

	<p>प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, एमपी और एसईजे१ मुंद्रा, कच्छ-गुजरात -370421</p> <p><b>OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOMS HOUSE, MP &amp; SEZ MUNDRA, KUTCH-GUJARAT</b> PHONE : 02838-271426/271428 FAX :02838-271425</p>	 <p>आजादी का अमृत महोत्सव</p>
A	File No.	CUS/APR/BE/MISC/1172/2025/Gr-2
B	Order-in-Original No.	MCH/ADC/ZDC/87/2025-26
C	Passed by	<b>Dipak Zala</b> Additional Commissioner of Customs Custom House, Mundra.
D	Date of order	<b>16.06.2025</b>
E	Noticee/Party/ Importer/ Exporter	M/s. Shashwat Super Stockist, Shed No 11, Block No 2016, Satej Khatej Road, Opp Sonalben Khakhrawala, Ahmedabad – 382722
F	DIN No.	<b>DIN-20250671MO000000F1E9</b>

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),  
चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड, नवरांगपुरा, अहमदाबाद-380 009”  
“THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA**

**Having his office at 4<sup>th</sup> Floor, HUDCO Building, Ishwar Bhuvan Road,  
Navrangpura, Ahmedabad-380 009.”**

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 be accompanied by –

i. उक्त अपील की एक प्रति और  
A copy of the appeal, and

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

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

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

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

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

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

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

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

### Brief facts of the case

M/s. Shashwat Super Stockist (IEC No. AFCFS2519D), (hereinafter referred to as '**the importer**' for sake of brevity) having address at Shed No 11, Block No 2016, Satej Khatej Road, Opp Sonalben Khakhrawala, Ahmedabad – 382722, had filed Bill of Entry no. 8897071 dated 15.03.2025, for import of goods declared as 'Latex Medical Examination Powdered Gloves' falling under CTH 40151200 through their authorised Customs Broker M/s. Access Worldwide Cargo, (hereinafter referred as 'the CB' for sake of brevity). The details of the B/E are as follows:

Sr No.	B/E No. & date	Bill of Lading No. & Date Container No.	Declared Goods	Quantity (as declared)	Declared Assessable Value (in Rs.)
1.	8897071 dated 15.03.2025	KMTCPKW1141399 dated 07.03.2025 Container no. FFAU3981058	LATEX MEDICAL EXAMINATION POWDERED GLOVES	25,00,000 pairs	71,90,820

2.1. A complaint was received from Indian Rubber Gloves Manufacturers Association, vide letter dated 12.03.2025, wherein, it was alleged that:-

- The gloves falling under CTH 40151900 is being allowed to be imported, repacked and sold to hospitals in violation of the Medical Devices Rules, 2017;
- There may be concealment of GST as the importer is paying 12% GST (rate applicable for Medical Gloves) instead of 18% (rate applicable for non-medical gloves). They are overcharging customers by 6% and may be concealing the GST payable to the treasury;

- The importer has submitted the price of gloves being imported which is approximately 75% less than the price existing in the international market;
- The importer has imported phased out chlorinated gloves in violation of Biomedical Waste Management Rules, 2016;
- The gloves fail to meet the BIS standards as required by MDR 2017;
- They are not following Legal Metrology Guidelines as they have imported the gloves from Malaysia in bulk form in Sugar gunny bag and they have repacked them in boxes which have been purchased locally.

2.2. Accordingly, consignment pertaining to Bill of Entry no. 8897071 dated 15.03.2025 (container No. FFAU3981058) was placed on hold for SIIB examination, the container had arrived at CWC CFS, APSEZ, Mundra and the container was placed at Warehouse No.1, Shutter No. 05. The seal of the container was cut open, on opening it was found that there were large number of plastic woven bags. They were de-stuffed with the help of labours provided by Shri Pradeepsinh, Jadeda, representative of CWC CFS, APSEZ, Mundra. After de-stuffing, the rolls were segregated and counted as per packing list dated 05.03.2025. As per packing list, invoice and Bill of Entry goods of Container are as follows:-

S.No	Description of goods	Qty. Bags	Qty. Pcs.	Gross Weight/ Net weight
1	Latex Medical Examination Powdered Gloves HS CODE : 40151200	1250	50,00,000	28,320 Kgs/ 28,000 Kgs

2.3. The woven plastic bags were opened and it was found that the bags contained rubber gloves. Gloves in some of the random plastic bags were counted by the surveyor and as per the survey report given by the surveyor, it was found that there were total 56,64,080/- gloves (28,32,040 pairs) Further, as per the weighment slip given by CFS representative, weight of the container was 28,440 Kgs. The nature of the gloves cannot be ascertained through visual examination, accordingly representative sample of cargo was taken and the same was sent for testing to CRCL, Kandla, vide Test Memo no. 350/27.03.2025. Test Report was received from CRCL, Kandla, vide Lab No.:22-SIIB/02-04-2025 dated 08.04.2025. As per the test report, the gloves were not chlorinated as alleged in the complaint. Also, no Quality Control Order has been issued in respect of Medical Examination Gloves. Further, the importer has received NOC from CDSCO in respect of the present Bill of Entry.

3. During the course of investigation, statement of Shri Rajeshkumar Rajkishor Singh, S/o Shri Rajkishor Singh, G Card Holder of Customs Broker M/s. Access Worldwide Cargo and authorised representative of M/s. Shashwat Super Stockist, was recorded under Section 108 of the Customs Act, 1962 on 24.04.2025, wherein, he inter-alia stated that:-

- Shashwat had imported “LATEX MEDICAL EXAMINATION GLOVES” falling under CTH 40151200, vide Bills of Entry nos. 8826524 dated 11.03.2025, 8826712 dated 11.03.2025 and 8897071 dated 15.03.2025;
- They had obtained registration from CDSCO and has received NOC from CDSCO in respect of the goods imported vide Bills of Entry nos. 8826524 dated 11.03.2025, 8826712 dated 11.03.2025 and 8897071 dated 15.03.2025 and the same can also be verified from ICEGATE system. He also stated that CDSCO grants NOC in respect of a consignment after ensuring compliance with the Medical Devices Rules, 2017. Also, in past, samples were drawn from “Medical Examination Gloves” imported by

them and NOC in respect of the said consignment was given after testing;

- Examination of the goods was carried out in my presence and he agreed that actual quantity of the goods imported vide Bill of Entry no. 8897071 dated 15.03.2025 is 56,64,080 (28,32,040 pairs) against the declared quantity of 25,00,000. He also stated that they do not want any Show Cause Notice or personal hearing in the matter and Investigation Report in the matter may be issued and the matter may be decided on merits. They are willing to pay applicable fine/penalty in respect of the Bill of Entry no. 8897071 dated 15.03.2025.

#### 4. Redetermination of Assessable Value and Duty:

4.1. In the Bill of Entry 8897071 dated 15.03.2025, the importer had declared the quantity of goods as 25,00,000 pairs, however, during the course of examination, actual quantity of goods was found to be 56,64,080 gloves (28,32,040 pairs). Accordingly, assessable value and duty appears liable to be re-determined. In the Bill of Entry, the importer had declared assessable value of Rs. 71,90,820/- for 25,00,000 pairs. Considering the same rate, assessable value for 28,32,040 pairs comes to Rs. 81,45,876 ( $71,90,820/25,00,000 \times 28,32,040$ ) and Customs Duty comes to Rs. 9,77,505 (12% 81,45,876) as follows:-

Assessable Value	BCD*	SWS	IGST
81,45,876	-	-	9,77,505

\*BCD is exempted as per Notification No. 46/2011 dated 01.06.2011

#### 5. LEGAL PROVISIONS

Legal provisions applicable in this case under the Customs Act 1962 are as follows:

##### 5.1. ***Section 46 : Entry of goods on importation :***

*(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 BE shall ensure the following :*

- a. *accuracy and completeness of the information given therein;*
- b. *the authenticity and validity of any document supporting it; and*
- c. *compliance with restriction or prohibition, if any, relating to the goods under this act or under any other law for the time being in force.*

##### 5.2. ***Section 111: Confiscation of improperly imported goods, etc. –***

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

*(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 transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54.*

### **5.3. Section 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, to a penalty not exceeding the duty sought to be evaded on such goods or five thousand rupees, whichever is the greater;*

*(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.*

### **5.4. SECTION 125: Option to pay fine in lieu of confiscation.**

*(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any*

*other goods, give to the owner of the goods or, where such owner is not known, the person from whose possession or custody such goods have been seized, an option to pay in lieu of confiscation such fine as the said officer thinks fit:*

*Provided that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, 3 [no such fine shall be imposed]:*

*Provided further that, without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.*

*(2) Where any fine in lieu of confiscation of goods is imposed under sub-section (1), the owner of such goods or the person referred to in sub-section (1), shall, in addition, be liable to any duty and charges payable in respect of such goods.]*

*(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.*

**6.** In view of the discussion in foregoing paras, it appears that:-

- a. Quantity of the goods is liable to be considered as 28,32,040 pairs instead of 25,00,000 pairs as declared by the importer in the Bill of Entry no. 8897071 dated 15.03.2025;
- b. The assessable value of these mis-declared imported goods imported vide Bill of Entry no. 8897071 dated 15.03.2025 is liable to be re-determined as Rs. 81,45,876/- (instead of Rs. 71,90,820/- as declared in the BE) under Rule 5 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962;
- c. M/s. Shashwat Super Stockist are liable to pay Customs Duty of Rs. 9,77,505 (IGST) and the Bill of Entry no. 8897071 dated 15.03.2025 is liable to be re-assessed under the provisions of the Customs Act, 1962;
- d. The goods imported vide the Bill of Entry no. 8897071 dated 15.03.2025 are liable for confiscation under Section 111(l) and Section 111(m) of the Customs Act, 1962;
- e. The importer M/s. Shashwat Super Stockist are liable to penalty under Section 112(a) of the Customs Act, 1962.

**Show Cause Notice :-**

As the importer has already requested for waiver of the show cause notice and personal hearing in the matter, necessary adjudication proceeding/action may be initiated in respect of the said Bill of Entry as per the Customs Act, 1962.

**Submission and personal hearing:-**

Importer M/s. Shashwat Super Stockist vide their letter dated 10.06.2025 has stated that upon examination by SIIB, it was found that the actual quantity in the container was 1402 bags resulting in an excess of 152 bags equivalent to 3,04,000/- pairs over the declared quantity. They further stated that they are willing to accept any fines, penalties and payment of differential customs duty as per the provisions of the Customs Act for receipt of

excess cargo and do not require any show cause notice or personal hearing.

### **DISCUSSION AND FINDINGS**

7 . I have carefully gone through the facts and findings of the case, legal provisions mentioned above and subsequent, submission made by the importer M/s. Shashwat Super Stockist. As the importer has already requested for waiver of the show cause notice and personal hearing in the matter during investigation. Therefore, the 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 on the basis of documentary evidences available on records. The points to be decided in the instant case are as to:

- I. Whether the quantity 28,32,040 pairs of gloves instead of 25,00,000 pairs imported vide Bill of Entry no. 8897071 dated 15.03.2025 is liable to be confiscated under section 111 (l) & (m) of Customs Act, 1962;
- II. Whether the assessable value of these goods imported vide Bill of Entry no. 8897071 dated 15.03.2025 is liable to be re-determined as Rs. 81,45,876/- (instead of Rs. 71,90,820/-as declared in the BE) under Rule 5 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.
- III. Whether the BoE No. 8897071 dated 15.03.2025 is liable to be re-assessed under section 17(4) of the Customs Act, 1962.
- IV. Whether penalty under Section 112 (a) (ii) of Customs Act, 1962 is imposable upon the importer.

8. I find that the importer M/s. Shashwat Super Stockist had filed Bill of Entry no. 8897071 dated 15.03.2025, for import of 25,00,000 pairs of "Latex Medical Examination Powdered Gloves" falling under CTH 40151200 with an assessable value of ₹71,90,820. The shipment was imported through their authorized Customs Broker, M/s. Access Worldwide Cargo, in container No. FFAU3981058 against Bill of Lading No. KMTCPKW1141399 dated 07.03. 2025.

9 . Based on a complaint received from the Indian Rubber Gloves Manufacturers Association (letter dated March 12, 2025), the SIIB section of Custom House, Mundra placed the shipment on hold for examination. Upon inspection, the cargo was found to contain rubber gloves. A random count by the surveyor revealed a total of 56,64,080 gloves (28,32,040 pairs), and the container weighed 28,440 kgs, as per the weightment slip provided by the CFS representative. Since the nature of the gloves could not be ascertained visually, representative samples were taken and sent to CRCL, Kandla (Test Memo No. 350 dated 27.03.2025). The test report (Lab No.: 22-SIIB/02-04-2025 dated April 8, 2025) confirmed that the gloves were not chlorinated, contrary to the complaint's allegations. Additionally, no Quality Control Order has been issued for Medical Examination Gloves. The importer has also obtained a No Objection Certificate (NOC) from CDSCO for this Bill of Entry.

10. Further, I find that the importer had declared the quantity of goods as 25,00,000 pairs in Bill of Entry No. 8897071 dated 15.03.2025 however, during the course of examination by the SIIB officer, actual quantity of goods was found to be 56,64,080 gloves (28,32,040 pairs). Thus, it is found that the importer has mis-declared the quantity of the goods to the 3,32,040 pairs of gloves to evade the custom duty.

Accordingly, assessable value of goods is required to be re-determined. In the

Bill of Entry, the importer had declared assessable value of Rs. 71, 90,820/- of 25,00,000 pairs of gloves. Considering the same rate, assessable value of excess quantity of gloves comes to Rs. 9,55,056/- and total assessable value of entire goods 28,32,040 pairs comes to Rs. 81,45,876 ( $71,90,820/25,00,000 \times 28,32,040$ ). Thus, the importer has to be intended to evade customs duty on differential value 9,55,056/- which resulted into short levy of duty of Rs. **1,14,607/-**. Therefore, the goods importer under said BoE is found to be mis-declared hence, the BoE is liable to be re-assessed under section 17(4) of the Customs Act, 1962.

11. As per the provisions of the Section 46(4) of the Customs Act, Importer has to declare correct value, Quantity and Duty and have to file Bill of Entry accordingly correctly. In the instant case, Importer failed to perform their duties correctly as per the provisions of the Section 46(4) of the Customs Act, as amended from time to time and is liable to be penalized.

12. I find that the importer, by the act of omission and commission, has contravened the provisions of Section 46 and Section 17 of the Customs Act, 1962, in as much as, they failed to make correct and true declaration and information to the Customs Officer in the form of Bill of Entry and also failed to assess their duty liability correctly. Therefore, the importer has rendered the goods liable for confiscation under Section 111 (l) & 111(m) of the Customs Act, 1962 and is, therefore, liable for penalty under section 112(a)(ii) of the Customs Act, 1962. I further find that the goods in question can be redeemed on payment of redemption fine in terms of Section 125 of the Customs Act, 1962.

13. In view of the above, I pass the following order:

#### ORDER

- i. I order to re-assess the BoE No. 8897071 dated 15.03.2025 under section 17(4) of the Customs Act, 1962 with applicable customs duty.
- ii. I order to reject the declared value i.e. Rs. 71, 90,820/- under BoE No. 8897071 dated 15.03.2025 and order to re-determine of Rs. 81,45,876/- under Rule 5 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.
- iii. I order to confiscate the goods covered under BoE No. 8897071 dated 15.03.2025 valued at Rs. 81,45,876/- under Section 111(1) and 111(m) of Customs Act, 1962. However, I give an option to the importer to redeem the same on payment of redemption fine of Rs. 8,00,000/- (Rupees Eight Lakhs Only) under section 125 ibid.
- iv. I impose penalty of Rs. 10000 (Rupees Ten Thousand only) on the importer under Section 112 (a) (ii) of Customs Act, 1962 on differential duty as discussed in para 10 supra.

14. This order is issued without prejudice to any other action which may be contemplated against the importer or any other person under provisions of the Customs Act, 1962 and rules/regulations framed thereunder or any other law for the time being in force in the Republic of India.

Zala Dipakbhai

Chimanbhai

Additional Commissioner (Import)  
Custom House, Mundra

To,

M/s. Shashwat Super Stockist,  
Shed No 11, Block No 2016, Satej Khatej Road, Opp Sonalben Khakhrawala,  
Ahmedabad – 382722

Copy to:

1. The Assistant Commissioner of Customs (RRA), CH, Mundra.
2. The Assistant Commissioner of Customs (TRC), CH, Mundra
3. The Assistant Commissioner of Customs (SIIB), CH, Mundra.