

	आयुक्त, सीमा शुल्क का कार्यालय, OFFICE OF THE COMMISSIONER OF CUSTOMS न्यू कस्टम हाउस, बालाजी मंदिर के पास, न्यू कांडला 370210 NEW CUSTOMS HOUSE, NEW KANDLA-370210 दूरभास Phone No. 02836-271468-469 फ़ैक्स Fax No 02836-271467 E-mail : commr-cuskandla@nic.in	
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A FILE NO.	GEN/ADJ/ADC/1137/2023-Adjn-O/o Commr-Cus-Kandla
B OIO NO.	KDL/ADC/VS/04/2026-27
C Passed by	VISHWAJEET SINGH, COMMISSIONER (in-situ), CUSTOMS HOUSE, KANDLA.
D DATE OF ORDER	17.04.2026
E DATE OF ISSUE	17.04.2026
F SCN NUMBER & DATE	SCN F.No. S/15-01/SIIB/Vikanshu/2018-19 Dtd.12.12.2022
G Noticee / Party / Importer	M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201
H DIN	20260471ML000001060A

1. यह अपील आदेश संबन्धित को निःशुल्क प्रदान किया जाता है।
This Order - in - Original is granted to the concerned free of charge.

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

Any person aggrieved by this Order - in - Original may file an appeal under Section 128 A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

“सीमा शुल्क आयुक्त (अपील),
7वीं मंजिल, मृदुलटावर, टाइम्सऑफ इंडिया के पीछे, आश्रम रोड़, अहमदाबाद-380 009”
“**The Commissioner of Customs (Appeals), Ahmedabad,
Having his office at 7th Floor, Mridul Tower, Behind Times of India,
Ashram Road, Ahmedabad-380009.**”

3. उक्त अपील यह आदेश भेजने की दिनांक से 60 दिन के भीतर दाखिल की जानी चाहिए।
Appeal shall be filed within sixty days from the date of communication of this order.

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

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

- i. उक्त अपील की एक प्रति और (A copy of the appeal, and)
- ii. इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची 1-के अनुसार न्यायालय शुल्क अधिनियम 1870-के मद सं० 6-में निर्धारित 5 -/रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए ।

This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.

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

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

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

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

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

An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

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Subject:- SCN F.No. SCN F.No. S/15-01/SIIB/Vikanshu/2018-19

Dtd.12.12.2022 issued to M/s. Vikanshu Petrochemicals, i.r.o. Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018.

BRIEF FACTS OF THE CASE

Acting upon the intelligence received from DRI, 317 remnant samples of the imported cargo declared as “Industrial Composite Mixture Plus (ICMP)/ Low Aromatic White Spirit (LAWS)” imported by various importers, including **M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655)**, available with Custom House, Kandla were sent by SIIB to CRCL, New Delhi vide letter F. No. S/15-01/SIIB/2018-19/Part-I dated 24.12.2018 for chemical analysis and testing to ascertain the following points for the imported goods intended for clearance with declaration as ICMP/LAWS:

“2.(i) whether the sample confirms to description and Characteristics, Specification and Parameters of “Super Kerosene Oil” as per Custom Tariff Act,

(ii) if "Super Kerosene Oil", then please specify the smoke point.

3. If the same does not qualify as "Industrial Composite Mixture Plus", please confirm whether the Characteristics, Specifications and parameters confirms to Motor Spirit (CTH 2710 12)/Diesel Oil (CTH 2710 1930 & 2710 1940).

4. If none of the above, please confirm the identification of the sample."

2.1. From the above, it has come to the notice that some importers were engaged in importing the "Low Aromatic White Spirit (LAWS)" and "Industrial Composite Mixture Plus" (ICMP) by mis-declaring the same and in violation of the Foreign Trade Policy. Accordingly, inquiry was initiated against various importers including one M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655) (hereinafter also referred to as "the said Importer").

2.2 The details of the LAWS imported by the said importer at Kandla Port is given below:

S. No.	Bill of Entry No.	Bill of Entry Date	Declared Description	Declared Quantity (In MTs)	Assessable value as declared in B/E (in Rs)
1	4627672	30.12.2017	LAWS	118.67	52,78,478.96
2	4748548	10.01.2018	LAWS	106.10	48,11,748.75
TOTAL				224.77	1,00,90,227.71

2.3 The Joint Director, CRCL, New Delhi after due testing of remnant sample in respect of the above Bills of Entry filed by the said importer, submitted their Lab Report No. CLR-393 and CLR-374 both dtd. 13.06.2019 vide letter F. No. 27-Cus/C-32/2018-19 dated 22.07.2019. The Joint Director, CRCL, New Delhi in their above referred test reports opined that the sample conforms to the specification of Kerosene as per IS: 1459:2018 (Fourth Revision) and it does not meet the requirements for Petroleum Hydrocarbon Solvents as per IS:1745-2018 (Third Revision) in respect of the Final Boiling Point.

2.4 The details of the Lab Report No. CLR-393 and CLR-374 both dtd. 13.06.2019 issued by the Joint Director, CRCL, New Delhi and forwarded vide letter F. No. 27-Cus/C-32/2018-19 dated 22.07.2019, in respect of consignment covered under the Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 is as under:

S. No.	Characteristics	Specification for Kerosene as per IS:1459-2018	Test Results BE No. 4627672 dtd. 30.12.2017
	Report		The sample is in the form of light yellow colored oily liquid. It is composed of Mineral Hydrocarbon Oil (More than 70% by weight) possessing the following parameters:

1	Acidity, Inorganic	Nil	NIL
2	Density at 150 degree C Kg/m ³	Not limited but to be reported	791.8
3	Distillation		
	A) Initial boiling point, 0C	-	172
	B) 5% volume distilled, 0C	-	177
	C) 90% volume distilled, 0C	-	245
	D) % Recovered below 2000C, percentage (v/v), Min.	20	39
	E) Final Boiling Point, 0C, Max.	300	270
	F) Dry Point, 0C	-	268
4	Flash Point (Abel), 0C, Min	35	47
5	Smoke Point, mm, Min.	18	22
6	Aromatic Content, % by Volume	-	16
7	Copper strip corrosion for 3h at 500C	Not worse than No.1	Not worse than No.1
8	Kinematic viscosity cSt, At 400C	-	1.46
9	Conclusion		Sample conforms to the specification of Kerosene as per IS 1459:2018 (Fourth Revision). It does not meet the requirements for petroleum Hydrocarbon Solvents as per IS: 1745-2018 (Third Revision) in respect of Final Boiling Point.

S. No.	Characteristics	Specification for Kerosene as per IS:1459-2018	Test Results BE No. 4748548 dtd. 10.01.2018
	Report		The sample is in the form of light yellow colored oily liquid. It is composed of Mineral Hydrocarbon Oil (More than 70% by weight) possessing the following parameters:
1	Acidity, Inorganic	Nil	NIL
2	Density at 150 degree C Kg/m ³	Not limited but to be reported	794.8
3	Distillation		
	A) Initial boiling point, 0C	-	174
	B) 5% volume	-	177

	<i>distilled, 0C</i>		
	<i>C) 90% volume distilled, 0C</i>	-	253
	<i>D) % Recovered below 2000C, percentage (v/v), Min.</i>	20	38
	<i>E) Final Boiling Point, 0C, Max.</i>	300	288
	<i>F) Dry Point, 0C</i>	-	280
4	<i>Flash Point (Abel), 0C, Min</i>	35	56
5	<i>Smoke Point, mm, Min.</i>	18	25
6	<i>Aromatic Content, % by Volume</i>	-	10
7	<i>Copper strip corrosion for 3h at 500C</i>	<i>Not worse than No.1</i>	<i>Not worse than No.1</i>
8	<i>Kinematic viscosity cSt, At 400C</i>	-	1.70
9	<i>Conclusion</i>		<i>Sample conforms to the specification of Kerosene as per IS 1459:2018 (Fourth Revision). It does not meet the requirements for petroleum Hydrocarbon Solvents as per IS: 1745-2018 (Third Revision) in respect of Final Boiling Point.</i>

2.5. The above test reports of the CRCL, New Delhi confirmed that the goods imported under above mentioned Bills of Entry filed by M/s. Aay Kay Impex, New Delhi was Kerosene as per IS 1459:2018 (Fourth Revision), which were to be classified under CTH No. 27101910, but the same were cleared from customs by mis-declaring its description as “Low Aromatic White Spirit (LAWS)” by declaring wrong classification thereof under CTH 27101990. The total quantity 224.77 MTs having assessable value (excluding duties of customs) covered under aforesaid Bills of Entry as declared comes to Rs. 1,00,90,227.71 as mentioned in para 2.2 above.

2.6. Para 2.01 of the Foreign Trade Policy 2015-2020, which was notified under Section 5 of the Foreign Trade (Development and Regulation) Act, 1992, prescribed as follow:

“(a) Exports and Imports shall be ‘Free’ except when regulated by way of prohibition’, ‘restriction’ or ‘exclusive trading through State Trading Enterprises (STESs)’ as laid down in Indian Trade Classification (Harmonized System) {ITC (HS)} of Exports and Imports. The list of ‘Prohibited’, ‘Restricted’, and STE items can be viewed by clicking on ‘Downloads’ at [http // dgft. gov.in](http://dgft.gov.in)

(b) Further, there are some items which are free’ for import/export, but subject to conditions stipulated in other Acts or in law for the time being in force.”

2.7. As per the Schedule I of the Indian Trade Classification (HS) Classifications on Import Items 2015-2020, Section V, Chapter 27, Import Policy for the Superior Kerosene Oil (SKO), as covered under Customs Tariff Heading and Tariff Item No. 27101910 is “*State Trading Enterprises*” with remarks that “*Import subject to Para 2.20 of the Foreign Trade Policy and condition at Policy condition (2) below.*”

2.8. Para 2.20 of the Foreign Trade Policy 2015-2020, which was notified under Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 specified as follow.

“(a) State Trading Enterprises (STEs) are governmental and nongovernmental enterprises, including marketing boards, which deal with goods for export and /or import. Any good, import or export of which is governed through exclusive or special privilege granted to State Trading Enterprise (STE), may be imported or exported by the concerned STE as per conditions specified in ITC (HS). The list of STEs notified by DGFT is in Appendix-2J.

(b) Such STE(s) shall make any such purchases or sales involving imports or exports solely in accordance with commercial considerations, including price, quality, availability, marketability, transportation and other conditions of purchase or sale in a non-discriminatory manner and shall afford enterprises of other countries adequate opportunity, in accordance with customary business practices, to compete for participation in such purchases or sales.

(c) DGFT may, however, grant an authorization to any other person to import or export any of the goods notified for exclusive trading through STEs.”

2.9. Further to the above, the Policy condition (2) prescribed at Schedule I of the ITC (HS) Classifications on Import Items 2015-2020, Section V, Chapter 27 is specified as follows:

“(2) Import of SKO shall be allowed through State Trading Enterprises (STEs) i.e. IOC, BPCL, HPCL, and IBP for all purposes with STC being nominated as State Trading Enterprises (STE) for supplies to Advance License Holders. Advance License Holders shall however, have the option to import SKO from the above mentioned STEs including STC.”

2.10. The list of the State Trading Enterprises (STEs) for FTP purpose, as provided vide Appendix 2J of the Foreign Trade Policy 2015-2020 is as follow:

“S. No. STATE-TRADING ENTERPRISES

- 1. Food Corporation of India (FCI)*
- 2. State Trading Corporation (STC)*
- 3. Indian Oil corporation (IOC)*
- 4. Bharat Petroleum Corporation Ltd. (BPCL)*
- 5. Hindustan Petroleum Corporation Ltd. (HPCL)*
- 6. Oil and Natural Gas Corporation Ltd. (ONGC)*
- 7. Minerals and Metals Trading Corporation (MMTC)*
- 8. Indian Potash Ltd. (IPL)*

9. National Dairy Development Board (NDDB)
10. National Cooperative Dairy Federation (NCDF)
11. National Agriculture Cooperative Marketing Federation of India Lid (NAFED)
12. Projects and Equipment Cooperation of India Lid. (PEC)
13. Spices Trading Corporation Limited (STCL)
14. Central Warehousing Corporation (CWC)

2.11. Further to the above, since the SKO in the total quantity in possession exceeding the specified quantity falls under the category of "Petroleum Class B" and the import, storage and handling of the products falling under "Petroleum Class B" are governed by the provisions of the Petroleum Act, 1934 (30 of 1934).

As per the Petroleum Act, 1934

"Petroleum Class "B" means petroleum having a flash point of 23°C and above but below 65°C. (e.g. HSD, SKO, MTO etc.)"

"Flash point" of any petroleum means that the lowest temperature at which it yields a vapour which will give a momentary flash when ignited, determined in accordance with the provisions of chapter II of the Act and the Rules made thereunder."

"Petroleum" means any liquid hydro-carbon or mixture of hydro-carbons and any inflammable mixture (liquid, viscous or solid) containing any liquid hydro-carbon;

3. During the course of investigation with respect to the import of LAWS in the case, statement of Shri Vikas Goel, Proprietor of M/s. Vikanshu Petrochemicals was recorded under Section 108 of the Customs Act, 1962 on 28.09.2020 wherein he inter-alia stated that his firm is engaged in trading of petrochemicals products; that he is looking after all the work related to the firm; that their firm had imported two consignments of Low Aromatic White Spirit through Kandla Port and submitted documents related to the imports; that they had sold LAWS to M/s. Amin Enterprises and M/s. Divinity Impex Meet; that they had not purchased Low Aromatic White Spirit from the local market; that they place order telephonically for the products and the supplier sends the specifications and price of the products available and thereafter they select the desired products and place the orders; that M/s. Mat Shipping was their CHA who arranged the customs clearance of consignment of LAWS; that they have provided authority letters in the name of CHA; that their CHA used to send them checklist before filing Bill of Entry; that CHA in consultation with him, decide the Customs Tariff Head (CTH) of the import product to be declared in bill of entry; that there is no written contract with supplier.

Further, the relevant Question-Answer of the statement dated 28.09.2022 of Shri Vikas Goel is reproduced herein below:

"Q.24 Please peruse the following Test Report issued by, CRCL, New Delhi with the details as mentioned below Table:

S.No.	B/E No.	B/E Date	TM NO.	TM Date	LAB REPORT NO.	Result
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					DATE	
1	4748548	10.01.2018	1022804	12.01.2018	CLR-374/13.06.2019	Kerosene
2	4627672	31.12.2017	1022313	02.01.2018	CLR-393/13.06.2019	Kerosene

Please comment.

Answer: Yes, I have carefully read the above-mentioned Lab Test Report issued by CRCL, New Delhi in respect of Bills of Entry filed by us as mentioned in above Table. I further state that on going through the said test report, the CRCL, New Delhi has opined that the sample confirms the requirements of Kerosene as specified in IS:1459:2018 (Fourth Revision). I further state that in the said Test Report, it is also being mentioned that "It does not meet the requirements for Petroleum Hydrocarbon Solvents as per IS: 1745-2018 (Third Revision) in respect of Final Boiling Point" and the said Test Report shows the product as Kerosene. Having read and understood the Lab Test Reports in respect of above-mentioned Bill of Entry to my satisfaction, I put my dated signatures on the test reports."

4. Further, Shri Vikas Goel, Proprietor of M/s. Vikanshu Petrochemicals, have been shown the test reports issued by the CRCL, New Delhi in respect of Bill of Entry as discussed in Para 2.2 and 2.4 during recording his statement dated 28.09.2022 wherein he understood the content of all the test reports issued by CRCL, New Delhi that the sample confirms the requirements of Kerosene as specified in IS:1459:2018 and it does not meet the requirements for Petroleum Hydrocarbon Solvents as per IS: 1745-2018 (Third Revision) and the test reports shows the product as Kerosene.

4.1. Further, Shri Vikas Goel, Proprietor of M/s. Vikanshu Petrochemicals, has been shown the test report issued by the CRCL, New Delhi in respect of both the Bills of Entry referred in the table above, during recording of his statement dated 28.09.2022 and after perusing and acceptance of the content of the test reports issued by CRCL, New Delhi, he put his dated signatures on the test report. He accepted the content of the said test report forwarded vide letter dated 22.07.2019, that the sample conforms the requirements of Kerosene as specified in IS:1459:2018 and does not meet the requirements for Petroleum Hydrocarbon Solvents as per IS:1745-2018 (Third Revision) and the test reports shows the product as Kerosene. Import of SKO; in this case, if to be considered as classifiable as "Petroleum Class B", then the License issued under the Petroleum Rules, 1976 is mandatory for import of goods falling under "Petroleum Class B" and only such Petroleum is allowed to be imported by the importer who are already in possession of License issued under the Petroleum Rules, 1976. Further for the storage of such "Petroleum Class B" products, statutory provisions have been made, which requires different manner of compliance, if such goods to be stored in Drums and to be stored in tanks. As per Notification No. 105-Cus, dated 06.08.1938, any import made in contravention of the provisions of the Petroleum Act, 1934 (30 of 1934) may have to be treated in deemed violation of the provisions of Section 11 of the Customs Act, 1962.

Import of SKO; in this case, if to be considered as classifiable as "Petroleum Class B", then the License issued under the Petroleum Rules,

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4.1 From the above facts, the goods, though being SKO falling under CTH No. 27101910, were mis-declared as LAWS, falling under CTH No. 27101990, by suppressing its correct description as SKO and correct classification under CTH 27101910 and that the condition stipulated for import through or by STE or against the Special authorization issued by the DGFT, as per the Foreign Trade Policy 2015-2020, as well as conditions of compliance with the provisions of Petroleum Act, 1934 (30 of 1934), were not at all complied with by the importer M/s. Vikanshu Petrochemicals in respect to the import of SKO made by them, which were sought clearance by them under the aforesaid Bills of Entry. Therefore, the said goods are required to be treated as "Prohibited Goods" as defined under Section 2(33) of Customs Act, 1962 and accordingly import of such goods without due compliance with the Policy provisions may have to be categorized as "Smuggling" within the meaning of Section 2(39) of the Customs Act, 1962.

5. The CRCL, New Delhi in its test report has opined that the samples meet the requirements of SKO (Kerosene) as per IS:1459:2018 (Fourth Revision). As per the clarification issued by Bureau of Indian Standards for BIS No: 1745: 2018(Third Revision) it has been clarified that:

1. *BIS through its technical Committees has published two separate Indian standards for, kerosene and Petroleum Hydrocarbon Solvents, namely IS 1459: 2018 Kerosene - Specification (Fourth Revision) and IS 1745: 2018 Petroleum Hydrocarbon Solvents - Specification (Third Revision).*

2. *IS 1459 prescribes requirements and methods of sampling and test of Kerosene intended for use as an illuminant and as a fuel and IS 1745 prescribes the requirements and the methods of test for Petroleum Hydrocarbon Solvents generally used in solvent extraction of oils, rubber and paint industries, in the formulation of insecticides, for dry cleaning and for textile printing purposes.*

3. *The requirements specifically prescribed in IS 1459 for Kerosene only are a) Acidity, inorganic; b) Burning quality; and c) Smoke point and that in IS 1745 Petroleum Hydrocarbon Solvents are a) Initial boiling point; b) Aromatic content; and c) Residue on evaporation.*

6. Taking into consideration, the test reports issued by CRCL, New Delhi, it appears that the goods in the instant case had been cleared by M/s. Vikanshu Petrochemicals vide Bills of Entry No. 4627672 dtd.

30.12.2017 & 4748548 dtd. 10.01.2018 was not "Low Aromatic White Spirit" falling under CTH No. 27101990, as described in the Bill of Entry, but they were Superior Kerosene Oil (SKO), with its correct classification under CTH No. 27101910, and the item falling under said CTH No. 27101910 can be imported by STEs only and it has to be termed as prohibited goods, by virtue of the provisions of Para 2.01 and 2.20 of the Foreign Trade Policy 2015-2020 read with relevant Policy conditions provided in Tariff Item No. 27101910 in the ITC (HS) Classification of Imported goods 2015-2020, if the relevant conditions for its legal import was not complied with by the concerned importer. In the instant case, it appears that the goods were not imported by or through STEs, but it had been negotiated directly by M/s. Vikanshu Petrochemicals with the supplier and also not a case of the importer that they were holding Advance License/Advance Authorization or Special License issued by DGFT for import of SKO. Thus, in the instant case, M/s. Vikanshu Petrochemicals had imported SKO by mis-declaring its correct description and correct classification and had violated the provisions of Para 2.01 read with Para 2.20 of the Foreign Trade Policy 2015-2020 and consequently, the goods covered by Bill of Entry No. 7926577 dated 05.09.2018, should be treated as "Prohibited goods" within the meaning of definition provided vide Section 2(33) of the Customs Act, 1962, which makes such goods liable for confiscation under Section 111(d) of the Customs Act, 1962. Irrespective of all these, it appears from the documents that the goods were described as "Low Aromatic White Spirit" in the respective Invoices and Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 filed by M/s. Vikanshu Petrochemicals. The testing of the goods had revealed that the same were SKO. Thus, there was evident mis-declaration with the sole intention to circumvent the restrictions imposed on its import under the Foreign Trade Policy 2015-2020.

7. Even in the context of the Notification No. 105-Cus dated 06.08.1938, the goods in respect of which the restricting provisions of the Petroleum Act, 1934 and the rules made thereunder are applicable and where the compliance with those provisions is required from the importer of such goods; if non-compliance is observed on the part of the importer, then the same may have to be treated as contravention of the deemed prohibition imposed on such goods in terms of Section 11 of the Customs Act, 1962. It appears from the facts mentioned hereinabove that since the SKO in the total quantity in possession exceeding the specified quantity falls in the category of "Petroleum Class B" and the import, storage and handling of the products falling under "Petroleum Class B" are governed by the provisions of the Petroleum Act, 1934 (30 of 1934). Import of SKO, further to this, if to be considered as classifiable as "Petroleum Class B", then the License issued under the Petroleum Rules, 1976 is mandatory for import of goods falling under "Petroleum Class B" and only such Petroleum is allowed to be imported which were already in possession of License issued under the Petroleum Rules, 1976. Further for the storage of such "Petroleum Class B" products, Statutory provisions have been made, which requires different manner of compliance, if such goods to be stored in Drums and to be stored in tanks. As per Notification No. 105-Cus dated 06.08.1938, any import made in contravention of the provisions of the Petroleum Act, 1934 (30 of 1934) may have to be treated in deemed

violation of the provisions of Section 11 of the Customs Act, 1962. Since the importer in the instant case has failed to follow such compliance, it appears that they have also violated the provisions of Section 11 of the Customs Act, 1962, which makes such goods liable for confiscation under Section 111(d) of the Customs Act, 1962.

8. The import of SKO could be permitted through the STEs only and the exception provided were related to (1) The Advance Licenses holders, through the STEs including STC, as per Policy condition (2) of the Chapter 27 of the ITC (HS) Schedule-1, and (2) the Authorization holder, who were granted such authorization by the DGFT in terms of Para 2.20 (c) of the Foreign Trade Policy. In the instant case, in the absence of compliance by the importer with any of the aforesaid statutory obligations, redemption of the goods could not be allowed to the importers on payment of fine and penalties after re-classifying the goods and modifying the CTH No. thereof. Even in the context of the provisions of the Petroleum Act, 1934 (30 of 1934), making the goods liable to confiscation, redemption of the goods to the importer could not be permitted in the absence of continuation of such non-compliance on the part of the importer.

9. Whereas it appears that though having knowledge about the character of the goods under import, the importer M/s. Vikanshu Petrochemicals had imported and cleared the “prohibited goods” by willfully mis-declaring its description and custom tariff classification. In terms of Section 46 of the Customs Act, 1962, the importer of any goods is required to declare correct details in the Bills of Entry being filed by them, and also required to make and subscribe to a declaration to the truth of the contents of such Bills of Entry, whereas in the instant case, the Importer had filed Bills of Entry with incorrect particulars with the sole aim to suppress the correct nature of Cargo, which were otherwise to be considered as prohibited goods, if its correct character was revealed. Therefore, the goods imported by the importer as such, were also liable for confiscation under Section 111(m) of the Customs Act, 1962 and the goods so imported were to be treated as ‘smuggled goods’ as defined under Section 2(39) of the Customs Act, 1962.

10. From the facts discussed herein above, M/s. Vikanshu Petrochemicals, in connivance with the exporter cleared the “prohibited goods” by intentionally mis-declaring the description and custom tariff classification to the extent of managing and manipulating the import documents like the Commercial Invoice, test results from the Custom House Kandla Laboratory, etc. showing the goods as Low Aromatic White Spirit, though they had all the reasons to believe that the goods being imported were SKO (Kerosene). In terms of Section 46 of the Customs Act, 1962, the importer of any goods is required to declare correct details in the Bill of Entry being filed by them, and also required to make and subscribe to a declaration to the truth of the contents of such Bills of Entry, whereas in the instant case, the importer had filed Bills of Entry with incorrect particulars with the sole aim to suppress the correct nature of cargo, which were otherwise to be considered as prohibited goods, if its correct character were revealed. Therefore, the goods imported by the importer as such, were also liable for confiscation under Section 111(m) of the Customs Act, 1962.

11. Whereas, from the inquiry conducted, test report issued by the CRCL, New Delhi in respect of Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 as discussed in Para 2.2 hereinabove and the statement of Shri Vikas Goel, Proprietor of M/s. Vikanshu Petrochemicals, recorded under Section 108 of Customs Act, 1962 on 28.09.2022, it appears that the importer was well aware that the characteristics of the goods were of SKO, although the Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 were filed by M/s. Vikanshu Petrochemicals for the import of total quantity of 224.77 MTs of goods and cleared by resorting to mis-declaring the goods as LAWS, under Section 46 of the Customs Act 1962 and accordingly the aforementioned SKO (Kerosene) imported and cleared in the guise of Low Aromatic White Spirit of 224.77 MTs having declared assessable Value of Rs. 1,00,90,228/- (Rupees One Crore Ninety Thousand Two Hundred and Twenty Eight Only) (as declared in the Bills of Entry filed) was liable to confiscation under the provisions of Section 111 (d) and (m) of the Customs Act, 1962 in as much as the goods had been imported in gross violation of restriction/prohibition imposed under the Foreign Policy 2015-2020 as discussed in the Paras supra and by mis-declaring the description of the goods with an intent to clear the prohibited/restricted goods from the Customs Department. The above acts of omission and commission on the part of the importer has rendered the imported goods liable to confiscation under Section 111(d) & (m) of the Customs Act, 1962 and also constitutes "Smuggling" as defined under Section 2 (39) of the Customs Act, 1962. All the above acts of omission and commission on the part of M/s. Vikanshu petrochemicals has rendered themselves liable for penalty under Section 112 (a) and (b) of the Customs Act, 1962. It thus appears that M/s. Vikanshu Petrochemicals had knowingly and intentionally made a declaration under the Bills of Entry filed under Section 46 of the Customs Act, 1962, which were false and incorrect. Hence, they have committed offences of the nature as described under the Section 114AA of the Customs Act, 1962 and have consequentially rendered themselves liable to penalty under the said Section 114AA of the Customs Act, 1962. Further, the importer has failed to comply with various provisions of the Customs Act, 1962 with which it was his duty to comply. Therefore, he has also rendered himself liable for the penalty under section 117 of the Customs Act, 1962. "

11.1. From the facts discussed hereinabove, the importer had declared the description of the goods as "Low Aromatic White Spirit" classified under CTH 27101990 in the Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 whereas they had actually imported the Superior Kerosene Oil (SKO) falling under CTH No. 27101910 as per the test reports of CRCL, New Delhi as discussed hereinabove in the guise of "Low Aromatic White Spirit" under CTH No. 27101990 from Kandla Port which were restricted for importation and clearance thereof. The policy condition stipulates that;

"import of SKO (Kerosene) is subject to Para 2 20 of Foreign Trade Policy and shall be allowed through State Trading Enterprises (STEs) ie. ROC, BPCL, HPCL and IBP for all purposes with STC being nominated as a State Trading Enterprise (STE) for supplies to Advance Licence

holders. Advance Licence holders shall however, have the option to import SKO from the above mentioned STEs including STC”.

Further, the SKO stands classified as “Petroleum Class B” Thus, Goods became liable for confiscation under Section 111 (d) and (m) of the Customs Act, 1962.

11.2. The subject goods imported into India, without providing correct information in the Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018, without properly classifying and in contraventions of various provisions of the Customs Act, 1962, which rendered subject goods liable to confiscation as discussed below:

(i) The subject goods, which were imported and cleared by mis-declaring the same as LAWS, are restricted in nature and imported in the guise of the import of LAWS, thus rendering the goods liable to confiscation under Section 111(d) of the Customs Act, 1962;

(ii) The correct informations were not declared in Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018, thus rendering the goods able to confiscation under Section 111(m) of the Customs Act, 1962, and

(iii) The subject goods were imported and cleared by mis-declaring the goods as LAWS, in violation of the Provisions of Petroleum Act, 1934 and consequently violating the Notification ho. 30 of 1934, which has deemed application under Section 11 of the Customs Act, 1962, thus rendering the goods liable to confiscation under Section 111 of the Customs Act, 1962.

12. In view of the above, a Show Cause Notice vide F.No. S/15-01/SIIB/Vikanshu/2018-19 dtd. 12.12.2022 was issued to M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655), wherein they were called upon to show cause to Adjudicating Authority i.e. the Additional Commissioner, Customs House, Kandla, Guajrat-370 210, as to why:-

- a. the declared description of the subject goods i.e. Low Aromatic White Spirit (LAWS) should not be rejected and the goods should not be considered as Superior Kerosene Oil (SKO).
- b. the imported goods should not be re-classified under CTH 27101910 instead of CTH 27101990.
- c. the imported goods i.e. 224.77 MTs of SKO falling under CTH No. 27101910 mis-declared as Low Aromatic White Spirit under CTH 27101990 in the Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 valued at Rs. 1,00,90,228 (Rupees One Crore Ninety Thousand Two Hundred Twenty Eight Only) should not be held liable for confiscation under Provisions of Section 111(d) and 111(m) of the Customs Act, 1962;
- d. Penalty should not be imposed on M/s. Vikanshu Petrochemicals,

Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655) under Section 112(a) and (b), 114AA and 117 of the Customs Act, 1962.

13. Keeping in Abeyance and Retrieval from Call Book:

13.1. The adjudicating authority has observed that in one case of M/s. Swarna Oil Services pertains to import of SKO (Superior Kerosene Oil) by mis-declaring the same as Petroleum Hydrocarbon Plus, departmental appeal was pending before the Hon'ble High Court of Gujarat. Accordingly, the competent authority i.e. the then Commissioner, Customs Kandla has accorded permission & approved that the present case qualified to be kept in abeyance in terms of Section-28(9A) of the Customs Act, 1962 read with Circular No. 162/73/95-CX dated 14.12.1995 and 992/16/2014-CX dated 26.12.2014. The noticee has been informed vide letter dated 13.01.2023 that said SCN has been kept in abeyance with the approval of competent authority.

13.2. Whereas, the Central Board of Indirect Taxes & Customs, New Delhi vide instruction issued under F. No. 390/Misc/30/2023-JC dated 02.11.2023 enhanced the monetary limit to Rs. 1 Crore, below which appeal shall not to be filed before the High Court. The case of M/s. Swarna Oil Services falls within the updated monetary limit, accordingly, the Commissioner, Customs, Kandla has ordered for withdrawal of appeal in the said case.

13.3. The appeal has been withdrawn in the case of M/s. Swarna Oil Services from the Hon'ble High Court of Gujarat on Monitory Ground. Considering the facts that no departmental appeal was pending before the Hon'ble High Court of Gujarat in similar matter, the instant Show Cause Notice has been retrieved from Call Book vide approval dated 17.02.2025 granted by the Competent Authority.

WRITTEN SUBMISSION and PERSONAL HEARING

14. To follow the principles of natural justice, Personal Hearing Notices dated 19.06.2025, 03.07.2025, 15.07.2025, 30.01.2026 and 12.02.2026 were issued to the importer, requesting their appearance for Personal Hearing on 26.06.2025, 10.07.2025, 21.07.2025, 06.02.2026 and 18.02.2026 respectively. The aforesaid Personal Hearing Notices were sent to the email address, as provided by Shri Vikas Goel, Proprietor of M/s. Vikanshu Petrochemicals in his statement dated 28.09.2022. The aforesaid Notices of Personal Hearing were also affixed on the notice board of the Custom House, Kandla. The personal hearing dated 29.10.2025, 06.02.2026 and 18.02.2026 were scheduled under Virtual Mode for convenience of the Noticee and links for Virtual PH were also share with the Noticee e-mail through Webex.com.

The mode of service of notice under the Customs Act, 1962 is specifically provided under Section 153 of the Act.

“Section:153-Modes for service of notice order, etc.—(1) An order, decision, summons, notice or any other communication under this Act or the rules

made thereunder may be served in any of the following modes, namely:— (a) by giving or tendering it directly to the addressee or importer or exporter or his customs broker or his authorised representative including employee, advocate or any other person or to any adult member of his family residing with him; (b) by a registered post or speed post or courier with acknowledgement due, delivered to the person for whom it is issued or to his authorised representative, if any, at his last known place of business or residence; (c) **by sending it to the e-mail address as provided by the person to whom it is issued, or to the e-mail address available in any official correspondence of such person;** (d) by publishing it in a newspaper widely circulated in the locality in which the person to whom it is issued is last known to have resided or carried on business; or (e) by affixing it in some conspicuous place at the last known place of business or residence of the person to whom it is issued and if such mode is not practicable for any reason, then, **by affixing a copy thereof on the notice board of the office** or uploading on the official website, if any.

(2) Every order, decision, summons, notice or any communication shall be deemed to have been served on the date on which it is tendered or published or a copy thereof is affixed or uploaded in the manner provided in sub-section (1).

(3) When such order, decision, summons, notice or any communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved.”

The Hon'ble Supreme Court in M/s. Madan and Co. v. Wazir Jaivir Chand, AIR 1989 SC 630, it was remarked that when the postman is unable to deliver the letter/notice on repeated attempts either on account of the addressee 'not found' not in station, addressee is left or not met' the presumption of service arises as it is not possible for a landlord to ensure that the registered letter/notice sent by him is actually received by the tenant.

This principle has been reaffirmed in C.C. Alavi Haji v. Palapetty Muhammed and Ajeet Seeds Ltd. v. K. Gopala Krishnaiah, wherein it was categorically held that when a notice is returned with postal endorsements like “refused”, “not claimed”, “house locked” or “addressee not in station”, due service has to be presumed unless the contrary is proved by the addressee.

Accordingly, after four opportunities for Personal Hearing, neither did any person appear for the Personal Hearing nor was any written submission received by this office on behalf of the importer.

DISCUSSION & FINDING

15. I have carefully gone through the Show Cause Notice as well as available of records of the case. Five personal hearing were given on 26.06.2025, 10.07.2025, 21.07.2025, 06.02.2026 and 18.02.2026 to the noticee. Before going into the merits of the case, I find that enough opportunities were given to the noticee to attend personal hearing before

deciding the case. However, the noticee nor any representative appeared for attending the personal hearing on any of the scheduled dates of PH. Thus, I find that principle of natural justice as provided in Section 122A of the Customs Act, 1962 have been complied with and therefore, I proceed to decide the case ex-parte on the basis of documentary evidences available on records. The points to be decided in the instant case are as to:-

- Whether declared description and classification of imported goods i.e. Low Aromatic White Spirit under CTH 27101990 covered under the Bill of Entry No. 7926577 dated 05.09.2018, should not be declared the correct description as SKO instead of Low Aromatic White Spirit and re-classified under the Customs Tariff Heading 27101910 instead of Customs Tariff Heading 27101990
- Whether the imported goods i.e. 224.77 MTs of SKO falling under CTH No. 27101910 mis-declared as Low Aromatic White Spirit under CTH 27101990 in the Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 by way of Misdeclaration and Misclassification valued at Rs. 1,00,90,228/- are liable for confiscation under Section 111(d) & 111(m) of the Customs Act, 1962;
- Whether M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655) has failed to comply with the Provisions of Petroleum Act, 1934 and consequently violating the Notification No. 30 of 1934, which has deemed application under Section 11 of the Customs Act, 1962 and thereby rendered the goods liable for confiscation under section 111 (d) & (m) of the Customs Act, 1962 and therefore, rendered himself liable for penal action under Section 112(a) and (b), 114AA and 117 of the Customs Act, 1962.

16. The importer M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655), imported a consignment declared as 'Low Aromatic White Spirit (LAWS)' under Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 at Kandla Port. The declared quantity was 224.77 MTs having an assessable value of Rs. 1,00,90,228/-. The goods were cleared under CTH 2710 1990. Subsequent investigations by the Directorate of Revenue Intelligence, remnant samples were sent to the Central Revenue Control Laboratory (CRCL), New Delhi, for re-testing.

16.1. On perusal of the CRCL lab report forwarded vide letter dated 01.05.2019, it is found that the sample conforms to the specifications of Kerosene as per IS:1459-2018. The sample did not meet the requirements of Petroleum Hydrocarbon Solvents (Solvent 125/240) as per IS:1745-2018 (Fourth Revision). Therefore, the goods are correctly classifiable as Superior Kerosene Oil (SKO) under CTH 2710 1910 instead of CTH 2710 1990 as declared.

16.2 I find that as per the Foreign Trade Policy 2015-2020, SKO is importable only through State Trading Enterprises (STEs) such as IOC, BPCL, HPCL, and IBP, with STC being nominated as the STE for supplies to Advance License holders. The importer did not possess any authorization from DGFT nor held an Advance License for import of SKO. The import was also made without a valid licence under the Petroleum Act, 1934.

16.3. The CRCL report established that the imported product was Superior Kerosene Oil (SKO) as per IS:1459:2018, which falls under the restricted category as per Foreign Trade Policy 2015-2020 and could only be imported through State Trading Enterprises (STEs) like IOC, BPCL, HPCL, and IBP. The importer was neither an STE nor held any DGFT authorization to import SKO. I also find that during the course of recording of statement dated 06.12.2022 of **Shri Vikas Goel Proprietor of M/s. Vikanshu Petrochemicals**, under Section 108 of the Customs Act, 1962, he had revealed that their firm had imported two consignments of Low Aromatic White Spirit through Kandla Port and submitted documents related to the imports; that they had sold LAWS to M/s. Amin Enterprises and M/s. Divinity Impex Meet; that they had not purchased Low Aromatic White Spirit from the local market; that they place order telephonically for the products and the supplier sends the specifications and price of the products available and thereafter they select the desired products and place the orders; that M/s. Mat Shipping was their CHA who arranged the customs clearance of consignment of LAWS; that they have provided authority letters in the name of CHA; that their CHA used to send them checklist before filing Bill of Entry; that CHA in consultation with him, decide the Customs Tariff Head (CTH) of the import product to be declared in bill of entry; that there is no written contract with supplier. Further, **after perusing the copy of the CRCL Delhi Report dated 13.06.2019 in respect of the goods imported by his firm, he accepted the contents of the CRCL report confirming that the product was Kerosene and admitted that they were not a State Trading Enterprise and held no authorization from DGFT to import SKO.**

16.4 I find that the importer did not possess any authorization from DGFT nor did they act through an STE. Thus, the goods imported are in violation of Para 2.01 and 2.20 of the FTP 2015–2020 and are to be treated as “Prohibited Goods” under Section 2(33) of the Customs Act, 1962. The importation, therefore, is contrary to the prohibitions imposed under the Customs Act and Foreign Trade Policy, rendering the goods liable for confiscation under Section 111(d) of the Customs Act, 1962.

16.5 Further, in the instant case, the SKO being imported falls under “Petroleum Class B”, based on the quantity and type of product. Import, storage, and handling the products falling under “Petroleum Class B” are governed by the provisions of the Petroleum Act, 1934 (30 of 1934). The License issued under the Petroleum Rules, 1976 is mandatory for import of goods falling under “Petroleum Class B” and only such Petroleum is allowed to be imported which were already in possession of License issued under the Petroleum Rules, 1976. Without this license, the import of

Petroleum Class B products is not permitted. Storage in drums or tanks is subject to separate statutory conditions. Notification No. 105-Cus dated 06.08.1938 states that any import made in contravention of the Petroleum Act, 1934 (30 of 1934) is deemed a violation of Section 11 of the Customs Act, 1962. Since the importer in the instant case has failed to follow the provisions of the Petroleum Act, 1934 (30 of 1934), I find that they have also violated the provisions of Section 11 of the Customs Act, 1962, which makes such goods liable for confiscation under Section 111(d) of the Customs Act, 1962. In the instant case, in the absence of compliance by the importer with any of the aforesaid statutory obligations, redemption of the goods could not be allowed to the importers on payment of fine and penalties after re-classifying the goods and modifying the CTH No. thereof.

Further, I find that the Hon'ble High Court of Chennai, in the case of Visteon Automotive Systems India Limited²⁷, has held that availability of goods is not necessary for imposing redemption fine. The Hon'ble Court held "...opening words of Section 125, "Whenever confiscation of any goods is authorized by this Act ...", brings out the point clearly. The power to impose redemption fine springs from the authorization of confiscation of goods provided for under Section 111 of the Act. When once power of authorization for confiscation of goods gets traced to the said Section 111 of the Act, we are of the opinion that the physical availability of goods is not so much relevant. The redemption fine is in fact to avoid such consequences flowing from Section 111 only. Hence, the payment of redemption fine saves the goods from getting confiscated. Hence, their physical availability does not have any significance for imposition of redemption fine under Section 125 of the Act.

I find that the above view of the Hon'ble Madras High Court was relied upon by Hon'ble Gujarat High Court in the case of M/s. Synergy Fertichem Pvt. Ltd. Hon'ble Gujarat High Court at para 174 and 175 held that "*We would like to follow the dictum as laid down by the Madras High Court in Para-23 in the case of Visteon Automotive Systems India Limited Vs CESTAT, Chennai.*"

Hence, I conclude that goods are liable for confiscation under section 111 of the Act; and redemption fine is imposable on the imported goods even if they have been cleared from the customs port and are not presently available for confiscation.

16.6. I find that the goods declared in the subject Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 were found to be mis-declared in terms of classification and also there is requirement of authorization from DGFT or an Advance Licence for import of SKO. Since in this case, the condition has not been complied with, the subject goods are liable to be treated as prohibited goods. The Section 111(d) provides for confiscation of goods which are imported /attempted to be imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force. The Section 111(m) provides for confiscation of any goods which do not correspond in respect of value or in any other particular with the entry made under this Act. I therefore hold that in

absence of authorization from DGFT and intentional mis-declaration & mis-classification of imported goods, the goods covered under Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 valued at Rs. 1,00,90,228/- (Rupees One Crore Ninety Thousand Two Hundred Twenty Eight only), are liable for confiscation under provisions of Section 111 (d) & (m) of the Customs Act, 1962.

17. Based on the inquiry conducted, the test report issued by CRCL, New Delhi in respect of Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018, and the statement dated of Shri Vikas Goel, Proprietor of M/s. Vikanshu Petrochemicals, I find that the importer was aware that the imported goods had the characteristics of Superior Kerosene Oil (SKO). However, the goods were mis-declared as Low Aromatic White Spirit (LAWS) in the Bill of Entry filed under Section 46 of the Customs Act, 1962 for a total quantity of 224.77 MTs, with a declared assessable value of Rs. 1,00,90,228/-. This mis-declaration was made with the intent to evade restrictions/prohibitions under the Foreign Trade Policy 2015–2020. As a result, the goods are liable for confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962. The act of mis-declaring restricted/prohibited goods for clearance constitutes “smuggling” under Section 2(39) of the Customs Act. The importer is therefore liable for penalty under Sections 112(a) and (b) for their role in the improper importation. Furthermore, the false declaration made under the Bill of Entry renders them liable for penalty under Section 114AA of the Customs Act. The importer also failed to comply with mandatory provisions of the Act, attracting penalty under Section 117 *ibid*.

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

ORDER

(i) I hold that the goods imported by M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655) under Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 valued at Rs. 1,00,90,228/- (Rupees One Crore Ninety Thousand Two Hundred Twenty Eight only), declared as 'Low Aromatic White Spirit' under Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 are classifiable as 'Superior Kerosene Oil (SKO)' under CTH 2710 1910. The goods are liable for confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962.

(ii) I order to confiscate the said goods i.e. 224.77 MTs of Superior Kerosene Oil (SKO) mis-declared as LAWS which were imported under Bills of Entry No. 4627672 dtd. 30.12.2017 & 4748548 dtd. 10.01.2018 valued at Rs. 1,00,90,228/- (Rupees One Crore Ninety Thousand Two Hundred Twenty Eight only), under Sections 111(d) and 111(m) of the Customs Act, 1962. However, as the goods have already been cleared by customs, I impose a redemption fine of Rs. 10,09,023/- (Rupees Ten Lakhs Nine Thousand Twenty Three Only) in lieu of confiscation under Section 125(1) of the Act.

(iii) I impose a penalty of Rs. 10,09,023/- (Rupees Ten Lakhs Nine Thousand Twenty Three Only) on M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655), under Section 112(a)(i) of the Customs Act, 1962.

(iv) I further impose a penalty of Rs. 50,00,000/- (Rupees Fifty Lakhs only) under Section 114AA of the Customs Act, 1962 for making false declarations in the Bill of Entry.

(v) I impose a penalty of Rs. 2,00,000/- (Rupees Two Lakhs only) on M/s. Vikanshu Petrochemicals, Plot No. 51, Ward 9AF, Gandhidham, Kachchh, Gujarat-370201 (IEC No. 0514051655), under Section 117 of the Customs Act, 1962 for contravention of other provisions of the Act.

19. This order is issued without prejudice to any other action that may be taken in respect of the goods in question and/or against the persons concerned or any other person, if found involved, under the provisions of the Customs Act, 1962, and/or any other law for the time being in force in the Republic of India.

20. The SCN F.No. S/15-01/SIIB/Vikanshu/2018-19 dated 12.12.2022 issued by the Additional Commissioner, Customs House, Kandla, is hereby disposed off.

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

(VISHWAJEET SINGH)
COMMISSIONER (in-situ),
CUSTOMS HOUSE, KANDLA.

F. No. GEN/ADJ/ADC/1137/2020-Adjn-O/o Commr-Cus-Kandla

Date: 20-04-2026

To,

M/s. Vikanshu Petrochemicals, (IEC No. 0514051655)
Plot No. 51, Ward 9AF, Gandhidham,
Kachchh, Gujarat-370201.

Copy to :-

1. The Assistant Commissioner of Customs (SIIB), Custom House, Kandla.
2. The Assistant Commissioner of Customs (GR-I), Custom House, Kandla.
3. The Assistant Commissioner of Customs (RRA), Custom House,

Kandla.

4. The Assistant Commissioner of Customs (TRC), Custom House, Kandla.
5. The Assistant Commissioner of Customs (EDI), Custom House, Kandla.
6. Guard File