



सीमा शुल्ककार्यालय का आयुक्त के (निवारक) , सीमा शुल्क भवन,  
जामनगर- राजकोट हाइवे, विक्टोरिया ब्रिज के पास,  
जामनगर) गुजरात – (361 001

Office of the Commissioner of Customs (Preventive),  
'Seema Shulk Bhavan', Jamnagar – Rajkot Highway,  
Near Victoria Bridge, Jamnagar (Gujarat) – 361 001  
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1.	फ़ाइल क्रमांक/ File Number	F. No. CUS/17676/2025-Adjn-O/o Commr-Cus-Prev-Jamnagar
2.	मूल आदेश क्रमांक/ Order-in-Original No.	09/Additional Commissioner/ 2025-26
3.	द्वारा पारित/ passed by	एन .श्रुजन कुमार/ N. Srujan Kumar अपर आयुक्त/ Additional Commissioner, सीमा शुल्क, निवारक/Customs (Preventive) जामनगर/ Jamnagar.
4.	Date of Order /आदेश दिनांक	28.08.2025
	Date of issue / आदेश जारी किया	28.08.2025
5.	कारण बताओ नोटिस क्रमांक एवं दिनांक Show Cause Notice Number & Date	ADC-09/2025-26 dated 14.08.2025
6.	नोटिसी का नाम/ Name of Noticee	M/s. Blumet Tubes Pvt. Ltd., Survey No. 150/003 (Old Survey No. 55) , Untya Aldesan Road, Aldesan, Kadi Maheshana Road, Gujarat-382715
01.	इस आदेश की मूल प्रति संबन्धित व्यक्ति को निशुल्क प्रदान की जाती है।	
	The original copy of this order is provided free of cost to the person concerned.	
02.	इस मूल आदेश से व्यथित कोई भी व्यक्ति सीमा शुल्क अधिनियम, धारा की 1962 128A)(1)a सीमा शुल्क नियम (अपील), 1982 के नियम 3 के साथ पठित, के प्रावधानों के तहत, इस आदेश की प्राप्ति की तारीख से 60 दिन के भीतर फॉर्म सीए-1 में निम्नलिखित पते पर अपील दायर कर सकता है।फॉर्म सीए-1 में अपील का प्रपत्र, दो प्रतियों में दायर किया जाएगा और उसके साथ इस आदेश की समान संख्या में प्रतियाँ संलग्न की जाएंगी जिसके विरुद्ध अपील की गई है। कम से कम से जिनमें एक प्रमाणित प्रति हो	

	<p>आयुक्त (अपील) मंजिल वी 7, मृदुल टावर, टाइम्स ऑफ इंडिया के पीछे, आश्रम रोड, अहमदाबाद – 380 009</p>	
	<p>Any Person aggrieved by this Order-In-Original may file an appeal in Form CA-1, within sixty days from the date of receipt of this order, under the provisions of Section 128 of the Customs Act, 1962, read with Rule 3 of the Customs (Appeals) Rules, 1982 before the Commissioner (Appeals) at the above mentioned address. The form of appeal in Form No. CA.-1 shall be filed in duplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be a certified copy).</p>	
03.	<p>अपील पर 5/- रुपये का कोर्ट फीस स्टाम्प लगा होना चाहिए। जैसा कि भारतीय स्टाम्प अधिनियम, 1989 के तहत प्रदान किया गया है, या राज्य विधान द्वारा संशोधित किया जा सकता है, जबकि इस अपील के साथ संलग्न आदेश की प्रति पर रुपये 0.50 )पचास पैसे केवल (का कोर्ट फीस स्टाम्प होना चाहिए। जैसा कि न्यायालय शुल्क अधिनियम, 1870 की अनुसूची -I, मद 6 के तहत निर्धारित किया गया है।</p>	
	<p>The appeal should bear the Court Fee Stamp of Rs. 5/- as provided under the Indian Stamp Act, 1989, modified as may be, by the State Legislation, whereas the copy of the order attached with this appeal should bear a Court Fee Stamp of Rs. 0.50 (Fifty paise only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.</p>	
04.	<p>अपीलीय ज्ञापन के साथ शुल्क भुगतान /जुर्माना /अर्थ दंड का सबूत भी संलग्न करे अन्यथा सीमा शुल्क अधिनियम, 1962 की धारा 128 के प्रावधानों का अनुपालन ना होने के कारण अपील को खारिज किया जा सकता है।</p>	
	<p>Proof of payment of duty / fine / penalty should also be attached with the appeal memo, failing to which appeal is liable for rejection for non-compliance of the provisions of Section 128 of the Customs Act, 1962.</p>	
05.	<p>अपील प्रस्तुत करते समय यह सुनिश्चित करे की सीमा शुल्क अपील)) नियम, 1982 नियम (प्रोसीजर) प्रक्रिया सिस्टेट और है। हुआ पालन पूरा का नियमों सभी के 1982</p>	
	<p>While submitting the Appeal, the Customs (Appeals) Rules, 1982, and the CESTAT (Procedure) Rules, 1982, should be adhered to in all respects.</p>	
06.	<p>इस आदेश के खिलाफ आयुक्त (अपील), सीमा शुल्क, उत्पाद शुल्क और सेवा कर अपीलीय न्यायाधिकरण के समक्ष मांग की गई शुल्क के 7.5% के भुगतान पर होगी, जहां शुल्क या शुल्क और जुर्माना विवाद में है, या जुर्माना विवाद में है, या जुर्माना जहां जुर्माना है अकेले विवाद में है।</p>	
	<p>An appeal, against this order shall lie before the Commissioner (Appeals), on payment of 7.5% of the duty demanded, where duty or duty and penalty are in dispute, or penalty are in dispute, or penalty, where penalty alone is in dispute.</p>	

**BRIEF FACTS OF THE CASE**

M/s. Blumet Tubes Pvt. Ltd., Survey No. 150/003 (Old Survey No. 55), Untya Aldesan Road, Aldesan, Kadi Maheshana Road, Gujarat-382715, (hereinafter referred to as **“the Importer”**) having IEC No. AAKCB7042E had filed Bill of Entry No. 2269356 dated 24.05.2025 (hereinafter referred to as the **“said Bill of Entry”**) under Section 46 of the Customs Act, 1962 for the clearance of the imported goods totally weighing 27.545 MTs amounting to USD 100,655.57/-, as per details shown in Table -A below against Invoice No. : KX20250416 dated 06.05.2025 issued by M/s Wenzhou Kaixin Metal Co. Ltd., No. 2, Building 15 East Yongle Road, Yongxing Street, Longwan, District Wenzhou, China & Bill of Lading No. : YMJAS237003256 dated 06.05.2025.

**TABLE – A**

Sl. No.	Description	No. of Pcs	Grade	Outer Dia-meter (OD)	Qty. (MTs)	Unit Price (in USD)	Invoice Value (in USD)	Assessable Value (In Rs.)
1	Stainless Steel Hollow Seamless Pipes Hot Finished	80	TP410	76.00 MM	4.032	2600	10483.20	905748.48
2	Stainless Steel Hollow Seamless Pipes Hot Finished	28	TP316L	150.00 MM	11.959	3835	45862.77	3962543.33
3	Stainless Steel Hollow Seamless Pipes Hot Finished	128	TP316L	150.00 MM	4.788	3835	18361.98	1586475.07
4	Stainless Steel Hollow Seamless Pipes Hot Finished	21	TP316L	150.00 MM	5.898	3835	22618.83	1954266.91
5	Stainless Steel Hollow Seamless Pipes Hot Finished	2	TP316L	200.00 MM	0.379	3835	1453.47	125579.81
6	Stainless Steel Hollow Seamless Pipes Hot Finished	2	TP316L	250.00 MM	0.489	3835	1875.32	162027.65
	TOTAL	261			27.545		100655.57	8696641.25

2. The Importer at the time of filing the Bill of Entry No. 2269356 dated 24.05.2025 had classified the imported goods under CTSN 7304 49 00, which attracts BCD @ 15% ad-valorem, SWS @ 10% on BCD, IGST @ 18% as well as

Anti-dumping Duty @ specific rate per MT for specific diameters of pipes imported from China. The Importer self-assessed BCD @ 10% by claiming exemption as per Notification No. 50/2017-Cus (Sl. No. 377). Further, the Importer has also claimed exemption from payment of duty of customs i.e. BCD, SWS & IGST on the basis of Advance Authorization No. 0811014243 dated 26.02.2025, which grants to the Importer exemption from payment of duty of customs in terms of Notification No. 21/2023-Cus dated 01.04.2023 (for physical export), in respect of import of inputs viz. Seamless Stainless Steel Tubes / Pipes (Hot Finished / Mother Hollow having an Outside Diameter (OD) not less than 65mm and above) to be used for manufacture of Stainless Steel Seamless Tubes/Pipes (Cold Finish). The Importer had also executed Duty Exemption (DE) Bond No. 2002446335 as per the condition of the Notification No. 21/2023-Cus dated 01.04.2023 (supra).

3. The said Bill of Entry was assessed through Faceless Assessment Group (FAG) on 25.05.2025. Subsequently, the said Bill of Entry was re-called for the purpose of provisional assessment for want of test result of the goods, so as to ascertain the correct description of the goods i.e. Grade and Hot-Finished nature. The Importer had executed Provisional Duty Bond / Test Bond (Individual Importation) No. 2002470360 in compliance of the provisions of Section 18 of the Customs Act, 1962, for the sum of Rs. 86,96,641/- for provisional assessment of the goods pending Chemical Test result binding themselves to pay the difference between the duty finally assessed and the duty provisionally assessed. In view thereof, the said Bill of Entry was assessed provisionally for want of Test Result of the imported goods. Subsequently, the goods covered by the said Bill of Entry were taken up for the examination.

4. During the course of the examination of the imported goods, it was observed that, there was a mismatch in goods declared in the Bill of Entry viz-a-viz goods that were actually received (imported), as explained in the **Table-B** below:

**TABLE – B**

Sl. No.	Description & CTSH	Grade	No. of Pcs		Outer Diameter (OD)		Quantity (MTs)	
			Declared	Found	Declared	Found	Declared	Found
1	Stainless Steel Hollow Seamless Pipes Hot Finished	TP410	80	360	76.00 MM	26.00 MM	4.032	3.960
2	Stainless Steel Hollow Seamless Pipes Hot Finished	TP316L	28	28	150.00 MM	167.00 MM	11.959	22.645
3	Stainless Steel	TP316L	128	128	150.00	167.00 MM	4.788	22.645

	Hollow Seamless Pipes Hot Finished				MM			
4	Stainless Steel Hollow Seamless Pipes Hot Finished	TP316L	21	21	150.00 MM	167.00 MM	5.898	22.645
5	Stainless Steel Hollow Seamless Pipes Hot Finished	TP316L	2	2	200.00 MM	222.00 MM	0.379	0.370
6	Stainless Steel Hollow Seamless Pipes Hot Finished	TP316L	2	2	250.00 MM	272.00 MM	0.489	0.480
	TOTAL		261				27.545	27.480

5. On juxtaposing the details of the Table - A and Table - B above, *prima-facie*, a mis-match of Quantity, No. of Pieces, Outer Diameter (OD) between the goods declared in the said Bill of Entry viz-a-viz actually imported was observed, in as much as :

- The goods declared at Sl. No. 1 of the said Bill of Entry i.e. **80 Pcs**, Stainless Steel Hollow Seamless Pipes Hot Finished OD **76.00 MM** was found as **360 Pcs**, Hollow Pipes OD **20-25 MM** ;
- The goods declared at Sl. 2 to 4 of the said Bill of Entry i.e. 177 Pcs, Stainless Steel Hollow Seamless Pipes Hot Finished Grade OD **150.00 MM** were found as 177 Pcs., Hollow Pipes **OD 167 MM**;
- The goods declared at Sl. 5 of the said Bill of Entry i.e. 02 Pcs, Stainless Steel Hollow Seamless Pipes Hot Finished Grade OD **200.00 MM** were found as 02 Pcs, Hollow Pipes OD **222 MM** ;
- In respect of goods declared at Sl. 6 of the said Bill of Entry i.e. 02 Pcs, Stainless Steel Hollow Seamless Pipes Hot Finished Grade **OD 250.00 MM** were found as 02 Pcs, Hollow Pipes **OD 272 MM** ;

Considering the variation in outer diameter (OD) of the imported goods from Sl. No. 2 to 6 of the Table – B above, it appeared that, the Assessable Value in the respect of the goods may vary and cannot be accepted as transaction value in as much as the transaction value of the imported goods is to be accepted, subject to Rule 12 of CVR, 2007. As a result, the valuation of imported goods appeared to have been not acceptable for the purpose of assessment of duty and same was required to be re-determined in terms of Section 14 of the Customs Act, 1962 read

with Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 (hereinafter referred to as CVR, 2007) i.e. sequentially proceeding in terms of Rule 4 to 9 of CVR, 2007 as provided under Rule 3(4) of CVR, 2007. It also appeared that, Rule 4 (Transaction value of identical goods) of CVR, 2007 applies where imported goods which are same in all respects, including physical characteristics, quality and reputation, as the goods being valued except for minor difference in appearance that do not affect the value of the goods. Further, import data appeared to be not available for identical/similar goods; hence, value could not be determined under Rule 4 & 5 of CVR, 2007. As such, as per Rule 6 of the CVR, 2007, if the value cannot be determined under Rule 3, 4 & 5, then the value shall be determined under the provisions of Rule 9 of CVR, 2007. Accordingly, in order to ascertain the value of mis-declared goods the independent Govt. Approved Valuer, Shri Pankaj N. Udani was also appointed to ascertain valuation of goods mentioned at Sl. No. 2 to 6 mentioned in Table-B above.

5.1 In view thereof, the entire consignment of imported goods (viz. goods mentioned at Sl. No. 1 of the Table-B above, which were found mis-declared w.r.t quantity, description (i.e. OD) & weight along with goods mentioned at Sl. No. 2 to 6, wherein the variation in outer diameter (OD) were noticed during the examination & appeared to have been utilized to conceal mis-declared goods), was placed under seizure in terms of provisions of Section 110 of the Customs Act, 1962 vide Seizure Memo dated 10.06.2025 with reasonable belief of the same being liable for confiscation under Section 111(f), 111(i), 111(l) & Section 111 (m) of the Customs Act, 1962 read with Section 119 of the Customs Act, 1962.

5.2 At the same time, representative samples of imported goods were drawn and were sent for testing to the Head Chemical Examiner, Central Excise & Customs Laboratory, Vadodara vide Test Memo No. IMP/113/25-26 dated 13.06.2025 and IMP/114/25-26 dated 13.06.2025, with the following queries:

- (a) Whether the sample conform the description of the goods s above or otherwise?
- (b) Whether pipes are Hot finished or Cold finished?

5.3 The Central Excise & Customs Laboratory, Vadodara vide its Test Result No. RCL/PIP/IMP/1806 dated 26.06.2025 and RCL/PIP/IMP/1807 dated 26.06.2025 mainly informed / opined based on various tested parameters, as under:

**TEST REPORT (RCL/PIP/IMP/1806)**

*It is an alloy of Iron, Chromium, & Nickel, having following composition.*

S. No.	Test Name	Test Result	Test Method
1	Chromium	17.61 %	IS : 1559-1961
2	Nickel	10.43 %	Is 228(Part5):1987 RA:2019

*The results of the report are related only to the sample submitted.*

Note : Query No.(b) could not be ascertained.

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**TEST REPORT (RCL/PIP/IMP/1807)**

*It is an alloy of Iron, Chromium, & Nickel, having following composition.*

S. No.	Test Name	Test Result	Test Method
1	Chromium	13.11 %	IS : 1559-1961
2	Nickel	10.43 %	IS228(Part5):1987 RA:2019

*The results of the report are related only of the sample submitted.*

Note : Query Bo.(b) could not be ascertained.

*Thus, in view of the above, it appears that the imported goods are conforming the declared grade, however, Hot-finished or Cold-finished nature of the goods could not be ascertained. As such, the imported goods appears to be Stainless Steel only.*

5.4 Moreover, the independent Govt. Approved Valuer, Shri Pankaj N. Udani, who was appointed to ascertain valuation of goods mentioned at Sl. No. 2 to 6 (w.r.t. which variation was found in the Outer Diameter as detailed at Para 5 above), who in turn submitted Valuation Report Ref. No. PNU/SL/25-26/65 dated 01.07.2025 as under:

S.No	PARTICULARS OF GOODS CONSIGNMENT	Unit Price (In USD)	Qty. (In Kg)	Total Amt. (In USD)
O	CTH : 73044900			
1.A	MIS-DECLARED ITEMS - STAINLESS STEEL HOLLOW SEAMLESS PIPES HOT FINISHED GRADE TP410 (76.00 MM OD)	2.60000	4032.00	10483.20
1.B	ACTUAL ITEM RECEIVED - STAINLESS STEEL HOLLOW SEAMLESS PIPES COLD FINISHED GRADE TP410 (26.00 MM OD)	2.85000	3960.00	11286.00
2.	STAINLESS STEEL HOLLOW SEAMLESS PIPES HOT FINISHED GRADE TP316L (150.00 MM OD)	3.835000	11959.00	45862.77
3.	STAINLESS STEEL HOLLOW SEAMLESS PIPES HOT FINISHED GRADE TP316L (150.00 MM OD)	3.835000	4788.00	18361.98
4.	STAINLESS STEEL HOLLOW SEAMLESS PIPES HOT FINISHED GRADE TP316L (150.00 MM OD)	3.835000	5898.00	22618.83
5.	STAINLESS STEEL HOLLOW SEAMLESS PIPES HOT FINISHED GRADE TP316L (200.00 MM OD)	3.835013	379.00	1453.47
6.	STAINLESS STEEL HOLLOW SEAMLESS PIPES HOT FINISHED GRADE TP316L (250.00 MM OD)	3.835010	489.00	1875.32
	<b>TOTAL</b>			<b>101458.40</b>

## CONCLUSION :

- *This is to certify that the goods consignment of stainless steel hollow seamless pipe (Hot Finished) as per the documents provided, during inspection of the goods consignment, as a prima facie it appears that on the basis of smooth surface and after testing, it appears that the goods imported in subject container is stainless steel seamless pipe hollow (Cold Finish) for item No.1 which is mis-declared and item no 02 - 06 stainless steel hollow seamless pipe is hot finished. However, it is mandatory that material characteristics test is required to ascertain the exact character of the said goods, material test is recommended from test lab for final conclusion.*

*After the examination and valuation of the consignment goods the total assessed value in USD is \$ 101458.40 is fair and reasonable from item No.1.B to No.6 as mentioned in the above table."*

5.5 From the test report, it was noticed that, the goods mentioned at Sl. No. 2 to 6 of Table-A above were meeting all the essential conditions of Advance Authorization No. 0811014243 dated 26.02.2025 i.e. (i) Input description; (ii) Technical Features; (iii) Description of the imported goods must be Seamless Stainless-Steel Tubes/Pipes (Hot Finished/mother hollow having as outside diameter (OD) not less than 65 mm and above), etc. Further, the imported goods were also confirming to the description with 20mm variance as specified in sale contract. Also, there was no difference in duty structure. Moreover, as per Valuation Report Ref. No. PNU/SL/25-26/65 dated 01.07.2025 w.r.t. goods mentioned at Sl. No. 2 to 6 of Table-B above, there was no difference in value of goods declared by the Importer in the Bill of Entry and that found during the valuation by Govt. Approved Valuer.

5.6 In view thereof, considering the Valuation Report, Test Report and submission of the Importer made vide letter dated 25.06.2025, the seizure in respect of goods mentioned at Sl. No. 2 to 6 of the Table-B above, imported vide Bill of Entry No. 2269356 dated 24.05.2025 was vacated by the approval of the Competent Authority.

06. With respect to the goods mentioned at Sl. No.1 of the Table-B above (viz. Stainless Steel Hollow Seamless Pipes Hot Finished Grade TP410 (20-25 MM OD), the Importer claimed the benefit of exemption from payment of duty of customs duty against Advance Authorization No. 0811014243 dated 26.02.2025 issued by DGFT, which permits import of *Seamless Stainless-Steel Tubes/Pipes (Hot Finished/mother hollow having as outside diameter (OD) not less than 65 mm and above)* of a total quantity of 110000.000 KGs (110.00 MTs) and of a total value USD 720296.29 (INR 6,32,06,000.00) as per Notification No. 21/2023-Customs *ibid.*

07. It appeared that, the aforesaid goods mentioned at Serial No. 1 of the Table- A above i.e. 80 Pcs, Stainless Steel Hollow Seamless Pipes Hot Finished Grade TP410



(76.00 MM OD) had been found as Hollow Pipes having OD 20-25 MM during the examination and as such, the Outer Diameter (OD) in respect of item declared at Sl. No. 1 of the Bill of Entry is below 65 MM, therefore, beyond permissible limit for import against the said Advance Authorization. As a result, the said goods were seized under Section 110 of the Customs Act, 1962 vide Seizure Memo dated 10.06.2025 appeared to have been mis-declared and have been imported contrary to the vital condition stipulated in Advance Authorization issued by the DGFT.

**08. RELEVANT LEGAL PROVISIONS:**

**8.1** Section 46(4) of Customs Act, 1962 stipulates that, the Importer is required to make a declaration as regard to the truth of the contents of the Bill of Entry submitted for assessment of Customs Duty, which is reproduced herein below *in verbatim* for the sake of clarity:

*"Section 46(4) 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, and such other documents relating to the imported goods as may be prescribed."*

As such, in terms of Section 46(4) of the Customs Act, 1962, while presenting the Bills of Entry before the Customs authority for clearance of the imported goods, it is duty of the Importer to declare the accuracy and completeness of the information given therein. In other words, the law demands accuracy and completeness of the information to be declared by the Importer. As a result, the Importer has been obligatory under the era of self-assessment, to declare every aspect of an imported consignment from classification to declaration of value of the goods or levying of duty at applicable rate, correctly before the Assessing Authority. The provisions of Section 46 of the Customs Act, 1962 is reproduced below for ease of reference -

***Section 46 Entry of goods on importation. —***

*(1) The importer of any goods, other than goods intended for transit or transshipment, 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:*

***Provided that the Principal Commissioner of Customs or Commissioner of Customs may, in cases where it is not feasible to make entry by presenting electronically on the customs automated system, allow an entry to be presented in any other manner:***

***Provided further that if the importer makes and subscribes to a declaration before the proper officer, to the effect that he is unable for***

want of full information to furnish all the particulars of the goods required under this sub-section, the proper officer may, pending the production of such information, permit him, previous to the entry thereof (a) to examine the goods in the presence of an officer of customs, or (b) to deposit the goods in a public warehouse appointed under section 57 without warehousing the same.

(2) Save as otherwise permitted by the proper officer, a bill of entry shall include all the goods mentioned in the bill of lading or other receipt given by the carrier to the consignor.

(3) The importer shall present the bill of entry under sub-section (1) before the end of the day (including holidays) preceding the day on which the aircraft or vessel or vehicle carrying the goods arrives at a customs station at which such goods are to be cleared for home consumption or warehousing:

*Provided that the Board may, in such cases as it may deem fit, prescribe different time limits for presentation of the bill of entry, which shall not be later than the end of the day of such arrival:*

*Provided further that a bill of entry may be presented at any time not exceeding thirty days prior to the expected arrival of the aircraft or vessel or vehicle by which the goods have been shipped for importation into India:*

*Provided also that where the bill of entry is not presented within the time so specified and the proper officer is satisfied that there was no sufficient cause for such delay, the importer shall pay such charges for late presentation of the bill of entry as may be prescribed.*

(4) 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.

**(4A) 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.]

(5) If the proper officer is satisfied that the interests of revenue are not prejudicially affected and that there was no fraudulent intention, he

*may permit substitution of a bill of entry for home consumption for a bill of entry for warehousing or vice versa.*

**8.2** Further, the provisions of Section 111 deal with the Confiscation of improperly imported goods, etc. The relevant provision is reproduced below:-

*The following goods brought from a place outside India shall be liable to confiscation: -*

- (f) any dutiable or prohibited goods required to be mentioned under the regulations in an import manifest or import report which are not so mentioned;*
- (i) any dutiable or prohibited goods found concealed in any manner in any package either before or after the unloading thereof;*
- (l) any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;*
- (m) [any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under section 77 [in respect thereof, or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54]*
- (o) 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;*

**8.3** Also the provisions of Section 17 stipulate about "Assessment of duty" and reads, as under:

***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.*
- (2) The proper officer may verify the the entries made under section 46 or section 50 and the self-assessment of goods referred to in sub-*

*section (1) and for this purpose, examine or test any imported goods or export goods or such part thereof as may be necessary.*

*Provided that the selection of cases for verification shall primarily be on the basis of risk evaluation through appropriate selection criteria.*

*(3) For the purposes of verification under sub-section (2), the proper officer may require the importer, exporter or any other person to produce any document or information, whereby the duty leviable on the imported goods or export goods, as the case may be, can be ascertained and thereupon, the importer, exporter or such other person shall produce such document or furnish such information.*

*(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.*

*(5) Where any re-assessment done under sub-section (4) is contrary to the self-assessment done by the importer or exporter [\*\*\*] and in cases other than those where the importer or exporter, as the case may be, confirms his acceptance of the said re-assessment in writing, the proper officer shall pass a speaking order on the re-assessment, within fifteen days from the date of re-assessment of the bill of entry or the shipping bill, as the case may be.*

6 [\*\*\*]

**8.4** The Section 2(39) of the Customs Act, 1962 defines "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 and section 113.

**8.5** The provisions of Section 112 (a) of the Customs Act, 1962 deals with the penalty for improper importation of goods, and reads as under :-

*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, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher :

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

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

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

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

8.6 The provisions of Section 114A of the Customs Act, 1962 deals with the penalty for short-levy or non-levy of duty in certain cases, and reads as under :-

**“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:

Provided that where such duty or interest, as the case may be, 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 the 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 duty or interest, as the case may be, so determined:*

*Provided that where such....."*

**9. CONTRAVENTION/VIOLATION OF VARIOUS PROVISIONS OF CUSTOMS ACT, 1962:**

**9.1** The self-assessment of Customs duty has been introduced in Customs w.e.f. 08.04.2011 by Section 38 of the Finance Act, 2011 under which Importer shall self-assess the duty leviable on import of the goods. In the instant case, it appeared that the Importer has failed to comply with the requirement of law and has wilfully mis-declared the items / goods while presenting the Bill of Entry. Thus, it was obligatory on the part of the Importer to have declared the CTH, Quantity, Description, etc. of imported goods in the correct manner. In view of the above facts and discussions in foregoing paras, it appeared that the Importer had mis-declared the Description (i.e. Outer Diameter) and Quantity of the imported goods in the Bill of Entry filed by them. As such, it appeared that the importer failed to submit accurate, correct and complete information or details, while presenting the Bills of Entry, thereby, contravened the provisions of Section 46 (4) of the Customs Act, 1962.

**9.2** During the course of examination of the goods, it was observed that Quantity, Outer Diameter (OD) and Weight of the imported goods mentioned at Sl. No.1 of the Table -B above were not been found as per declaration in the import documents i.e. Bill of Entry, Bill of Lading, Invoice. Thus, the Importer appeared to have mis-declared the quantity and description of imported goods at the time of self-assessment of the goods in the said Bill of Entry as envisaged under Section 17(1) of the Customs Act, 1962. Further, such mis-declaration was noticed during the examination of the imported goods only. As a result, it appeared that the importer had not assessed the goods properly and correctly, thereby, violated the provision of Section 17(1) of the Customs Act, 1962 as discussed above.

**9.3** It further appeared from the above that, the goods declared as 80 PCs of Stainless Steel Hollow Seamless Pipes (Hot Finished) (Grade TP410) (OD-76.00 MM) at Sl. No. 1 of the said Bill of Entry and found to be 360 PCs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) (OD-26.00 MM) valued at USD 11286.00 equivalent to Rs. 975110/- (the valuation adopted as per Chartered Engineer's report (supra)) were said to have been imported in contravention of provisions of Section 111(f), 111(i), 111(l), 111(m) & 111 (o) of the Customs Act, 1962 and are continued under seizure.

**10.** The provisions of Section 28(4) of the Customs Act, 1962, stipulates about *Recovery of (duties not levied or not paid or short levied or short paid) or erroneously refunded, relevant portion of which is extracted, as under :-*

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*(4) Where any duty has not been [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 willful 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 [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.*

10.1 Further, the provisions of Section 28AA of the Customs Act, 1962 seeks to levy interest on delayed payment of duty, and reads as under :-

***Section 28AA. 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-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.*

*(3) Notwithstanding anything contained in sub-section (1), no interest shall be payable where,—*

- (a) the duty becomes payable consequent to the issue of an order, instruction or direction by the Board under section 151A; and*
- (b) such amount of duty is voluntarily paid in full, within forty-five days from the date of issue of such order, instruction or direction, without*

*reserving any right to appeal against the said payment at any subsequent stage of such payment.]*

**10.2** As regards to goods declared at Sl. No. 1 of the Bill of Entry, it appeared that the imported goods were willfully mis-declared in terms of description, quantity, weight and outer diameter in as such as, the Outer Diameter (OD) found less and Pipes / Pieces found more. It, thus, appeared that the difference in weight arising out of import of pipes with less ODs have been compensated by adding more number of pipes / more pieces of pipes. Further, it was observed that the pipes with Outer Diameter less than 6 NPS i.e. 168.3 mm attracts Anti-dumping Duty as per Sl. No. 10 of the Notification No. 31/2022(ADD) dated 22.12.2022 and accordingly invited violation of condition of the Advance Authorization and thus it appeared that the mis-declaration was willful to evade Customs Duty / Anti-Dumping Duty.

**10.3** In view of the above, it appeared that the seized goods valued at Rs. 9,75,110/- (Rupees Nine Lakhs Seventy Five thousands One Hundred Ten only) were liable to confiscation under Section 111(f), 111(i), 111(l), 111(m) & Section 111 (o) of the Customs Act, 1962. It further appeared that by act and omission discussed hereinabove, the Importer had rendered themselves liable for penalty under Section 112 and Section 114A of the Customs Act, 1962.

**10.4** Moreover, Condition No. 6 of the Condition Sheet attached to Advance Authorization No. 0811014243 dated 26.02.2025 issued to M/s. Blumet Tubes Pvt. Ltd., *inter alia* provides that:

*“The exempt goods imported against this Authorization shall only be utilized in accordance with the provisions of Paragraph 4.12 and Paragraph 4.16 of the Foreign Trade Policy and other provisions and the relevant Customs Notification 21/2023 dated 01.04.2023 (for physical exports), 22/2023 dated 01.04.2023 (for deemed exports), 24/2023 dated 01.04.2023 (for Advance Authorizations for prohibited goods), and 23/2023 (for Annual Advance Authorizations) as amended from time to time”.*

Further, Paragraph 4.12 of the Foreign Trade Policy stipulates that:

**4.12 Accounting of Input**

*(i) Wherever SION permits use of either (a) a generic input or (b) alternative input, unless the name of the specific input [which has been used in manufacturing the export product] gets indicated / endorsed in the relevant shipping bill and these inputs, so endorsed, match the description in the relevant bill of entry, the concerned Authorisation will not be redeemed. In other words, the name/description of the input used (or to be used) in the Authorisation must match exactly with the name/description endorsed in the shipping bill.*



(ii) *In addition, if in any SION, a single quantity has been indicated against a number of inputs (more than one input), then quantities of such inputs to be permitted for import shall be in proportion to the quantity of these inputs actually used/consumed in production, within overall quantity against such group of inputs. Proportion of these inputs actually used/consumed in production of export product shall be clearly indicated in shipping bills.*

(iii).....

(iv).....

**10.5** In terms of Notification No. 21/2023-Customs dated 01.04.2023, the materials imported in-to India against an Advance Authorization issued in terms of paragraph 4.12 of the Foreign Trade Policy are exempted from the whole of the duty of Customs, additional duty, safeguard duty and anti-dumping duty leviable thereon subject to conditions stipulated thereon.

Further, para (iii) of Notification No. 21/2023-Customs dated 01.04.2023, also provide –

*“that the materials imported correspond to the description and other specifications where applicable mentioned in the authorisation and the value and quantity thereof are within the limits specified in the said authorisation”.*

**10.6** Thus, in view of the above, it appeared that, the aforesaid amongst other conditions of the Advance Authorization, casts obligation on the importer viz. M/s. Blumet Tubes Pvt. Ltd. to fulfill the conditions of afore-mentioned notification, but in the instant case, M/s. Blumet Tubes Pvt. Ltd. had not fulfilled stipulated import conditions as mentioned in the said Advance Authorization in respect of items covered by the said Bill of Entry as well as in respect of Item mentioned at Sl. No. 1 of the said Bill of Entry, in as much as, it violated the vital condition of minimum Outer Diameter (OD) of 65 MM, thereby render themselves liable to pay duty, on merit, i.e. liable to pay whole of the duty of Customs, additional duty, safeguard duty and anti-dumping duty leviable thereon and was not eligible for such exemption in terms of the said Notification.

**10.7** In view of the above, it appeared that M/s. Blumet Tubes Pvt. Ltd. had violated condition of Custom Notification No. 21/2023-Customs dated 01.04.2023, therefore, appropriate Customs Duty was liable to be paid by them on the goods, which were exempted at the time of import but for violation of the conditions of Customs Notification (supra), along with interest at the rate of 15% from the date of clearance of the said imported goods.

**11.** The goods covered by Bill of Entry No. 2269356 dated 24.05.2025 was exported from China on the basis of Invoice No. : KX20250416 dated 06.05.2025 issued by M/s Wenzhou Kaixin Metal Co. Ltd., No. 2 Building, 15 East Yongle

Road, Yongxing Street Longwan, District Wenzhou, China and as can be seen from Bill of Lading No. : YMJAS237003256 dated 06.05.2025. Further, the details of the manufacturer / producer of the goods had not been available on record. Moreover, as per Sl. No. 10 of the Notification No. 31/2022(ADD) dated 22.12.2022, Stainless Steel Seamless Tubes and Pipes with CTH 7304 and having Diameter up-to and including 6 NPS or comparable thereof in other units of measurement, when originated in China attracts levy of Anti-Dumping Duty @ 3801 US \$ / MT.

Notification No. 31/2022-Customs (ADD) New Delhi, the 20th December, 2022  
G.S.R. (E).-

*"Whereas in the matter of 'Stainless-Steel Seamless Tubes and Pipes' (hereinafter referred to as the subject goods) falling under chapter heading 7304 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), originating in, or exported from China PR (hereinafter referred to as the subject country), and imported into India, the designated authority in its final findings, vide notification No. 6/13/2021-DGTR, dated the 23rd September, 2022, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 23rd September, 2022, read with corrigendum notification No. of even number, dated 30th September, 2022, has come to the conclusion that— (i) the subject goods have been exported to India from the subject countries below normal values; (ii) the domestic industry has suffered material injury on account of subject imports from subject countries; (iii) the material injury has been caused by the dumped imports of subject goods from the subject countries, and has recommended imposition of an anti-dumping duty on the imports of subject goods, originating in, or exported from the subject countries and imported into India, in order to remove injury to the domestic industry. Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act read with rules 18, 20 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, after considering the aforesaid final findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, falling under heading of the First Schedule to the Customs Tariff Act as specified in the corresponding entries in column (2), originating in the countries as specified in the corresponding entries in column (4), exported from the countries as specified in the corresponding entries in column (5), produced by the producers as specified in the corresponding entries in column (6), and imported into India, an anti-dumping duty at the rate equal to the amount as specified in the corresponding entries in column (7), in the currency as specified in the corresponding entries in column (9) and as per unit of measurement as specified in the corresponding entries in column (8), of the said Table, namely:-*

S.No .	Heading	Description of subject goods	Country of origin	Country of export	Producer	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

10	7304	Stainless-Steel Seamless Tubes and Pipes**	China PR	Any	Any producer other than serial number 1 to 9	3,801	MT	USD
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**\*\* Stainless-Steel Seamless Tubes and Pipes with diameter up to and including 6 NPS, or comparable thereof in other unit of measurement, whether manufactured using hot extrusion process or hot piercing process and whether sold as hot finished or cold finished pipes and tubes, including subject goods imported in the form of defectives, non- prime or secondary grades. "**

**11.1** The 6 NPS i.e. Normal Pipe Size when converted in-to other units of measurement, it comes to 168.3mm (6.625 inches). In the instant case, items mentioned at Sr. No. 1 of the said Bill of Entry, fall within the ambit of Outer Diameter (OD) of 6 NPS for the purpose of levy of Anti-Dumping duty by virtue of Notification No. 31/2022(ADD) dated 22.12.2022.

**11.2** As such, in view of the above, item mentioned at Sr. No. 1 of the said Bill of Entry and physically found as. 360 Pcs Stainless Steel Hollow Seamless Pipes Hot Finished having Outer Diameter (OD) of 26 MM (Weight: 3.960 MT) appeared to be liable for Anti-Dumping Duty @ 3801 US \$ / MT.

**11.3** Accordingly, in view of the foregoing discussions, a chart showing Duty leviable / payable in respect of the imported goods, is as under:

Sl. No	DETAILS / PARTICULARS OF THE SEIZED GOODS (IMPORTED / MIS-DECLARED AS PER SR. NO. 1 OF THE SAID BILL OF ENTRY).	
1	Description of the Seized goods	STAINLESS STEEL HOLLOW SEAMLESS PIPES COLD FINISHED GRADE TP410 (26.00 MM OD)
2	Quantity (In MTs)	3.960 MTs
3	Quantity (In PCs)	360 PCs
4	Unit Price (USD / PMT) (As per Valuation Report issued by Chartered Engineer)	US \$ 2850/-
5	Invoice Value (US \$)	US \$ 11286/-
6	Assessable Value (INR)	Rs. 975110/-
7	Basic Customs Duty (BCD) @ 10% Adv.	Rs. 97511/-
8	SWS @ 10% of Basic Customs Duty (BCD)	Rs. 9751/-
9	Value for the calculation of IGST	Rs. 1082373/-
10	IGST @ 18%	Rs. 194827/-
11	Anti-Dumping Duty (ADD) @ US \$ 3801/MT	Rs. 1300489/-
12	Total Duty	Rs. 1602579/-

**12.** Accordingly, M/s. Blumet Tubes Pvt. Ltd., Survey No. 150/003 (Old Survey No. 55), Untya Aldesan Road, Aldesan, Kadi Maheshana Road, Gujarat-382715,

vide Show Cause Notice No.ADC-09/2025-26 dated. 14.08.2025 was called upon to Show Cause as to why:

- (i) 360 PCs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade-TP 410) having Outer Diameter (OD) of 26.00 MM weighing 3.960 MT valued at Rs. 9,75,110/- (Rupees Nine Lacs Seventy Five Thousands One Hundred Ten only) (as per Valuation Report) imported duty free under Advance Authorization No. 0811014243 dtd: 26.02.2025 should not be confiscated under Section 111 of the Customs Act, 1962.
- (ii) The assessable value of Rs. 9,05,748/- declared at the time of filing of Bill of Entry No. 2269356 dated 24.05.2025 should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 as there is a gross mis-declaration and should be re-determined under Section 14(1) of the Customs Act, 1962 read with the CVR, 2007; and should be fixed Rs. 9,75,110/- (Rupees Nine Lacs Seventy Five Thousands One Hundred Ten only) as per Valuation Report determined in terms of Rule 7 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.
- (iii) The duty amounting to Rs.16,02,579/-(Rupees Sixteen Lakhs Two Thousands Five Hundreds Seventy Nine only ) (as per calculation shown above) should not be demanded and recovered from them under Section 28(4) of the Customs Act, 1962 by denying the benefit of Advance Authorization No. 0811014243 dtd: 26.02.2025;
- (iv) Interest as applicable should not be charged and recovered from them ,on the amount mentioned at (iii) above, under Section 28AA of the Customs Act, 1962;
- (v) The Bond executed by them for import of duty free goods under Advance Authorization No. 0811014243 dtd: 26.02.2025 at the time of import should not be enforced for affecting the recovery of dues due to Government.
- (vi) Penalty should not be imposed upon them under Section 112 of the Customs Act 1962.
- (vii) Penalty should not be imposed under Section 114A of the Customs Act, 1962

**DEFENCE REPLY:**

13. The importer, M/s. Bluemet Tubes Pvt. Ltd. vide letter dated 27.08.2025 submitted,

“Our request for re-export permission of the Grade TP410 material (Net Weight: 4,032 kgs), which was found to be non-compliant with the specified minimum OD requirements under our Advance Authorization License is pending as on date. The inspection of the imported goods was carried out on 18th July and during the said process, Customs identified a size mismatch in the Grade 410 shipment. We immediately contacted our supplier via email to investigate why incorrect sizes ones that do not belong to us were loaded for shipment. They responded that they needed time to look into the issue.

Later that evening, we received an update from them confirming that the correct sizes from our order were mistakenly left at their and their staff had accidentally dispatched a different set of tubes, eventually the supplier agreed to re-import the 4032 Kgs of 410 Grade material (herein referred to as wrongly shipped material) shipment to their factory. Considering above, we believe this to be a bona fide mistake from our supplier. We've enclosed the referred email conversation evidencing as the proof of communication as an annexure to this letter.

In view of the above, we again request your kind permission to re-export the said TP410 material to the original supplier. We are fully prepared to bear the cost and procedure for re-export and have no intention of diverting the said goods for domestic use. We remain committed to full compliance with Customs and DGFT regulations and look forward to your kind cooperation and early action in this matter.”

#### PERSONAL HEARING:

14. The Importer/Noticee vide his letter dated 25.08.2025 had sought early personal hearing in the subject matter and accordingly, he was granted personal hearing on 26.08.2025. Shri Arvind Mehta, Director of the Noticee firm had appeared for Personal Hearing virtually. During the personal hearing he re-iterated submissions made vide their reply dated 26.08.2025 and requested to grant them permission for re-export of cargo which was wrongly sent by their Supplier. Further, he requested to decide the matter at the earliest as they are incurring huge demurrage charges.

#### DISCUSSION AND FINDINGS:

15. I have carefully gone through the facts of the case, Show Cause Notice and written Defense submissions and submission made during the personal hearing held on 26.08.2025 as well as available records on hand.

16. I find that, the issues to be decided in the instant case are as follows:

- (i) Whether, 360 PCs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade-TP 410) having Outer Diameter (OD) of 26.00 MM weighing 3.960 MT imported duty free under Advance Authorization

No. 0811014243 dtd: 26.02.2025 should be confiscated under Section 111 of the Customs Act, 1962 or otherwise.

- (ii) Whether, the assessable value of Rs. 9,05,748/- declared at the time of filing of Bill of Entry No. 2269356 dated 24.05.2025 should be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and should be re-determined under Section 14(1) of the Customs Act, 1962 read with the CVR, 2007 as Rs. 9,75,110/- (Rupees Nine Lacs Seventy Five Thousands One Hundred Ten only) as per Valuation Report determined in terms of Rule 7 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 or otherwise.
- (iii) Whether, the duty amounting to Rs.16,02,579/-(Rupees Sixteen Lakhs Two Thousands Five Hundreds Seventy Nine only) (as per calculation shown above) should be demanded and recovered from them under Section 28(4) of the Customs Act, 1962 by denying the benefit of Advance Authorization No. 0811014243 dtd: 26.02.2025 and enforcing the bond executed under Section 143 of the Customs Act, 1962.
- (iv) Whether, interest as applicable should be charged and recovered from them on the amount mentioned at (iii) above, under Section 28AA of the Customs Act, 1962.
- (v) Whether penalty should be imposed upon them under Section 112 and/or 114A of the Customs Act 1962 or otherwise.

17. I observe that, the Noticee had filed Bill of Entry No. 2269356 dated 24.05.2025 (hereinafter referred to as the "said Bill of Entry") under Section 46 of the Customs Act, 1962 for the clearance of the imported goods totally weighing 27.545 MTs amounting to USD 100,655.57/- as per details shown in Table -A above against Invoice No. : KX20250416 dated 06.05.2025 issued by M/s Wenzhou Kaixin Metal Co. Ltd., No. 2, Building 15 East Yongle Road, Yongxing Street, Longwan, District Wenzhou, China & Bill of Lading No. : YMJAS237003256 dated 06.05.2025.

18. I notice that,

- (i) The said Bill of Entry was initially assessed through FAG and subsequently re-called for the purpose of provisional assessment for want of test result of the goods, so as to ascertain the correct description of the goods i.e. Grade and Hot-Finished nature. The Importer had executed Provisional Duty Bond / Test Bond (Individual Importation) No. 2002470360 in compliance of the provisions of Section 18 of the Customs Act, 1962, for the sum of Rs. 86,96,641/- for provisional assessment of the

- goods pending Chemical Test result binding themselves to pay the difference between the duty finally assessed and the duty provisionally assessed. In view thereof, the said Bill of Entry was assessed provisionally for want of Test Result of the imported goods. Subsequently, the goods covered by the said Bill of Entry were taken up for the examination.
- (ii) During the course of the examination of the imported goods, it was observed that, there was a mismatch in goods declared at Sl. No.1 of the Bill of Entry *viz-a-viz* goods that were actually received (imported) i.e. the goods declared as 80 PCs of Stainless Steel Hollow Seamless Pipes (Hot Finished) (Grade TP410) (OD-76.00 MM) at Sl. No. 1 of the said Bill of Entry were found to be 360 PCs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) (OD-26.00 MM).
  - (iii) Representative samples of imported goods were drawn and were sent for testing to the Head Chemical Examiner, Central Excise & Customs Laboratory, Vadodara vide Test Memo No. IMP/113/25-26 Dtd. 13.06.2025 and IMP/114/25-26 Dtd. 13.06.2025 and the Central Excise & Customs Laboratory, Vadodara vide its Test Result No. RCL/PIP/IMP/1806 dated 26.06.2025 and RCL/PIP/IMP/1807 dated 26.06.2025 mainly informed / opined based on various tested parameters as detailed at Para 5.3 of the above.
  - (iv) For the goods mentioned at Sl. No.1 of the Table-B above (*viz.* Stainless Steel Hollow Seamless Pipes Hot Finished Grade TP410 (20-25 MM OD), the Importer claimed the benefit of exemption from payment of duty of customs duty against Advance Authorization No. 0811014243 dated 26.02.2025 issued by DGFT, which permits import of Seamless Stainless-Steel Tubes/Pipes (Hot Finished/mother hollow having as outside diameter (OD) not less than 65 mm and above) of a total quantity of 110000.000 KGs (110.00 MTs) and of a total value USD 720296.29 (INR 6,32,06,000.00) as per Notification No. 21/2023-Customs *ibid*.
  - (v) The goods mentioned at Serial No. 1 of the Table- A above i.e. 80 Pcs, Stainless Steel Hollow Seamless Pipes Hot Finished Grade TP410 (76.00 MM OD) weighing 4.032 MT, have been found as 360 pcs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) having Outer Diameter (OD) 26 MM weighing 3.960 MT during the examination and as such, the Outer Diameter (OD) in respect of item declared at Sl. No. 1 of the Bill of Entry is below 65 MM, therefore, beyond permissible limit for import against the said Advance Authorization and therefore, the same were seized under Section 110 of the Customs Act, 1962 vide Seizure Memo dated 10.06.2025 with reasonable belief of same being liable for confiscation under the provisions of Section 111 of the Customs Act, 1962.

19. In this regard, I notice that, the self-assessment of Customs duty has been introduced in Customs w.e.f. 08.04.2011 by Section 38 of the Finance Act, 2011 under which Importer shall self-assess the duty leviable on import of the goods. In the instant case, during the course of examination of the goods, it has been observed that Quantity, Outer Diameter (OD) and Weight of the imported goods mentioned

at Sl. No.1 of the Table –B above have not been found as per declaration in the import documents i.e. Bill of Entry, Bill of Lading, Invoice. Thus, the importer has mis-declared the quantity and description of imported goods at the time of self-assessment of the goods in the said Bill of Entry. Such mis-declaration has been noticed only during the examination of the imported goods and therefore, it transpires that, the Importer has not self-assessed the goods properly and correctly, thereby, violated the provision of Section 17(1) of the Customs Act, 1962 as discussed above.

19.1 I further notice that, Section 46(4) of Customs Act, 1962 stipulates, the Importer is required to make/subscribe to a declaration as regard to the truth of the contents of the Bill of Entry submitted for assessment of Customs Duty. I find that, in terms of Section 46 of the Customs Act, 1962, while presenting the Bills of Entry before the Customs authority for clearance of the imported goods, it is duty of the Importer to declare the accuracy and completeness of the information given therein. The law demands accuracy and completeness of the information to be declared by the Importer. As the Importer has been working under the era of self-assessment, where they have been given liberty to declare every aspect of an imported consignment from classification to declaration of value of the goods or levy of duty at applicable rate, therefore, it was the responsibility of the Importer to place correct facts and figures before the Assessing Authority.

19.2 I find that, in view of the above provisions of Section 46 *ibid*, it was obligatory on the part of the Importer to have declared the CTH, quantity, description, value, etc. of imported goods in the correct manner; however, the Importer failed to declare the description and quantity of the imported goods appropriately and therefore, I find that, the Importer has also contravened the provisions of sub-section (4) of Section 46 of the Customs Act, 1962, inasmuch as they had mis-declared description and quantity of the imported goods in the Declaration of Bill of Entry filed under the provisions of Section 46(4) of Customs Act, 1962.

19.3 I further find that, the Importer had claimed exemption from payment of duty of customs i.e. BCD, SWS & IGST on the basis of Advance Authorization No. 0811014243 dated 26.02.2025 which grants to the Importer exemption from payment of duty of customs in terms of Notification No. 21/2023-Cus dated 01.04.2023 (for physical export), in respect of import of inputs viz. Seamless Stainless Steel Tubes / Pipes (Hot Finished / Mother Hollow having an Outside Diameter (OD) not less than 65mm and above) to be used for manufacture of Stainless Steel Seamless Tubes/Pipes (Cold Finish).

19.4 Condition No. 6 of the Condition Sheet attached to Advance Authorization No. 0811014243 dated 26.02.2025 issued to M/s. Blumet Tubes Pvt. Ltd., *inter alia* provides that :-

*"The exempt goods imported against this Authorization shall only be utilized in accordance with the provisions of Paragraph 4.12 and Paragraph 4.16 of*



*the Foreign Trade Policy and other provisions and the relevant Customs Notification 21/2023 dated 01.04.2023 (for physical exports), 22/2023 dated 01.04.2023 (for deemed exports), 24/2023 dated 01.04.2023 (for Advance Authorisations for prohibited goods), and 23/2023 (for Annual Advance Authorisations) as amended from time to time”.*

Further, Paragraph 4.12 of the Foreign Trade Policy stipulates that:

**4.12 Accounting of Input**

*(i) Wherever SION permits use of either (a) a generic input or (b) alternative input, unless the name of the specific input [which has been used in manufacturing the export product] gets indicated / endorsed in the relevant shipping bill and these inputs, so endorsed, match the description in the relevant bill of entry, the concerned Authorization will not be redeemed. In other words, the name/description of the input used (or to be used) in the Authorization must match exactly with the name/description endorsed in the shipping bill.*

*(ii) In addition, if in any SION, a single quantity has been indicated against a number of inputs (more than one input), then quantities of such inputs to be permitted for import shall be in proportion to the quantity of these inputs actually used/consumed in production, within overall quantity against such group of inputs. Proportion of these inputs actually used/consumed in production of export product shall be clearly indicated in shipping bills.*

*(iii).....*

*(iv).....”*

**19.5** I, however, find that, in instant case during the examination it was found that the goods mentioned at Serial No. 1 of the Table- A above i.e. 80 Pcs, Stainless Steel Hollow Seamless Pipes Hot Finished Grade TP410 (76.00 MM OD) weighing 4.032 MT have been found as 360 pcs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) having Outer Diameter (OD) 26 MM weighing 3.960 MT during the examination and as such, the Outer Diameter (OD) in respect of item declared at Sl. No. 1 of the Bill of Entry is below 65 MM, therefore, beyond permissible limit for import against the said Advance Authorization.

**19.6** Accordingly, I find that, the Noticee has not fulfilled condition specified in the said the Advance Authorization in as much as, it violated the vital condition of minimum Outer Diameter (OD) of 65 MM, thereby rendered themselves liable to pay duty, on merit, i.e. liable to pay whole of the duty of Customs, additional duty, safeguard duty and anti-dumping duty leviable thereon in terms of Sl. No. 10 of the Notification No. 31/2022(ADD) dated 22.12.2022 and is not eligible for such exemption in terms of the said notification.

**19.7** I further find that, considering the variation in outer diameter (OD) of the imported goods from Sl. No. 1 of the Table – B above, the Assessable Value in the

respect of the goods may vary and cannot be accepted as transaction value, in as much as, the transaction value of the imported goods is to be accepted, subject to Rule 12 of CVR, 2007. As a result, the valuation of imported goods have been not acceptable for the purpose of assessment of duty and same was required to be re-determined in terms of Section 14 of the Customs Act, 1962 read with Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 (hereinafter referred to as CVR, 2007) i.e. sequentially proceeding in terms of Rule 4 to 9 of CVR, 2007 as provided under Rule 3(4) of CVR, 2007. I also find that, Rule 4 (Transaction value of identical goods) of CVR, 2007 applies where imported goods which are same in all respects, including physical characteristics, quality and reputation, as the goods being valued except for minor difference in appearance that do not affect the value of the goods. Further, I find that import data is not available for identical/similar goods; hence, value could not be determined under Rule 4 & 5 of CVR, 2007. As such, as per Rule 6 of the CVR, 2007, if the value cannot be determined under Rule 3, 4 & 5, then the value shall be determined under the provisions of Rule 9 of CVR, 2007. Accordingly, in order to ascertain the value of mis-declared goods the independent Govt. Approved Valuer, Shri Pankaj N. Udani was also appointed to ascertain valuation of goods mentioned at Sl. No. 1 among the other imported goods.

19.8 I find that, the Independent Govt. Approved Valuer, Shri Pankaj N. Udani, at Sl. No. 1B of Valuation Report Ref. No. PNU/SL/25-26/65 dated 01.07.2025 *ibid* reported that value of 360 pcs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) having Outer Diameter (OD) 26 MM weighing 3.960 MT as USD 11,286/- (i.e. Rs, 9,75,110/-). Accordingly, the duty will be leviable to the tune of Rs. 16,02,579/- as detailed at Para 11.3 above.

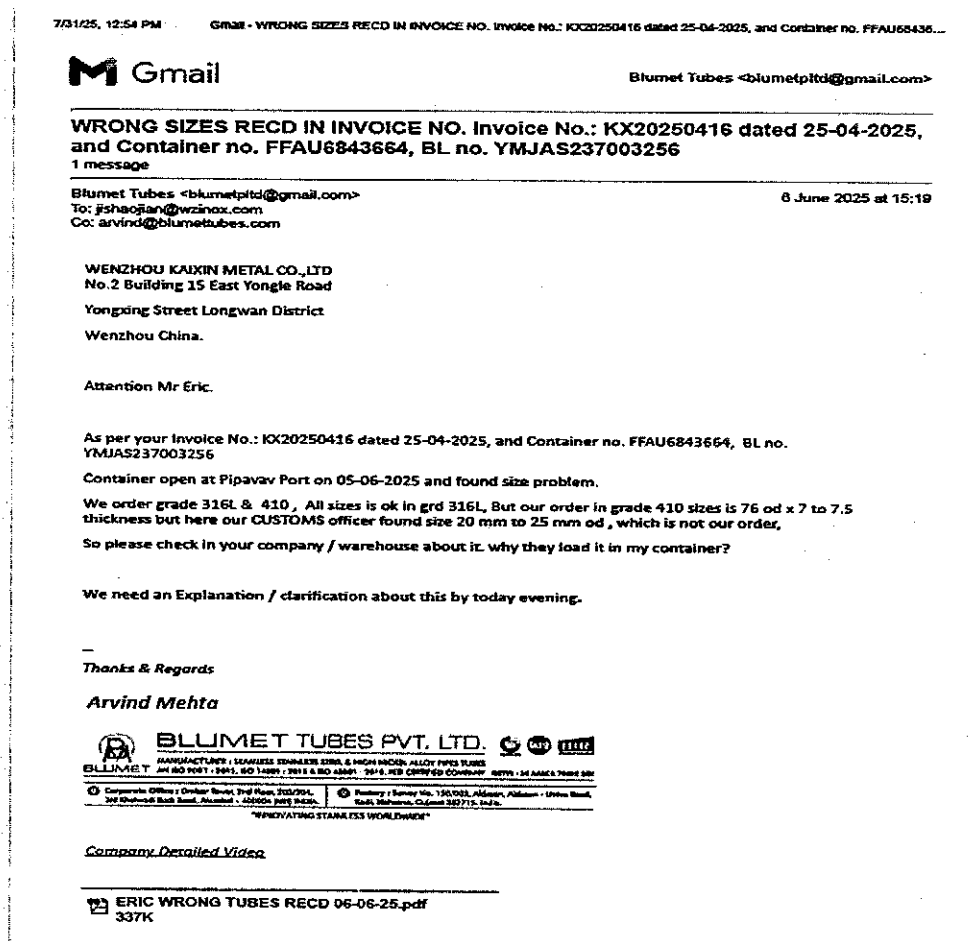
20. I further find that, the Noticee/Importer has admitted that, the goods declared at Sl. No. 1 of the said Bill of Entry and the goods which actually arrived at the port of import were different *in to-to* and that they have never contested this fact. It is therefore, the mis-declaration w.r.t. description, quantity, weight and value stand established beyond doubt and hence, the provisions of Section 111 of the Customs Act, 1962 gets attracted as proposed in the Show Cause and therefore, the mis-declared goods viz. 360 pcs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) having Outer Diameter (OD) 26 MM weighing 3.960 MT seized vide Seizure Memo dated 10.06.2025 are liable for confiscation under Section 111(f), 111(l), 111(m) & 111 (o) of the Customs Act, 1962.

21. I find that the Noticee, by their acts of omission and commission, has mis-declared the goods in the Bill of Entry with respect to their description, quantity, weight, and value. Such act of mis-declaration on the part of the Noticee has rendered themselves liable for penal action under Section 112(a) of the Customs Act, 1962.

22. With respect to the demand of duty of customs under Section 28(4) of the Customs Act, 1964, interest for delayed payment of duty of customs under Section 28AA of the Customs Act, 1962 and subsequent penalty under Section 114A of the

Customs Act, 1962 on home consumption of impugned goods, I notice that, the Noticee vide letter dated 27.08.2025 in his written submission as well as during the personal hearing sought permission for re-export of impugned goods.

**23.** I further notice that, the Noticee in his written reply dated 27.08.2025 stated that the inspection of the imported goods was carried out and during the said process, Customs identified a size mismatch in the Grade 410 shipment and therefore, they immediately contacted their foreign supplier, M/s.Wenshou Kaixin Metal Co. Ltd. on email id: [jishaojian@wainox.com](mailto:jishaojian@wainox.com) via email dated 06.06.2025 to check the reason for the shipment of incorrect sizes of pipes in the Grade 410 in their container i.e. they ordered pipe size 76 ODX 7 to 7.5 MM thickness in Grade 410 but customs officer found pipe size in Grade 410 as 20 MM to 25 MM OD. The extract of the email is reproduced below:



**23.1** I further notice that, in response the Foreign Supplier of the Noticee vide Email dated 06.06.2025 itself clarified, “*we hereby checked in warehouse loading department. It was mistake done from our loading team. They had load others tubes in your container. Your hollow is lying in our warehouse.*” The extract of the email and clarification are reproduced below:

18/07/2025, 14:13

Gmail - Re: WRONG SIZES RECD IN INVOICE NO. Invoice No.: KX20250416 dated 25-04-2025, and Container no. FFAU68436...



Blumet Tubes <blumetpltd@gmail.com>

Re: WRONG SIZES RECD IN INVOICE NO. Invoice No.: KX20250416 dated 25-04-2025, and Container no. FFAU6843664, BL no. YMJAS237003256

1 message

D chl <jishaojian@wzinox.com>  
To: Blumet Tubes <blumetpltd@gmail.com>  
Cc: arvind <arvind@blumetubes.com>

6 June 2025 at 17:03

Dear sir or madem,

here we just know this matte today, and we found it our mistake to load goods out of contract, the goods still left in our warehouse, here in attachment is our clarification for our mistake , could you guide us how to solve it. what should we do to solve it propaly.

Thanks & Regards,

Eric Chl

Wenzhou kaixin metal co.,Ltd

Website:https://www.wzinox.com

Whatapp/wechat/MB: 0086-15968750098

Tel:0086-577-85980211



## WENZHOU KAIXIN METAL CO.,LTD

### Clarification

No.2 Building 15 East Yongle Road Yongong Street Longwan District Wenzhou China  
TEL: +86-577-85980211 E-mail: info@wzinox.com,jishaojian@wzinox.com

To:BLUMET TUBES PRIVATE LIMITED  
ADDRESS:SURVEY NO. 150/003, ALDESAN, ALDESAN -  
ROAD,ALDESAN, KADI,MEHSANA, GUJARAT 382715,INDIA.  
b

Invoice No.:KX20250416  
Date:Jun/6th/2025

We hereby checked in warehouse loading department ,it was mistake done from our loading team,they had load ohters tubes in your container , your hollow lying in our warehouse.

On Behalf Of Wenzhou Kaixin Metal Co.,LTD

Director:

24. From the analysis of the correspondence made by the Noticee vide Email dated 06.06.2025 with his foreign supplier and clarification issued by the foreign

supplier, M/s Wenzhou Kaixin Metal Co. Ltd., No. 2, Building 15 East Yongle Road, Yongxing Street, Longwan, District Wenzhou, China vide Email dated 06.06.2025, I find that, the Noticee has actually placed the order for import of Stainless Steel Seamless Pipes of Outer Diameter (OD) 76mm of Grade 410, however, due to mistake on the part of its Foreign Supplier at the time of loading of the cargo, the impugned goods arrived at the port instead of actually placed order. Accordingly, it can be deduced that, the goods at Sl. No. 1 was arrived at the port of import unintentionally due to wrong shipment on the part of the Foreign Supplier of the Noticee.

25. In this context, I observe that, CBIC Circular No. 100/2003-Cus. dated 28-11-2003 on the subject, Requirement of "No Objection Certificate" from RBI for the re-export of the goods shipped contrary to the instructions of the importers stipulates as under:-

*"I am directed to refer to the instructions contained in Board's letter F. No. 18/1/59-Cus. (CRC), dated 8-6-1959 on the above mentioned subject wherein it was stated that the goods shipped contrary to the instructions of the importer and the importer intends to re-export the same, the Commissioner may use his discretion and release the goods on payment of a nominal penalty or without any penalty as he deems fit, provided that he is satisfied that the goods have been imported as a result of bona fide mistake and contrary to the importer's instructions subject to production of a "no objection certificate" from the Reserve Bank of India for re-shipment of the goods. In this regard, trade has expressed difficulties in obtaining the "NOC" from RBI and stated that, at times, it takes a minimum of one week to obtain the certificate. Therefore, they have requested for allowing re-shipment without insisting on the production of "NOC" from RBI.*

*2. The matter has been examined in consultation with the Reserve Bank of India who have opined that the "NOC" from RBI need not be insisted for re-export of such imported items. Therefore, the Commissioner may use his discretion and allow re-export without the requirement of a "No Objection Certificate" from the Reserve Bank of India, on payment of a nominal penalty or without any penalty as he deems fit, provided that he is satisfied that the goods have been imported as a result of bona fide mistake and contrary to the importer's instructions.*

*3. Kindly bring the above instructions to the knowledge of all concerned for strict compliance.*

*4. Hindi version will follow."*

25.1 I further observe that the aforesaid Circular was amended vide subsequent CBIC Circular No. 4/2015-Cus. dated 20-1-2015 under the subject Re-export of goods imported under bona fide mistake; wherein it is clarified as under:

*"Attention is invited to Circular No. 100/2003-Cus., dated 28-11-2003 [2003 (158) E.L.T. T53] which prescribes that permission for re-export of*

goods that are shipped contrary to instruction of the importer has to be granted by Commissioner of Customs.

2. References have been received in the Board that the current procedure for allowing re-export of goods that are imported under a bona fide mistake is being followed at Customs stations is time consuming and causes avoidable hardship to importer/airlines/consol agents. This is especially happening at air cargo complexes because numerous requests in respect of wrong shipments are to be dealt with here on daily basis. These references contain a request for a simpler procedure.

3. The matter was deliberated upon in the Conference of Chief Commissioners of Customs/Customs and Central Excise held at Hyderabad in February, 2014. There was consensus to prescribe a simplified and uniform procedure which may obviate delays in cases warranting the grant of permission to re-export. A view emerged that a solution lies in delegating the powers to permit re-export to the Customs Officers in accordance with their powers of adjudication.

4. The matter has been examined by the Board. Requests for re-export of imported goods may be received when the said goods are destined for elsewhere but which are inadvertently imported at a particular Customs station. With a view to expedite decision-making in respect of re-export of such goods, the Board has decided that the permission for re-export may be granted on merit by the officer concerned as per the adjudication powers. In regard to the adjudication powers, a reference may be made to Section 122 of the Customs Act, 1962 and Circular No. 24/2011-Cus., dated 31-5-2011.

5. Circular No. 100/2003-Cus. dated 28-11-2003 stands modified to the above extent.

6. Chief Commissioners of Customs/Customs and Central Excise should ensure that above instructions are complied with scrupulously in their jurisdiction. Difficulty faced, if any, may be immediately brought to the notice of the Board."

26. In view of the above Circulars, I find that, the Noticee's request for the re-export of impugned goods is merit consideration and may be acceded to in terms of extant guidelines.

26.1 I further observe that, Section 125 (1) of the Customs Act, 1962 regarding Option to pay fine in lieu of confiscation stipulates, "Whenever confiscation of any goods is authorized 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."

26.2 It is therefore, I find that, the Importer may be provided with an option to pay fine in lieu of confiscated goods for its redemption. I further find the impugned goods are neither prohibited nor restricted & therefore, an option to pay fine in lieu of confiscated goods for its redemption should be accorded to the Importer.

26.3 In view of the request of the Noticee for release of impugned goods for re-export and in view of the Circulars quoted above, I give option to the Noticee to redeem the impugned goods only for the purpose of re-export on payment of redemption fine and penalty under Section 112(a) of the Customs Act, 1962. Further, as the impugned goods are released only for re-export the question of demand of duty, interest and penalty under Section 28(4), Section 28AA and Section 114A of the Customs Act, 1962, respectively, does not arise. The impugned goods are to be re-exported within 90 days of receipt of this order.

27. Accordingly, I hereby order as follows:

**ORDER**

(i) I hereby order confiscation of impugned goods viz. 360 pcs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) having Outer Diameter (OD) 26 MM weighing 3.960 MT under Section 111(f), 111(l), 111(m) & 111 (o) of the Customs Act, 1962. However, I give an option to the Importer to redeem the said confiscated goods on payment of redemption fine of Rs. 1,00,000/- (Rupees one lakh only) under Section 125 of the Customs Act, 1962 only for the purpose of re-export of same, subject to the payment of penalty imposed under Section 112(a) of the Customs Act, 1962 following at Para 27(iii) of the order. Further, the impugned goods are to be re-exported within 90 days of receipt of this order.

(ii) I hereby re-assess the value of impugned goods viz. 360 pcs of Stainless Steel Hollow Seamless Pipes (Cold Finished) (Grade TP410) having Outer Diameter (OD) 26 MM weighing 3.960 MT as Rs. 9,75,110/- as per Valuation Report dated 01.07.2025 issued by the Independent Govt. Approved Valuer under Rule 7 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

(iii) I impose penalty of Rs. 1,00,000/- (Rupees one lakh only) under Section 112(a) of the Customs Act, 1962.

28. This order is issued without prejudice to any other action that may be taken against the importer or any other person under the Customs Act, 1962 or any other law for the time being in force.



(N. Srujan Kumar)  
Additional Commissioner

F. No. CUS/17676/2025-Adjn-O/o Commr-Cus-Prev-Jamnagar

Date: 28.08.2025

**BY Hand/RPAD/Speed Post To,**

✓ M/s. Blumet Tubes Pvt. Ltd.,  
Survey No. 150/003 (Old Survey No. 55),  
Untya Aldesan Road,  
Aldesan, Kadi Maheshana Road,  
Gujarat-382715

**Copy to:**

1. The Commissioner, Customs (Preventive), Commissionerate, Jamnagar
2. The Assistant Commissioner, Customs Division, Pipavav.
3. The Superintendent (RRA), Customs (Prev.), Jamnagar.
4. Guard File.