



सीमाशुल्क(अपील) आयुक्तकाकार्यालय,अहमदाबाद

**OFFICE OF THE COMMISSIONER OF CUSTOMS (APPEALS), AHMEDABAD,**

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DIN - 20251271MN0000712243

क	फ़ाइलसंख्या FILE NO.	S/49-557/CUS/MUN/DEC/2025-26
ख	अपीलआदेशसंख्या ORDER-IN- APPEAL NO. (सीमाशुल्कअधिनियम, 1962 कीधारा 128ककेअंतर्गत)(UNDER SECTION 128A OF THE CUSTOMS ACT, 1962)	MUN-CUSTM-000-APP-625 -25-26
ग	पारितकर्ता PASSED BY	Shri Amit Gupta Commissioner of Customs (Appeals), Ahmedabad
घ	दिनांक DATE	26.12.2025
ङ	उदभूतअपीलआदेशकीसं. वदिनांक ARISING OUT OF ORDER- IN-ORIGINAL NO.	MCH/ADC/ZDC/410/2025-26 dated 02.12. 2025
च	अपीलआदेशजारीकरनेकीदिनांक ORDER- IN-APPEAL ISSUED ON:	26.12.2025
छ	अपीलकर्तकानामवपता NAME AND ADDRESS OF THE APPELLANT:	M/s Bright Petrochem India LLP, 10 <sup>th</sup> Floor, 1002, Nakshatra Heights, 150 Feet Ring Road, Rajkot-360005



1	यह प्रति उस व्यक्ति के निजी उपयोग के लिए मुफ्त में दी जाती है जिनके नाम यह जारी किया गया है। This copy is granted free of cost for the private use of the person to whom it is issued.
2.	सीमा शुल्क अधिनियम 1962 की धारा 129 डीडी (1) (यथासंशोधित) के अधीन निम्नलिखित श्रेणियों के मामलों के सम्बन्ध में कोई व्यक्ति इस आदेश से अपने को आहत महसूस करता हो तो इस आदेश की प्राप्ति की तारीख से 3 महीने के अंदर अपर सचिव/संयुक्त सचिव (आवेदन संशोधन), वित्त मंत्रालय, (राजस्व विभाग) संसद मार्ग, नई दिल्ली को पुनरीक्षण आवेदन प्रस्तुत कर सकता है। Under Section 129 DD(1) of the Customs Act, 1962 (as amended), in respect of the following categories of cases, any person aggrieved by this order can prefer a Revision Application to The Additional Secretary/Joint Secretary (Revision Application), Ministry of Finance, (Department of Revenue) Parliament Street, New Delhi within 3 months from the date of communication of the order. निम्नलिखित सम्बन्धित आदेश/Order relating to : (क) बैगेज के रूप में आयातित कोई माल. (a) any goods exported (ख) भारत में आयात करने हेतु कि सीवाहन में लादा गया लेकिन भारत में उनके गन्तव्य स्थान पर उतारे गए माल या उस गन्तव्य स्थान पर उतारे जाने के लिए अपेक्षित माल उतारे जाने पर या उस गन्तव्य स्थान पर उतारे गए माल की मात्रा में अपेक्षित माल से कमी हो। (b) any goods loaded in a conveyance for importation into India, but which are not unloaded at their place of destination in India or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination. (ग) सीमा शुल्क अधिनियम, 1962 के अध्याय X तथा उसके अधीन बनाए गए नियमों के तहत शुल्क वापसी की अदायगी। (c) Payment of drawback as provided in Chapter X of Customs Act, 1962 and the rules made thereunder.
3.	पुनरीक्षण आवेदन पत्र संगत नियमावली में विनिर्दिष्ट प्रारूप में प्रस्तुत करना होगा जिसके अन्तर्गत उसकी जांच की जाएगी और उसके साथ निम्नलिखित कागजात संलग्न होने चाहिए : The revision application should be in such form and shall be verified in such manner as may be specified in the relevant rules and should be accompanied by : (क) कोर्ट फी एक्ट, 1870 के मद सं. 6 अनुसूची 1 के अधीन निर्धारित किए गए अनुसार इस आदेश की 4 प्रतियां, जिसकी एक प्रति में पचास पैसे की न्यायालय शुल्क टिकट लगा होना चाहिए। (a) 4 copies of this order, bearing Court Fee Stamp of paise fifty only in one copy as prescribed under Schedule 1 item 6 of the Court Fee Act, 1870. (ख) सम्बद्ध दस्तावेजों के अलावा साधमूल आदेश की 4 प्रतियां, यदि हो (b) 4 copies of the Order-in-Original, in addition to relevant documents, if any (ग) पुनरीक्षण के लिए आवेदन की 4 प्रतियां (c) 4 copies of the Application for Revision. (घ) पुनरीक्षण आवेदन दायर करने के लिए सीमा शुल्क अधिनियम, 1962 (यथासंशोधित) में निर्धारित फीस जो अन्य रसीद, फीस, दण्ड, जब्ती और विविध मदों के शीर्षक के अधीन आता है मंरू. 200/- (रूपए दो सौ मात्र) या रु. 1000/- (रूपए एक हजार मात्र), जैसा भी मामला हो, से सम्बन्धित भुगतान के प्रमाणिक चलान टी.आर.6 की दो प्रतियां, यदि शुल्क, मांगा गया ब्याज, लगाया गया दंड की राशि और रूपए एक लाख या उस से कम हो तो ऐसी फीस के रूप में रु. 200/- और यदि एक लाख से अधिक हो तो फीस के रूप में रु. 1000/- (d) The duplicate copy of the T.R.6 challan evidencing payment of Rs.200/- (Rupees two Hundred only) or Rs.1,000/- (Rupees one thousand only) as the case may be, under the Head of other receipts, fees, fines, forfeitures and Miscellaneous Items being the fee prescribed in the Customs Act, 1962 (as amended) for filing a Revision Application. If the amount of duty and interest demanded, fine or penalty levied is one lakh rupees or less, fees as Rs.200/- and if it is more than one lakh rupees, the fee is Rs.1000/-.
4.	मद सं. 2 के अधीन सूचित मामलों के अलावा अन्य मामलों के सम्बन्ध में यदि कोई व्यक्ति इस आदेश से आहत महसूस करता हो तो वे सीमा शुल्क अधिनियम 1962 की धारा 129 ए (1) के अधीन फॉर्म सी.ए.-3 में सीमा शुल्क, केन्द्रीय उत्पाद शुल्क और सेवा कर अपील अधिकरण के समक्ष निम्नलिखित पते पर अपील कर सकते हैं



	In respect of cases other than these mentioned under item 2 above, any person aggrieved by this order can file an appeal under Section 129 A(1) of the Customs Act, 1962 in form C.A.-3 before the Customs, Excise and Service Tax Appellate Tribunal at the following address :	
	सीमाशुल्क, केंद्रीय उत्पादशुल्क व सेवाकर अपीलिय अधिकरण, पश्चिमी क्षेत्रीय पीठ	<b>Customs, Excise &amp; Service Tax Appellate Tribunal, West Zonal Bench</b>
	दूसरी मंजिल, बहुमाली भवन, निकट गिरधर नगर पुल, असारवा, अहमदाबाद-380016	2 <sup>nd</sup> Floor, Bahumali Bhavan, Nr. Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016
5.	सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (6) के अधीन, सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (1) के अधीन अपील के साधन मूल लिखित शुल्क संलग्न होने चाहिए-	
	Under Section 129 A (6) of the Customs Act, 1962 an appeal under Section 129 A (1) of the Customs Act, 1962 shall be accompanied by a fee of -	
(क)	अपील से सम्बन्धित मामले में जहां कि सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए या उस से कम हो तो एक हजार रूपए.	
(a)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is five lakh rupees or less, one thousand rupees;	
(ख)	अपील से सम्बन्धित मामले में जहां कि सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए से अधिक हो लेकिन रुपये पचास लाख से अधिक न हो तो; पाँच हजार रूपए	
(b)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees ;	
(ग)	अपील से सम्बन्धित मामले में जहां कि सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पचास लाख रूपए से अधिक हो तो; दस हजार रूपए.	
(c)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than fifty lakh rupees, ten thousand rupees	
(घ)	इस आदेश के विरुद्ध अधिकरण के सामने, मांगे गए शुल्क के अदा करने पर, जहां केवल दंड विवाद में है, अपील रखा जाएगा।	10% अदा करने पर, जहां शुल्क या शुल्क एवं दंड विवाद में है, दंड के 10%
(d)	An appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.	
6.	उक्त अधिनियम की धारा 129 (ए) के अन्तर्गत अपील प्राधिकरण के समक्ष दायर प्रत्येक आवेदन पत्र- (क) रोक आदेश के लिए या गलतियों को सुधारने के लिए या किसी अन्य प्रयोजन के लिए किए गए अपील : - अथवा (ख) अपील या आवेदन पत्र का प्रत्यावर्तन के लिए दायर आवेदन के साथ रुपये पाँच सौ का शुल्क भी संलग्न होने चाहिए.	
	Under section 129 (a) of the said Act, every application made before the Appellate Tribunal-	
	(a) in an appeal for grant of stay or for rectification of mistake or for any other purpose; or	
	(b) for restoration of an appeal or an application shall be accompanied by a fee of five Hundred rupees.	



**ORDER-IN-APPEAL**

M/s Bright Petrochem India LLP situated at 10<sup>th</sup> floor, 1002, Nakshatra Heights, 150 Feet Ring Road, Rajkot-360005 (hereinafter referred to as 'the appellants' for the sake of brevity) have filed the present appeal challenging Order-in-Original No. MCH/ADC/ZDC/410/2025-26 dated 02.12.2025 (hereinafter referred to as 'the impugned order') passed by the Additional Commissioner, Customs, Customs House, Mundra (hereinafter referred to as 'the adjudicating authority').

2. The appellants had imported General Purpose Thinner under Bills of Entry Nos. 3899396 dated 14.8.2025 and 3961281 dated 18.8.2025. Representative samples in respect of the goods covered under both the Bills of Entry were drawn and sent to CRCL, Vadodara for testing. The test reports Nos. RCL/SIIB Mundra/IMP/3221/04.09.2025 to RCL/SIIB Mundra/IMP/3238/04.09.2025 were sent to the department by e-mail dated 18.09.2025 which are identically worded and one such test report is reproduced under on illustrative basis:

RCL/SIIB Mundra/IMP/3238/ 04.09.2025 T.M No. 192/2025-26	The sample as received is in the form of clear colorless liquid, free from acidic & pungent odour, having following constant:		
	Sr. No.	Parameters	Results
	1	Color	Passes the test
	2	Spot Test	Passes the test
	3	Density at 27°C, gm/ml	0.7751
	4	Distillation range- Initial Boiling Point (IBP), °C	166.2
		95% Distillation at Temp., °C	210.6
		Final Boiling Point (FBP), °C	227.8
	5	Flash Point (Abel), °C	50.0
	6	Water Content	Nil
7	Hydrocarbon Content	More than 95%	
8	Copper Corrosion	Passes the test	
On the basis of above tested parameters sample u/r meets the requirements of Thinner, General Purpose for Synthetic Paints and Varnishes specification as per IS: 14314:1995 (RA 2017) and it also meets the requirement of Petroleum Hydrocarbon Solvent 125/240 as IS: 1745: 2018 (RA 2023).			

2.1 Letter F. No. CUS/SIIB/ALT/566/2025-SIIB O/o Pr Commr-Cus-Mundra dated 22.09.2025 was sent to CRCL, Vadodara for clarification with regard to the Test Reports Nos. RCL/SIIB Mundra/IMP/3221/04.09.2025 to RCL/SIIB Mundra/IMP/3238/04.09.2025 issued by their office. The CRCL, Vadodara vide their office Letter F. No. IV(5)/23-24 dated 23.09.2025 submitted that they have



*(Handwritten signature)*



tested the samples as per parameters required under the given IS. The values of the parameters found matches with the IS 1745:2018 (RA 2023) of Petroleum Hydrocarbon Solvent 125/240 and IS 14314:1995 (RA 2017) of Thinner, general Purpose of Synthetic Paints and Varnishes. They have also submitted that as per the parameters the goods did not match with any specific IS of Diesel and they have provided some more parameters i.e. Cetane Index, Kinetic Viscosity Cst at 40°C, Ash content, density at 15°C, Sulphur Content and Pour Point for the above said Test Reports as under:

Sr. No.	TM. No./Lab No. RCL/SIIB Mundra/IMP/-	Cetane Index	Kinetic Viscosity Cst at 40°C	Ash Content %	Density at 15°C (gm/cm <sup>3</sup> )	Sulphur Content (ppm)	Pour Point
1	194/3221	46.18	1.046	Nil	0.7849	44.684	BelowZero°C
2	193/3222	47.98	1.052	Nil	0.7814	17.952	Below Zero °C
3	195/3223	46.12	1.048	Nil	0.7850	3.061	Below Zero °C
4	196/3224	46.03	1.047	Nil	0.7850	14.231	Below Zero °C
5	179/3225	45.97	1.047	Nil	0.7850	11.195	Below Zero °C
6	180/3226	46.04	1.047	Nil	0.7850	19.601	Below Zero °C
7	181/3227	45.83	1.042	Nil	0.7853	22.084	Below Zero °C
8	182/3228	46.18	1.048	Nil	0.7850	24.133	BelowZero°C
9	183/3229	45.99	1.048	Nil	0.7850	9.635	BelowZero°C
10	184/3230	46.11	1.047	Nil	0.7850	24.621	BelowZero°C
11	187/3231	46.11	1.047	Nil	0.7850	66.948	BelowZero°C
12	185/3232	46.13	1.047	Nil	0.7850	21.093	BelowZero°C
13	186/3233	46.05	1.047	Nil	0.7850	13.787	BelowZero°C
14	188/3234	47.0	1.056	Nil	0.7830	34.748	BelowZero°C
15	189/3235	46.0	1.040	Nil	0.7852	25.251	BelowZero°C
16	190/3236	46.0	1.044	Nil	0.7850	42.777	BelowZero°C
17	191/3237	46.0	1.044	Nil	0.7852	17.436	BelowZero°C
18	192/3238	46.0	1.046	Nil	0.7851	30.713	Below Zero °C

2.2 Another letter F. No. CUS/SIIB/ALT/566/2025-SIIB O/o Pr Commr-Cus-Mundra dated 26.09.2025 was sent to CRCL, Vadodara to know the exact nature, description of goods. CRCL, Vadodara vide their letter F. No. IV(5)/23-24 dated 30.09.2025 submitted that "they have identified the product as Petroleum Hydrocarbon Solvents 125/250 by the analysis of testing parameters given under

IS 1745: 2018 (RA 2024) as per the mandated requirement of testing Petroleum Hydrocarbon Solvent mentioned under Sub Heading 27101920 Chapter 27 of CTI". They also submitted that "As per the standard testing protocol, these samples were initially being tested to identify the description of sample given on the test memo i.e. Thinner, General Purpose, for synthetic paints and varnishes as per IS 14314: 1995 (RA 2017). Analysis was carried out for the parameters given under above said IS and these were found matching with the specifications, hence in the issued test reports, it is also stated the tested parameters also matches with the specifications of Thinner, General Purpose, for synthetic paints and varnishes as per IS 14314: 1995 (RA2017)".

2.3 Subsequently, representative sealed samples of the goods were forwarded to Custom House Laboratory, Visakhapatnam vide Test Memos Nos. 245/2025-26 to 262/2025-26 for testing of the goods as per parameters mentioned in the Test Memos. Test Reports Lab Nos. 26-SIIB to 43-SIIB dated 06.10.2025 signed on 08.10.2025 were sent vide e-mail dated 08.10.2025 which are identically worded and a copy of one such report is reproduced under on an illustrative basis:



TM No./ Test Report No.	Description Found		
26-SIIB/ 06.10.2025 T.M No.	The sample is in form of clear, colourless, odourless, free flowing liquid. It is composed of Petroleum Hydrocarbons, having following Characteristics:		
	Sr. No.	Results	
252/2025- 26	1	Flash Point (PMCC), °C	49.8 °C
	2	Density at 15°C	0.787 g/ml
	3	Distillation: IBP, °C	162 °C
		% Recovery at 200°C	80% by vol.
		FBP, °C	226 °C
	4	Hydrocarbon Content	More Than 95%
	5	Non-Hydrocarbon Content	Below 0.1%
	6	Aromatic Content (by GCMS)	Less than 2.0%
	7	Residue on evaporation	Nil
8	Sulphur Content	8.1 ppm	
9	Kinematic Viscosity at 40°C	1.12 cSt	
	The sample is tested to ascertain parameters/characteristics of following products.		
	<ol style="list-style-type: none"> <li>1. General Purpose Thinner (IS 14314:2022) CTH 38140019.</li> <li>2. Thinner/Solvents of 3814.</li> <li>3. Petroleum Hydrocarbon Solvent (As per IS: 1745: 2018).</li> </ol>		
	On the basis of above parameters,		
	<p>A. The sample is other than general purpose thinner confirming to IS: 14314:2022, as the sample contains small amount of aromatic hydrocarbons. This does not comply with the description requirements of thinners (General Purpose) IS: 14314, as absence of sufficient amount of aromatic content, it will not fulfil the purpose of Thinner.</p> <p>B. The sample does not meet the requirements of Thinner/Solvents of section VI of CT (3814) as the sample does not contain any non-hydrocarbon additives like Alcohols, Acetates, and Chlorinated Solvents which makes them composite Solvent/Thinners.</p> <p>C. The sample meets the specification of Petroleum Hydrocarbon Solvents IS: 1745 (125/240) of Section V of CT.</p>		
	The sample is other than the products mentioned in query No. 20 of Test Memo except Solvent 125/240 of IS 1745: 2018 (Reaffirmed 2023). Moreover, as the sample does not contain carbon distribution/boiling range above 230°C, the possibility of diesel/fuel of all categories is ruled out.		
	<p><b>Conclusion:</b> The sample meets the specification of Petroleum Hydrocarbon Solvents IS: 1745:2018 (Reaffirmed 2023) of Grade 125/240. The sample is other than Thinner/Composite solvent of Section VI of CT (3814).</p>		

2.4 Based on the test results of Custom House Laboratory, Visakhapatnam, Show Cause Notice No. 78(L)/2025-26/ADC/ZDC/Gr-I/MCH dated 12.10.2025 was issued by the Additional Commissioner, CH Mundra wherein the appellants were called upon to show cause as to why:

- I. The description and classification of the goods found during examination should not be rejected and the same should not be re-determined as Petroleum Hydrocarbon Solvent 125/240 under CTH 27101920.
  - II. The Goods imported vide Bills of Entry Nos. 3899396 dated 14.08.2025 and 3961281 dated 18.08.2025 having total declared assessable value of Rs. 7,23,89,270/- should not be held liable for confiscation under the provisions of Section 111(d), 111(l) and 111(m) of the Customs Act, 1962.
  - III. Penalty should not be imposed upon M/s Bright Petrochem India LLP (IEC No. AATFB5863B) under the provisions of Section 112(a) of the Customs Act, 1962.
3. The show cause notice was decided vide Order-in-Original No. MCH/ADC/ZDC/410/2025-26 dated 2.12.2025 wherein the adjudicating authority passed the following order by placing reliance on the test reports of Custom House Laboratory, Visakhapatnam:
- a) Rejected the description and classification of the goods found during examination and allowed the same to be re-determined as Petroleum Hydrocarbon Solvent 125/240 under CTH 27101920.
  - b) Confiscated the Goods imported vide Bills of Entry Nos. 3899396 dated 14.08.2025 and 3961281 dated 18.08.2025 having total declared assessable value of Rs. 7,23,89,270/- under the provisions of Section 111(d), 111(l) and 111(m) of the Customs Act, 1962.
  - c) I impose penalty of Rs.35,00,000/-(Rupees Thirty Five Lakh Only) upon M/s Bright Petrochem India LLP under the provisions of Section 112(a)(i) of the Customs Act, 1962.



**SUBMISSIONS OF THE APPELLANT**

4. Being aggrieved by the impugned order, the appellant filed an appeal on the following grounds:

- The adjudicating authority had placed reliance on the test report of Custom House Laboratory, Visakhapatnam without assigning any cogent and substantial reasons for not considering the test reports of CRCL, Vadodara.
- The test reports of CRCL, Vadodara explicitly mentioned that the samples confirmed to Thinner, General Purpose for Synthetic Paints and Varnishes as specified under IS 14314:1995. The subsequent clarifications sought from CRCL, Vadodara also confirmed that the sample matched to IS 14314:1995 for Thinner, General Purpose for Synthetic Paints and Varnishes. Despite such clear test results, the department sent the samples for re-test to Custom House Laboratory, Visakhapatnam.
- The adjudicating authority had not spelt out which particular parameter of the concerned IS was not tested while observing that the goods were not properly tested as per the parameters.
- The parameters set forth in IS 14314:1995 for the purpose of Inspection and Testing are Color, Odor, Spot Test, Relative Density at 27 C, Distillation Range, Flash Point, Residue on evaporation, Hydrocarbon content, Water content, and Copper Erosion which is evident from the IS standards requirement table.
- The test result shows that all the parameters have been tested by the CRCL, Vadodara. In such circumstances, the observation of the adjudicating authority to the effect that the goods were not properly tested as per the parameters was factually incorrect. Thus, there was no need for re-testing the samples without identification of a substantial flaw in the test results of CRCL, Vadodara.
- CRCL, Vadodara vide their office Letter F. No. IV(5)/23-24 dated 23.09.2025 have specifically mentioned that they have tested the samples as per parameters required under the given IS which extinguishes the doubts of the department to the effect that the samples had not been properly tested

- CRCL, Vadodara vide their letter F. No. IV(5)/23-24 dated 30.09.2025 clarified that as per the standard testing protocol, the samples were initially being tested to identify the description of sample given on the test memo i.e. Thinner, General Purpose, for synthetic paints and varnishes as per IS 14314: 1995 (RA 2017). Analysis was carried out for the parameters given under above said IS and these were found matching with the specifications. These facts clearly indicate that the goods under import were Thinner, General Purpose
- The re-test at Vishakhapatnam, after a favourable report from CRCL Vadodara, demonstrates prejudice on the part of the department. This was further amplified by the fact that the department deviated from the standard protocol of seeking the opinion of Chief Chemist, CRCL Delhi in view of the two conflicting reports.
- The facts on record indicate that two clarifications had been sought from CRCL, Vadodara and no clarification had been sought from CRCL, Vishakhapatnam and yet it is very strange that the adjudicating authority has chosen to rely on the test report for which no clarification has been sought as against the report for which two clarifications had been sought.
- The impugned order and the records are absolutely silent on the aspect whether the re-test was conducted on the remnant samples or duplicate samples as stipulated at para 2(d) of Circular 30/2017-Cus.
- There is nothing on record to indicate a request for re-test, as stipulated at para 2(b) of Circular No. 30/2017-Cus, had been made to the Additional/ Joint Commissioner within the stipulated time of 10 days.
- The grounds for placing reliance on the report of Vishakhapatnam had not been specified by the adjudicating authority as required in terms of para 2(f) of Circular No. 30/2017-Cus,
- Accordingly, the results of re-test cannot be relied upon
- The report of CRCL, Vishakhapatnam is not proper for the very reason that IS 1745:2018 does not permit any Sulphur content in respect of Solvent 125/240 which is evident from Table 1 - Requirements for Petroleum Hydrocarbon Solvent. As opposed to the same, the test report of CRCL, Vishakhapatnam indicates presence of 8.1 ppm Sulphur. When the IS




requirements do not permit presence of Sulphur content, the goods would not confirm to the said standards in case where the samples are found to be containing Sulphur.

- No clarification on this aspect had been obtained from Custom House Laboratory, Vishakhapatnam.
- Report of the Custom House Laboratory, Vishakhapatnam is contrary within itself in as much as the opening analysis of the test report says "*The sample is in form of clear, colourless, odourless, free flowing liquid. It is composed of Petroleum Hydrocarbons, having following Characteristics*". However, at the later part of the test report it is noted that the sample contains small amount of aromatic hydrocarbons. It beats all logic as to how a sample containing aromatic hydrocarbons can be odourless.
- The test result of CRCL, Vadodara had not been challenged by the department and as such the same was to be accepted as true and correct. Reliance was placed on the case law of M/s Hira Steel Ltd. reported at 2016 (343) ELT 1058 (T) as upheld by the Hon'ble Apex Court in this regard.
- The fact that in case of varying opinions, the matter ought to be referred to the Chief Chemist has been ignored by the adjudicating authority and reliance has been placed on a report without specifying the reasons for the same which is an arbitrary exercise of powers and the impugned order needs to be set aside for this reason only. Reliance was placed on the case law of M/s Standard Dye Chem reported at 1980 (6) ELT 181 (Guj) in this regard.
- The expert analysis of the Chemical Examiner holds a fair amount of weightage in such cases and it was not open for the department to go in for a re-test without any substantial lacuna apparent on the face of the result. Reliance was placed on the case law of M/s Quinn India Ltd. reported at 2006 (198) ELT 326 (SC) in this regard.

4.1 The appellants filed additional submissions vide their letter dated 24.12.2024 wherein the following pleas were raised:

- a) In respect of import of identical goods vide W/H Bill of Entry No. 2475827 dated 05.06.2025 by M/s Arihant Agro Distillation and Liquid Terminal Ltd., and vide W/H Bill of Entry No. 9868158 dated 04.05.2025 by M/s Sainath Industrial fuels Private Ltd the department had accepted the test

report of CRCL Vadodara and ruled in favour of the importer despite the fact that the test result stated that the sample confirmed to both the standards IS 14314:1995 as well as IS 1745:2018 after a detailed discussion on the over-lapping nature of both the standards. Reliance was placed on Order-in-Original No. 07/Additional Commissioner/2025-26 dated 30.07.2025 and Order-in-Original No. 08/Additional Commissioner/2025-26 dated 31.07.2025 passed by the Additional Commissioner, Customs (Preventive), Jamnagar.

- b) The consignment is lying at the Customs Port since Aug 25 and involves 90 containers for which we are incurring heavy demurrage charges. Thus, it is prayed that the matter may please be decided at the earliest. Alternately, it is prayed that necessary instructions may be issued to the concerned persons for waiver of demurrage on the ground that the cargo has been detained by the Customs authorities and no charges are leviable in terms of the provisions of Regulation 6(l) of the Handling of Cargo in Customs Areas Regulations, 2009 and Regulation 10(l) of the Sea Cargo Manifest and Transshipment Regulations, 2018.

#### **PERSONAL HEARING**

5. Personal hearing in the matter was held on 24.12.2025 wherein Shri John Christian and Shri Ashish Jain, Consultants appeared for hearing on behalf of the appellants and they reiterated the submissions made in appeal memorandum and additional submissions dated 24.12.2025.

#### **DISCUSSION AND FINDINGS**

6. I have carefully examined the impugned order, the appeal memorandum filed by the appellant, the oral and written submissions advanced during the course of hearing, and the documents and evidence placed on record.

7. The entire issue boils down to a narrow compass as to whether the report of CRCL, Vadodara is to be relied upon or the report of Custom House Laboratory, Vishakhapatnam. The appellants have vehemently contested the need for re-test of the samples and the method of re-test. Before addressing the submissions of the appellants regarding re-test, it would be prudent to refer to para 2(f) of Circular No. 30/2017-Cus which reads as under:



*“The competent authority will consider the results of the re-test without prejudice to the results of the first test. In case there is a variation in the results of the first test and the re-test, the competent authority will take the decision relying upon either of the tests specifying the grounds in writing for the decision so taken. In case the competent authority is unable to decide whether to rely upon the first or the re-test results, then it may order a second re-test provided the consignment is still within the customs control. However, this option will not be resorted to in every case of variation between the first test and re-test results.”*

The above clarification makes it clear that, in the event of variation in test results, the competent authority must, in the first instance, decide to rely upon either of the two test reports by recording specific and reasoned grounds for such reliance. Only where the competent authority is unable to arrive at a considered conclusion on the basis of either report should a second re-test be ordered.

7.1 In the instant case, the adjudicating authority has opted to rely on the test result of Custom House Laboratory, Vishakhapatnam which indicates that second re-test is not required in as much as the test results can be weighed against each other so as to arrive at a proper decision. Abiding by the decision of the adjudicating authority to the effect that no second re-test is required, the only option available to me is to rely on either of the test results. The clarification issued by the Board lays down a crucial condition to the effect that the grounds for placing reliance on a particular test result necessarily ought to be specify the grounds in written. In this regard, I find that no such grounds have been specified in the impugned order and in such circumstances the matter needs to be re-examined as to which test result would be more appropriate.

7.2 In the backdrop of the above reasoning, I find that the appellants have drawn my attention to two vital aspects pertaining to the test result of Custom House Laboratory, Vishakhapatnam viz. 1) the presence of sulphur content in the sample and 2) contradictory findings in the test result. Table 1 of IS 1745:2018 specifies the parameters of Petroleum Hydrocarbon Solvent and the same is reproduced under for ease of reference:



**Table 1 Requirements for Petroleum Hydrocarbon Solvents**  
(Clauses 3.1.1 and 5.2)

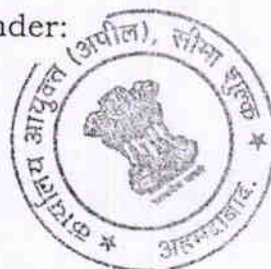
Sl No.	Characteristic	Solvent 60/80	Solvent 50/120	Solvent 90/135	Solvent 125/240	Solvent 145/205 Low Aromatic	Solvent 145/205 High Aromatic	Solvent 150/300	Method of Test [Ref to P : of IS 1448]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
i)	Colour (Saybolt), <i>Min</i>	+25	+25	+25	+21	+20	+20	—	P : 14
ii)	Colour (ASTM), <i>Max</i>	—	—	—	—	—	—	3.5	P : 12
iii)	Density at 15°C, g/ml	← Not limited but to be reported →							P : 16/ ISO 12185
iv)	Flash point (Abel), <i>Min</i>	—	—	—	30°C	35°C	35°C	35°C	P : 20
v)	Distillation range								P : 18
a)	Initial boiling point, <i>Min</i>	60°C	50°C	90°C	125°C	145°C	145°C	150°C	
b)	50 percent by volume recovered at, in °C	← Not limited but to be reported →							
c)	95 percent by volume recovered at, in °C	← Not limited but to be reported →							
d)	Final boiling point, <i>Max</i>	—	—	—	240°C	205°C	205°C	300°C	
e)	Dry point, <i>Max</i>	80°C	120°C	135°C	—	—	—	—	
vi)	Aromatic content, percent by volume	6 <i>Max</i>	35 <i>Max</i>	20 <i>Min</i>	40 <i>Max</i>	40 <i>Max</i>	45 <i>Min</i>	50 <i>Min</i>	P : 23
vii)	Sulphur, total, percent by mass, <i>Max</i>	0.05	—	—	—	—	—	—	P : 34* / ISO 8754/ ISO 20846
viii)	Copper strip corrosion for 3 h at 50°C	← Not worse than No. 1 →							P : 15
ix)	Residue on evaporation, mg/100 ml, <i>Max</i> .	5	5	5	5	5	5	—	P : 29 (AirJet)

\* In case of dispute, Method P 34 shall be used a referee method.

The Sulphur content for Solvent 125/140, as evident from the above table, is Nil. However, the test result of Custom House Laboratory, Vishakhapatnam indicates Sulphur content of 8.1 ppm. Thus, I find that the parameter for Sulphur content in the test result is not in consonance to the parameters as set forth in the IS 1745:2018.

7.3 Secondly, it has been rightly pointed out that the opening analysis of the test report of Custom House Laboratory, Vishakhapatnam stipulates that “*The sample is in form of clear, colourless, odourless, free flowing liquid. It is composed of Petroleum Hydrocarbons, having following Characteristics*”. However, at the later part of the test report it is noted that the sample contains small amount of aromatic hydrocarbons. This is in fact an anomaly in the test result in as much as an odourless liquid cannot be said to be containing aromatic hydrocarbons.

7.4 The above aspects of the test result of Custom House Laboratory, Vishakhapatnam casts a cloud of doubt on the test results. It is also on record that no clarification has been sought for from Custom House Laboratory, Vishakhapatnam with respect to the test results which is evident from the findings of the adjudicating authority appearing at para 17.2 of the impugned order of which the relevant text is reproduced under:



However, Importer request has been considered and email was sent to CRCL, New Delhi on 21.11.2025 for clarification as per request of importer. CRCL, Delhi vide letter dated 25.11.2025 informed that they are not the proper authority to clarify at this instance and clarification from them only be sought after clarification from respective labs has been obtained. Therefore, in absence of any clarification, I proceed with conclusion on basis of reports of CRCL, Vadodara and CRCL, Vizag.

Obviously, clarification on the above anomalies ought to have been sought for from the Custom House Laboratory, Vishakhapatnam. However, absence of any clarification on the said aspects sustains the shadow of doubt with respect to the test results.

8. Having come to the conclusion that the test result of Custom House Laboratory, Vishakhapatnam is under a shadow of doubt, it would be prudent to examine the test result of CRCL, Vadodara. The said test result expressly states that the sample confirms to the parameters set forth in IS 14314: 1995 (RA 2017) which pertains to Thinner, General Purpose, for synthetic paints and varnishes. However, the said test result also mentions that the sample also confirms to IS 1745:2018. For the purpose of determining the more specific classification it would be prudent to analyse the requirements under both the IS vis-à-vis the parameters reported as per CRCL, Vadodara. A comparative chart is as under:

Sl. No.	Test parameters	Ranges of value as per IS 14314:1995	Ranges of value as per IS 1745:2018	Values reported by CRCL, Vadodara
1	Density at 27 degrees C, gm/ml	0.76 to 0.81	Not limited	0,7758
2	Flash Point <sub>min</sub>	30 C	30 C	50.5
3	Water Content <sub>max</sub>	0.5	Not specified	Nil
4	Distillation Point			
	IBP <sub>min</sub>		125 C	165 C
	95% Distillation at Temp	120 C to 240 C	Not limited	211.1
	FBP <sub>min</sub>		240 C	226.5
5	Hydrocarbon content <sub>min</sub>	95%	Not specified	More than 95%

The above comparison indicates that both the IS are over-lapping to a certain extent. However, IS 1745:2018 does not specify any limits for Hydrocarbon content as opposed to IS 14314:1995. The test result indicates that all the parameters are satisfied and the Hydrocarbon which is not specified in IS 1745:2018 is also meeting the required standards of IS 14314:1995. Thus, I find that the test results of CRCL, Vadodara more aptly covers the goods under IS 14314:1995.

9. In view of the above discussions, I find that the test results of CRCL, Vadodara are more reliable than the test result of Custom House Laboratory, Vishakhapatnam and the same need to be relied upon in terms of para 2(f) of Circular No. 30/2017-Cus. Accordingly, I hold that the adjudicating authority has erred in placing reliance on the test report of Custom House Laboratory, Vishakhapatnam, which is under a high shadow of doubt as discussed above, without specifying written grounds for accepting the said test result and the test results of CRCL, Vadodara are to be relied upon.

10. Further, I find that the test result of CRCL, Vadodara has not been challenged by the department in as much as no communication of non-acceptance of the same has been made to the appellants. In absence of any challenge to the test report, the same has to be accepted as true and correct. My findings are aptly supported by the case of M/s Hira Steel Ltd. reported at 2016 (343) ELT 1058 (T) of which the relevant text is reproduced under:

*"In the above circumstances, it is also to be noted that in the case in hand, we find that the Dy. Chief Chemist had drawn the samples of the iron ore fines in respect of Shipping Bill No. 55/2011-12 and recorded that the Fe content is 52%. It is settled law that analysis of departmental laboratory, unless challenged, has to be accepted as true and correct."*

The above judgment has been upheld by the Hon'ble Apex Court as reported at 2018 (361) ELT A283 (SC). In the instant case, the test results of CRCL, Vadodara have not been challenged and accordingly, the same are true and correct in view of the above. Thus, the impugned order classifying the said goods as Petroleum Hydrocarbon Solvent is not sustainable on this ground also.




11. At this juncture it is also worthwhile to mention that the case records do not find mention of any specific or cogent reasons as to why the test results of CRCL, Vadodara were not proper and a re-test was required. In such circumstances, the report of CRCL, Vadodara cannot be brushed aside by the department. The expert analysis of the Chemical Examiner holds a fair amount of weightage in such cases and it is not open for the department to go in for a re-test without any substantial lacuna apparent on the face of the result. My views are aptly supported by the observations of the Hon'ble Supreme Court in the case of M/s Quinn India Ltd. reported at 2006 (198) ELT 326 (SC) wherein it has been observed as under:

"Test Report of the Chemical Examiner and Chief Chemist of the Revenue unless demonstrated to be erroneous, cannot be lightly brushed aside. The Revenue has not made any attempt to discredit or to rebut the genuineness and correctness of the Reports of the Government, Chemical Examiner and Chief Chemist. Thus, the Reports are to be accepted along with other documentary evidence in the form of classification issued by the Department regarding use of wetting agents in the textile industries to hold that the product Penetrator 4893 possessed surface active properties and, therefore, is covered by Exemption Notification No. 101/66, dated 17-6-66 as amended from time to time."

In the instant case, the test report of CRCL, Vadodara has not been demonstrated to be erroneous and as such cannot be brushed aside. Resultantly, the re-test was not warranted in light of the above judicial pronouncement and cannot be relied upon.

12 Further, in similar circumstances pertaining goods imported under W/H Bill of Entry No. 2475827 dated 05.06.2025 by M/s Arihant Agro Distillation and Liquid Terminal Ltd., and under W/H Bill of Entry No. 9868158 dated 04.05.2025 by M/s Sainath Industrial fuels Private Ltd, a detailed analysis of the over-lapping nature of IS 14314:1995 and IS 1745:2018 has been made under Order-in-Original No. 07/Additional Commissioner/2025-26 dated 30.07.2025 and Order-in-Original No. 08/Additional Commissioner/2025-26 dated 31.07.2025 passed by the Additional Commissioner, Customs (Preventive), Jamnagar and it has been held that the goods confirm to IS 14314: 1995 (RA 2017) pertaining to Thinner, General Purpose, for synthetic paints and varnishes. The said Orders has been accepted by the department as communicated by the

Assistant Commissioner (In-situ), Review Section, Custom (Preventive), Jamnagar vide digitally signed letter dated 23.12.2025. In this regard I rely upon the decision in the case of COMMISSIONER OF CUSTOMS (AIR CARGO IMPORT), MUMBAI Vs RELIANCE JIO INFOCOMM LTD. [(2025) 29 Centax 337 (Tri.-Bom) wherein the Hon'ble Tribunal has held that when no appeal has been filed against the order passed by the authority then it is not open that the Department to take a different stand on the same issue in different places and a differential classification of the impugned goods imported at different places would negate the very purpose of the Tariff Act on the one hand and would cause avoidable litigation for the importers on the other. The relevant para of the decision is reproduced as under:

*" 7. We also find that the department has not filed any appeal against the order passed by learned Commissioner (Appeals), Hyderabad and whereas no appeal has been filed against the order passed by Commissioner (Appeals), Mumbai. We find that it is not open that the Department to take a different stand on the same issue in Mumbai and Hyderabad. Such a differential classification of the impugned goods imported at different places would negate the very purpose of the Tariff Act on the one hand and would cause avoidable litigation for the importers on the other. We find that the findings given by the ld. Commissioner (Appeals) vide the order cited above are quite elaborate and reasoned which were followed by the learned Commissioner (Appeals), Mumbai in the impugned order. Therefore, we find that no case has been made out by the Department against the impugned orders and accordingly, we find that the impugned orders do not require any interference by this Bench.*

*8. Accordingly, appeals filed by the Department are rejected."*

12.1 Further I also rely upon the decision of Tribunal, Allahabad in the case of SAEL LTD. Vs COMMISSIONER, CUSTOMS (PREVENTIVE), LUCKNOW [(2025) 30 Centax 217 (Tri.-All)/2025 (393) E.L.T. 523 (Tri.-All) affirmed by the Hon'ble Supreme Court, [(2025) 30 Centax 218 (S.C.)/2025 (393) E.L.T. 459 (S.C.)] wherein the Hon'ble Tribunal, Allahabad, relying upon the decision of Hon'ble Supreme Court in *Damodar J. Malpani v. Collector of Central Excise as reported in 2002 (9) TMI 114 = 2002 (146) E.L.T. 483 (S.C.)* and the decision of Hon'ble Supreme Court in *CCE Navi Mumbai v. Amar Bitumen & Allied Products Pvt Ltd as reported in 2006 (8) TMI 187 = 2006 (202) E.L.T. 213 (S.C.)* held that when the jurisdictional Commissioner has upheld the stand of the assessee in case of classification of product and the said order has been accepted by the department



as no appeal was filed against the same. It is a settled law that the Department cannot take contradictory stand on the same issue and bound to maintain uniformity in classification of goods. The relevant para of the decision is reproduced as under:

*"24. Also, the contention of the Appellants that the department has accepted classification of similar Solar Modules under 8541, needs to be considered. We note that in relations to imports made by M/s Wardha Solar Maharashtra Pvt Ltd similar issues were raised by jurisdictional Commissionerate and vide Order-in-Original No. 54/2018-19/Commr/NS-V/JNCH dated 23.07.2018, the Commissioner of Customs, Nhava Sheva has upheld the stand of the assessee by classifying the product under CTH 8541. The said order has been accepted by the department as no appeal was filed against the same. It is a settled law that the Department cannot take contradictory stand on the same issue and bound to maintain uniformity in classification of goods. Hon'ble Supreme Court in Damodar J. Malpani v. Collector of Central Excise as reported in 2002 (9) TMI 114 = 2002 (146) E.L.T. 483 (S.C.) held that the revenue is required to maintain uniformity in classification failing which different classifications for same goods will be adopted by different Commissioners which cannot be permitted. Similarly, in CCE Navi Mumbai v. Amar Bitumen & Allied Products Pvt Ltd as reported in 2006 (8) TMI 187 = 2006 (202) E.L.T. 213 (S.C.), the Hon'ble Supreme Court has held that once the department has accepted a stand it cannot be permitted to take contra stand in other proceedings. In the present case having accepted the classification of similar goods in Wardha Solar case (supra) the department cannot be permitted to take a contra stand more so in absence of any evidence in support of the purported different stand. The said stand further appears to be contrary to the clarification issued by CBIC which was binding on the department."*

Since the classification of the impugned goods has already been decided as conforming to IS 14314:1995 (RA 2017), relating to *Thinner, General Purpose, for synthetic paints and varnishes*, vide Order-in-Original No. 07/Additional Commissioner/2025-26 dated 30.07.2025 and Order-in-Original No. 08/Additional Commissioner/2025-26 dated 31.07.2025, both passed by the Additional Commissioner, Customs (Preventive), Jamnagar, and the same has been accepted by the Department, the issue of classification has attained finality. In view of the settled position of law, the Department cannot be permitted to take a contradictory stand on the same issue. The Department is bound to maintain



*[Handwritten signature]*

consistency and uniformity in the classification of identical goods, failure to do so would result in disparate classifications of the same goods by different Commissionerates, which is impermissible in law.

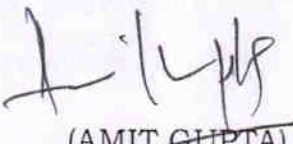
13. In view of the above findings, I find that the test report of CRCL, Vadodara is required to be given due cognisance and the classification of the goods has to be determined in light of the said test results. The same explicitly stipulated that the goods confirm to IS 14314:1995 and as such I have no hesitation in holding that the goods under consideration are Thinner, General Purpose, for synthetic paints and varnishes and covered under CTH 3814. Accordingly, I find that the goods under consideration are freely importable goods and have been correctly described and classified under the respective Bills of Entry and as such confiscation of the same under Section 111(d), (l) and (m) is not maintainable. Resultantly, penalty imposed under Section 112(a)(i) of the Customs Act is also not sustainable.

14. The appellants have prayed for waiver of demurrage and detention. In this regard, I find that the same is not a subject matter in the impugned order and as such the same cannot be raised in appeal. However, the appellants are directed to apply for such waiver before the jurisdictional customs authorities who will examine the same in terms of the provisions of Regulation 6(l) of the Handling of Cargo in Customs Areas Regulations, 2009 and Regulation 10(l) of the Sea Cargo Manifest and Transhipment Regulations, 2018.

15. In view of the above findings, I set aside the impugned order i.e. Order-in-Original No. MCH/ADC/ZDC/410/2025-26 dated 2.12.2025 and allow the appeal filed by the appellant with consequential relief, if any. The goods shall be released within the seven working days on receipt of this order.



सत्यापित/ATTESTED  
 अधीक्षक/SUPREINTENDENT  
 सीमा शुल्क (अपील), अहमदाबाद.  
 CUSTOMS (APPEALS), AHMEDABAD

  
 (AMIT GUPTA)

Commissioner (Appeals),  
 Customs, Ahmedabad

F. No. S/49-557/CUS/MUN/DEC/2025-26

By Speed post / E-Mail

4953 ~~4953~~

Date: 26.12.2025

To,  
 M/s Bright Petrochem India LLP,  
 10<sup>th</sup> Floor, 1002, Nakshatra Heights,  
 150 Feet Ring Road, Rajkot-360005.

Copy to:

1. The Chief Commissioner of Customs, Gujarat, Custom House, Ahmedabad.
2. The Principal Commissioner of Customs, Custom House , Mundra.
3. The Additional Commissioner of Customs, Custom House, Mundra.
4. Guard File.

