कार्यालय: प्रधान आयुक्त सीमाशुल्क, मुन्द्रा,
सीमाशुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370421
**OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS:**
**CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT-370421.**
**PHONE : 02838-271426/271163 FAX :02838-271425**
**E-mail id- adj-mundra@gov.in**

| | | |
|---|---|---|
| A. File No. | : | GEN/ADJ/ADC/861/2026-Adjn-O/o Pr Commr-Cus-Mundra |
| B. SCN No. | : | 151/2026-27/ADC/ZDC/MCH |
| C. Date of Issue | : | 14.09.2026 |
| D. Passed by | : | **Dipak Zala,** Additional Commissioner of Customs, Customs House, AP&SEZ, Mundra. |
| E. Noticess(s)/Importer | : | M/s. Jay Ambe Industries (IEC No. 0807004227) |

## Show Cause Notice

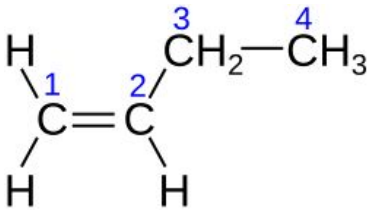
(Issued under section 28(4) of Customs Act, 1962)

**Whereas it appears that:**

**1.** M/s. Jay Ambe Industries (IEC No. 0807004227), having its registered office at 11, Uma Ind Est, Opp Bhagwati Ice Factory, Vasna-Iyava Vill Sanand, Ahmedabad, Gujarat – 382110 (hereinafter referred to as **"M/s. Jay Ambe/** Importer") which deals in manufacture of Petroleum Products and Industrial Solvents.

**2.** Whereas, specific intelligence gathered by the officers of Directorate of Revenue Intelligence (DRI), indicated that M/s Jay Ambe had imported "MIXED LINEAR ALPHA OLEFINS", "LAO C20-24" and filed Bills of Entry at Mundra Port (INMUN1), by mis-classifying them under CTI 29012990 and paid BCD @2.5%; that these goods, however, appear to be rightly classifiable under CTI 27101990 wherein the BCD is payable @5%.

3. Olefins are **unsaturated** hydrocarbons containing at least one carbon-carbon double bond, and are more commonly known as alkenes and have the general formula $^{C}nH2n$. Linear Alpha Olefin (LAO) is a type of olefin (alkene) that has a linear (straight-chain) carbon structure, and a double bond located at the alpha position, meaning between carbon-1 and carbon-2 of the chain. Some examples of Linear Alpha Olefins are as below:




$CH_2=CH-CH_2-CH_2-CH_2-CH_3$

1-butene(C4H8) 1-hexene(C6H12)

Linear Alpha Olefins (LAOs) are primarily manufactured from petroleum-based feedstocks. The main industrial production method involves the oligomerization of ethylene, which is a basic petrochemical derived from the cracking of crude oil.

Mixed Linear Alpha Olefins are a combination of different LAOs with different Carbon Chain Lengths. Whereas LAO C20-24 means combination of different LAOs all of which have between 20 and 24 Carbons in its structure.

**4.** The Chapter Heading 2901 under which the Importer has classified the said goods covers *ACYCLIC HYDROCARBONS*. The Tariff Entries under the Heading 2901 are reproduced below:

| | | | | | |
|---|---|---|---|---|---|
| **2901** | | **ACYCLIC HYDROCARBONS** | | | |
| 2901 10 00 | -- | saturated | Kg. | *2.5%% | - |
| | - | *Unsaturated :* | | | |
| 2901 21 00 | -- | Ethylene | kg. | *2.5% | - |
| 2901 22 00 | -- | Propene (propylene) | kg. | *2.5% | - |
| 2901 23 00 | -- | Butene (butylene) and isomers thereof | kg. | *2.5% | - |
| 2901 24 00 | -- | Buta-1,3-diene and isoprene | kg. | *2.5% | - |
| 2901 29 | -- | *Other :* | | | |
| 2901 29 10 | --- | Acetylene, whether or not in dissolved condition | kg. | *2.5% | - |
| 2901 29 20 | --- | Heptene (Heptylene) | kg. | *2.5% | - |
| 2901 29 30 | --- | Dihydromyrcene | kg. | *2.5% | - |
| 2901 29 40 | --- | Tetradecene | kg. | *2.5% | - |
| 2901 29 90 | --- | Other | kg. | *2.5% | - |

**5.** General Rules of Interpretation Rule No. 1 states that "*The titles of Sections, Chapters and sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions :"* . Hence, Classification should be determined as per terms of headings and section or Chapter Notes.

**5.1** Chapter Note 1 of the Chapter 29 states that "*1. Except where the context otherwise requires, the headings of this Chapter apply only to :*

*(a) separate chemically defined organic compounds, whether or not containing impurities;*

*(b) mixtures of two or more isomers of the same organic compound (whether or not containing*

*impurities), except mixtures of acyclic hydrocarbon isomers (other than stereoisomers), whether or not saturated (Chapter 27);*

*....."*

**5.2** The term "Separate Chemically defined Organic Compounds" was explained in the HS Explanatory Notes in page VI-29-3 as a substance which consists of one molecular species (e.g. covalent or ionic) whose composition is

defined by a constant ratio of elements and can be represented by a definite structural diagram. In a crystal lattice, the molecular species corresponds to the repeating unit cell. However, it appears that Mixed LAOs or LAO C20+ have multiple compounds with differing carbon chain lengths. Even though the ratio of the Carbon and Hydrogen Atoms remains the same, the structure differs among different compounds which exist in the item imported. Hence, it appears that the item imported is not classifiable under the Chapter 29 altogether.

**6.** As per Chapter Note 2 to Chapter 27, "*References in heading 27.10 to "Petroleum oils and oils obtained from bituminous minerals" include not only petroleum oils and oils obtained from bituminous minerals but also similar oils, as well as those consisting mainly of* ***mixed unsaturated hydrocarbons, obtained by any process,*** *provided that the weight of the non-aromatic constituents exceeds that of the aromatic constituents".* Since the imported item appears to be mixed unsaturated (Containing atleast 1 double or triple bond) hydrocarbons, it appears that the goods are rightly classifiable under CTH 2710. It may also be noted that LAOs are acyclic and hence cannot be aromatic satisfying the condition that weight of the non-aromatic constituents exceeds that of the aromatic constituents. The Entries under the CTH 2710 are reproduced below for ready reference:

| | | | | | |
|---|---|---|---|---|---|
| **2710** | | **PETROLEUM OILS AND OILS OBTAINED FROM BITUMINOUS MINERALS, OTHER THAN CRUDE; PREPARATIONS NOT ELSEWHERE SPECIFIED OR INCLUDED, CONTAINING BY WEIGHT 70% OR MORE OF PETROLEUM OILS OR OF OILS OBTAINED FROM BITUMINOUS MINERALS, THESE OILS BEING THE BASIC CONSTITUENTS OF THE PREPARATIONS; WASTE OILS** | | | |
| | - | *Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than those containing biodiesel and other than waste oils:* | | | |
| 2710 12 | -- | Light oils and preparations: | | | |
| | --- | Naphtha: | | | |
| 2710 12 21 | ---- | Light naphtha | kg. | **2.5% | - |
| 2710 12 22 | ---- | Heavy naphtha | kg. | **2.5% | - |
| 2710 12 29 | ---- | Full range naphtha | kg. | **2.5% | - |
| | --- | Solvent 60/80, solvent 50/120 and solvent 145/205 (petroleum hydrocarbon solvents) as specified under standard IS 1745: | | | |
| 2710 12 31 | ---- | Solvent 60/80 | kg. | **5% | - |
| 2710 12 32 | ---- | Solvent 50/120 | kg. | **5% | - |
| 2710 12 39 | ---- | Solvent 145/205 | kg. | **5% | - |
| | --- | Motor gasoline conforming to standard IS 2796, IS 17021 , **IS 17586 orIS 17076: | | | |
| 2710 12 41 | ---- | Motor gasoline conforming to standard IS 2796 | kg. | **2.5% | - |
| 2710 12 42 | ---- | E 20 fuel conforming to standard IS 17021 | kg. | **2.5% | - |
| 2710 12 43 | ---- | E 12 fuel conforming to standard IS 17586 | kg. | **2.5% | |
| 2710 12 44 | ---- | E 15 fuel conforming to standard IS 17586 | kg. | **2.5% | |

| | | | | | |
|---|---|---|---|---|---|
| 2710 12 49 | ---- | M15 fuel conforming to standard IS 17076 | kg. | **2.5% | - |
| 2710 12 50 | --- | Aviation gasoline conforming to standard IS 1604 | kg. | **Free% | - |
| 2710 12 90 | --- | Other | kg. | **5% | - |
| 2710 19 | -- | Other: | | | |
| 2710 19 20 | --- | Solvent 125/240 (petroleum hydrocarbon solvent) as specified under standard IS 1745 | kg. | **5% | - |
| | --- | Kerosene intermediate and oils obtained from kerosene intermediate: | | | |
| 2710 19 31 | ---- | Kerosene intermediate | kg. | **5% | - |
| 2710 19 32 | ---- | Kerosene conforming to standard IS 1459 | kg. | **5% | - |
| 2710 19 39 | ---- | Aviation turbine fuels, kerosene type conforming to standard IS 1571 | kg. | **5% | - |
| | --- | Gas oil and oils obtained from gas oil: | | | |
| 2710 19 41 | ---- | Gas oil | kg. | **5% | - |
| 2710 19 42 | ---- | Vacuum gas oil | kg. | **5% | - |
| 2710 19 43 | ---- | Light diesel oil conforming to standard IS 15770 | kg. | **5% | - |
| 2710 19 44 | ---- | Automotive diesel fuel, not containing biodiesel, conforming to standard IS 1460 | kg. | **2.5% | - |
| 2710 19 49 | ---- | High flash high speed diesel fuel conforming to standard IS 16861 | kg. | **2.5% | - |
| | --- | Fuel oils conforming to standard IS 1593: | | | |
| 2710 19 51 | ---- | Grade LV | kg. | **5% | - |
| 2710 19 52 | ---- | Grade MV1 | kg. | **5% | - |
| 2710 19 53 | ---- | Grade MV2 | kg. | **5% | - |
| 2710 19 59 | ---- | Grade HV | kg. | **5% | - |
| | --- | Fuels (Class F) or marine fuels conforming to standard IS 16731: | | | |
| 2710 19 61 | ---- | Distillate oil | kg. | **5% | - |
| 2710 19 69 | ---- | Residual oil | kg. | **5% | - |
| | --- | Base oil and lubricating oil: | | | |
| 2710 19 71 | ---- | Base oil | kg. | **5% | - |
| 2710 19 72 | ---- | Engine oil (internal combustion engine crankcase oils) conforming to standard IS 13656 | kg. | **5% | - |
| 2710 19 73 | ---- | Engine oil conforming to standard IS 14234 | kg. | **5% | - |
| 2710 19 74 | ---- | Automotive gear oil conforming to standard IS 1118 | kg. | **5% | - |
| 2710 19 75 | ---- | Industrial gear oil conforming to standard IS 8406 | kg. | **5% | - |
| 2710 19 76 | ---- | General purpose machinery and spindle oils conforming to standard IS 493 | kg. | **5% | - |
| 2710 19 77 | ---- | Turbine lubricating oil conforming to standard IS 1012 | kg. | **5% | - |
| 2710 19 78 | ---- | Other lubricating oil, conforming to any other BIS standard | kg. | **5% | - |
| 2710 19 79 | ---- | Other lubricating oil, not conforming to any BIS standard | kg. | **5% | - |
| | --- | Cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, | | | |

**w.e.f. 01.05.2022

| | | | | | |
|---|---|---|---|---|---|
| | | transformer oil: | | | |
| 2710 19 81 | ---- | Cutting oil conforming to standard IS 1115 | kg. | 5% | - |
| 2710 19 82 | ---- | Cutting oil (neat) conforming to standard IS 3065 | kg. | 5% | - |
| 2710 19 83 | ---- | Hydraulic oil conforming to standard IS 3098 or IS 11656 | kg. | 5% | - |
| 2710 19 84 | ---- | Industrial white oil conforming to standard IS 1083 | kg. | 5% | - |
| 2710 19 85 | ---- | Insulating oil for transformer and circuit-breaker (transformer and circuit-breaker oils) conforming to standard IS 335 or IS 12463 | kg. | 5% | - |
| 2710 19 86 | ---- | Mineral oil for cosmetic industry conforming to standard IS 7299 | kg. | 5% | - |
| 2710 19 87 | ---- | Jute batching oil conforming to standard IS 1758 | kg. | 5% | - |
| 2710 19 88 | ---- | Other cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, transformer oil conforming to any other BIS standard | kg. | 5% | - |
| 2710 19 89 | ---- | Other cutting oil, hydraulic oil, industrial white oil, jute batching oil, mineral oil for cosmetic industry, transformer oil, not conforming to any BIS standard | kg. | 5% | - |
| 2710 19 90 | --- | Other | kg. | 5% | - |
| 2710 20 | - | *Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, containing biodiesel, other than waste oils:* | | | |
| 2710 20 10 | --- | Automotive diesel fuel, containing biodiesel, conforming to standard IS 1460 | kg. | 2.5% | - |
| 2710 20 20 | --- | Diesel fuel blend (B6 to B20) conforming to standard IS 16531 | kg. | 2.5% | - |
| 2710 20 90 | --- | Other | kg. | 5% | - |
| | - | *Waste oil :* | | | |
| 2710 91 00 | -- | Containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs) | kg. | 5% | - |
| 2710 99 00 | -- | Other | kg. | 5% | - |

**6.1** Since, there is no specific sub-heading or CTI for the said item, it appears that the goods are rightly classifiable under CTI 27101990 which is the residual CTI under the single Dash Entry "Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than those containing biodiesel and other than waste oils:" wherein BCD @5% and IGST @18% is payable.

**6.2** Accordingly, the importer was asked vide letter dated 25.11.2025 **(Annexure-A1)** to submit their reply to the above observation of the department that the subject goods are rightly classifiable under CTI 27101990.

**6.3** The Importer vide Letter dated 02.12.2025 (**Annexure-A2**) by mail submitted that "With reference to your letter dated above we would like to inform you that we have not done any misclassification of goods. Our goods are Mixed Linear Alpha Olefins and the same can be verified from the documents of our supplier. Also, certificate of analysis confirms that goods are blends of separate alpha olefins in different ratio. Our product is not petroleum product to be classified under chapter 27. We have not done any duty evasion and our goods are as custom tariff classification"

7. Summons dated 12.12.2025 were issued to the Importer to appear on 05.01.2026. However, no one appeared in response to summons. Hence, summons dated 20.01.2026 was issued to Importer to appear on 27.01.2026. The Importer vide mail dated 21.01.2026 sought time of 15 to 20 days. Hence, Summons dated 28.01.2026 was issued to Importer to appear on 12.02.2026. Later, due to official work on 12.02.2026, the Importer was given option to attend either on 11.02.2026 or 13.02.2026. The Importer vide mail dated 09.02.2026 requested to issue summons for first week of march. Accordingly, Summons dated 16.02.2026 were issued to importer to appear on 06.03.2026. However, no one appeared in response to summons. All the 4 summons are attached as **Annexure-A3** and Importers mails dated 21.01.2026 and 09.02.2026 are attached as **Annexure-A4**.

**8.** The subject imported goods appear to merit classification under CTI 27101990 due to the following reasons:

i. The description "Mixed Linear Alpha Olefins" represents that the product is a mixture of different LAOs with different Carbon Chain Lengths which does not satisfy the condition of Section Note 1(a) of the Chapter 29 that it should only contain separate chemically defined organic compound. The Importer themselves uploaded Certificate of Analysis **(Annexure-A5)** wherein it is mentioned that the imported item consists of 26% of C4-C6, 64% of C8-C10 and 10% of C10+ which clearly proves that the item is a mixture of different carbon chain length LAOs and not a separate compound. Since, the item is a mixture of different chain length LAOs, it is not classifiable under Chapter 29.

ii. As per Chapter Note 2 to Chapter 27, mixed unsaturated hydrocarbons, obtained by any process are classifiable under CTH 2710, provided the weight of the non-aromatic constituents exceeds that of the aromatic constituents. Since Linear Alpha Olefins are unsaturated and the imported item is a mixture of LAOs of different Carbon Chain Lengths, and LAOs being acyclic cannot be aromatic, the item appears to be rightly classifiable under CTH 2710.

iii. The Importer themselves in their reply stated that the imported product consists of blends of individual alpha olefins which means that the imported item is a mixture of LAOs. Further, The Importer also stated that Chapter 27 is not applicable as it applies only to petroleum distillates. However, Chapter Note 2 to Chapter 27 states that mixed unsaturated hydrocarbons obtained by any process are classifiable under CTH 2710.

Based on the above discussion, it appears that the said imported compounds i.e., "MIXED LINEAR ALPHA OLEFINS", are rightly classifiable under CTI 27101990 and liable to BCD @5%.

## 9. Legal Provisions:

**9.1** ***Section 2(4) of the Customs Act, 1962:*** *– "bill of entry" means a bill of entry referred to in section 46;*

**9.2** ***Section 2(23) of the Customs Act, 1962: –*** *"**import**", with its grammatical variations and cognate expressions, means bringing into India from a place outside India;*

**9.3** ***Section 2(26) of the Customs Act, 1962: –*** *"importer", in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes [any owner, beneficial owner] or any person holding himself out to be the importer;*

**9.4** ***Section 17 of the Customs Act, 1962:*** *"(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……"*

***9.5 Section 28(4) of the Customs Act, 1962:*** *"(4) Where any duty has not been 10[levied or not paid or has been short-levied or short-paid] or erroneously refunded, or interest payable has not been paid, part-paid or erroneously refunded, by reason of,-*

*(a) collusion; or*

*(b) any wilful mis-statement; or*

*(c) suppression of facts,*

*by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been 11[so levied or not paid] or which has been so short-levied or short-paid or to whom*

*the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice.*

**9.6** ***Section 28AA*** *of the Customs Act, 1962: " Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any other provisions of this Act or the rules made thereunder, the person, who is liable to pay duty in accordance with provisions of Section 28, shall, in addition to such duty, be liable to pay interest, if any, at the rate fixed under sub-section (2), whether such payment is made voluntarily or after determination of the duty under that Section……"*

**9.7** ***Section 46 (1) of the Customs Act, 1962****: "The importer of any goods, other than goods intended for transit or transhipment, 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……"*

**9.8** ***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 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)."*

**9.9** ***Section 46 (4A) of the Customs Act, 1962****: "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."*

**9.10** ***Section 110AA of the Customs Act, 1962***: "*Where in pursuance of any proceeding, in accordance with Chapter XIIA or this Chapter, if an officer of customs has reasons to believe that—*

***(a) any duty has been short-levied, not levied, short-paid or not paid in a case where assessment has already been made;***

*……..*

*……..*

*then such officer of customs shall, after causing inquiry, investigation, or as the case may be, audit, transfer the relevant documents, along with a report in writing—*

*(i) to the proper officer having jurisdiction, as assigned under section 5 in respect of assessment of such duty, or to the officer who allowed such refund or drawback; or*

*(ii) in case of multiple jurisdictions, to an officer of customs to whom such matter is assigned by the Board, in exercise of the powers conferred under section 5,*

*and thereupon, power exercisable under sections 28, 28AAA or Chapter X, shall be exercised by such proper officer or by an officer to whom the proper officer is subordinate in accordance with sub-section (2) of section 5]*

**9.11** ***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 or in the case of baggage with the declaration made under section 77 in respect thereof, or in the case of goods under the transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of Section 54;*

**9.12** ***Section 111 (o) of the Customs Act, 1962****: any goods exempted, subject to any condition, from duty or any prohibition in respect of the import thereof*

*under this Act or any other law for the time being in force, in respect of which the condition is not observed unless the non-observance of the condition was sanctioned by the proper officer;*

**9.13** ***Section 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, 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 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, to a penalty not exceeding the duty sought to be evaded on such goods or five thousand rupees, whichever is the greater****;*

*(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.*

**9.14** ***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."*

***9.15 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:*

*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, 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.*

**10. Obligation under Self-assessment:**

The importer had subscribed to a declaration as to the truthfulness of the contents of the Bills of Entry in terms of Section 46(4) of the Customs Act, 1962, in all their import declarations. Further, consequent upon the amendment to Section 17 of the Customs Act, 1962 vide Finance Act, 2011, 'Self-Assessment' had been introduced in Customs. Section 17 of the Customs Act, 1962, effective from 08.04.2011, provides for self-assessment of duty on imported goods by the importer himself by filing a Bill of Entry, in electronic form. Section 46 of the Customs Act, 1962 makes it mandatory for the importer to make an entry for the imported goods by presenting a Bill of Entry electronically to the proper officer. As per Regulation 4 of the Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulation, 2018 (issued under Section 157 read with Section 46 of the Customs Act, 1962), the Bill of Entry shall be deemed to have been filed and self-assessment of duty completed when, after entry of the electronic declaration (which was defined as particulars relating to the imported goods that are entered in the Indian Customs Electronic Data Interchange System) Electronic Data Interchange System either through ICEGATE or by way of data entry through the service centre, a Bill of Entry number was generated by the Indian Customs Electronic Data Interchange System for the said declaration.

**11. Reasons for raising duty demand by invoking extended period under Section 28(4) of the Customs Act, 1962.**

**11.1** As detailed in Para 8 above, the said compounds clearly appear to be rightly classifiable under CTH 2710 since the item is mixture of different carbon chain length LAOs. The Certificate of Analysis uploaded in e-sanchit proves that the subject item consists of LAOs of different range(C4-C6, C6-C10, C10+) of Carbon Chain Length instead of a single carbon length. The Importer has also not appeared for the recording of statement even though 4 opportunities were given to them. It appears that these acts were committed by them to hoodwink the department with an intention to evade the duty payable. If not for the detection by the department, the issue would not have come to light and would have caused loss of revenue. Thus, it appears that the importer intentionally misclassified the goods to evade payable duty.

**11.2** Further, under the scheme of self-assessment, it is the importer who must ensure that they declared the correct classification / CTH of the imported goods, the applicable rate of duty, value, and the benefit of exemption notification claimed, if any, in respect of the imported goods while presenting the Bill of Entry. Thus, with the introduction of self-assessment by amendment to Section 17, w.e.f. 08.04.2011, it was the added and enhanced responsibility of the importer to declare the correct description, value, applicability of Notification benefit etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods.

**12.** Based on the discussions supra, it appears that the subject goods are rightly classifiable under CTI 27101990 where BCD is payable @5%. The total differential duty worked out to **Rs. 41,85,011/-** for the period 16.04.2024 to 08.08.2025. Thus, it appears that M/s. Jay Ambe is liable to pay differential liability of **Rs. 41,85,011/-** as worked out in the **Annexure –B**. However, since the importer has not made the payment of differential duty and contested the classification, the same is liable for demand under the provisions of Section 28(4) of the Customs Act, 1962.

**13.** It appears that M/s. Jay Ambe had mis-classified the imported goods mentioned in Annexure-B, in contravention of the provisions of Section 111(m) of the Customs Act, 1962. Hence, impugned goods imported vide Bills of Entry mentioned in Annexure-B appear to be liable for confiscation under Section 111(m) of the Customs Act, 1962. For rendering the goods imported vide Bills of Entry mentioned in Annexure-B liable for confiscation under Section 111, M/s. Jay Ambe appears to be liable for imposition of penalty under **Section 112**. For wilfully misclassifying the goods mentioned in Annexure-B to evade the duties, the Importer is liable for penalty under section 114A of the Customs Act, 1962.

**14.** It appears that as the goods in question are "other than prohibited goods", M/s. Jay Ambe is liable to pay redemption fine under Section 125 of Customs Act, 1962 in lieu of confiscation for contravening the provisions of Section 111 as discussed in Para 13 above.

**15.** Circular No. 17/2011-Customs dated 08.04.2011 issued by Ministry of Finance, Department of Revenue, Central board of Excise & Customs vide F.No.450/26/2011-Cus.IV, Section 17 of the Customs Act, 1962 provides for self-assessment of duty by the importer by filing a Bill of Entry in the electronic form. The importer at the time of self-assessment is required to ensure that he declares the correct description of the goods, **classification**, applicable rate of duty, value, benefit of exemption Notifications claimed**,** if any, in respect of the imported goods **while presenting the Bill of Entry**. It is seen that the importer has resorted to incorrect self-assessment, by failing to adopt the correct classification, thereby violated provisions of Section 17 of the Customs Act, 1962.

**16.** Further, as per Section 46(4) and 46(4A) of the Customs Act, 1962, the importer is required to furnish a declaration as to the truth of the contents of Bill

of entry and shall ensure accuracy and completeness of information, authenticity and validity of documents submitted. The importer is required to declare the full accurate details relating to the goods description, quantity, duties payable etc. It is noticed from the facts and legal position that the impugned goods are classifiable under CTI 27101990 instead of 2901 as declared by the importer in the bills of entry.-

**17.** Thus, from paragraph 15 and 16 above, it appears that M/s. Jay Ambe has contravened the provisions of Section 17, Section 46(4) and 46(4A) of the Customs Act, 1962 in respect of goods covered under Bills of Entry detailed in **Annexure – B** by not furnishing true and correct particulars of imported goods during assessment. Further, it appears M/s Jay Ambe had not adopted the appropriate classification rendering the goods liable for confiscation under Section 111(m). Hence, it appears that M/s. Jay Ambe is liable for penalty under Sections **112 and 114A** of the Customs Act, 1962.

**SUMMARY:**

**18.** In view of the foregoing facts, documentary evidences on record, statements recorded during the investigation, legal provisions, it appears that:

**(i)** M/s Jay Ambe have mis-classified the subject imported Compounds i.e "MIXED LINEAR ALPHA OLEFINS", ", "LAO C20-24" under CTI 29012990, while the they appear to be classifiable under Customs Tariff Item 27101990 as discussed above**.**

**(ii)** M/s Jay Ambe is liable to pay the customs duty (BCD@5% along with consequential SWS and IGST) of **Rs. 41,85,011/-** as detailed in **Annexure-B** under Section 28(4) of the Customs Act, 1962 along with interest under Section 28AA of the Act *ibid*;

**(iii)** The goods imported as detailed in **Annexure-B** are liable for confiscation under Sections 111(m) of the Act *ibid*;

**(iv)** M/s Jay Ambe is liable for penalties under the provisions of Sections 112 and 114A of the Customs Act, 1962 for various omissions and commissions.

19. Now therefore, M/s. Jay Ambe Industries (IEC No. 0807004227), having its registered office at 11, Uma Ind Est, Opp Bhagwati Ice Factory, Vasna-Iyava Vill Sanand, Ahmedabad, Gujarat – 382110 is hereby called upon to Show Cause in writing to the Additional Commissioner of Customs, Customs House Mundra, having office situated at office of the Pr. Commissioner of Customs, 5B, Port User Building, Adani Ports & SEZ, Mundra, Kutch, Gujarat – 370421, within 30 (Thirty) days of the receipt of Notice as to why:

**a)** The self-assessment, with respect to the goods imported vide Bills of Entry detailed in Annexure-B, under CTI 29012990 should not be rejected, and the same should not be re-classified under CTI 27101990 and be re-assessed accordingly;

**b)** Consequentially, the differential duty of **Rs. 41,85,011/-**(Rupees Forty One Lakhs Eighty Five Thousand Eleven Only) as detailed in **Annexure-B,** should not be demanded and recovered from them **under Section 28(4) of the Customs Act, 1962**;

**c)** Interest should not be demanded and recovered from them, on the amount demanded at (b) above, **under Section 28AA of the Customs Act, 1962**;

**d)** The goods valued at **Rs. 12,89,67,974/-** imported as detailed in Annexure – B respectively should not be held liable for confiscation **under Section 111(m) of the Customs Act, 1962;**

**e)** Penalty should not be imposed on them under Section 112(a) of the Customs Act, 1962 for mis-classifying the imported goods and rendering the goods mentioned in **Annexure-B** liable for confiscation;

**f)** Penalty should not be imposed on them under Section 114A of the Customs Act, 1962 for wilful mis-statement or suppression of facts with

regard to mis-classification of the imported goods resulting in short payment of customs duties in respect of goods mentioned in **Annexure-B**.

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

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

**22.** The present Show Cause Notice is issued without prejudice to any other action that may be taken under any other provision of the Customs Act, 1962 and/or rules made there under and/or under the provisions of any other law for the time being in force in India. The department is also free to issue addendum to this Show Cause Notice, if any, further fact/ documents come to notice.

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

**24.** The Copies of relied upon documents, as mentioned in the Show Cause Notice, are listed in Annexure-'A' and are enclosed with the Show Cause Notice and also are an integral part of this Show Cause Notice.

Digitally signed by Dipakbhai Zala
Date: 14-09-2026 16:43:53

DIPAK ZALA

ADDITIONAL COMMISSIONER OF CUSTOMS,
MUNDRA CUSTOMS HOUSE

Encl: (i) Annexure A – Relied Upon Documents;

(ii) Annexure B – Work sheet for duty quantification

(by speed post/ hand delivery/E-mail)

**सेवामें/To**

M/s. Jay Ambe Industries (IEC No. 0807004227), having its registered office at 11, Uma Ind Est, Opp Bhagwati Ice Factory, Vasna-Iyava Vill Sanand, Ahmedabad, Gujarat – 382110.

Copy to :

1. The Additional Director General, DRI, Hyderabad Zonal Unit, H.No.10-2-289/57/1 &2, Suryavanshi Residency, II Cross Road, Shanthinagar, Masab Tank, Hyderabad – 500028 .
2. The Deputy Director, DRI, Vijayawada Regional Unit, 5th Floor, D.No.10-56, Above Canara Bank, Ashok Nagar, Bundar Road, Vijayawada – 520 007.
3. Office Copy.

## ANNEXURE-A: List of Relied Upon Documents

| Annexure | Description |
|---|---|
| A1 | Letter dated 25.11.2025 to M/s. Jay Ambe Industries seeking response on the classification of impugned goods |
| A2 | Letter dated 02.12.2025 from M/s. Jay Ambe Industries |
| A3 | Summons dated 12.12.2025, 20.01.2026, 28.01.2026, 16.02.2026 and mail dated 30.01.2026 to M/s. Jay Ambe Industries |
| A4 | Mails dated 21.01.2026, 09.02.2026 from Importer seeking postponement of summons. |
| A5 | Certificates of Analysis uploaded in e-Sanchit |

| CUSTOMHOUSECODE | BE NUMBER | BE DATE | AINVOICENO | INVOICEDATE | INVOICESERIALNUMBER | SUPPLIERNAME | ITEMDESCRIPTION | ITEMSERIALNUMBER | CTH | ITEMWISEASSVALUE | DUTY | DIFF. DUTY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| INMUN1 | 3051524 | 4/16/2024 | GMUIN0072024A | 3/26/2024 | 1 | GLOBOMOTIVIE INC. | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 11144310.45 | 2367608.8 | 361632.8741 |
| INMUN1 | 3132238 | 4/22/2024 | 145023134 | 3/14/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 7847917.25 | 1667290 | 254664.9148 |
| INMUN1 | 3136885 | 4/22/2024 | 145023167 | 3/19/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR APLHA OLEFINS | 1 | 29012990 | 15573156.54 | 3308517.1 | 505348.9297 |
| INMUN1 | 3559483 | 5/19/2024 | 145023288 | 4/27/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 991252.13 | 210591.5 | 32166.13162 |
| INMUN1 | 3591370 | 5/21/2024 | 145023174 | 4/1/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 4775822.68 | 1014623.6 | 154975.446 |
| INMUN1 | 4010731 | 6/15/2024 | 145023362 | 5/1/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 1691921.09 | 359448.6 | 54902.83937 |
| INMUN1 | 4011068 | 6/15/2024 | 145023363 | 5/20/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 2644020.97 | 561722.3 | 85798.48048 |
| INMUN1 | 4582998 | 7/19/2024 | CHOLA/401/2024 | 7/8/2024 | 1 | CHOLA CHEM DMCC | MIXED LINEAR ALPHA OLEFINS | 1 | 29012990 | 10019391.53 | 2128619.8 | 325129.2551 |
| INMUN1 | 4664308 | 7/24/2024 | 145023399 | 6/20/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 4758658.37 | 1010977 | 154418.4641 |
| INMUN1 | 4663173 | 7/24/2024 | 145023427 | 6/26/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 4611587.77 | 979731.9 | 149646.0231 |
| INMUN1 | 6180128 | 10/17/2024 | 145024056 | 9/17/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 3805904.27 | 808564.4 | 123501.5936 |
| INMUN1 | 6231462 | 10/20/2024 | 1450237814 | 10/7/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 12428611.51 | 2640458.5 | 403308.4435 |
| INMUN1 | 6378388 | 10/28/2024 | 145023724 | 8/9/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 8761727.24 | 1861429 | 284318.0489 |
| INMUN1 | 6847055 | 11/23/2024 | 145023812 | 9/20/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 4245770.74 | 902014 | 137775.2605 |
| INMUN1 | 7162027 | 12/11/2024 | 145024180 | 11/13/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | LAO C20-24 | 1 | 29012990 | 3334622.16 | 708440.6 | 108208.4891 |
| INMUN1 | 7195461 | 12/12/2024 | 145024259 | 11/27/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | LAO C20-C24 | 1 | 29012990 | 939514.64 | 199599.9 | 30487.25007 |
| INMUN1 | 7209653 | 12/13/2024 | APC/004/2024 | 12/9/2024 | 1 | ABYSSAL PETROCHEM DMCC | MIXED LINEAR ALPHA OLEFINS | 1 | 29012990 | 11479761.57 | 2438875.3 | 372518.2629 |
| INMUN1 | 7249873 | 12/15/2024 | 145024260 | 11/27/2024 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | LAO C20-C24 | 1 | 29012990 | 3333652.08 | 708234.4 | 108177.01 |
| INMUN1 | 3763755 | 8/8/2025 | 145025832 | 7/15/2025 | 1 | GLOBAL ENVIRONMENTAL MANAGEMENT SER | MIX LINEAR ALPHA OLEFINS | 1 | 29012990 | 16580371.37 | 3522499.9 | 538033.051 |
| | | | | | | | | | | 128967974.4 | | 4185010.768 |