

SCN No. 12/2026-27/COMM/N.S./Adjn/MCH

	<p>कार्यालय: प्रधानआयुक्तसीमाशुल्क, मुन्द्रा, सीमाशुल्कभवन, मुन्द्राबंदरगाह, कच्छ, गुजरात- 370421</p> <p>OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS: CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421.</p> <p>PHONE : 02838-271426/271163 FAX :02838-271425</p>
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DIN: 20260571MO0000333D83

Show Cause Notice No: 12/2026-27/COMM/N.S./Adjn/MCH

**Show Cause Notice****(Issued under section 28(1) of the Customs Act, 1962)****WHEREAS IT APPEARS THAT-**

M/s. Neelgiri Polyplast Pvt Ltd. (IEC: AAGCN8647R) having registered address at Plot No. 528-529, K.H. No. 154 G/F, Near Tulip School, Vill-Pooth Khurd, New Delhi-110039 (hereinafter referred to as "the Importer") filed 243 Bills of Entry for the clearance of the goods having description as "PP OG FLOOR SWEEP/PP MIX FLOOR SWEEP/LDPE REGRIND FLOOR SWEEP/LDPE FLOOR SWEEP/PVC LUMPS/PS REPROCESSED GRANULES/PE PELLET FLOOR SWEEP/MIX PS LUMPS/GPPS REPROCESSED GRANULES FLOOR SWEEP/EPS LUMPS/PP REGRIND" under CTH 39021000, 39029000, 39011090, 39011020, 39012000 and paid BCD @ 10 % and IGST @ 18%.

**2.** During the course of Post Clearance Audit, it has been observed that the value declared by the importer in respect of the goods described as "Pet Lumps" is significantly lower than the contemporaneous international prices prevailing during the relevant period. On comparison with internationally recognized price publications, namely PLATT (Platts) price data for the region CFR South East Asia, for the relevant period (**RUD-1**), it appears that the declared transaction value is substantially lower.

**3.** In view of the above, reasonable doubt arises regarding the truth and accuracy of the declared transaction value in terms of Rule 12(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

**4.** A consultative letter dated 20.01.2026 (**RUD-2**) was issued to M/s. Neelgiri Polyplast Pvt Ltd. in terms of the proviso to Section 28(1) of the Customs Act, 1962, wherein it was, inter alia, indicated that during the course of Post Clearance Audit, the value declared in respect of the imported goods described as "PET LUMPS" appeared to be significantly lower when compared with contemporaneous import price which was in line with the internationally recognized PLATT (Platts) price data

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for the relevant period, giving rise to reasonable doubt regarding the truth and accuracy of the declared transaction value. In the said letter, it was conveyed that the declared value appeared liable for rejection under Rule 12 of the Customs Valuation Rules, 2007, and that the value was proposed to be re-determined after suitable adjustments based on PLATT benchmarks. The importer was accordingly requested to explain the basis of the declared value and to pay the differential duty along with applicable interest. The said consultative letter also clearly indicated that the Department reserves the right to initiate appropriate proceedings, including issuance of a Show Cause Notice under Section 28 of the Customs Act, 1962.

**5.** Another Consultative cum Pre-Notice Consultation Letter dated 27.03.2026 (**RUD-3**) was issued to the importer, informing that the valuation of the subject goods would be undertaken on the basis of PLATT (Platts) price benchmarks in accordance with the provisions of the Customs Valuation Rules, 2007. It was also clarified that comparison with contemporaneous import data was not being relied upon due to the non-availability of such data. The importer was accordingly afforded an opportunity to submit a written reply and to indicate their willingness for a personal hearing.

**6.** The importer has also failed to provide satisfactory explanation or supporting evidence to justify such lower declared value despite being given an opportunity vide consultative letters as discussed above. Therefore, it appears that the declared value is not true and correct and is therefore liable for rejection under Rule 12 of the CVR, 2007.

**7.** In this regard, reliance is placed on the judgment of the **Hon'ble Supreme Court in Varsha Plastics Pvt. Ltd. vs. Union of India [2009 (235) E.L.T. 193 (S.C.)]**, wherein it was held that internationally accepted price publications such as PLATT can be relied upon as a guiding factor for valuation, provided the same is applied in a reasonable and judicious manner. It is further settled law that transaction value can be rejected where contemporaneous evidence indicates significant undervaluation, and valuation can be determined on the basis of reliable external data, including international price bulletins, subject to necessary adjustments.

**8.** Accordingly, the PLATT prices for PET material published for CFR South East Asia region during the relevant period have been adopted as the most reliable and contemporaneous benchmark for determining the value of the imported goods. Further, necessary adjustments have been made to align the PLATT prices with the facts of the present imports, including allowance of appropriate trade discount.

**9.** The assessable value is required to be determined in terms of the Customs Valuation Rules, 2007 in a sequential manner. In the present case, the declared transaction value has been rejected under Rule 12 due to reasonable doubt regarding its truth and accuracy; hence, Rule 3 is not applicable. Rule 4 and Rule 5, relating to transaction value of identical and similar goods respectively, are also not applicable as no reliable and verifiable contemporaneous import data of identical or similar goods, satisfying the criteria of comparability in terms of quality, grade, country of origin, quantity, and commercial level, is available on record. Rule 7 (deductive value method) cannot be applied as there is no dependable data regarding subsequent sale

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of the imported goods in India to determine the deductive value. Rule 8 (computed value method) is also inapplicable due to the absence of requisite information regarding cost of production, profit, and general expenses from the foreign supplier. Accordingly, in the absence of applicability of Rules 3 to 8, the value is required to be determined under Rule 9 (Residual Method) using reasonable means consistent with the principles and general provisions of the Rules and Section 14 of the Customs Act, 1962. In the present case, internationally recognized PLATT prices have been adopted as a reasonable and reliable benchmark for determining the assessable value, as they reflect prevailing global market trends for comparable goods. Necessary adjustments towards appropriate trade discount have been duly made to align such benchmark prices with the facts and circumstances of the present imports. Accordingly, the assessable value has been determined under Rule 9 on the basis of PLATT price, being the most appropriate and reasonable method available in the given circumstances.

## 10. RELEVANT LEGAL PROVISIONS

*Provisions of Customs Act, 1962*

*i. In terms of section 28(1) of the Customs Act, 1962, where any duty has not been levied or not paid or has been short-levied or short-paid or erroneously refunded, or any interest payable has not been paid, part-paid or erroneously refunded, for any reason of collusions or any wilful mis-statement or suppression of facts,-*

*(a) the proper officer shall, within two years from the relevant date, serve notice on the person chargeable with the duty or interest which has not been so levied or paid or which has been 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:*

*PROVIDED that before issuing notice, the proper officer shall hold pre-notice consultation with the person chargeable with duty or interest in such manner as may be prescribed.*

*(b) the person chargeable with the duty or interest, may pay, before service of notice under clause (a) on the basis of,-*

*(i) his own ascertainment of such duty; or*

*(ii) the duty ascertained by the proper officer,*

*the amount of duty along with the interest payable thereon under section 28AA or the amount of interest which has not been so paid or part-paid:*

*PROVIDED that the proper officer shall not serve such show cause notice, where the amount involved is less than rupees one hundred.*

### **Section 28AA of the Customs Act, 1962: Interest on delayed payment of Duty:**

*(1) Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any other provision of this Act or the rules made thereunder, the person, who is liable to pay duty in accordance with the provisions of section 28, shall, in addition to such duty, be liable to pay interest, if any, at the rate fixed under sub-*

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*section (2), whether such payment is made voluntarily or after determination of the duty under that section.*

- (2) Interest at such rate not below ten per cent. and not exceeding thirty-six per cent. per annum, as the Central Government may, by notification in the Official Gazette, fix, shall be paid by the person liable to pay duty in terms of section 28 and such interest shall be calculated from the first day of the month succeeding the month in which the duty ought to have been paid or from the date of such erroneous refund, as the case may be, up to the date of payment of such duty.*

**11.** Thus, the relevant PLATT price published for the Region CFR SE ASIA has been taken for valuation purpose of these goods. After allowing discount on the PLATT Price, the unit value of the goods imported has been re-determined that result in differential duty of **Rs. 1,68,55,672/-** (Rupees One Crore Sixty Eight Lakh Fifty Five Thousand Six Hundred and Seventy Two only) as detailed in **Annexure-A to this SCN.**

**12.** Now, therefore, **M/s Neelgiri Polyplast Pvt Ltd.** (IEC: AAGCN8647R), having registered address at Plot No. 528-529, K.H. No. 154 G/F, Near Tulip School, Vill-Pooth Khurd, New Delhi-110039, are hereby called upon to show cause to the Commissioner of Customs, Custom House, Mundra having office at 1st Floor, PUB Building 5B, Adani Port, Mundra, as to why:

**(i)** the declared value in respect of the Bills of Entry detailed in **Annexure-A** should not be rejected under Rule 12 of the Customs Valuation Rules, 2007, on account of being not true and correct, and the same should not be re-determined under Rule 9 of the said Rules, as detailed in **Annexure-A.**

**(ii)** the total differential duties [BCD+IGST] amounting to **Rs. 1,68,55,672/-** (Rupees One Crore Sixty Eight Lakh Fifty Five Thousand Six Hundred and Seventy Two only) should not be demanded and recovered from them under Section 28(1) of the Customs Act, 1962;

**(iii)** Interest should not be recovered from them under Section 28AA of the Customs Act, 1962;

**13.** The 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 Commissioner of Customs, Customs 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. The noticee(s) are required to state in their written reply whether they wish to appear for personal hearing before the case is adjudicated. In case they fail to reply within the period stipulated above or do not appear when the case is posted for hearing, the case may be decided ex-parte, on facts and evidences on record and without any further reference to them.

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- 14.** The documents relied upon in this Show Cause Notice are listed in **Annexure-R** to this Notice.
- 15.** The Department reserves its right to amend, modify or supplement this notice at any time on the basis of available/further evidences prior to the adjudication of the case.
- 16.** This Show Cause Notice is issued without prejudice to any other action that may be taken against the notice or any other person(s) under the Customs Act, 1962, or under any other law for the time being in force in India.

**Enclosures:**

- 1. Annexure-R (List of Relied Upon Documents)**
- 2. Annexure-A**
- 3. All the Relied Upon Documents (RUDs)**

Digitally signed by  
Nitin Saini  
Date: 06-05-2026  
11:06:41

(Nitin Saini)  
Commissioner of Customs,  
Customs House, Mundra

**F.No. GEN/ADJ/COMM/242/2026-Adjn****Notice Issued to:**

M/s Neelgiri Polyplast Pvt Ltd. (IEC: AAGCN8647R)  
Plot No. 528-529, K.H. No. 154 G/F,  
Near Tulip School, Vill-Pooth Khurd,  
New Delhi-110039  
[email id: [info@neelgiripolyplasts.com](mailto:info@neelgiripolyplasts.com)]

**Copy to:-**

- 1.**The Deputy/Assistant Commissioner (PCA/EDI), Customs House, Mundra.
- 2.**The Deputy Commissioner/Assistant Commissioner (EDI), Customs House, Mundra.
- 3.**Guard File.



By Speed Post  
Date: 27-03-2026

To,  
**M/s. Neelgiri Polyplast Pvt Ltd,**  
**Plot No. 528-529, K.H. No. 154 G/F,**  
**Near Tulip School, Vill-Pooth Khurd,**  
**New Delhi-110039**

Gentleman,

**Subject: Opportunity for submission/hearing regarding re-determination of value based on PLATT price – reg.**

Kindly refer to the earlier Consultative Letter-cum-Demand Notice issued in respect of the Bills of Entry filed for import of goods described as “PP OG FLOOR SWEEP/PP MIX FLOOR SWEEP/LDPE REGRIND FLOOR SWEEP/LDPE FLOOR SWEEP/PVC LUMPS/PS REPROCESSED GRANULES/PE PELLET FLOOR SWEEP/MIX PS LUMPS/GPPS REPROCESSED GRANULES FLOOR SWEEP/EPS LUMPS/PP REGRIND”.

2. Upon further examination of the case, it has been decided that the valuation of the subject goods shall be proceeded with on the basis of PLATT price benchmarks, in terms of the provisions of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, read with relevant judicial pronouncements.

3. In this regard, the grounds relating to comparison with contemporaneous import data are not being relied upon for the present proceedings due to non-availability of relevant comparable data.

4. Accordingly, the re-determination of value is proposed to be based on PLATT price after allowing appropriate adjustments such as freight, discount, etc., as applicable.

5. You are hereby given an opportunity to submit your reply, if any, along with supporting documents against the proposed valuation. You may also indicate if you wish to be heard in person.

6. Your written submission and/or request for personal hearing must be made within 02 (two) days from the date of receipt of this letter, failing which the matter will be decided on the basis of available records without any further reference.

7. This communication is issued without prejudice to any further action, including issuance of Show Cause Notice under Section 28 of the Customs Act, 1962.

This issues with the approval of the competent authority.

Yours sincerely,

Customs House, Mundra

Copy to:

1. Deputy/Assistant Commissioner (Concerned Group) – for information.
2. Concerned CHA – for information..



By Speed Post  
Date: 20.01.2026

**To,**  
**M/s. Neelgiri Polyplast Pvt Ltd,**  
**Plot No. 528-529, K.H. No. 154 G/F,**  
**Near Tulip School, Vill-Pooth Khurd,**  
**New Delhi-110039**

Gentleman,

**Sub.:- Consultative Letter cum demand notice for short payment of duty due to wrongly declared goods unit price- M/Reg.**

M/s. **Neelgiri Polyplast Pvt Ltd.** (IEC: AAGCN8647R) filed Bill of Entry as detailed in annexure-A for the clearance of the goods having description as "PP OG FLOOR SWEEP/PP MIX FLOOR SWEEP/LDPE REGRIND FLOOR SWEEP/LDPE FLOOR SWEEP/PVC LUMPS/PS REPROCESSED GRANULES/PE PELLET FLOOR SWEEP/MIX PS LUMPS/GPPS REPROCESSED GRANULES FLOOR SWEEP/EPS LUMPS/PP REGRIND".

2. During the course of Post Clearance Audit, it is observed as compared to the contemporary import in line with PLATT Price of similar goods, the value declared by the importer appeared to be very low. Hence, there appears to be reasonable doubt regarding the truth and / or accuracy of the transaction value declared by the Importer as values of contemporary imports were found to be at higher side. Therefore, it appeared that the importer had not made correct declaration regarding value of the subject goods.

3. In view of the above, mis-declaration of value on the part of Importer appeared to be an attempt to evade legitimate Customs duty for the imported goods by declaring it at lower side and evading duty ad-valorem. The goods prima facie appeared to be undervalued. Therefore, it has been found that the Importer have not made correct declaration regarding value of the imported goods in the said Bill of Entry. Therefore, it appeared that there was an attempt on the part of importer to evade Customs Duty.

4. For the above mentioned reasons, it appeared that the declared value required to be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules 2007 read with rule 3 of the Customs Valuation Rules 2007. Therefore, the unit price of the goods has been enhanced

under Rule 5 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. The enhancement of unit value was in line with contemporary values of similar goods which were found in line with PLATT Price benchmarks and contemporaneous import data of similar goods. Accordingly, Bill of Entry is required to be re-assessed with value load in unit price after applying applicable discounts and adjustment on PLATT Prices.

5. The Supreme Court of India in the case of M/s. **VARSHA PLASTICS PVT. LTD. Versus UNION OF INDIA [2009 (235) E.L.T. 193 (S.C.)]** held that: **“19.** *By the impugned Standing Order No. 7493/99 dated 3-12-1999, the Chief Commissioner of Customs has given detailed guidelines and directions for the determination of valuation of plastic items in the light of international prices contained in the foreign finance journals. The directions issued to the assessing authorities is to apply what is described as PLATT rate, which is explained as rates and prices maintained in the internationally reputed finance journal PLATT’s WEEKLY REPORT. It has also given direction as to how classification of mixed material like floor sweeping should be made.*

6. Thus, it is the relevant PLATT price published for the Region CFR SE ASIA has been taken for valuation purpose of these goods. After loading correct Freight Charges and allowing applicable discount on the PLATT Price, the unit value of the goods imported has been re-determined as per annexure-A.

7. In view of the above, it is hereby requested to pay the differential BCD and SWS/IGST thereon as calculated above, which amounts to **Rs. 1,68,55,672/-** along with applicable interest/penalty within 15 days from the date of receipt of this letter. Notwithstanding the Consultative letter, the department reserves the right to issue a formal Show Cause Notice under Section 28(1) of the Customs Act, 1962. While issuing such notice, the Department reserves the right to add, modify, amend and change in any manner whatsoever, the contents of the letter.

**Encl:** As above.

**Yours sincerely,**

Digitally signed by  
Vinay Kumar Hatoj  
Date: 20-01-2026

**Assistant Commissioner (PCA)**  
**Custom House, Mundra**

Copy to: 01. Dy./Assistant Commissioner Group-2G for information  
& necessary action.  
02. M/s. CONTINENTAL SHIPPING SERVICES  
(AAEFC9583GCH001), Office No.17,  
Ghanshyam Complex, New Adani Port Road,  
Mundra-Kutch

