OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS CUSTOMS HOUSE, MP & SEZ MUNDRA, KUTCH-GUJARAT -370421
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A	**FILE NO.** फ़ाइल संख्या	**CUS/APR/BE/MISC/800/2025-Gr 1-O/o Pr Commr-Cus-Mundra**
B	**OIO NO.** आदेश संख्या	**MCH/ADC/ZDC/294/GR-1/2026-27**
C	**PASSED BY** जारीकर्ता	**Dipak Zala,** **Additional Commissioner, Import Section Gr-I,** **Customs Mundra.**
D	**DATE OF ORDER** आदेश की तारीख	**09.09.2026**
E	**DATE OF ISSUE** जारी करने की तिथि	**09.09.2026**
F	**SCN No. & Date** कारण बताओ नोटिस क्रमांक	**Waived**
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/आयातक	**M/s. Prayag Chemicals Private Limited,** **Village P.O. KHATAULI RAI PURANI, TOKA ROAD,** **PANCHKULA HARYANA 134109**

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 be 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, PRAYAG CHEMICALS PRIVATE LIMITED, Village P.O. KHATAULI RAI PURANI, TOKA ROAD, PANCHKULA, HARYANA-134109 holding IEC No. 0503079731 (hereinafter referred to as 'the Importer' for the sake of brevity) filed Bill of Entry No. 7638106 dated 19.02.2026 through their CB M/s. Rishi Kiran Logistics Pvt Ltd., for the clearance of 495.083 MTS of NORMAL PARAFFIN 10-13/CTH-27101990, having total Assessable Value Rs. 5,99,83,011/-.

2 . During the discharge of the cargo at Bulk Liquid Terminal, M/s Adani Port, the CFS weight of goods was found to be 522.30 MTS, which is excess by 27.217 MTS in comparison to declared gross weight of Cargo 495.083 MTS. The weight was found excess by 5.497% of the declared quantity.

3. In view of the above, total differential assessable value for the item Normal Paraffin 10-13 and differential duty needs to be calculated and the same is as below:

Item Sr No	Description of Goods	Excess Net wt. (MTS)	Rate (USD)	Assessable Value (USD) in CF	Assess. Value (Rs.) in CF	Assess. Value (Rs.) in CIF	Duty (Rs.)
1	Normal Paraffin 10-13	27.217	1325.000010	36063	3294312	3297543	807568
Total		27.217		36063	3294312	32,97,543/-	8,07,568/-

From the above Table, the assessable value of goods comes to Rs. 32,97,543/- and the differential duty comes to Rs. 8,07,568/-.

RELEVANT LEGAL PROVISIONS IN THE CASE

4. **SECTION-46(4) of the Customs Act, 1962- Entry of Goods on importation-** The importer while presenting a bill of entry shall at the foot thereof 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, relating to the imported goods.

5 . **SECTION 111(l) of the Customs Act, 1962- Confiscation of improperly imported goods, etc-**

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.

6 . **SECTION 111(m) of the Customs Act, 1962- Confiscation of improperly imported goods, etc-**

1. 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.

2. 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.

7 . **SECTION 112(a)(ii) of the Customs Act, 1962- Penalty for improper importation of goods, etc-** In the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten percent of the duty sought to be evaded or five thousand rupees, whichever is the greater.

8. **SECTION 122A of the Customs Act, 1962- Adjudication Procedure-**

1. The adjudicating authority shall, in any proceeding under this Chapter or any other provision of this Act, give an opportunity of being heard to a party in a proceeding, if the party so desires.

2. The adjudicating authority may, if sufficient cause is shown, at any stage of proceeding referred to in sub-section (1), grant time, from time to time, to the parties or any of them and adjourn the hearing for reasons to be recorded in writing.

Provided that no such adjournment shall be granted more than three times to a party during the proceeding.

9. Thus, the importer mis-declared the quantity of goods to the tune of 27.217 MTS valued at Rs. 32,97,543/- and the duty involved in respect of mis-declared goods is Rs. 8,07,568/-. The importer failed to observe the conditions of Section-46(4) of the Customs Act, 1962 and made the goods liable for confiscation under the provisions of Section 111(l) and 111(m) of the Customs Act 1962. For the said act of omission and commission, the importer appears

liable to the penal action under the provisions of Section 112(a)(ii) of the Customs Act, 1962.

PERSONAL HEARING AND WRITTEN SUBMISSION

10. The CB on behalf of importer M/s Prayag Chemicals Private Limited, vide their letter dated 24.08.2026 requested for filing of Manual BE for the excess quantity and the same was approved by Commissioner of customs, Mundra. He also submitted that they do not want Personal Hearing & Show Cause Notice in this matter and stated that they are ready to pay differential duty on subject excess goods. Further, they submitted that 1st time the import quantity was found in excess for more than 5% which depends on various factors such as density of goods, temperature and measurement at the time of bulk discharge from vessel. They submitted that the cargo was imported in bulk and the actual quantity is ascertained at the time of discharge. Accordingly, they pay the duty. They submitted that these things are beyond the control of importer and requested for lenient view at the time of imposing fine and penalty.

DISCUSSION & FINDINGS

11. I have carefully gone through the facts of the case and records & evidences submitted before me and I find that the importer vide their letter dated 24.08.2026 have requested for the waiver of the Personal Hearing & Show Cause Notice in the matter, therefore, I find that the principle of natural justice as provided in section 122 A of the Customs Act, 1962, have been completed. Hence, I proceed to decide the case on the basis of the documentary evidence available on records.

12. I find that, during the discharge of the cargo at Bulk Liquid Terminal, M/s Adani Port, the CFS weight of goods was found to be 522.30 MTS, which is excess by 27.217 MTS as comparison to declared gross weight of Cargo 495.083 MTS. The weight was found excess by 5.497% of the declared quantity. Thus, the importer mis-declared the quantity of goods to the tune of 27.217 MTS valued at Rs. 32,97,543/- and differential duty thereof, comes to Rs. 8,07,568/-.

13. I find that the importer has mis-declared the quantity of goods to the tune of 27.217 MTS valued at Rs. 32,97,543/- in the above-mentioned Bill of Entry and same was come in knowledge at the time of discharge from vessel only . Therefore, I hold that the goods were found in excess is liable for confiscation under section 111(l) & 111(m) of the Customs Act, 1962. I also hold that for the said act of omission and commission, the importer is also liable for penal action under Section 112a(ii) of the Customs Act, 1962.

14. In view of the foregoing discussion and findings, I pass the following

Order.

ORDER

a. I order to confiscate the goods viz. 27.217 MTS valued at Rs. 32, 97, 543/- imported against Bill of Entry No. 7638106 dated 19.02.2026 under Section 111(l) and 111(m) of the Customs Act, 1962, However, I give an option to the importer to redeem the same on payment of Redemption Fine of Rs. 1,00,000/- (Rupees One Lakh Only) in lieu of confiscation under Section 125 of the Customs Act, 1962.
b. I demand applicable differential duty of Rs. 8, 07, 568/- by the way of filling Manual Bill of entry as per approval of competent authority.
c. I also impose a Penalty of Rs. 50,000/- (Rupees Fifty Thousand Only) on M/s Prayag Chemicals Private Limited, under Section 112(a)(ii) of the Customs Act, 1962.

15. This order is issued without prejudice to any other action which may be required to be taken against any person as per the provision of the Customs Act, 1962 or any other law for the time being in force.

Digitally signed by
Dipakbhai Zala
Date: 10-09-2026
12:19:40

(Dipak Zala)
Additional Commissioner
Import Section Gr-I,
Custom House Mundra

To,
M/s PRAYAG CHEMICALS PRIVATE LIMITED,
Village P.O. KHATAULI RAI PURANI, TOKA ROAD,
PANCHKULA, HARYANA-134109

Copy to:

1. The Deputy Commissioner of Customs (RRA/EDI/TRC), Customs Mundra
2. CB M/s Rishi Kiran Logistics Pvt Ltd.
3. Guard File