F.No. CUS/APR/MISC/2679/2024-Gr 5-6-O/o Pr Commr-Cus-Mundra-Part(7)
SCN No. 45 /2026-27/COMM/N.S./ADJN/MCH

कार्यालय: प्रधान आयुक्त सीमा शुल्क, मुन्द्रा,
सीमा शुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370421
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT-370421
PHONE:02838-271426/271423 FAX:02838-271425
Email: adj-mundra@gov.in

SHOW CAUSE NOTICE

(ISSUED UNDER SECTION 28(4) OF THE CUSTOMS ACT, 1962)

M/s. SRB International Private Limited (IEC- 0511030266), 3 LSC, Plot No. 3, 2nd Floor, 17 CGHS, DDA Market, Mayur Vihar-1, NEW DELHI – 110091, (hereinafter referred to as "the importer" for sake of brevity) had filed Bills of Entry, as detailed in Table-I below, for import of various models of "Pumping Unit (Petroleum Operations)" declared under Customs Tariff Heading 84138190. The importer availed concessional Integrated Tax (IGST) rate of 5% under Notification No. 3/2017-Integrated Tax (Rate) dated 28.06.2017 on the strength of Essentiality Certificate No. IPIN202109170011-N dated 17.09.2021 issued by the Directorate General of Hydrocarbons (DGHC).

2. It was observed, under LAR No. 11/2022-23, Para 2, the importer had availed the benefit of concessional IGST in respect of pumping units/models which were not specified in the said Essentiality Certificate. It was further observed that no corrected/revised Essentiality Certificate issued by DGHC was found available in the EDI/e-Sanchit system. Consequently, the benefit of concessional IGST appeared to have been irregularly availed, resulting in short levy of customs duty amounting to Rs. 1,46,39,027/- as per Statement C.

3. Details of Bills of Entry and Goods Imported

TABLE - I

Sr. No.	Bill of Entry No. & Date	Description of Goods (as declared)	CTH Declared	No. of items	Assessable Value (Rs.)	Duty Paid @ 13.66% (Rs.)
1	5511887 dated 20.09.2021	NC-320D-256-120 / NC-228D-213-120 Pumping Unit (CERTIFICATE NO. IPIN202109170011-N)	84138190	5	1,57,80,940	21,56,071
2	5512804 dated 20.09.2021	NC-320D-256-120 / NC-228D-213-120 Pumping Unit (CERTIFICATE NO. IPIN202109170011-N)	84138190	6	2,00,47,994	27,39,057
3	5597577 dated 27.09.2021	NC-320D-256-120 Pumping Unit (CERTIFICATE NO. IPIN202109170011-N)	84138190	4	1,47,25,938	20,11,931
4	5598012 dated 27.09.2021	NC-320D-256-120 / NC-228D-213-120 Pumping Unit (CERTIFICATE NO. IPIN202109170011-N)	84138190	4	1,38,93,567	18,98,209
5	5598267 dated 27.09.2021	NC-320D-256-120 / NC-228D-213-120 Pumping Unit (CERTIFICATE NO. IPIN202109170011-N)	84138190	12	3,95,77,333	54,07,253

	Total			**31**	**10,40,25,773**	**1,42,12,521**

The above imports were cleared under self-assessment/RMS facilitation and duty was paid as per the notification benefit and IGST rate declared/claimed by the importer.

4. Observations

4.1 Notification No.3/2017-Integrated Tax (Rate) dated 28th June, 2017 provides for levy of concessional rate of Integrated tax (IGST) of 5% on goods required in connection with Petroleum operations undertaken under petroleum exploration licenses or mining leases, granted by the Government of India or any State Government to the Oil and Natural Gas Corporation or Oil India Limited. This concession is subject to fulfilment of condition that the recipient of outward supply of goods *produces certificate from a duly authorised officer of the Directorate General of Hydro Carbons* (DGHC) in the Ministry of Petroleum and Natural Gas, Government of India, *to the effect that the goods are required for petroleum operations.*

4.2 Relevant portion of Notification No. 3/2017-Integrated Tax (Rate) dated 28.06.2017 is as below-

S.No.	**Chapter / Heading / Subheading / Tariff item**	**Description of Goods**	**Rate**	**Condition No**
(1)	**(2)**	**(3)**	**(4)**	**(5)**
1.	Any Chapter	Goods specified in the List annexed to this Table required in connection with: (1) Petroleum operations undertaken under petroleum exploration licenses or mining leases, granted by the Government of India or any State Government to the Oil and Natural Gas Corporation or Oil India Limited on nomination basis, or (2) Petroleum operations undertaken underspecified contracts, or (3) Petroleum operations undertaken underspecified contracts under the New Exploration Licensing Policy, or (4) Petroleum operations undertaken underspecified contracts under the Marginal Field Policy (MFP), or (5) Coal bed methane operations undertaken under specified contracts under the Coal Bed Methane Policy	5%	1

Condition	***Conditions***

No.	
1.	*If,-* *(a) the goods are supplied to,-* *(i) the Oil and Natural Gas Corporation or Oil India Limited(hereinafter referred to as the "licensee") or a sub-contractor of the licensee and in each case in connection with petroleum operations to be undertaken under petroleum exploration licenses or mining leases, as the case may be, granted by the Government of India or any State Government on nomination basis; or* *(ii) an Indian Company or Companies, a Foreign Company or Companies, or a consortium of an Indian Company or Companies and a Foreign Company or Companies (hereinafter referred to as the "contractor") or a sub-contractor of the contractor and in each case in connection with petroleum operations to be undertaken under a contract with the Government of India; or* *(iii) an Indian Company or Companies, a Foreign Company or Companies, or a consortium of an Indian Company or Companies and a Foreign Company or Companies (hereinafter referred to as the "contractor") or a sub-contractor of such Company or Companies or such consortium and in each case in connection with petroleum operations or coal bed methane operations, as the case may be, to be undertaken under a contract signed with the Government of India, on or after the 1st day of April,1998, under the New Exploration Licensing Policy, or on or after the 1st day of April 2001 in terms of the Coal Bed Methane Policy, or on or after the 14th day of October, 2015 in terms of the Marginal Field Policy, as the case may be;………………….* ………… *(c) where the recipient of outward supply of goods is a sub-contractor, he produces to the Deputy Commissioner of Central tax or the Assistant Commissioner of Central tax or the Deputy Commissioner of State taxor the Assistant Commissioner of State tax, as the case may be, having jurisdiction over the supplier of goods, at the time of outward supply, the following, namely :-* *(i) a certificate from a duly authorised officer of the DirectorateGeneral of Hydro Carbons in the Ministry of Petroleum and NaturalGas, Government of India, to the effect that the goods are requiredfor :-* *(A) petroleum operations referred to in sub-clause (i) of clause(a) under the licenses or mining leases, as the case may be,referred to in that sub-clause and containing the name ofsuch sub-contractor, or* *(B) petroleum operations referred to in sub-clause* *(ii) ofclause (a) under the contract referred to in that sub-clauseand containing, the name of such sub- contractor, or* *(C) petroleum operations or coal bed methane operations, asthe case may be, referred to in sub- clause* *(iii) of clause(a) under a contract signed under the New Exploration Licensing Policy or the Coal Bed Methane Policy or the Marginal Field*

	Policy, as the case may be, and containing the name of such sub-contractor;

4.3 During scrutiny by audit, it was noticed that M/s SRB International Pvt. Ltd. had imported various models of "Pumping unit" (viz., NC-320D-256-120 Pumping Unit and NC-228D-213-120 Pumping Unit) through 05 Bills of entry (Annexure-A). Benefit of concessional IGST rate of 5% was availed on these items classified by importer under Chapter heading 84138190 under Notification No. 3/2017-Integrated Tax (Rate) dated 28.06.2017.

4.4 It was noticed that the DGHC issued Essentiality Certificate (No. IPIN202109170011-N dated 17.09.2021) to M/s SRB International Pvt. Ltd. mentioning three models of above items viz. Sucker Rod Pump Surface Unit API C-228D-256-120, Sucker Rod Pump Surface Unit API C-320D-213-120 & Sucker Rod Pump Surface Unit API C-456D-256-144. However, two models (viz. NC-320D-256-120 Pumping Unit, NC-228D-213-120 Pumping Unit) of these items imported under 05 BEs were different from permitted items mentioned in Essentiality Certificate i.e Sucker Rod Pump Surface Unit API C-228D-256-120, Sucker Rod Pump Surface Unit API C-320D-213-120.

4.5 As per Purchasing Guidelines Handbook issued by American Petroleum Institute, specifications for Pumping Units are detailed below: -

TABLE –I(a)

Type/Designation	**Reducer Rating (in- lb)**	**Structure Capacity (1b)**	**Max Stroke Length (in.)**
320-256-120	320,000	25,600	120
228-213-120	228,000	21,300	120
456-256-144	456,000	25,600	144

4.6 M/s SRB International Pvt. Ltd. imported NC-320D-256-120 Pumping Unit and NC-228D-213-120 Pumping Unit, whereas DGHC Essentiality Certificate No. IPIN202109170011-N mentioned Sucker Rod Pump Surface Unit API C-228D-256-120 and Sucker Rod Pump Surface Unit API C-320D-213-120. Further, as per Table –I(a), pumping unit designation is a three-number sequence representing reducer rating, structure capacity, and maximum stroke length respectively. Table –I(a) lists 320-**256**-120 as having **structure capacity 25,600 lb**, whereas 320-**213**-120 has **structure capacity 21,300 lb**. Similarly, 228-**213**-120 has **structure capacity 21,300 lb**, whereas 228-**256**-120 / C-228D-**256**-120, by the same designation logic, denotes **structure capacity 25,600 lb**. Therefore, the imported models and Essential Certificate permitted models are not identical, as the middle component of the designation represents a different structure capacity, which is a material technical parameter.

4.7 Since the imported models were different from the models permitted/specified in the Essentiality Certificate and no corrected/revised certificate issued by DGHC was available in EDI/e-Sanchit at the time of assessment, the condition attached to Notification No. 3/2017-Integrated Tax (Rate) was not fulfilled. Consequently, the IGST concession claimed at 5% appears to be inadmissible. The goods were liable to IGST at the normal applicable rate of 18%, and total duty payable works out to 27.735% (7.5% BCD + 10% SWS on BCD + 18% IGST on the value inclusive of BCD and SWS) as against duty paid at 13.66% under the concessional IGST claim. Therefore, differential duty of Rs. 1,46,39,027/- appears recoverable from the importer along with applicable interest.

5. Compliance with Conditional Notification

5.1 The benefit under an exemption/concession notification is not automatic. Where the notification prescribes a specific condition, the person claiming the exemption must establish strict fulfilment of the prescribed condition. In the instant case, the foundational condition for availing the concessional IGST rate is the production of a valid DGHC certificate covering the very goods/models imported.

5.2 The Essentiality Certificate is not merely an end-use document; it is the statutory document on the basis of which the concessional IGST rate becomes available. When the certificate specifies particular pumping-unit models, the benefit is confined to the specified goods/models. Import of different models, even if broadly used for petroleum operations, cannot be brought within the scope of the certificate unless a corrected/revised certificate issued by DGHC is produced and is available on record.

5.3 In the present case, the imported models NC-320D-256-120 and NC-228D-213-120 were not the models specified in Essentiality Certificate No. IPIN202109170011-N dated 17.09.2021. The specifications are commercially and technically significant because they relate to the reducer rating, structure capacity and maximum stroke length of the pumping unit. Therefore, the importer was not entitled to claim the concessional IGST rate of 5% under Notification No. 3/2017-Integrated Tax (Rate) in respect of such imported goods.

6. Differential Duty Calculation

TABLE - II

Sr. No.	BE No. & Date	No. of Items	Assessable Value (Rs.)	Duty paid @ 13.66% (Rs.)	Duty leviable @ 27.735% (Rs.)	Differential duty payable (Rs.)
1	5511887 dt. 20.09.2021	5	1,57,80,940	21,56,071	43,76,844	22,20,773
2	5512804 dt. 20.09.2021	6	2,00,47,994	27,39,057	55,60,311	28,21,254
3	5597577 dt. 27.09.2021	4	1,47,25,938	20,11,931	40,84,239	20,72,308
4	5598012 dt. 27.09.2021	4	1,38,93,567	18,98,209	38,53,381	19,55,172
5	5598267 dt. 27.09.2021	12	3,95,77,333	54,07,253	1,09,76,773	55,69,520
	TOTAL	**31**	**10,40,25,773**	**1,42,12,521**	**2,88,51,548**	**1,46,39,027**

7. Relevant Legal Provisions, in so far related to the facts of the case are as under:

Section 17. Assessment of duty. –

1. *An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods*

(4) Where it is found on verification, examination or testing of the goods or otherwise that the self- assessment is not done correctly, the proper officer may, without prejudice to any other action which may be taken under this Act, re-assess the duty leviable on such goods

Section 28. Recovery of duties not levied or not paid or shortlevied or short- paid or erroneously refunded. –

(4) Where any duty has not been [10][levied or not paid or has been shortlevied 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 [11][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.

Section 28AA. Interest on delayed payment of duty. –

(1) Notwithstanding anything contained in any judgment, decree, order ordirection 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 pay 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-sixper 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.*

Section 46. Entry of goods on importation. -

(4) The importer while presenting a bill of entry shall [12] [* *] 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, [13] [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 goodsunder this Act or under any other law for the time being in force.]

Section 111. Confiscation of improperly imported goods, etc. –

(m) [2][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 [3] [in respect thereof, or in the case of goods under trans-shipment, with the declaration for trans-shipment referred to in the proviso to sub-section (1) of section 54];

(o) any goods exempted, subject to any condition, from duty or any prohibition in respect of the import thereof under this Act or any other law for the time being in force, in respect of which the condition is not observed unless the non-observance of the condition was sanctioned by the proper officer;

SECTION 112. Penalty for improper importation of goods, etc.-

(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.

Section 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 [3] [sub-section (8) of section 28] shall also be liable to pay a penalty equal to the duty or interest so determined:

8. Application of the statutory provisions to the facts of the present case

8.1 The importer availed concessional IGST at 5% under Notification No. 3/2017-Integrated Tax (Rate) dated 28.06.2017, in respect of the five Bills of Entry detailed in Table-I and Annexure-A, by producing Essentiality Certificate No. IPIN202109170011-N dated 17.09.2021 issued by DGHC.

However, the pumping unit models actually imported — NC-320D-256-120 and NC-228D-213-120 — were not the models specified in the said Essentiality Certificate, which covers models C-228D-256-120, C-320D-213-120 and C-456D-256-144. The model C-456D-256-144 imported is covered under Essential Certificate and therefore not in dispute. As regards the two imported models, the mismatch in model designation vis-à-vis the EC-specified models is material, as it reflects a difference in structure capacity — a principal technical parameter of the pumping unit, as detailed in Para 4.5 and 4.6 above. The concessional IGST concession claimed was thus without a valid and applicable Essentiality Certificate in respect of the goods actually imported, resulting in short-payment of customs duty totalling **Rs. 1,46,39,027/-** (Rupees One Crore Forty Six Lakh Thirty Nine Thousand Twenty Seven only).

8.2 Under the self-assessment scheme, the importer is required under Section 46(4A) of the Customs Act, 1962 to ensure the accuracy and completeness of particulars furnished in the Bill of Entry, the validity and authenticity of supporting documents, and compliance with all conditions attached to any exemption or concession notification being claimed. The importer was at all material times in exclusive possession of the purchase orders, commercial invoices, technical/model specifications and the Essentiality Certificate. Having this full knowledge, the importer was under a clear statutory duty to claim the notification benefit only in respect of goods actually covered by the certificate, and to produce a corrected or revised Essentiality Certificate from DGHC if models other than those specified were to be imported and cleared at the concessional rate. The importer did neither.

8.3 The importer's claim of concessional IGST on the strength of an Essentiality Certificate that did not cover the imported models constitutes a mis-statement of the basis of the concession. The eligibility to the concessional rate under Notification No. 3/2017-Integrated Tax (Rate) is contingent, not automatic — it is available only in respect of goods specifically covered by a DGHC certificate. The import of models that differ materially in technical specifications from those named in the certificate cannot be treated as compliance with this condition, nor can the certificate be stretched to cover goods not named therein. No corrected or revised Essentiality Certificate from DGHC covering the imported models was found available in the EDI/e-Sanchit system either at the time of assessment or during audit. Accordingly, the foundational condition for availing the IGST concession was not fulfilled, and the differential duty of **Rs. 1,46,39,027/-** is recoverable from the importer.

8.4 The short-levy of IGST amounting to **Rs. 1,46,39,027/-** has occurred by reason of **wilful mis-statement and suppression of facts** on the part of the importer, justifying invocation of the extended period of five years under **Section 28(4) of the Customs Act, 1962**, on the following grounds:

(i) Positive and Prior Knowledge of the Mismatch:
At the time of filing each of the five Bills of Entry (between 20.09.2021 and 27.09.2021), the importer was in exclusive possession of the purchase orders, commercial invoices and the Essentiality Certificate No. IPIN202109170011-N dated 17.09.2021. The Essentiality Certificate expressly specified model designations C-320D-213-120 (structure capacity 21,300 lb) and C-228D-256-120 (structure capacity 25,600 lb), whereas the goods imported bore designations NC-320D-256-120 (structure capacity 25,600 lb) and NC-228D-213-120 (structure capacity 21,300 lb) — the middle numeral in the three-digit designation denoting structure capacity, as confirmed by the API Purchasing Guidelines Handbook (Table I(a) above). The importer, being a commercial entity specialising in petroleum-sector equipment, unquestionably had full and contemporaneous knowledge of this technical mismatch between the models in the certificate and the models actually imported.

(ii) Wilful Mis-statement:
Despite such knowledge, the importer consciously cited Essentiality Certificate No. IPIN202109170011-N in each of the five Bills of Entry to claim the concessional IGST rate of 5%, knowing fully that the models imported were not covered by the said certificate. The statutory declaration made under Section 46(4) of the Customs Act, 1962 affirming the truth and accuracy of the Bill of Entry was thereby rendered false. This conduct constitutes **wilful mis-statement** within the meaning of Section 28(4)(b) of the Customs Act, 1962.

(iii) Suppression of Material Facts:
The importer failed to disclose to the proper officer — at the time of assessment or at any time thereafter — that: (a) the models actually imported differed in technical specifications from the models specified in the Essentiality Certificate; (b) the Essentiality Certificate relied upon did not, in fact, cover the models cleared; and (c) no corrected or revised Essentiality Certificate covering the imported models had been obtained from DGHC or uploaded in EDI/e-Sanchit. The production of a valid and applicable Essentiality Certificate is a mandatory condition precedent for availing the IGST concession under the said Notification. By remaining silent about the non-coverage of the imported models and making no effort — either before or after clearance — to obtain an amended certificate or bring the discrepancy to the notice of the Customs authorities, the importer actively suppressed material facts. This constitutes **suppression of facts** within the meaning of Section 28(4)(c) of the Customs Act, 1962.

(iv) Deliberate and Repeated Nature of the Claim:
The same incorrect claim was made consistently across five Bills of Entry filed within a span of eight days, each citing the same inapplicable Essentiality Certificate against non-covered models. The duty benefit so obtained amounts to Rs. 1,46,39,027/-, representing the difference between the applicable IGST rate of 18% and the concessional rate of 5%, with an effective duty differential of 27.735% versus 13.66% on the assessable value. This repetition of an identical erroneous claim across multiple Bills of Entry, resulting in a substantial and quantifiable duty benefit, conclusively rules out any possibility of inadvertence or bona fide error, and establishes that the mis-statement and suppression were deliberate, systematic and calculated to avoid the correct levy of IGST.

8.5 The tangible pecuniary advantage arising from the incorrect concession is further evident from the duty computation set out in Table-II. Against duty payable at the effective rate of 27.735% (comprising BCD @ 7.5%, SWS @ 10% of BCD, and IGST @ 18% on the inclusive value), the importer paid duty at the effective concessional rate of 13.66%, thereby under-paying customs duty of Rs. 1,46,39,027/- on a total assessable value of Rs. 10,40,25,773/-. Such substantial and calculable revenue benefit, uniformly availed across all five Bills of Entry, reinforces the conclusion that the incorrect claim of the IGST concession was not an innocuous or revenue-neutral error.

8.6 In view of the above, all ingredients of Section 28(4) of the Customs Act, 1962 are clearly established. The present notice is accordingly issued within the extended period of five years from the relevant date.

8.7 Since the goods were cleared by availing a conditional IGST concession without fulfilment of the prescribed condition, the goods appear liable to confiscation under Section 111(o) of the Customs Act, 1962. Further, since the particulars relating to notification eligibility and model coverage did not correspond with the valid supporting Essentiality Certificate, the goods also appear liable to confiscation under Section 111(m) of the Customs Act, 1962. As the goods have already been cleared and are not physically available, redemption fine in lieu of confiscation is imposable under Section 125 of the Customs Act, 1962.

8.8 Since the short-payment of duty has occurred by reason of wilful mis-statement and suppression of facts as detailed in Para 8.4 above, the importer is liable to penalty under **Section 114A** of the Customs Act, 1962, equal to the duty determined. In the alternative and without prejudice, the importer is liable to penalty under **Section 112(a)** of the Customs Act, 1962, for acts and omissions rendering the goods liable to confiscation under Sections 111(m) and 111(o). The importer is further liable to pay interest on the differential duty under **Section 28AA** of the Customs Act, 1962, from the first day of the month succeeding the month in which the duty ought to have been paid up to the date of actual payment.

9. In view of the foregoing, M/s. SRB International Private Limited (IEC- 0511030266), 3 LSC, Plot No. 3, 2nd Floor, 17 CGHS, DDA Market, Mayur Vihar-1, NEW DELHI – 110091 are hereby called upon to show cause to the Commissioner of Customs, Custom House, Mundra, within 30 (thirty) days from the date of receipt of this notice, as to why –

(i) The benefit of concessional IGST rate of 5% under Notification No. 03/2017-Integrated Tax (Rate) dated 28.06.2017, resulting in effective duty rate of 13.66%, should not be denied and the goods should not be re-assessed at the correct applicable effective duty rate of 27.735%, by charging IGST @ 18%;

(ii)The goods having assessable value of Rs. 10,40,25,773/- (Rupees Ten Crore Forty Lakhs Twenty Five Thousand Seven Hundred Seventy Three only), covered under the Bills of Entry detailed in Annexure-A, should not be held liable for confiscation under Sections 111(m) and 111(o) of the Customs Act, 1962, for availing concessional IGST on models not covered by DGHC Essentiality Certificate No. IPIN202109170011-N dated 17.09.2021;

(iii) The differential duty of Rs. 1,46,39,027/- (Rupees One Crore Forty Six Lakhs Thirty Nine Thousand Twenty Seven only) should not be recovered from them under Section 28(4) of the Customs Act, 1962, along with applicable interest under Section 28AA of the Customs Act, 1962;

(iv) Penalty should not be imposed upon them under Section 114A of the Customs Act, 1962, and/or under Section 112(a) of the Customs Act, 1962.

10. This Show Cause Notice is being issued as per the scrutiny of records conducted so far. Hence, the department reserves its rights under the provisions of Customs Act, 1962 to conduct further Audit/Scrutiny of the records and issue subsequent or separate show cause notice(s), if any.

F.No. CUS/APR/MISC/2679/2024-Gr 5-6-O/o Pr Commr-Cus-Mundra-Part(7)
SCN No. 45 /2026-27/COMM/N.S./ADJN/MCH

11. 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.

12. The importer is further required to produce at the time of show cause, all the evidences upon which they intend to rely in support of their defense. They are further called upon to inform in writing to the Commissioner of Customs, Custom House, Mundra as to whether they desire to be heard in person before the case is adjudicated. If no cause is shown within 30 days from the date of receipt of this notice or if they fail to appear for personal hearing when the case is posted for hearing the case will be decided ex-parte on the basis of evidences available on record.

13. The importer is further informed that they have the right to opt for closure of these proceedings under Section 28(6) of Customs Act, 1962. If they so decide, then in terms of Section 28(5) of the Customs Act, 1962, they may pay the duty demanded in this Show Cause Notice in full or in part, as may be accepted by them, and the interest payable thereon under Section 28AA and penalty equal to fifteen percent of the duty specified in this notice or the duty so accepted by them, within 30 days of the receipt of the notice and inform the concerned Adjudicating and/or of such payment in writing.

Digitally signed by
Nitin Saini
Date: 11-09-2026
17:09:14

(Nitin Saini)
Commissioner of Customs
Custom House, Mundra

Encl : Annexure-A

To,
M/s. SRB International Private Limited (IEC- 0511030266),
3 LSC, Plot No. 3, 2nd Floor, 17 CGHS,
DDA Market, Mayur Vihar-1,
NEW DELHI – 110091.

Copy to:
1. The Deputy/Assistant Commissioner, Audit, Custom House, Mundra.
2. The Deputy/Assistant Commissioner, EDI, Custom House, Mundra.
3. Office copy.
4. Notice board.

F.No. CUS/APR/MISC/2679/2024-Gr 5-6-O/o Pr Commr-Cus-Mundra-Part(7)
SCN No. 45 /2026-27/COMM/N.S./ADJN/MCH

List of Relied Upon Documents

Sr. No.	Relied upon document	RUD No.
1	Copies of Bills of Entry No. 5511887 dated 20.09.2021, 5512804 dated 20.09.2021, 5597577 dated 27.09.2021, 5598012 dated 27.09.2021 and 5598267 dated 27.09.2021	RUD-01
2	Copies of invoices	RUD-02
3	Essentiality Certificate No. IPIN202109170011-N dated 17.09.2021 issued by DGHC	RUD-03
4	Audit Report LAR No. 11/2022-23, Para 2, Reference No. OBS-437047	RUD-04
5	Statement C - Para 2 item-wise duty calculation	RUD-05
6	Relevant extract of Notification No. 3/2017-Integrated Tax (Rate) dated 28.06.2017	RUD-06

F.No. CUS/APR/MISC/2679/2024-Gr 5-6-O/o Pr Commr-Cus-Mundra-Part(7)
SCN No. 45 /2026-27/COMM/N.S./ADJN/MCH

ANNEXURE-A: Item-wise differential duty calculation

Sr.	BE No.	BE Date	Item Description	Inv. No.	Invoice No. and date	CTH	Assessable Value	Duty paid @13.66%	Duty leviable @27.735%	Differential Duty
1	5511887	20.09.2021	NC-320D-256-120 PUMPING UNIT	1	2142 dated 19-07-21	84138190	37,09,365	5,06,792	10,28,792	5,22,000
2	5511887	20.09.2021	NC-320D-256-120 PUMPING UNIT	2	2161 dated 21-07-21	84138190	37,09,365	5,06,792	10,28,792	5,22,000
3	5511887	20.09.2021	NC-228D-213-120 PUMPING UNIT	3	2174 dated 22-07-21	84138190	27,87,404	3,80,829	7,73,086	3,92,257
4	5511887	20.09.2021	NC-228D-213-120 PUMPING UNIT	4	2175 dated 22-07-21	84138190	27,87,404	3,80,829	7,73,086	3,92,257
5	5511887	20.09.2021	NC-228D-213-120 PUMPING UNIT	5	2181 dated 22-07-21	84138190	27,87,404	3,80,829	7,73,086	3,92,257
6	5512804	20.09.2021	NC-320D-256-120 PUMPING UNIT	1	2137 dated 18-07-21	84138190	36,43,168	4,97,748	10,10,433	5,12,685
7	5512804	20.09.2021	NC-320D-256-120 PUMPING UNIT	2	2138 dated 18-07-21	84138190	36,43,168	4,97,748	10,10,433	5,12,685
8	5512804	20.09.2021	NC-320D-256-120 PUMPING UNIT	3	2145 dated 19-07-21	84138190	36,43,168	4,97,748	10,10,433	5,12,685
9	5512804	20.09.2021	NC-320D-256-120 PUMPING UNIT	4	2146 dated 19-07-21	84138190	36,43,168	4,97,748	10,10,433	5,12,685
10	5512804	20.09.2021	NC-228D-213-120 PUMPING UNIT	5	2173 dated 22-07-21	84138190	27,37,660	3,74,033	7,59,290	3,85,257
11	5512804	20.09.2021	NC-228D-213-120 PUMPING UNIT	6	2183 dated 23-07-21	84138190	27,37,660	3,74,033	7,59,290	3,85,257
12	5597577	27.09.2021	NC-320D-256-120 PUMPING UNIT	1	2128 dated 16-07-21	84138190	36,81,485	5,02,983	10,21,060	5,18,077

13	5597577	27.09.2021	NC-320D-256-120 PUMPING UNIT	2	2141 dated 19-07-21	84138190	36,81,485	5,02,983	10,21,060	5,18,077
14	5597577	27.09.2021	NC-320D-256-120 PUMPING UNIT	3	2158 dated 20-07-21	84138190	36,81,485	5,02,983	10,21,060	5,18,077
15	5597577	27.09.2021	NC-320D-256-120 PUMPING UNIT	4	2159 dated 20-07-21	84138190	36,81,485	5,02,983	10,21,060	5,18,077
16	5598012	27.09.2021	NC-320D-256-120 PUMPING UNIT	1	2127 dated 16-07-21	84138190	37,03,519	5,05,993	10,27,171	5,21,178
17	5598012	27.09.2021	NC-320D-256-120 PUMPING UNIT	2	2140 dated 18-07-21	84138190	37,03,519	5,05,993	10,27,171	5,21,178
18	5598012	27.09.2021	NC-320D-256-120 PUMPING UNIT	3	2144 dated 19-07-21	84138190	37,03,519	5,05,993	10,27,171	5,21,178
19	5598012	27.09.2021	NC-228D-213-120 PUMPING UNIT	4	2187 dated 23-07-21	84138190	27,83,010	3,80,229	7,71,868	3,91,639
20	5598267	27.09.2021	NC-320D-256-120 PUMPING UNIT	1	2129 dated 16-07-21	84138190	36,79,130	5,02,661	10,20,407	5,17,746
21	5598267	27.09.2021	NC-320D-256-120 PUMPING UNIT	2	2130 dated 16-07-21	84138190	36,79,130	5,02,661	10,20,407	5,17,746
22	5598267	27.09.2021	NC-320D-256-120 PUMPING UNIT	3	2139 dated 18-07-21	84138190	36,79,130	5,02,661	10,20,407	5,17,746
23	5598267	27.09.2021	NC-320D-256-120 PUMPING UNIT	4	2143 dated 19-07-21	84138190	36,79,130	5,02,661	10,20,407	5,17,746
24	5598267	27.09.2021	NC-320D-256-120 PUMPING UNIT	5	2157 dated 20-07-21	84138190	36,79,130	5,02,661	10,20,407	5,17,746
25	5598267	27.09.2021	NC-320D-256-120 PUMPING UNIT	6	2160 dated 20-07-21	84138190	36,79,130	5,02,661	10,20,407	5,17,746
26	5598267	27.09.2021	NC-320D-256-120 PUMPING UNIT	7	2162 dated 21-07-21	84138190	36,79,130	5,02,661	10,20,407	5,17,746

27	5598267	27.09.2021	NC-228D-213-120 PUMPING UNIT	8	2182 dated 22-07-21	84138190	27,64,684	3,77,725	7,66,785	3,89,060
28	5598267	27.09.2021	NC-228D-213-120 PUMPING UNIT	9	2184 dated 23-07-21	84138190	27,64,684	3,77,725	7,66,785	3,89,060
29	5598267	27.09.2021	NC-228D-213-120 PUMPING UNIT	10	2185 dated 23-07-21	84138190	27,64,684	3,77,725	7,66,785	3,89,060
30	5598267	27.09.2021	NC-228D-213-120 PUMPING UNIT	11	2186 dated 23-07-21	84138190	27,64,684	3,77,725	7,66,785	3,89,060
31	5598267	27.09.2021	NC-228D-213-120 PUMPING UNIT	12	2188 dated 23-07-21	84138190	27,64,684	3,77,725	7,66,785	3,89,060
			TOTAL				**10,40,25,773**	**1,42,12,521**	**2,88,51,548**	**1,46,39,027**