OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS,
CUSTOMS HOUSE, MP & SEZ MUNDRA,
KUTCH, GUJARAT-370421
PHONE: 02838-271463 FAX :02838-271169/271475

A	**File No.**	**CUS/SHED/OBJ/163/2026-Docks Examn-O/o Pr Commr-Cus-Mundra**
B	**OIO No.**	**MCH/ADC/ZDC/99/GR-2/2026-27**
C	**Date of Order**	**.05.2026**
D	**Passed by**	**Dipak Zala** **The Additional Commissioner** **Import Assessment Gr-II,** **Custom House, Mundra**
E	**SCN No. & Date**	
F	**Noticee/Party/ Importer**	**M/s. A K D Polymers Private Limited, having IEC No. 059806820/1** **Plot No. 305, Mithirohar GIDC,** **TA: Kandla Road, Village – Mithirohar, Kutch,** **Gujarat – 370201**
G	**DIN**	**20260571MO000000C5D8**

1. The Order – in – Original is granted to concern free of charge.

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

The Commissioner of Customs (Appeal), MUNDRA,
Office at 7th floor, Mridul Tower, Behind Times of India,
Ashram Road, Ahmedabad-380009

3. Appeal shall be filed within Sixty days from the date of Communication of this Order.

4. Appeal should be accompanied by a Fee of Rs. 5/- (Rupees Five Only) under Court Fees Act it must accompanied by (i) copy of the Appeal, (ii) this copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five Only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.

5. Proof of payment of duty / interest / fine / penalty / deposit should be attached with the appeal memo.

6. While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respect.

7. An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty or Penalty are in dispute, where penalty alone is in dispute.

BRIEF FACTS OF THE CASE

1. M/s. A K D Polymers Private Limited, having IEC No. 059806820/1, PAN No. AABCA0970B and GSTIN 24AABCA0970B1ZE/G, filed Bill of Entry No. 8560714 dated 09.04.2026 through their Customs House Agent, M/s. Ashapura Logistic Solution (CHA Licence No. ABLFA2403KCH002) at Saurashtra CFS, Mundra Port for clearance of consignments of Acrylic Processing Aid imported from China.
2. The details of the said Bill of Entry are as under:

Table - 1

Sl. No.	Bill of Entry No. & Date	Description of Goods	Declared CTH	Quantity (MT)	CIF Value (Rs.)	Exemption Claimed
1.	8560714 dated 09.04.2026	Acrylic Processing Aid (Type HL-90 & HL-901)	39061090	84.000	1,14,70,137	Sl. No. 27 of Notfn. No. 12/2026-Customs dated 01.04.2026 (NIL BCD)

3. The importer claimed the benefit of exemption from Basic Customs Duty under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026, which grants NIL rate of duty on “Poly (methyl methacrylate)” falling under tariff items 3906 10 10 and 3906 10 90. The said notification came into force with effect from 02.04.2026.
4. On examination of the accompanying import documents, it was noticed that the Certificate of Origin issued by the China Council for the Promotion of International Trade for both the consignments and the Bill of Lading clearly mentioned the HS Code of the imported goods as 39069090. The commercial invoice described the goods as “ACRYLIC PROCESSING AID (TYPE HL-90 / HL-901)”.

5. It was further observed from the ICES database that the same importer had been regularly importing identical goods i.e. Acrylic Processing Aid (Grades HL-90 and HL-901) under CTH 39069090 prior to 01.04.2026 and was paying the applicable Basic Customs Duty at 7.5%.
6. The goods in question, namely Acrylic Processing Aid, are used as an additive in PVC processing and are correctly classifiable under CTH 39069090 as "Other" acrylic polymers. The sudden change in classification from 39069090 to 39061090 by the importer immediately after the issuance of the exemption notification formed the basis for further verification.
7. As a result of the wrong classification adopted by the importer under CTH 39061090 and consequent wrongful availment of exemption under Notification No. 12/2026-Customs dated 01.04.2026, the following differential duty became payable:

Table – 2 - Differential Duty Calculation – Bill of Entry No. 8560714 dated 09.04.2026

Description of Goods	**CIF Value (Rs.)**	**BCD Payable @ 7.5% (Rs.)**	**SWS @ 10% of BCD (Rs.)**	**IGST Differential (Rs.)**	**Total Short Payment (Rs.)**
Acrylic Processing Aid (HL-90)	76,46,758	5,73,507	57,351	1,13,555	7,44,413
Acrylic Processing Aid (HL-901)	38,23,379	2,86,753	28,675	56,777	3,72,205
Sub Total	**1,14,70,137**	**8,60,260**	**86,026**	**1,70,332**	**11,16,618**

From the Tables above, it appears that the total duty liability of the importer is Rs. 11,16,618/-

8. **LEGAL PROVISIONS:**

8.1. **Section 2 (14)** of the Customs Act, 1962, *"**dutiable goods**" means any goods which are chargeable to duty and on which duty has not been paid*;

8.2. **SECTION 46**(4) of the Customs Act, 1962, *prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.*

8.3. **Section 111** of the of the Customs Act, 1962- **Confiscation of improperly imported goods, etc. as under**

The following goods brought from a place outside India shall be liable for confiscation:

…

(l) any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;

(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.

…

8.4. **Section 112** of the Customs Act, 1962, penal provisions for improper importation of goods, etc. which read as under**:**

Any person, -

(a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or

(b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section111,

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:

***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.

8.5. ***114AA. Penalty for use of false and incorrect material.—***

If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.

8.6. **SECTION 124** prescribes the mandatory issuance of show cause notice before confiscation of goods, which read as under**:**

No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person –

(a) is given a notice in writing with the prior approval of the officer of Customs not below the rank of an Assistant Commissioner of Customs, informing him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;

(b) is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and

(c) is given a reasonable opportunity of being heard in the matter:
***Provided** that the notice referred to in clause (a) and the representation referred to in clause (b) may, at the request of the person concerned be oral.*

***Provided** further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.*

8.7. **SECTION 125** provides the Option to pay fine in lieu of confiscation as under:

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

Provided *that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, 3 [no such fine shall be imposed]:*

Provided *further that, without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.*

(2) Where any fine in lieu of confiscation of goods is imposed under sub-section (1), the owner of such goods or the person referred to in sub-section (1), shall, in addition, be liable to any duty and charges payable in respect of such goods.]

(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.

Conclusion

9. In view of above, as a result of the wrong classification adopted by the importer under CTH 39061090 and consequent wrongful availment of exemption under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026, the differential duty became payable as shown in the table above. In respect of Bill of Entry No. 8560714 dated 09.04.2026, the short payment works out to Rs. 11,16,618/-.

10. In view of the above, it appears that:

a) The declared classification of the goods under CTH 39061090 and the self-assessed assessable value of Rs. 1,14,70,137/- in Bill of Entry No. 8560714 dated 09.04.2026 are liable to be rejected and the goods are liable to be re-classified under CTH 39069090 as "Other" acrylic polymers.

b) The benefit of exemption under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026 claimed by the importer in Bill of Entry No. 8560714 dated 09.04.2026 is liable to be rejected.

c) The self-assessment done by the importer in respect of Bill of Entry No. 8560714 dated 09.04.2026 (assessable value Rs. 1,14,70,137/-) is liable to be rejected and the said Bill of Entry are liable to be re-assessed with the correct classification and applicable rate of duty under Section 17(4) of the Customs Act, 1962.

d) The goods imported vide Bill of Entry No. 8560714 dated 09.04.2026 (assessable value Rs. 1,14,70,137/-) having re-determined classification under CTH 39069090 are liable for confiscation under Section 111(m) of the Customs Act, 1962.

e) The importer is liable for penalty under Section 112(a)(ii) and Section 114AA of the Customs Act, 1962 in respect of Bill of Entry No. 8560714 dated 09.04.2026.

Submissions and Personal Hearing

12. The importer, M/s. A K D Polymers Private Limited, vide their letter dated 08.05.2026, has requested for waiver of the Show Cause Notice and personal hearing in the matter.

Discussion and Findings

13. I find that the importer, M/s. A K D Polymers Private Limited, vide their letter dated 08.05.2026, submitted that they do not want any Show Cause Notice (SCN) or Personal Hearing in the subject matter and requested to adjudicate the case on merits, accepting the outcome of the case. In view

of the importer's explicit waiver of SCN and Personal Hearing, the principles of natural justice under Section 122A of the Customs Act, 1962, have been duly complied with. Considering the importer's waiver and the availability of all material evidence on record, including the Bills of Entry, Certificates of Origin, Bills of Lading, commercial invoices, ICES data and other import documents, the case is ripe for adjudication on merits without issuance of SCN or conduct of Personal Hearing, as per the provisions of Section 122A read with Section 124 of the Customs Act, 1962.

13.1 As the principles of natural justice stand complied with in view of the importer's explicit waiver of Show Cause Notice and personal hearing vide their letter dated 08.05.2026, I now proceed to adjudicate the matter on merits in respect of Bill of Entry No. 8560714 dated 09.04.2026. After careful consideration of the facts of the case, the following key issues are identified for determination:

i. Whether the declared classification of the goods under CTH 39061090 and the self-assessed assessable value of Rs. 1,14,70,137/- in Bill of Entry No. 8560714 dated 09.04.2026 is liable to be rejected and the goods are liable to be re-classified under CTH 39069090 as "Other" acrylic polymers;

ii. Whether the benefit of exemption under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026 claimed by the importer in Bill of Entry No. 8560714 dated 09.04.2026 is liable to be rejected;

iii. Whether the self-assessment done by the importer in respect of Bill of Entry No. 8560714 dated 09.04.2026 (assessable value Rs. 1,14,70,137/-) is liable to be rejected and the said Bill of Entry is liable to be re-assessed with the correct classification and applicable rate of duty under Section 17(4) of the Customs Act, 1962;

iv. Whether the goods imported vide Bill of Entry No. 8560714 dated 09.04.2026 (assessable value Rs. 1,14,70,137/-) having re-determined classification under CTH 39069090 are liable for confiscation under Section 111(m) of the Customs Act, 1962;

v. Whether the importer is liable for penalty under Section 112(a)(ii) and Section 114AA of the Customs Act, 1962 in respect of Bill of Entry No. 8560714 dated 09.04.2026.

14. I find that the goods imported by M/s. A K D Polymers Private Limited under **Bill of Entry No. 8560714 dated 09.04.2026** are Acrylic Processing Aid of grades HL-90 and HL-901, manufactured by Shandong Rike Chemical Co. Ltd., China. The physical description, quantity, and value of the goods as declared in the Bill of Entry, commercial invoices, packing lists, and shipping documents are not in dispute. The total quantity imported under this Bill of Entry is 84 MT with a CIF value of Rs. 1,14,70,137/-.

14.1 The importer had deliberately declared the classification of the said goods under CTH 39061090 and claimed the benefit of NIL Basic Customs Duty under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026, which is applicable only to Poly (methyl methacrylate). However, the Certificate of Origin issued by the China Council for the Promotion of International Trade and the Bill of Lading (including its attachment) explicitly mention the HS Code of the goods as 39069090. The commercial invoice describes the goods as “ACRYLIC PROCESSING AID (TYPE HL-90 / HL-901)”.

14.2 It is established that the importer had been regularly importing the identical goods i.e. Acrylic Processing Aid (Grades HL-90 and HL-901) under the correct classification CTH 39069090 prior to 01.04.2026 and was paying the applicable Basic Customs Duty @ 7.5%. It is further established from the ICES data that various other importers at Mundra Port, namely R A Chemicals Limited, Techno Polychem, Oswal Polychem Pvt. Ltd., Edges & Slides Products India Pvt. Ltd., Meet Marketing (India) Pvt. Ltd., Benchmark

Polytechnik Pvt. Ltd., Prakash Chemicals Pvt. Ltd., Piyush Polyboards Pvt. Ltd., Jainam International, and Bhairamal Gopiram and Sons, have consistently been classifying the same product under CTH 39069090 and discharging the duty liability @ 7.5% even after 01.04.2026.

14.3 The goods in question are Acrylic Processing Aids, which are copolymers used as additives for improving melt strength, fusion, and processing of PVC. These goods are technically and commercially distinct from Poly (methyl methacrylate), which is covered under CTH 39061090. The sudden and suo-moto change in classification by the importer from 39069090 to 39061090 immediately after the issuance of the exemption notification, despite the supplier documents showing the correct HS code 39069090, clearly establishes that the change was made with the sole intent to avail undue benefit of the exemption.

14.4 The GST registration particulars of the importer also reflect business activities aligned with HSN/CTH 39069090 and not 39061090. The importer has not disputed any of the above findings during the investigation.

14.5 I find that the goods imported under Bill of Entry No. 8560714 dated 09.04.2026 were found mis-declared in respect of classification and eligibility for exemption notification. The above findings clearly establish that the importer failed to make a true and correct declaration of the imported goods as mandated under Section 46 of the Customs Act, 1962.

15. I find that the importer had declared the imported goods under CTH 3906 10 90 describing them as “Acrylic Processing Aid (Type HL-90 & HL-901)” and claimed the benefit of NIL Basic Customs Duty under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026, which grants exemption exclusively to Poly (methyl methacrylate) falling under tariff items 3906 10 10 and 3906 10 90.

15.1 However, the goods actually imported under Bill of Entry No. 8560714 dated 09.04.2026 are Acrylic Processing Aids (grades HL-90 and HL-901), which are acrylic copolymers specially formulated to act as processing aids

in PVC extrusion and moulding to improve melt strength, fusion characteristics, and surface finish. These goods are technically and commercially distinct from Poly (methyl methacrylate), which is a homopolymer primarily used for sheets, rods, tubes, and moulding compounds. The tariff structure under Heading 3906 itself makes a clear distinction: sub-heading 3906 10 covers Poly (methyl methacrylate), while sub-heading 3906 90 covers "Other" acrylic polymers. The imported goods squarely fall under the latter category.

15.2 This position is conclusively established by the Certificate of Origin issued by the China Council for the Promotion of International Trade and the Bill of Lading (including its attachment) for the consignment, wherein the supplier has declared the HS Code as 3906 90. It is further established that the same importer had been consistently clearing identical goods (same grades HL-90 and HL-901) under CTH 3906 90 90 prior to 01.04.2026 and paying duty @ 7.5%. All other major importers at Mundra Port are also classifying the same product under CTH 39069090.

15.3 In view of the above, I hold that the classification declared by the importer under CTH 3906 10 90 in Bill of Entry No. 8560714 dated 09.04.2026 is incorrect and not sustainable. The goods are correctly classifiable under CTH 3906 90 90 as "Other" acrylic polymers and are not eligible for the exemption under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026.

16. I find that the importer has declared the correct transaction value of the goods in Bill of Entry No. 8560714 dated 09.04.2026. The CIF value declared in the said Bill of Entry (Rs. 1,14,70,137/-) is supported by the commercial invoices, packing lists and other accompanying documents. There is no allegation of undervaluation or mis-declaration of value. The declared assessable value is therefore acceptable as the transaction value under Section 14 of the Customs Act, 1962 read with the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. No re-determination of value is required in the present case.

16.1 For clarity and ease of re-assessment, the following table summarizes the parameters requiring re-determination and re-assessment for Bill of Entry No. 8560714 dated 09.04.2026:

Table - 3

Bill of Entry No. & Date	Declared Classification	Declared Assessable Value (Rs.)	Exemption Claimed	Correct Classification	Correct Assessable Value (Rs.)	Eligible for Exemption
8560714 dated 09.04.2026	39061090	1,14,70,137	Sl. No. 27 of Notfn. 12/2026-Cus. (NIL BCD)	39069090	1,14,70,137	Not eligible

Table - 4

Table of Re-determined Value with Calculation of Differential Duty

Bill of Entry No. & Date	CIF Value (Rs.)	BCD Payable @ 7.5% (Rs.)	SWS @ 10% of BCD (Rs.)	IGST Differential (Rs.)	Total Differential Duty (Rs.)
8560714 dated 09.04.2026	1,14,70,137	8,60,260	86,026	1,70,332	11,16,618
Grand Total	1,14,70,137	8,60,260	86,026	1,70,332	11,16,618

The importer had declared and paid Nil Basic Customs Duty (along with consequent SWS and IGST on the lower assessable value), whereas the differential duty payable after re-classification works out to Rs. 11,16,618/- (Rupees Eleven Lakh Sixteen Thousand Six Hundred Eighteen only)

17. It is alleged that the goods imported under Bill of Entry No. 8560714 dated 09.04.2026 are liable for confiscation under Section 111(m) of the Customs Act, 1962. In this regard, I find that as far as confiscation of goods is concerned, Section 111 of the Customs Act, 1962 defines the confiscation of improperly imported goods. The relevant legal provision of Section 111(m) of the Customs Act, 1962 is reproduced below:

> ***(m)*** *any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under section 77 in respect*

thereof, or in the case of goods under transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54.

18.1 In respect of the Bill of Entry No. 8560714 dated 09.04.2026, I find that the goods have been mis-declared in respect of classification. The importer had deliberately declared the goods under CTH 39061090 and claimed the benefit of NIL Basic Customs Duty under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026, whereas the goods are correctly classifiable under CTH 39069090 as "Other" acrylic polymers. The Certificate of Origin and Bill of Lading issued by the supplier clearly mention the HS Code as 39069090. Thus, the goods do not correspond in respect of classification and other material particulars with the entry made under the Customs Act in the said Bill of Entry.

18.2 Accordingly, I find that the goods imported under Bill of Entry No. 8560714 dated 09.04.2026 are liable for confiscation under Section 111(m) of the Customs Act, 1962.

19. From the above discussion, I find that the importer has mis-declared the classification of the goods under CTH 39061090 in Bill of Entry No. 8560714 dated 09.04.2026 with the intent to wrongly avail the benefit of exemption under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026.

19.1 In respect of Bill of Entry No. 8560714 dated 09.04.2026, the mis-declaration of classification renders the goods liable for confiscation under Section 111(m) of the Customs Act, 1962. Consequently, the importer is liable for penalty under Section 112(a)(ii) of the Customs Act, 1962.

19.2 Further, I find that the importer has knowingly and intentionally made, signed and used false and incorrect declaration in the Bill of Entry with regard to classification and eligibility for exemption notification. Therefore, the importer is also liable for penalty under Section 114AA of the

Customs Act, 1962 in respect of Bill of Entry No. 8560714 dated 09.04.2026.

20. As the impugned goods imported under Bill of Entry No. 8560714 dated 09.04.2026 have been found liable to confiscation under Section 111(m) of the Customs Act, 1962, it becomes necessary to examine whether redemption fine under Section 125 of the said Act is imposable in lieu of confiscation. The statutory provision reads as under:

> ***Section 125. Option to pay fine in lieu of confiscation.****—(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods [or, where such owner is not known, the person from whose possession or custody such goods have been seized,] an option to pay in lieu of confiscation such fine as the said officer thinks fit.*

20.1 A plain reading of the above provision reveals that the imposition of redemption fine serves as an alternative to confiscation, providing the owner of the goods an opportunity to redeem them on payment of a fine, wherever their clearance for home consumption is not restricted under any policy or statutory provision.

20.2 In the instant case, the goods are dutiable but not prohibited under the Customs Tariff Act, 1975 or the Foreign Trade (Development & Regulation) Act, 1992. There exists no restriction or prohibition under any policy framework which would prevent their clearance for home consumption.

20.3 Since the goods are non-prohibited, and the importer has not opted for re-export, the mandatory provision under Section 125(1) comes into operation. Accordingly, the importer is entitled to the option of redemption

of the confiscated goods for home consumption on payment of an appropriate fine in lieu of confiscation.

21. In view of the above findings, I conclude that the importer has deliberately mis-classified the goods under CTH 39061090 and wrongly availed the benefit of exemption under Sl. No. 27 of Notification No. 12/2026-Customs dated 01.04.2026 in respect of Bill of Entry No. 8560714 dated 09.04.2026, thereby mis-declaring a material particular in the Bill of Entry. For the said Bill of Entry, the goods are liable for confiscation under Section 111(m) of the Customs Act, 1962 and the importer is liable for penalty under Section 112(a)(ii) and Section 114AA of the Customs Act, 1962. Since the goods are not prohibited, the importer is entitled to an option to redeem the confiscated goods on payment of an appropriate redemption fine in lieu of confiscation under Section 125(1) of the Customs Act, 1962.

22. In view of the above discussion and Findings, I pass the following order:

ORDER

(i) I order to reject the declared classification under CTH 39061090 and the self-assessment made by the importer under Section 17(1) of the Customs Act, 1962 for Bill of Entry No. 8560714 dated 09.04.2026. I further order to re-assess the said Bill of Entry as per Table – 3 above, under the provisions of Section 17(4) of the Customs Act, 1962. The differential duty so arising consequent to such re-assessment shall be payable by the importer.

(ii) I order for confiscation of the goods imported vide Bill of Entry No. 8560714 dated 09.04.2026, having an assessable value of Rs. 1,14,70,137/- (Rupees One Crore Fourteen Lakh Seventy Thousand One Hundred Thirty-Seven only), under Section 111(m) of the Customs Act, 1962. However, I give an option to the importer to redeem the said confiscated goods for home consumption on payment of a redemption fine of Rs. 11,47,000/- (Rupees

Eleven Lakh Forty-Seven Thousand only) under Section 125(1) of the Customs Act, 1962.

(iii) I impose a penalty of Rs. 1,11,600/- (Rupees One Lakh Eleven Thousand Six Hundred only) upon the importer under Section 112(a)(ii) of the Customs Act, 1962.

(iv) I impose a penalty of Rs. 2,00,000/- (Rupees Two Lakh only) upon the importer under Section 114AA of the Customs Act, 1962.

23. This Order is issued without prejudice to any other action that may be taken against the importer under the provisions of the Customs Act, 1962 or rules made thereunder or under any other law for the time being in force.

Digitally signed by
Dipakbhai Zala
Date: 20-05-2026
12:06:12

Additional Commissioner

Customs House, Mundra

Copy to:

M/s. A K D Polymers Private Limited (IEC: 059806820/1)
Plot No. 305, Mithirohar GIDC,
TA: Kandla Road, Village – Mithirohar, Kutch,
Gujarat – 370201