सीमा शुल्क (निवारक) के आयुक्त का कार्यालय, सीमा शुल्क भवन,
जामनगर - राजकोट हाइवे, विक्टोरिया ब्रिज के पास,
जामनगर (गुजरात) – 361 001

Office of the Commissioner of Customs (Preventive),
'SEEMA SHULK BHAVAN', Jamnagar – Rajkot Highway,
Near Victoria Bridge, Jamnagar (Gujarat) – 361 001
**Email:** commr-custjmr@nic.in; adj-custjmr@nic.in

**BY SPEED POST/BY HAND DELIVERY/E-MAIL**

F. No. CUS/1614/2026-Adjn. Date: 07.04.2026

**Show Cause Notice No. ADC-01/2026-27**
**DIN: 20260471MM000000DD14**

**Show Cause Notice**
**(Issued under Section 28(4) of the Customs Act, 1962)**

M/s. Continental Automative Brake System (I) Pvt. Ltd., Plot No. 179-180, Sector-5, IMT Manesar, Gurugram, Haryana - 122051 (hereinafter referred to as **"the Noticee"**), are holder of IEC No. 0507088417 and engaged in manufacture of brake system for motor vehicles falling under Custom Tariff Heading 8701 to 8705 of Customs Tariff Act, 1975. The Noticee have imported various goods, including article viz. **Damping Sleeve,** classifying under Tariff Headings of the First Schedule to the Customs Tariff Act, 1975, as per Table-A Below vide Bill of Entry No.5330988 dated 01.04.2023, and sought clearances thereof for home-consumption.

**TABLE – A**

| Sr. No. | CTH | Description of Item |
|---|---|---|
| I. | 40169390 | Damping Sleeve (Parts for Automotive Brake) |

**2.** Whereas, the Noticee, while seeking the clearance for home consumption of the goods as mentioned in foregoing Table – A, had paid the customs duty thereon, as per the following Table B:

**TABLE - B**

| CTH | Duty Paid |
|---|---|
| 40169390 | (i) Basic Custom Duty @ 0% [by availing the benefits of Notification No. 69/2011-Customs dated 29.07.2011];<br>(ii) Social Welfare Surcharge @ 0%<br>(iii) Integrated Goods and Services Tax @18%. |

**3.1** Whereas, the Brake and Servo-brakes and parts thereof of vehicles are covered under group head 8701 to 8705 and fall under Tariff Item – 87083000. Further, Vehicles, Aircraft, Vessels and Associated Transport Equipment falling under Section XVII of the First Schedule of the Customs Tariff Act, 1975 and Chapters 86 to 89 fall under the said Section XVII. Notes of various Sections / Chapters of the First Schedule of the Customs Tariff Act, 1975, so far as it relates to the classification of the Brake and Servo-brakes and parts thereof, are as under :-

i. *As per Section Note-3 of Section-XVII, references in Chapter 86 to 88 to "parts" or "accessories" do not apply to parts or accessories which are not suitable for use solely or principally with the articles of those chapters. A part or accessory which answers to a description in two or more of the headings of those chapters is to be classified under that heading which corresponds to the principal use of that part of accessory.*

ii. *As per Clause (t) of Chapter Note 2 of Chapter 39 of the aforesaid Schedule of the aforesaid Act, parts of aircraft or vehicles of Section XVII are not covered under Chapter-39.*

iii. *As per clause (l) of Chapter Note-1 of Chapter 40 of the aforesaid Schedule of the aforesaid Act, goods of Section XVII (for example, machine parts, cases, covers, cabinets for machines and apparatus and wheel wrights' wares) are no covered under Chapter 40.*

iv. *Section XV covers Base Metals and Articles of Base Metal falling under Chapters 72 to Chapter 83.*

v. *As per Clause (g) of Section Note-1 of Section-XV (i.e. Base Metals and Articles of Base Metal), assembled railway or tramway track (heading 8608) or other articles of Section XVII (vehicles, ships and boats, aircrafts) are not covered under Section XV (i.e. chapters 72 to 83).*

vi. *As per clause (l) of Section Note-1 of Section XVI (consisting of Chapters 84 and Chapter 85), Section XVI does not cover articles of Section XVII.*

Thus, in view of above Section Notes and Chapter Notes, spare parts of any article falling under chapter 87, designed principally for use with that article, are to be classified as parts or accessories of that article under Chapter-87 of Section XVII ibid. Further, CBIC vide Circular No.156/39/88-CX.4 dated 26.05.1989 also clarified that the products which are designed and manufactured solely and principally to be used in the manufacture of motor vehicles is to be classified under group CTH-8708. Moreover, in the case of Roulunds Breaking India (Pvt.) Ltd. [2015 (15) GSTL 142 (AAR-GST)], the Hon'ble Authority for Advance Ruling, Haryana upheld that brake pad and auto parts are classifiable under Tariff Item 87083000 of the Customs Tariff Act, 1975.

Thus, in view of above provisions and case laws, any part principally designed to be used with brake of motor vehicles is classifiable under CTH-87083000 and duty is leviable on these articles @49.12% i.e. BCD – 15%, SWS – 10% and IGST -28%.

**3.2** Whereas, during the course of CRA Audit [Para-2 of Reference Number:OBS-1490758] of the Office of Deputy/Assistant Commissioner, Custom House, Pipavav, for the period 2022-23 to 2023-24, it has been observed that the Noticee / Importer is manufacturer of motor vehicles for carrying passengers falling under CTH 8701 to 8705.

All the said goods were of a particular number, designed for a particular part of the motor vehicle. The part of the vehicle for which these items were designed was also mentioned in the respective entries of the Bills of Entry (BEs). Further, from the SIMS declarations filed along with the BEs pertaining to Chapter 73, the end use was mentioned for Automobile and components. Thus, these goods were principally designed for use with motor vehicles falling under group 8701 to 8705 in manufacture of brakes. Accordingly, the goods mentioned in Table-A were liable to be classified as parts of brake under CTH 87083000 in view of Section Note 3 of Section XVII read with other provisions supra and were liable to duty @49.12%, however, the said goods were found to have been mis-classified under head viz. CTH 40169390 instead of CTH 87083000. In this Bill of Entry, the Noticee had availed the benefit of Notification No.69/2011-Customs dated 29.07.2011 which provides duty concessions for goods imported from ASEAN member countries into India, according to the India-ASEAN Free Trade Agreement (AIFTA).

**3.3** Whereas, due to the above deliberate mis-classification by the importer, it appears that benefit of Notification No.69/2011-Customs dated 29.07.2011 in respect of the impugned goods imported under 40169390 would not be available to the importer.

**3.4** Whereas, the imported goods viz. Damping Sleeve for brakes were imported for brakes made of rubber (Chapter 40). These goods have been classified under CTH 40169390 which appear to be incorrect and in contravention of Clause (g) of Section Note-1 of Section-XV ibid. These goods attract duties of Customs @ 49.12% (i.e. BCD @ 15%, SWS – 1.5% and IGST @ 28%). In this case, the importer claimed exemption from payment of BCD & SWS as per Notification No.69/2011-Customs dated 29.07.2011 and paid only IGST @ 18%. Therefore, in this case, as benefit of Notification No.69/2011-Customs dated 29.07.2011 is not available to the Noticee, there is short-payment of duty by 31.12%.

**4.1** Whereas, the gist of the CRA observation was communicated to the importer / Noticee to submit their explanation in this regard. The Importer / Noticee vide their letter dated 30.01.2026 submitted as below:

Defence Submissions:

i. The imported item is "Damping Sleeve" (for use in 4 wheeler Brake System)

ii. They have classified and cleared the shipment under HS Code 40169390 since it is meant for use in the manufacture of Hydraulic Brake System.

iii. The imported Damping Sleeve is a vulcanized rubber product primarily used for damping purpose, which does not fall under more specific sub headings (like o-rings, oil seals, or specific automobile parts). Hence, the right HS Code for Damping Sleeve is 40169390 only. Chapter 4016 serves as a "catch-all" or residual category for miscellaneous articles of vulcanized rubber not specified elsewhere in Chapter 40.

iv. Further, in their opinion, they have rightly classified the item under 40169390. Hence, the question of payment of differential duty as applicable for Chapter 87083000 does not arise and there is no short levy of duty.

**4.2** CRA vide para 2 of LAR No. 22/23-24 observed that parts of any article falling under chapter 87, designed principally for use with that article, is to be classified as parts or accessories of that article under Chapter-87. Further, from the Section Notes, Chapter Notes, Circulars and Case laws as discussed in para supra, it appears that parts principally designed to be used with brake of motor vehicles are classifiable under CTH-87083000. Therefore, the submission made by the importer is not sustainable.

**5. 1** Whereas, as per section 46(1) of the Customs Act 1962, the importer of any goods 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 prescribed. The text of the Section 46(1) of the Customs Act, 1962, is as under:

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

*Provided further that if the importer makes and subscribes to a declaration before the proper officer, to the effect that he is unable for want of full information to furnish all the particulars of the goods required under this sub-section, the proper officer may, pending the production of such information, permit him, previous to the entry thereof (a) to examine the goods in the presence of an officer of customs, or (b) to deposit the goods in a public warehouse appointed under section 57 without warehousing the same ".*

**5.2** Further, as per section 46(4) of the Customs Act 1962, 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. Also, as per Section 46(4A) of the Customs Act, 1962, the importer, who presents a bill of entry shall ensure the accuracy and completeness of the information given therein and the authenticity and validity of any document supporting it. The text of the Section 46(4) and 46(4A) of the Customs Act, 1962, is as under:

*"46. Entry of goods on importation.*

*(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.".*

**5.3** Whereas, as per Section 17(1) of the Customs Act, 1962, the importer or the exporter, is required to make self-assessment of duty on import and export goods by filing a bill of entry or shipping bill, as the case may be, in the electronic form, as per Section 46 or 50 respectively. The text of the Section 17(1) of the Customs Act, 1962, is 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.".*

Further, the word "assessment' is defined as per Section 2(2) of the Customs Act, 1962 and reads as :-

*"assessment" means determination of the dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any, under this Act or under the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act) or under any other law for the time being in force, with reference to —*

*(a) the tariff classification of such goods as determined in accordance with the provisions of the Customs Tariff Act;*

*(b) the value of such goods as determined in accordance with the provisions of this Act and the Customs Tariff Act;*

*(c) exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefor under this Act or under the Customs Tariff Act or under any other law for the time being in force;*

*(d) the quantity, weight, volume, measurement or other specifics where such duty, tax, cess or any other sum is leviable on the basis of the quantity, weight, volume, measurement or other specifics of such goods;*

*(e) the origin of such goods determined in accordance with the provisions of the Customs Tariff Act or the rules made thereunder, if the amount of duty, tax, cess or any other sum is affected by the origin of such goods;*

*(f) any other specific factor which affects the duty, tax, cess or any other sum payable on such goods,*

*--- and includes provisional assessment, self-assessment, re-assessment and any assessment in which the duty assessed is nil;".*

Whereas, the Finance Act, 2011 (Act No.08 of 2011) dated 08.04.2011 has introduced the concept "Self-Assessment" of Customs duty with effect from 08.04.2011. The Central Board of Excise and Customs had issued Circular No.17/2011- Customs dated 08.04.2011 regarding implementation of Self-assessment in Customs. The relevant portions of the said circular are given below;

*"The Finance Bill, 2011 stipulates 'Self-Assessment' of Customs duty in respect of imported and export goods by the importer or exporter, as the case may be. This means that while the responsibility for assessment would be shifted to the importer / exporter, the Customs officers would have the power to verify such assessments and make re-assessment, where warranted....."*

*New Section 17 of the Customs Act, 1962 provides for self-assessment of duty on imported and export goods by the importer or exporter himself by filing a Bill of Entry or Shipping Bill, as the case may be, in the electronic form (new Section 46 or 50). The importer or exporter at the time of self-assessment will ensure that he declares the correct classification, applicable rate of duty, value, and benefit of exemption notifications claimed, if any, in respect of the imported / export goods while presenting Bill of Entry or Shipping Bill....".*

Thus, in view of the harmonious reading of Section 17(1) read with Section 2(2) and Section 46 of the Customs Act, 1962, while doing self-assessment, the importer or exporter is to ensure the declaration of correct classification, applicable rate of duty, value, benefit or exemption notification claimed, etc., if any, in respect of the imported / export goods while presenting Bill of Entry or Shipping Bill.

**5.4** As per section 28(4) of the Customs Act, 1962, 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 of collusion or any wilful mis-statement or suppression of facts, by the importer 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 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 importer should not pay the amount specified in the notice. Relevant text of Section 28(4) of the Customs Act, 1962, is as follows:

> ***"SECTION 28. Recovery of duties not levied or not paid or short-levied or short- paid or erroneously refunded.***
>
> *(4) 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, by reason of, -*
>
> *(a) Collusion;or*
>
> *(b) any wilful mis-statement; of*
>
> *(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.".*

**5.5** As per section 111(m) of the Customs Act 1962, any goods which do not correspond in respect of value or in any other particular with the entry made under this Act, are liable for confiscation. Relevant text of Section 111(m) of the Customs Act, 1962, is as follows:

> *"111. Confiscation of improperly imported goods, etc.— The following goods brought from a place outside India shall be liable to confiscation: -*
>
> *(d) ...*

*(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.".*

**5.6** As per section 112(a) of the Customs Act, 1962, any person, who, in relation to any goods, does or omits to do any act, which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act shall be liable, in the case of dutiable goods other than prohibited goods, subject to the provisions of Section 114A of the Customs Act, 1962, to a penalty not exceeding 10% of the duty sought to be evaded or five thousand rupees whichever is higher. Relevant text of section 112 of the Customs Act, 1962, is as follows:

***"112. 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) who acquires possession of or is in any way concerned in carrying, removing, depositing, harboring, 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.".*

**5.7** Whereas, Section 17 of the Customs Act, 1962 provides for self-assessment of duty on imported and export goods while filing a Bill of Entry or Shipping Bill, as the case may be, in the electronic form (Section 46 or 50 of the Customs Act, 1962, as amended). The Importer or Exporter at the time of self-assessment shall ensure that he declares the correct classification, applicable duty leviable on such goods, value and benefit of exemption notifications claimed, if any, in respect of the imported/ export goods while presenting Bill of Entry or Shipping Bill. However, in the instant case, it appears that the Importer while self-assessment of Bill of Entry has resorted to willful mis-declaration of quantity of imported goods with intention to evade the duty of customs leviable thereupon. It, therefore appears that, the Importer has rendered themselves liable for penalty under Section 114A of the Customs Act, 1962, which stipulates,

***"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 sub-section (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 that where such....."*

**6.1** Whereas, in the light of the facts and circumstances mentioned hereinabove, it appears that during the period 2023-24, the Importer / Noticee willfully misclassified **<u>General Parts of Motor Vehicle Parts Thereof</u>**, by classifying the same under CTH 40169390 and sought clearance under Bill of Entry No. 5330988

dated 01.04.2023 as listed in Annexure-A attached to this Show Cause Notice. The Noticee has not approached this office for provisional assessment under Section 18 of Customs Act, 1962 and filed the said bills of entry under self assessment wherein it appears that the Noticee has willfully misclassified the goods as mentioned in Annexure-A.

**6.2** Whereas, it appears that these items are specially designed parts exclusively used for the brake system of specific model of the Motor Vehicle falling under CTH 8703, being manufactured by the Noticee and cannot be used for any other purpose. Accordingly, it appears that these parts/accessories/ components have commercial identity as parts/accessories/components of the brake system of Motor Vehicle falling under CTH 8703 manufactured by the Noticee i.e. parts/accessories/components of the motor vehicle. The expression "parts of general use" would not apply to parts or accessories which are not suitable for use solely or principally with articles of Chapter Heading 87.08 which pertain to parts and accessories of motor vehicles of Chapter Headings 87.01 to 87.05.

**6.3** Whereas, it appears that in 01 Bill of Entry filed by the Noticee/CHA as per **Annexure- A**, the goods imported were Damping Sleeve for brakes (Chapter 40). These goods were of a particular number, designed for a particular part of the motor vehicle. The part of the vehicle for which these items were designed was also mentioned in the respective entry of the BE. Thus, it appears that these goods were principally designed for use in manufacture of brakes. Hence, these articles should have been classified under CTH-87083000 in view of aforesaid provisions.

**6.4** Further, it appears that the short paid duty of customs in respect of the parts/ accessories/components which are specially designed and exclusively suitable for use of Motor Vehicle of CTH 8708 and the parts thereof of Motor Vehicle worked out in Annexure – A attached to this show cause notice, amounting to Rs. 3,75,922/-( Three lakh seventy five thousand nine hundred and twenty two only) is liable to be recovered from the Noticee under Section 28(4) of the Customs Act, 1962.

**6.5** In the present case, the Noticee, being the manufacturer of brake system for Motor Vehicle of CTH 8708 *ibid*, and importing the Parts/Accessories/Components of the Motor Vehicle brake system which are specially designed for exclusively use for Motor Vehicle only as well as being aware that same cannot be used for any other purpose, thereby intentionally/deliberately mis-classified the imported goods under heading 40169390, which attract lower duty instead of correct classification under tariff items 87089900 & 87089500 of the Customs Tariff Act, 1975, which attract higher duty, with intention to evade payment of Customs duty. In light of the facts and circumstances of the case as discussed herein above, it appears that the Noticee had deliberately mis-declared/mis-classified in the Bills of Entry with regard to classification of Parts of the Motor Vehicle under various heading instead of correct classification i.e. CTH 87083000 of the Customs Tariff Act, 1975. Thus, the particulars of classification of the Parts of the Motor Vehicle do not correspond

with the correct classification of the imported goods i.e. Parts of the Motor Vehicle in the Bill of Entry presented by the Noticee, thereby, the imported Parts of the Motor Vehicle total valued at Rs 12,07,975/-(Rs. Twelve lakh seven thousand nine hundred and seventy five only) appear to be liable for confiscation under Section 111(m) of the Customs Act, 1962.

**6.6** Whereas, with the introduction of self-assessment & Risk Management System (RMS) under the Customs Act, faith is bestowed upon the Importer and therefore the Importer has been assigned with the responsibility of self-assessing goods under Section 17(1) of the Customs Act, 1962. It was therefore incumbent upon the Importer to properly declare the goods to be imported and self-assess the duty leviable thereupon in appropriate manner. However, it appears that, in the instant case, the Importer has failed to do so by resorting to the mis-declaration by willful mis-statement of imported goods with regard to classification of Parts of the Motor Vehicle under heading CTH 40169390 instead of correct classification i.e. CTH 8708300 of the Customs Tariff Act, 1975 and therefore, it appears that they have violated the provisions as laid down under Section 17(1) of the Customs Act, 1962. The Noticee/Importer also appears to have willfully violated the provisions of Sub-Section (4) and 4(A) of Section 46 of the Custom Act, 1962. Accordingly, it appears that the Importer is liable to pay actual total Customs duty amounting to Rs. 3,75,922/- under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962.

**7.** Now, therefore, the Noticee namely, M/s. Continental Automative Brake System (I) Pvt. Ltd., Plot No. 179-180, Sector-5, IMT Manesar, Gurugram, Haryana-122051, are hereby called upon to show cause to the Additional Commissioner, Customs (Preventive), Rajkot-Jamnagar Highway, Beside Jamnagar Chamber of Commerce & Industry, Jamnagar – 361 001, within 30 days from the receipt of this show cause notice, as to why:

(i) The classification of the imported goods i.e. Damping Sleeve (Parts for Automotive Brake), claimed by the Noticee in the Bill of Entry No. 5330988 dated 01.04.2023 under tariff items CTH 40169390 instead of CTH-87083000 of the First Schedule to the Customs Tariff Act, 1975, should not be rejected;

(ii) The goods imported i.e. Damping Sleeve (Parts for Automotive Brake), covered under Bills of Entry No. 5330988 dated 01.04.2023, should not be classified under tariff item 87083000 of the First Schedule to the Custom Tariff Act,1975;

(iii) The goods of value of Rs. 12,07,975/- (Rs. Twelve lakh seven thousand nine hundred and seventy five only) should not be confiscated under Section 111(m) of the Customs Act, 1962;

(iv) Custom Duty amounting to Rs. 3,75,922/-( Three lakh seventy five thousand nine hundred and twenty two only) as detailed in Annexure – A attached to this SCN, should not be recovered from the Noticee under the provision of Section 28(4) of the Customs Act,1962;

(v) Interest on the said amount of Custom Duty should not be recovered under the provision of Section 28AA of the Customs Act, 1962;

(vi) Penalty should not be imposed under Section 112 of the Custom Act, 1962; and

(vii) Penalty should not be imposed under Section 114A of the Custom Act, 1962.

**8.** The Noticee is hereby directed to produce all evidences upon which they intend to rely in support of their defence at the time of showing cause. They are further directed to indicate in their written reply as to whether they wish to be heard through virtual mode as stipulate in Central Board of Indirect Taxes & Customs, New Delhi's, instructions dated 27.04.2020 issued from F. No. 390/Misc/3/2019-JC or in person before the case is decided. If no mention is made about the same in their written explanation, it will be presumed that they do not desire a personal hearing and the case will be decided on the basis of the evidences and records available on file.

**9.** If no cause is shown by them against the action proposed to be taken within 30 days of receipt of this notice or if they do not appear before the adjudication authority when the case is posted for hearing, the case would be decided on merits, on the basis of evidence available on records, without any further reference to them.

**10.** This notice is issued without prejudice to any other action(s) that may be taken against them or against any person(s), under the provisions of the Customs Act, 1962, and/or the Rules framed there under or under any other law for the time being in force.

(N. Srujan Kumar)
Additional Commissioner

F. No. CUS/1614/2026-Adjn. Date: 07.04.2026

**By Regd A.D.Post**

To,
M/s. Continental Automative Brake System (I) Pvt. Ltd.,
Plot No. 179-180, Sector-5, IMT Manesar,
Gurugram, Haryana-122051.

Copy to:

1. The Additional Commissioner (IAD-HQ), Customs (Preventive), Jamnagar for information please.
2. The Assistant Commissioner, Customs House, Pipavav.
3. Guard file.

# Annexure-A

## STATEMENT SHOWING SHORT PAYEMNT OF DUTY ON BREAK PARTS

| Sr. No. | BE NO | BE Date | Importer Name | Item Description | Inv No | Item No. | CTH | QTY | UQC | Assess Value (Item) | Duty (Item) | Rate of duty | Classifiable under CTH | Applicable rate as per tariff | Differential rate of duty | Short payment |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 5330988 | 01-04-2023 | CONTINENTAL AUTOMOTIVE BRAKE SYSTEMS (I) PRIVATE L | P/N. 0621910443402 DAMPING SLEEVE(PARTS FOR AUTOMOTIVE BRAKE - ) (CAPTIVE CONSUMPTION) | 1 | 1 | 40169390 | 102000 | PCS | 1207975 | 217435.5 | 18 | 87083000 | 49.12 | 31.12 | 375922 |

Inspector

Superintendent