreated Fumed Silica" classifiable under CTH 28112200 or otherwise.

Test Result received from CRCL, Delhi for re-testing of samples vide their CLR No. 285 dated 09.01.2025 (for TM No. 1235148 dt. 07.09.2024) (RUD-10) and CLR No. 286 dated 09.01.2025 (for TM No. 1240874 dated 16.10.2024) (RUD-11) reported as under:-

Test Memo No. 1235148 dt. 07.09.2024 (sample of two Containers)	Test Memo No. 1240874 dt 16.10.2024 (sample of five Containers)
<p><i>The sample is in the form of off-white fine powder. It is mainly composed of silica along with small amount of other metallic oxides. Silica (% by mass) = 96.01.</i></p> <p><i>The sample u/r is other than fumed Silica.</i></p> <p><i>Whether sample u/r is used as ceramic brightener or not could not be ascertained</i></p>	<p><i>The sample is in the form of off-white fine powder. It is mainly composed of silica along with small amount of other metallic oxides. Silica (% by mass) = 96.86</i></p> <p><i>The sample u/r is other than fumed Silica.</i></p> <p><i>Whether sample u/r is used as ceramic brightener or not could not be ascertained</i></p>

11. A further statement of Shri Priyank Jagjivanbhai Kavar, the Directors of M/s IQOSA was recorded on 03.02.2025; (RUD-12) wherein besides other thing he interalia stated that Certificate of Origin Sr. NO. CCP/T6202450003251, Cert. No. 24C620990919/50066, e-Sanchit by his CHA was wrongly uploaded for import of Ceramic Brightener under stated BE No. 5289629 dated 28.08.2024; that this COO had nothing to do with our import goods shown imported under BE NO. 5289629 dated 28.08.2024; that they also import WOLLASTONITE, from Mundra Port and mistakenly this document was uploaded by their CHA;

- He was shown Retest-Report bearing CLR Nos. 285 & 286 both dated 09.01.2025 of the samples drawn from lots of two Containers under TM No. 1235148 dated 07.09.2024 and from lot of Five Containers under TM No. 1240874 dated 16.10.2024 as received from CRCL Delhi both dated 29.01.2025. In the test result of CRCL New Delhi import product was reported differently from what they have declared in the Bill of Entry No. 5289629 dated 28.08.2024. On being asked he was agreed that the composition wise said Retest-Reports show differently than what they have declared in their Import/Documents. He further stated that they were accurately not aware about classification and actual declaration of the goods imported by them under BE No. 5289629 dated 28.08.2024 and they depended on their CHA M/s Pravin Bhatt and Sons; that they classified their import goods under CTH 38244090 which was later amended by our CHA to 32071090; that their goods which they know in Commercial Parlance as Ceramic Brightener was actually Ceramic Raw Materials readied through Miscellaneous Chemical Preparations for Glaze Compound and which then goes into mixing with other materials like Zirconium Silicates, Clay including China Clay, Soda/Potash etc. for manufacture of Tiles; that therefore, as per their understanding, impugned import good was classifiable

under CTH 38244090, which also has same aggregate rate of Customs Duty i.e. 27.735% as payable in the case of classification under CTH 32071090;

- On being asked about the correct description of the import goods imported by them, under Bill of Entry No.5289629 dated 28.08.2024, he stated that the goods imported by them under BE No. 5289629 dated 28.08.2024 is Ceramic Raw Material which is prepared by Miscellaneous Chemical Preparations and duly classified under residual entry under CTH 38244090;
- The Bill of Lading No. MEDUGI746280 mentioned goods as Ceramic Brightener ZB-1, Zirconium Silicate and whereas two containers were found with goods packed in bags marked as of Zirconium Silicate, so why not this be assumed that in guise of Ceramic Brightener they imported Zirconium Silicate, to what he replied that Goods imported by them was different from Zirconium Silicates; that in two containers Packing Material used with Marking of Zirconium Silicate was due to mistake by supplier side, who did this as Packing Material with Marking of Ceramic Brightener and IQOSA was exhausted; that also in Zirconium Silicate, presence of Silica is in the range of 25 to 35% and Zirconium Oxide is in the range of 50-60%, but in their case import goods is reported to be mainly composing Silica in range of 94-96%; that Zirconium Silicate attract lesser duty i.e. BCD- and IGST- 5% and had they imported Zirconium Silicate, they would not have paid higher duty i.e. @ 27.735% aggregate;

12. Seized goods were subsequently released to the importer M/s IQOSA provisionally in terms of Section 110A of the Customs Act,1962 vide Release Order No. CUS/SHED/MISC/1480/2024 dated 19.02.2025 on execution of the Bond for full seizure value of Rs 52,15,515/- and on furnishing Bank Guarantee for Rs. 15,00,000/- , vide BG No. 101GT01250490001 dated 18.02.2025 (HDFC Bank). **(RUD-13)**

13. **Legal provisions relevant in the case :-**

The following provisions of the law and the relevant Act thereof appear to be imperative in the case: -

**13.1. Section 46 of the Customs Act, 1962 inter alia states (emphasis supplied):**  
**'Entry of goods on importation-**

(1) *The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed.*

Provided .....

(2) *Save as otherwise permitted by the proper officer, a bill of entry shall include all the goods mentioned in the Bill of Lading or other receipt given by the carrier to the consignor.*

(3) .....

(4) 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.

(4A) The importer who presents a bill of entry 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'.

### 13.2. SECTION 111 (m) OF THE CUSTOMS ACT, 1962 :

#### **Confiscation of improperly imported goods etc.**

The following goods brought from the place outside India shall be liable to 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 transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54.

**13.3. Section 112 of the Customs Act, 1962 - Penalty for improper importation of goods, etc.:** 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)...

shall be liable,-

(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;

### 13.4. Section 117 of the Customs Act, 1962 - Penalty for Contravention, etc. not expressly mentioned:-

Any person who contravenes any provision of this Act or Abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no explores penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding [ four Lakh rupees]

### 13.5. Section 125(1) of the Customs Act, 1962 - Option to pay fine in lieu of confiscation:

(1) Whenever confiscation of any goods is authorized by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods or, where such owner is not known, the person from whose possession or custody such goods have been seized, an option to pay in lieu of confiscation such fine as the said officer thinks fit;

14. Therefore, in view of the facts as discussed in the foregoing para, whereas it appears that M/s IQOSA filed Bill of Entry No. 5289629/28.08.2024 at ICD, Morbi wherein they declared import goods as Ceramic Brightener and classified the same under CTH 38244090. However, the import documents like Bill of Lading uploaded by them on e-Sanchit have had description of goods as Ceramic Brightener ZB-1 and Zirconium Silicate, and also classification was shown differently under HS Code 32071090. Subsequently M/s IQOSA changed the classification of their import under CTH 32071090 through amendment and whereunder RMS instructed for examination of the import consignment. In the examination of the said import consignment in seven containers following facts emerged: -

- a. In five Containers MEDU6285264, MSDU1383368, CXDU1425340, CAIU3180504 & UETU26400971 import goods were packed in the bags with Marking of M/s IQOSA Impex Pvt. Ltd. and Ceramic Brightener as per declaration in related Packing List e-Sanchit;
- b. In remaining two Containers FCIU 4250409 & DFSU 3126188 import goods were packed in different packaging bags, with Mark of Zirconium Silicates and the Packaging was not as per the Packing List;

15. Samples were subsequently drawn from the lots of two Containers first and then from the lots of five Containers and were sent to CRCL, Vadodara for chemical analysis thereof. The Test results received from CRCL, Vadodara stated mainly that the import goods was composed mainly of Silica and it was other than Ceramic Brightener. Test Results of CRCL, Vadodara are reproduced hereunder: -

Sr. No.	Test Memo No.	Test Result No.	Test Result
01.	1235148 dt. 07.09.2024 (sample of two Containers)	RCL/ICD-Morbi/IMP/3800/ 30.09.2024	"The Sample is in the form of off-white powder. It is mainly composed of Silica and small amount of oxides of Calcium and Iron. It is other than Ceramic Brightener. % of Silica = 96.9% by wt.
02.	1240874 dt. 16.10.2024 (sample of five Containers)	RCL/ICD-Morbi/IMP/4195 /21.10.2024	"The sample is in the form of off-white powder. It is mainly composed of Silica and small amount of oxides of Calcium and Iron. It is other than Ceramic Brightener. % of Silica = 96.45%."

16. Therefore, whereas M/s IQOSA Impex Pvt. Ltd. filed Bill of Entry No. 5289629/28.08.2024 at ICD, Morbi, declaring the import goods as Ceramic Brightener and classified the same under CTH 32071090: -

- (i) Import documents like Bill of Lading and Certificate of Origin uploaded on e-Sanchit have had description of goods different from as declared in the

Bill of Entry in as much as in case of BL it was found having mention of Zirconium Silicate in addition to Ceramic Brightener and in case of COO, it was altogether of different consignment i.e. of Wollastonite;

- (ii) Packaging for the import goods in two Containers were found different from the Packing List as uploaded by them on e-Sanchit in as much as packaging materials in two containers have marking of Zirconium Silicate;
- (iii) Test Results received from CRCL, reported the goods to be other than Ceramic Brightener composing mainly Silica;

Therefore, in view of the above whereas it appeared that the actual import goods covered under BE No. 5289629/28.08.2024 did not correspond with entries made in the Bill of Entry and related Import documents as required under provisions of the Customs Act,1962 , the said goods in seven containers were seized vide Seizure Memo dated 15.10.2025 and 29.10.2025, under the reasonable belief that the same were liable for confiscation under provisions of Section 111(m) of the Customs Act,1962.

**16.1.** Above facts were also admitted by Shri Priyank Jagjivanbhai Kavar, the Directors of M/s IQOSA in his statement dated 21.11.2024 and 03.02.2025 wherein he admitted that the goods imported by them though known in Commercial Parlance as Ceramic Brightener was actually Ceramic Raw Materials readied through Miscellaneous Chemical Preparations for Glaze Compound and which then goes into mixing with other materials like Zirconium Silicates, Clay including China Clay, Soda/Potash etc. for manufacture of Tiles; that therefore, as per their understanding, impugned import goods classifiable under CTH 38244090. He also stated that he was not well aware about the accurate classification of the import goods in question and the amendment in classification and uploading of import documents were all done by their CHA M/s Pravin Bhatt and Sons, which were not correctly done.

17. Therefore, whereas it appears from the above that M/s IQOSA has wrongly selected the CTH for the import goods in the Bill of entry. Import Documents uploaded on e-Sanchit like BL, Packing List and COO appeared grossly incorrect in as much as description of goods, classification thereof and packaging details were different than the actual goods. In this regard, it is pertinent to emphasize that with the introduction of self-assessment under the Customs Act, more faith is bestowed on the importers, as the practice of routine assessment, concurrent audit and examination has been dispensed with and importers have been assigned the responsibility of assessing their own goods Section 17(1) of the Customs Act,1962. The law demands facts to be declared by importer and wherein it was incumbent on importer to pronounce the correct particulars of the goods imported by them with corroborative documentary evidence and to determine every aspect of an imported consignment from description, classification, tariff and notification benefit if any as applicable in respect of the import goods. The responsibility of filing of EDI Bill of Entry and ensuring the accuracy and completeness of the information submitted therein lies entirely with the importer and the importer is solely and entirely responsible in case of any incorrect/inaccurate information furnished therein, in view of Section 46(4A) of the Customs Act,1962 read with provisions of

Section 17(1) *ibid*. M/s IQOSA, appeared to have failed in correctly declaring the import goods and also entering correct classification thereof as required under Section 46(4) and 46(4A) of the Customs Act, 1962 and thereby rendering the goods liable for confiscation. They admitted to the fact of import goods declared in the Bill of Entry as Ceramic Brightener was actually Ceramic Raw Materials readied through Miscellaneous Chemical Preparations and was classifiable under CTH 38244090 and not under CTH 32071090 as was done by them. Therefore, by way of various acts and omission M/s IQOSA has contravened the statutory provisions of Section 46(4) and Section 46(4A) of the Act, *ibid*.

18. Whereas the samples of import goods were got tested from CRCL, Vadodara and then re-tested from CRCL, Delhi it was reported as under :-

Query Raised	Test Memo No. 1235148 dt. 07.09.2024 (sample of two Containers)	Test Memo No. 1240874 dt. 16.10.2024 (sample of five Containers)
CRCL, Vadodara	"The Sample is in the form of off-white powder. It is mainly composed of Silica and small amount of oxides of Calcium and Iron. It is other than Ceramic Brightener. % of Silica = 96.9% by wt.	"The sample is in the form of off-white powder. It is mainly composed of Silica and small amount of oxides of Calcium and Iron. It is other than Ceramic Brightener. % of Silica = 96.45%."
CRCL, New Delhi	The sample is in the form of off-white fine powder. It is mainly composed of silica along with small amount of other metallic oxides. Silica (% by mass) = 96.01 The sample u/r is other than fumed Silica. Whether sample u/r is used as ceramic brightener or not could not be ascertained	The sample is in the form of off-white fine powder. It is mainly composed of silica along with small amount of other metallic oxides. Silica (% by mass) = 96.86 The sample u/r is other than fumed Silica. Whether sample u/r is used as ceramic brightener or not could not be ascertained

19. From the facts and the circumstances discussed in the foregoing para it appears that M/s IQOSA impex has imported consignment of Ceramic Raw Materials known in commercial parlance as Ceramic Brightener however classified the same incorrectly under CTH 32071090. The import goods under reference whereas reported by the CRCL, Vadodara and New Delhi to be the products, mainly composing Silica (in range of 96-98%), other than Ceramic Brightener and not ascertainable whether the same can be used as Ceramic Brightener or not, it appears that the said goods are not classifiable under CTH 32071090, as done by the importer. The subject goods appears to be raw material of Miscellaneous Chemical Preparations, for use in manufacture of Tiles Adhesive, Prepared Binders, Joint Filler by mixing with other natural raw materials like Zirconium Silicates, China Clay, Soda/Potash, Dolomite powder, Cement, Chemicals, etc.. Such Miscellaneous Chemical Product mainly composed of Silica with different properties are classified under HSN 3824, which is definable as under:-

*"Prepared binders for foundry moulds or cores; Chemical products and preparations of chemical or allied industries including those consisting of mixtures and natural products, not elsewhere specified or included."*

The import product therefore appears to be classifiable under CTH 38244090, which is chargeable to Customs Duty @ BCD-7.5%, SWS-10% of BCD & IGST-18%. Details of seizure in the subject case is as under :-

Sr. No.	Seizure Memo	Container No.	Quantity (MT)	Value (Rs.)
1.	Dated 15.10.2024	FCIU 4250409 DFSU 3126188	56	1500000/-
2.	Dated 29.10.2024	MSDU 1383368 CAIU 3180504 CXDU 1425340 MEDU 6285264 UETU 2640971	140.35	37,15,515/-

(Seized goods released provisionally to the importer under Section 110A of the Customs Act,1962)

**20.** In view of the above whereas it appears that M/s IQOSA Impex Pvt Ltd., filed Bill of Entry No. 5289629/28.08.2025, for import of goods, mis-declaring the same to be Ceramic Brightener and classified the same wrongly under CTH 32071090, they rendered the goods liable for confiscation under Section 111(m) of the Customs Act,1962. Thus 196 MT of import goods declared as Ceramic Brightener and valued at **Rs. 52,15,515/- (Fifty-Two Lakhs Fifteen Thousand Five Hundred and Fifteen only)** is liable for confiscation under provisions of Section 111(m) of the Customs Act,1962. The seized goods has been released provisionally to the importer under Section 110A of the Customs Act,1962. M/s IQOSA Impex Pvt. Ltd., by way mis-declaring and mis-classifying the import goods rendered the same liable for confiscation by way of various acts of omissions as explained herein above para and thereby rendered themselves liable for penalty under Section 112(a)(ii) of the Customs Act,1962.

**21.** Whereas M/s IQOSA Impex Pvt. Ltd., uploaded the documents Document like Certificate of Origin altogether of different consignment i.e. of Wollastonite instead of the actual goods shown imported by them. Actual packing of the import goods also found in two Containers bearing Nos. FCIU 4250409 & DFSU 3126188 were different from the Packing List uploaded on e-Sanchit. Above acts of M/s IQOSA was in contravention of the provisions of Section 46(4) and Section 46(4A) of the Customs Act,1962 and in view whereof M/s IQOSA rendered themselves liable to penalty under Section 117 of the Customs Act,1962.

**22.** In view of the above therefore M/s M/s IQOSA Impex Pvt. Ltd., having their office at the address. Office No.-9, Akshar Business Centre, Survey No.-144/P1/P10/P1, 8-A NH, Morbi, IEC- AAHCI2825D, GSTIN-24AAHCI2825D1ZY is hereby called upon to show cause to the Additional Commissioner of Customs (Preventive) Commissionerate, Jamnagar having his office at Jamnagar-Rajkot Highway, Beside Jamnagar Chamber of Commerce, Jamnagar- 361001, Gujarat (India) within thirty days from the receipt of this notice as to why:-

- i. Classification of the import goods declared as Ceramic Brightener done under CTH 32071090 should not be rejected and be re-classified under CTH 38244090 as Miscellaneous Chemical Preparation.
- ii. *196 MT of import goods declared as Ceramic Brightener, valued at Rs. Rs. 52,15,515/- (Fifty-Two Lakhs Fifteen Thousand Five Hundred and Fifteen only), should not be confiscated under Section 111 (m) of the Customs Act, 1962. Seized goods has been provisionally released on execution of a Bond of full value and on furnishing Bank Guarantee for Rs. 15,00,000/-, vide BG No. 101GT01250490001 dated 18.02.2025, issued by HDFC Bank,*
- iii. *Penalty should not be imposed on them under Section 112(a)(ii) of the Customs Act, 1962.*
- iv. *Penalty should not be imposed on them under Section 117 of the Customs Act, 1962.*

**23.** This show cause notice is being issued under Section 124 of the Customs Act, 1962 without prejudice to any other action that may be taken in respect of the impugned goods and/or the persons/company mentioned in the notice, under the provisions of the Customs Act, 1962 and/or any other law for the time being in force.

**24.** This aforesaid noticee(s) is directed to submit their written replies within the stipulated time of 30 days from the date of receipt of this notice. In their replies they should clearly state whether they wish to be heard in person or not. If no cause is shown within the stipulated time or within such other time as may be provided by the adjudicating authority on a request being made in that regard, or, if they do not appear when the case is posted for hearing, the case will be decided ex-parte on the basis of evidences available on record without making any further reference to them.

**25.** This show cause notice is issued only in respect of issues discussed in the show cause notice and the goods mentioned against the bill of entries, as detailed in the SCN.

**26.** This show cause notice is being issued without prejudice to any other action that may be taken against the noticee(s) to this show cause notice or any other person(s) whether mentioned herein above or not under the Customs Act, 1962 or any other law for the time being in force in India. The department reserves the right to add, amend, modify or delete any part or portion of this notice any such addition, amendment, modification or deletion if made shall be deemed to be part and parcel of this notice but prior to adjudication thereof.

27. The documents relied upon as per list are enclosed herewith as **Annexure-A**.

Enclosed: Documents as per Annexure- A

*N. Srujan Kumar*  
15 July, 2025  
(N. Srujan Kumar)  
Additional Commissioner  
Customs (Prev.) Commissionerate  
Jamnagar

BY Speed Post A.D

To,

1. M/s IQOSA Impex Pvt. Ltd.,  
Office No.-9, Akshar Business Centre,  
Survey No.-144/P1/P10/P1, 8-A NH,  
Morbi *363642*

Copy to:- (i) The Assistant Commissioner of Customs, ICD, Morbi for information and further necessary action.

(ii) Deputy Commissioner of Customs, HQ, Preventive Section, Customs(P) Commissionerate, Jamnagar.

(iii) Guard File.

*K.S. NAIYA*  
15/07/2025  
K.S. NAIYA  
EXECUTIVE ASSISTANT

**(ANNEXURE-A)**

**LIST OF THE DOCUMENTS RELIED UPON FOR SHOW CAUSE NOTICE TO M/S IQOSA IMPEX PVT. LTD., MORBI (IEC-AAHCI2825D)**

<b>Sr. No.</b>	<b>Description of Documents</b>	<b>Remark</b>
01.	EDI Bill of Entry No. 5289629/28.08.2024	Available with notice.
02.	Import documents uploaded on e-Sanchit for BoE No. 5289629/28.08.2024	Available with notice.
03.	Letter dated 05.09.2024 of M/s IQOSA Impex Pvt. Ltd.	Available with notice.
04.	Test Memo No. 1235148 dated 07.09.2024 & Test Result No. RCL/ICD-Morbi/IMP/3800/ 30.09.2024	Copy enclosed
05.	Seizure Panchnama dated 15.10.2024 for Import goods of two Containers	Available with Noticee
06.	Seizure Memo dated 15.10.2024 for Import goods of two Containers	Available with Noticee
07.	Panchnama dated 15.10.2024 drawn for sampling from remaining five Containers	Available with Noticee
08.	Test Memo No. 1240874 dated 16.10.2024 & Test Result No. RCL/ICD-Morbi/IMP/4195/ 21.10.2024	Copy enclosed
09.	Statement dated 21.11.2025 of Shri Priyank Jagjivanbhai Kavar, Director of M/s IQOSA Impex Pvt. Ltd.	Copy enclosed
10.	Test Result of CRCL, Delhi bearing CLR No. 285/09.01.2025	Copy enclosed
11.	Test Result of CRCL, Delhi bearing CLR No. 286/09.01.2025	Copy enclosed
12.	Further Statement dated 03.02.2025 of Shri Priyank Jagjivanbhai Kavar Director of M/s IQOSA Impex Pvt. Ltd.	Copy enclosed
13.	Provisional Release Order NO. CUS/SHED/MISC/1480/2024 dated 19.02.2025 along with Bond and HDFC, BG No. 101GT01250490001 dated 18.02.2025	Copy enclosed