OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS,
CUSTOMS HOUSE, MP & SEZ
MUNDRA, KUTCH-GUJARAT
प्रधान आयुक्त का कार्यालय,सीमा शुल्क सदन, एमपी और एसईजेड, मुंद्रा, कच्छ-गुजरात -370421
PHONE : 02838-271426/271428
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सत्यमेव जयते

A	File No.	**CUS/APR/BE/MISC/1449/2026-Gr 2**
B	Order-in-Original No.	**MCH/ADC/ZDC/338/2026-27**
C	Passed by	**Dipak Zala** **Additional Commissioner of Customs** **Custom House, Mundra.**
D	SCN No and date	**Waiver as per letter dated 24.09.2026**
E	Date of order & Date of issue	**25.09.2026** **25.09.2026**
F	Noticee/Party/ Importer/ Exporter	**M/s GHCL Limited (IEC: 0588091529)**

1. यह अपील आदेश संबन्धित को नि:शुल्क प्रदान किया जाता है।

This Order - in - Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1- में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-

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:

सीमा शुल्क आयुक्त (अपील),
चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड,
नवरंगपुरा, अहमदाबाद-380 009
THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA
4th Floor, HUDCO Building, Ishwar Bhuvan Road,
Navrangpura, Ahmedabad-380 009

3. उक्त अपील यह आदेश भेजने की दिनांक से 3 माह के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within three months from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए-

Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must accompanied by –

(i) उक्त अपील की एक प्रति और

A copy of the appeal, and

(ii) इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची-1 के अनुसार न्यायालय शुल्क अधिनियम-1870 के मद सं॰-6 में निर्धारित 5/- रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।

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. अपील ज्ञापन के साथ ड्यूटि/ ब्याज/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।

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

6. अपील प्रस्तुत करते समय, सीमा शुल्क (अपील) नियम,1982 और सीमा शुल्क अधिनियम, 1962 के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।

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

7. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (A) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

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 are in dispute, or penalty, where penalty alone is in dispute

Brief Facts of the Case:

The importer M/s GHCL Limited (IEC: 0588091529) having office address at Survey No. 47/1, Village-Bharapar, Gandhidham, Gujarat-370230 has filed the Bill of Entry No. 3481232 dated 31.08.2026 for import of the goods "PVC Suspension Resin Grade: HS-1000R under CTH 39041090". The Bill of Entry was selected for assessment and during the assessment the Officer raised a query regarding imposition of MIP on the said goods vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The importer vides query reply requested for first check examination and warehousing of goods under Section 49 of the Customs Act, 1962. The details of the goods declared in the Bill of Entry No. 3481232 dated 31.08.2026 are detailed below:

Table-I

Sr. No	Bill of Entry No. and Date	Container No.	CTH	Description	Quantity	UQC
1	3481232 dated 31.08.2026	5*20 feet containers	39041090	PVC Suspension Resin Grade: HS-1000R	140000	KGS

2. The Assessment Officer has forwarded the BE to Docks Officer under 1st check as requested by the importer vide query reply for verification of description and quantity. The officers of Docks have examined the goods and the goods were found as declared in terms of description and quantity as per declaration made in the BE by the importer.

3. **Classification of the Goods:**

The importer M/s GHCL Limited has filed the Bill of Entry No. 3481232 dated 31.08.2026 for import of the goods "PVC Suspension Resin Grade: HS-1000R under CTH 39041090". The CTH 39041090 is for the goods category "Others". However, the imported goods are PVC Suspension Resin Grade: HS-1000R which are rightly classifiable under CTH 39041020. The relevant extract of CTH is as below:

3904 POLYMERS OF VINYL CHLORIDE OR OF OTHER HALOGENATED OLEFINS, IN PRIMARY FORMS
3904 10- Poly (vinyl chloride), not mixed with any other substances:
3904 10 10 --- Emulsion grade PVC resin / PVC Paste resin/ PVC dispersion resin
3904 10 20 ---Suspension grade PVC resin
3904 10 90---Other

From the above, since the imported goods is Suspension Grade PVC Resin. Hence, it, prima facie, appears to classifiable under 39041020 as there is 2nd Triple dash (--) entry of 1st single dash (-) level entry for Polymers of Vinyl Chloride or of Other Halogenated Olefins, In Primary Forms.

4. Rejection and Determination of Valuation:

4.1. The inconsistency observed in filing of the Bill of Entry suggests undervaluation of the goods below MIP which made the goods restricted. Accordingly, the value of the imported goods needs to be re-determined.

Determination of valuation:

a) Efforts were made to find out the correct assessable value of the imported goods. Further, NIDB data was analyzed for goods with similar description and country of origin. As the import data extracted with respect to contemporaneous imports of similar goods was available/found. A lot of importers have cleared the similar goods in range of 767 USD/MTS to 770 USD/MTS. Therefore, the value could be re-determined under Rule 5 of CVR, 2007.

Further, Government of India has imposed MIP on the said goods vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The goods are restricted if imported equal to or below .766 USD/KGS. However, the import of the goods is free if CIF value is above 0.766 USD/KGS. The importer vide letter dated 24.09.2026 requested to release of the goods after adjudication process. As per Rule 5 of CVR Rules 2007 the re-determined value of the goods is as below:

Table-II

Sr. No.	**Re-determined Description**	**Total Quantity**	**Measure Unit**	***Unit Price***	***Total Suggestive Average C.I.F. Value (in USD)***	***Total Suggestive Average C.I.F. Value (in INR) $=96.5***
1	PVC Suspension Resin Grade: HS-1000R	140000	KGS	0.767	107380	10362170
Total					107380/-	1,03,62,170/-

The re-determined fair value of the goods to be **Rs. 1,03,62,170/-** in contrast to the declared assessable value as **Rs. 1,00,64,950/-.**

4.2. With the introduction of self-assessment under Section 17(1) of the Customs Act, 1962, the responsibility lies squarely on the importer to accurately self-assess the Bill of Entry and declare the correct amount of leviable duty. By failing to declare dutiable goods correctly in the Bill of Entry, the importer's actions indicate an intent to evade payment of the correct duties on the imported goods. This deliberate omission raises reasonable grounds to believe that the importer wilfully and intentionally concealed dutiable goods, thereby causing a loss to government revenue.

5. **Import Policy Compliance:**

5.1. The importer has declared the goods as PVC Suspension Resin Grade: HS-1000R in the above said BE. The goods “Suspension grade PVC resin” are restricted

for import as per DGFT Notification No. 25/2026-27 dated 24.07.2026. The government of India has imposed MIP condition for the import of said goods vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The relevant extract of the Notification is as follows:

Notification No. 25/2026-27
New Delhi, Dated:
24th July,2026

Subject: Amendment in Import Policy of Suspension grade PVC resin (S-PVC) covered under ITC (HS) code 39041020 of Chapter 39 of ITC (HS), 2022, Schedule-I (Import Policy)-reg.

S.O. (E): In exercise of the powers conferred by Section 3, Section 5 of the Foreign Trade (Development & Regulation) Act, 1992, read with paragraph 1.02 and paragraph 2.01 of the Foreign Trade Policy, 2023, as amended from time to time, the Central Government hereby amends the import Policy of ITC (HS) Code 39041020 covered under Chapter 39 of ITC (HS) 2022, Schedule-I (Import Policy) with immediate effect:

ITC (HS) Code	*Item Description*	*Existing Import Policy*	*Existing Import Policy Condition*	*Revised Import Policy*	*Revised Import Policy Condition*
39041020	*Suspension grade PVC resin*	*Free*		*Restricted*	*(a) However, import of Suspension grade PVC Resin (SPVC) having CIF Value more than USD 0.766 per Kilogram is Free for a period of six months from the date of publication of this Notification (b) The Minimum Import Price at (a) above, however, will not be applicable for import by 100% Export Oriented Units (EOUs), units in the SEZ and under the Advance Authorisation Scheme, subject to the condition that the imported inputs are not sold into the Domestic Tariff Area (DTA).*

Effect of this Notification:

The import of Suspension grade PVC Resin (S-PVC) falling under ITC (HS) Code 39041020, having CIF Value of less than or equal to USD 0.766 per Kilogram is "Restricted" for a period of six months from the date of publication of this Notification. However, this restriction will not be applicable for import by 100% Export Oriented Units (EOUs), units in the SEZ and imports under the Advance Authorisation Scheme, subject to the condition that the imported inputs are not sold into the Domestic Tariff Area (DTA).

This is issued with the approval of the Minister of Commerce & Industry.

5.2. From the above it clearly appears that the goods "PVC Suspension Resin Grade: HS-1000R" imported vide the above said BE are restricted for import as per DGFT Notification No. 25/2026-27 dated 24.07.2026. The government of India has imposed MIP condition for the import of said goods vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The importer has imported the said goods @0.745 USD/KGS in the BE. By this act the importer has made the goods liable for confiscation under Section 111(d) and 111(m) of the Customs Act, 1962.

6. LEGAL PROVISIONS:

(A) RELEVANT PROVISIONS OF CUSTOMS ACT, 1962:

6.1. 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*;

Section 2(22): *"goods" includes (a) vessels, aircrafts and vehicles; (b) stores; (c) baggage; (d) currency and negotiable instruments; and (e) any other kind of movable property;*

Section 2(23): *"import", with its grammatical variations and cognate expressions, means bringing into India from a place outside India;*

Section 2(25): *"imported goods", means any goods brought into India from a place outside India but does not include goods which have been cleared for home consumption;*

Section 2(26): *"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;*

Section 2 (33) of the Customs Act, 1962, "**prohibited goods**" means any goods the import or export of which is subject to any prohibition under the Customs Act or any other law currently in force.

Section 2(39): *"smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113.*

Section 11A: *"illegal import" means the import of any goods in contravention of the provisions of this Act or any other law for the time being in force.*

Section 17. Assessment of duty. –

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

..

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

6.2. **SECTION 46**(4) of the Customs Act, 1962, *prescribe 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.*

6.3. **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:

…

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;

(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.

…

6.4. **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, -

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a

penalty not exceeding the value of the goods or five thousand rupees, whichever is the greater;

(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher:

Provided *that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined;]*

(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees], whichever is the greater;

(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.

6.5. **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.*

6.6. **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.

7. In view of the above, it appears that: -

(i) The declared CTH of the goods "PVC Suspension Resin Grade: HS-1000R" i.e. 39041090 is liable to be rejected and needs to be re-determined as 39041020.

(ii) The declared value of the goods i.e. Rs. 1,00,64,950 imported vide BE No. 3481232 dated 31.08.2026 is liable to be rejected and re-determined the same as Rs. 1,03,62,170/-.

(iii) The self-assessment done by the importer in the above said BE is liable to be rejected and the same needs to be re-assessed under Section 17(4) of the Customs Act, 1962 with applicable duty.

(iv) The goods imported vide BE No. 3481232 dated 31.08.2026 having re-determined CIF value of **Rs. 1,03,62,170/-** is liable for confiscation under Section 111(d) & 111 (m) of the Customs Act, 1962.

(v) Penalty under Section 112 (a) (i) of Customs Act, 1962 is imposable upon the importer.

8. **Personal Hearing and Submission: -**

The importer, vide letter dated 24.09.2026 has requested for waiver of SCN & PH in this matter. He also requested that he is ready to pay differential duty, fine and penalty. Further, the importer has submitted LC copy no. 0024NMLC0026127 dated 08.07.2026. He also submitted that the order was placed well before imposing of the MIP Notification No. 25/2026-27 dated 24.07.2026. He also requested that as the order was placed well before the MIP imposition a lenient and sympathetic view be taken in the matter while imposing the fine and penalty.

Discussion and Findings

9. I find that the importer, M/s. GHCL Limited (IEC: 0588091529), vide their email/letter dated 24.09.2026 requested to waive SCN & Personal Hearing and requested to decide the matter on merit. In view of the importer's explicit waiver of SCN & Personal Hearing, the principles of natural justice have been duly complied with. Considering the importer's waiver and the availability of all material evidence on record, including the Bill of Entry, packing list, and invoice, the case is ripe for adjudication on merits.

9.1. As the principles of natural justice stand complied with in view of the importer's submission and explicit waiver of SCN & Personal Hearing vide their letter dated 24.09.2026, I now proceed to adjudicate the matter on merits. After going through the facts of the case as brought before me, the following key issues are identified for determination:

(i) Whether the declared classification of the goods imported vide Bill of Entry No. 3481232 dated 31.08.2026 should not be rejected and re-determined or otherwise.

(ii) Whether the declared total assessable value of the goods, i.e. INR 1,00,64,950 imported vide BE No. 3481232 dated 31.08.2026 should not be rejected and re-determined as INR 1,03,62,170/-.

(iii) Whether self-assessment done by the importer in the above said BE should not be rejected and re-assessed under Section 17(4) of the Customs Act, 1962 with applicable duty.

(iv) Whether the goods PVC Suspension Resin Grade: HS-1000R imported under Bill of Entry No. 3481232 dated 31.08.2026 having re-determined value of Rs. 1,03,62,170 should not be held liable for confiscation under Section 111(d) and 111(m) of the Customs Act, 1962

(v) Whether the importer should not be held liable for penalty under Section 112(a)(i) of the Customs Act, 1962.

9.2. I observe that the proceedings were initiated by Assessment officer on the basis of declaration made in Bill of Entry No. 3481232 dated 31.08.2026 by the importer M/s. GHCL Limited (IEC: 0588091529). The Bill of Entry was selected for

assessment and during the assessment the Officer raised a query regarding imposition of MIP on the said goods vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The importer vides query reply requested for first check examination and warehousing of goods under Section 49 of the Customs Act, 1962. Further, the BE was forwarded to Docks for examination to verify the description and quantity of the goods before initiation of further proceedings and the goods was found declared.

9.3. I observe that the importer M/s GHCL Limited has filed the Bill of Entry No. 3481232 dated 31.08.2026 for import of the goods "PVC Suspension Resin Grade: HS-1000R under CTH 39041090". The CTH 39041090 is for the goods category "Others". However, the imported goods are PVC Suspension Resin Grade: HS-1000R which are rightly classifiable under CTH 39041020. The relevant extract of CTH is as below:

3904 POLYMERS OF VINYL CHLORIDE OR OF OTHER HALOGENATED OLEFINS, IN PRIMARY FORMS
3904 10- Poly (vinyl chloride), not mixed with any other substances:
3904 10 10 --- Emulsion grade PVC resin / PVC Paste resin/ PVC dispersion resin
3904 10 20 ---Suspension grade PVC resin kg. 10% -
3904 10 90---Other

From the above, since the imported goods is Suspension Grade PVC Resin. Hence, it, prima facie, appears to classifiable under 39041020 as there is 2nd Triple dash (--) entry of 1st single dash (-) level entry for Polymers of Vinyl Chloride or of Other Halogenated Olefins, In Primary Forms.

9.4. I observe that the inconsistency observed in filing of the Bill of Entry suggests undervaluation of the goods below MIP which made the goods restricted. Accordingly, the value of the imported goods needs to be re-determined.

Determination of valuation:

a) Efforts were made to find out the correct assessable value of the imported goods. Further, NIDB data was analyzed for goods with similar description and country of origin. As the import data extracted with respect to contemporaneous imports of similar goods was available/found. A lot of importers have cleared the similar goods in range of 767 USD/MTS to 770 USD/MTS. Therefore, the value could be determined under Rules 5 of CVR, 2007.

Further, Government of India has imposed MIP on the said goods vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The goods are restricted if imported equal to or below .766 USD/KGS. However, the import of the goods is free if CIF value is above 0.766 USD/KGS. The importer vide letter dated 24.09.2026 requested to release of the goods after adjudication process. As per Rule 5 of CVR Rules 2007 the re-determined value of the goods is as below:

Sr. No.	**Re-determined Description**	**Total Quantity**	**Measure Unit**	***Unit Price***	***Total Suggestive Average C.I.F. Value (in USD)***	***Total Suggestive Average C.I.F. Value (in INR) $=96.5***
1	PVC Suspension Resin Grade: HS-1000R	140000	KGS	0.767	107380	10362170
Total					107380/-	1,03,62,170/-

9.5. I observe that the importer has declared the goods as PVC Suspension Resin Grade: HS-1000R in the above said BE. The goods "Suspension grade PVC resin" are restricted for import as per DGFT Notification No. 25/2026-27 dated 24.07.2026. The government of India has imposed MIP condition for the import of Suspension Grade PVC Resin under CTH 39041020 vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The relevant extract of the Notification is as follows:

Notification No. 25/2026-27
New Delhi, Dated:
24th July,2026

Subject: Amendment in Import Policy of Suspension grade PVC resin (S-PVC) covered under ITC (HS) code 39041020 of Chapter 39 of ITC (HS), 2022, Schedule-I (Import Policy)-reg.

S.O. (E): In exercise of the powers conferred by Section 3, Section 5 of the Foreign Trade (Development & Regulation) Act, 1992, read with paragraph 1.02 and paragraph 2.01 of the Foreign Trade Policy, 2023, as amended from time to time, the Central Government hereby amends the import Policy of ITC (HS) Code 39041020 covered under Chapter 39 of ITC (HS) 2022, Schedule-I (Import Policy) with immediate effect:

ITC (HS) Code	*Item Description*	*Existing Import Policy*	*Existing Import Policy Condition*	*Revised Import Policy*	*Revised Import Policy Condition*
39041020	*Suspension grade PVC resin*	*Free*		*Restricted*	*(a) However, import of Suspension grade PVC Resin (SPVC) having CIF Value more than USD 0.766 per Kilogram is Free for a period of six months from the date of publication of this Notification (b) The Minimum Import Price*

					at (a) above, however, will not be applicable for import by 100% Export Oriented Units (EOUs), units in the SEZ and under the Advance Authorisation Scheme, subject to the condition that the imported inputs are not sold into the Domestic Tariff Area (DTA).

Effect of this Notification:

The import of Suspension grade PVC Resin (S-PVC) falling under ITC (HS) Code 39041020, having CIF Value of less than or equal to USD 0.766 per Kilogram is "Restricted" for a period of six months from the date of publication of this Notification. However, this restriction will not be applicable for import by 100% Export Oriented Units (EOUs), units in the SEZ and imports under the Advance Authorisation Scheme, subject to the condition that the imported inputs are not sold into the Domestic Tariff Area (DTA).

This is issued with the approval of the Minister of Commerce & Industry.

9.6. I observe that as per above discussion it clearly appears that the goods “PVC Suspension Resin Grade: HS-1000R” imported vide the above said BE are restricted for import as per DGFT Notification No. 25/2026-27 dated 24.07.2026. The government of India has imposed MIP condition for the import of said goods vide DGFT Notification No. 25/2026-27 dated 24.07.2026. The importer has imported the said goods @ 0.745 USD/KGS in the BE which is below MIP price decided by the Government of India. Accordingly, the goods become restricted for import due to non-compliance of above said DGFT notification. By this act the importer has made the goods liable for confiscation under Section 111(d) and 111(m) of the Customs Act, 1962.

9.7. I observe that the goods are liable for confiscation under Section 111(d) and 111(m) of the Customs Act, 1962. In this regard, I find that Section 111 of the Customs Act, 1962 prescribe the confiscation of improperly imported goods. The relevant clauses of Section 111 are reproduced below:

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;

(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.

9.8. From the above, it is evident that the importer has mis-declared the goods in respect of classification and other particulars. The importer had imported the goods which are restricted in nature as per DGFT Notification No. 25/2026-27 dated 24.07.2026. Thus, by these acts of omission and commission, I had held that the importer has rendered the subject goods liable for confiscation under Section 111(d) and 111(m) of The Customs Act, 1962, and also rendered themselves liable for penal action under the provisions of Section 112(a)(i) of the Customs Act, 1962.

9.9. As the impugned goods have been found liable to confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962 (as discussed in para above), 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: Provided that... [provisos omitted for brevity]"*

9.9.1. 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 is not restricted under any policy or statutory provision.

9.9.2. In the instant case, the declared goods PVC Suspension Resin Grade: HS-1000R are restricted goods, the RF option is discretionary, as goods are imported below the minimum import price mandated by DGFT Notification No. 25/2026-27 dated 24.07.2026. As per DGFT Notification No. 25/2026-27 dated 24.07.2026, PVC Suspension Resin Grade: HS-1000R" is restricted, however, import is free, if CIF value is above 0.766 USD/Kg. This procedural violation, unlike absolute prohibitions, permits discretion, as clearance may be feasible post compliance of DGFT Notification No. 25/2026-27 dated 24.07.2026. The declared goods support a discretionary RF, subject to compliance of DGFT Notification No. 25/2026-27 dated 24.07.2026, to balance regulatory enforcement with release feasibility.

In view of the foregoing, I find and hold that under Section 125(1) of the Customs Act, 1962, goods of the Bill of Entry No. 3481232 dated 31.08.2026 are eligible for release upon payment of a Redemption Fine subject to compliance with DGFT Notification No. 25/2026-27 dated 24.07.2026.

9.10. I observe that the importer has submitted LC copy no. 0024NMLC0026127 dated 08.07.2026. He also submitted that the order was placed well before imposing of the MIP Notification No. 25/2026-27 dated 24.07.2026. Further, He requested that the order was placed well before the MIP imposition.

10. In view of the foregoing discussion and findings, I pass the following order:

Order

(i) I reject the self-assessment made by the importer in Bill of Entry No. 3481232 dated 31.08.2026 under Section 17(1) of the Customs Act, 1962. Further, I order for re-assessment of the said Bill of Entry under the provisions of Section 17(4) of the Customs Act, 1962 with the re-determined classification and value as discussed in para above. The duty arising consequent to such re-assessment shall be payable by the importer.

(ii) I reject the declared assessable value of Rs. 1,00,64,950/- for Bill of Entry no. 3481232 dated 31.08.2026 under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and order to re-determine the same at Rs. 1,03,62,170/- under Rule 5 ibid, read with Section 14 of the Customs Act, 1962.

(iii) I order to confiscate the goods PVC Suspension Resin Grade: HS-1000R imported vide Bill of Entry No. 3481232 dated 31.08.2026 having re-determined value of Rs. 1,03,62,170/- under Section 111(d) and 111(m) of the Customs Act, 1962. However, I give an option to the importer to redeem the said goods on payment of a redemption fine of Rs. 50,000/- (Rupees Fifty Thousand only) under Section 125 of the Customs Act, 1962.

(iv) I impose a penalty of Rs. 25,000/- (Rupees Twenty-Five Thousand only) upon the importer, M/s. GHCL Limited (IEC: 0588091529), under Section 112(a)(i) of the Customs Act, 1962.

11. This Order is issued without prejudice to any other action that may be taken against the importer or the goods 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: 25-09-2026
19:32:39

Additional Commissioner,
Customs House, Mundra

To: -
M/s. GHCL Limited (IEC: 0588091529),
Survey No. 47/1, Village-Bharapar,
Gandhidham, Gujarat-370230

Copy to:

1. The Dy./Asstt. Commissioner (Review Cell), Customs House, Mundra.
2. The Dy./Asstt. Commissioner TRC, Customs House, Mundra
3. The Dy./Asstt. Commissioner, EDI, Customs House, Mundra
4. Concerned file