F.No.- S/10-Adj-39/2025-26/Gr.II (C-F)

सत्यमेव जयते	सीमा शुल्क आयुक्त का कार्यालय, (एनएस-I), **OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-I),** जवाहरलाल नेहरू कस्टम हाउस, न्हावा शेवा, **JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,** तालुका उरण, जिला रायगढ़, महाराष्ट्र- 400 707 **TALUKA URAN, DIST. RAIGAD, MAHARASHTRA-400 707**	

F. NO. S/26-Misc-130/23-24/II(C-F) Date:06-10-2025
Aduit F.No.: S/2-Audit-Gen-319/2021-22/JNCH/B-2 (D-3)
Order No. 964(L)/2025-26/JC/Gr.II (C-F) NS-I/CAC/JNCH
DIN: 2025 1078NW000000159OF

CONCLUSION PROCEEDING

M/s. Minolta Chem, (hereinafter referred to as "the importer") (IEC 306023822), with its registered address at 211 & 212, Bhaveshwar Arcade Annexe, L.B.S Marg, Ghatkopar (W), Mumbai - 400 086, had imported glass frit grade glass beads for manufacturing road marking paint. The importer classified these under CTH 32074000 and availed concessional BCD @5%, which was intended for goods in powder, granules, or flakes form as per Notification No. 50/2017-Customs. However, audit review revealed that these goods were in bead form, correctly classifiable under CTH 70182000, attracting BCD @10%.

2. An Audit Report (F.No. S/2-Audit-Gen-319/2021-22/JNCH/B-2 (D-3) dated 25.10.2023) was issued by the Office of the Commissioner of Customs (Audit), JNCH, Nhava Sheva. The report was based on an NCTC Alert (Analytics Report/19/2021-22 dated 02.06.2021) which indicated potential wrong claims of concessional Basic Customs Duty (BCD).

3. The audit revealed that the importer had filed the following Bills of Entry for the clearance of goods declared as 'Glass frit grade (Glass beads for manufacturing road marking paint)':

i. BE No. 6698300 dated 31.01.2020
ii. BE No. 3944122 dated 14.05.2021

The importer had self-assessed these goods under Customs Tariff Heading (CTH) 32074000 and availed a concessional BCD rate of 5% by claiming the benefit under Sr. No. 236 of Notification No. 50/2017-Customs dated 30.06.2017.

4. However, the audit concluded that the imported goods, being in the form of "Glass Beads," are not covered under CTH 3207 40 00, which applies to "Glass frit and other glass, in the form of powder, granules or flakes." The correct classification for "Glass Beads" is under CTH 7018 20 00, which attracts a BCD of 10%. This misclassification resulted in a short payment of duty

5. Upon being informed of the audit observation, the importer, vide

their letter dated 03.09.2025, accepted the incorrect classification and agreed to pay the differential duty along with applicable interest.

6 . Subsequently, the importer has paid the total differential duty amounting to **Rs. 1,40,280/-** along with applicable **interest of Rs. 1,08,088** and **penalty (@15% of total duty) of Rs. 21,042** vide challan no 1847265112 dated 09.09.2025 and 1282230129 dated 09.09.2025 and vide their letter dated 09.09.2025, the importer requested the closure of proceedings as thy have paid all dues including interest and penalty.

7 . The relevant legal provisions of the Customs Act, 1962, are reproduced below:

> ***Section 28(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.*
>
> ***Section 28(5):*** *Where any duty has not been levied or not paid or has been short-levied or short paid or the interest has not been charged or has been part-paid or the duty or interest has been erroneously refunded by reason of collusion or any willful mis-statement or suppression of facts by the importer or the exporter or the agent or the employee of the importer or the exporter, to whom a notice has been served under sub- section (4) by the proper officer, such person may pay the duty in full or in part, as may be accepted by him, and the interest payable thereon under section 28AA and the penalty equal to fifteen per cent of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing.*
>
> ***Section 28(6):*** *Where the importer or the exporter or the agent or the employee of the importer or the exporter, as the case may be, has paid duty with interest and penalty under sub-section (5), the proper officer shall determine the amount of duty or interest and on determination, if the proper officer is of the opinion- (i) that the duty with interest and penalty has been paid in full, then, the proceedings in respect of such person or other persons to whom the notice is served under sub-section (1) or sub- section (4), shall, without prejudice to the provisions of sections 135, 135A and 140 be deemed to be conclusive as to the matters stated therein...*

8. I find that the importer before issuance of show cause notice under Section 28(4) of the Customs Act, 1962, has voluntarily paid the entire differential duty of **Rs. 1,40,280/- (Rupees One Lakh Forty Thousand**

Two Hundred and Eighty Only) along with the **interest of Rs. 1,08,088** as determined under Section 28AA of the Customs Act, 1962 and **penalty of Rs. 21,042** (i.e., 15% of duty).

9 . Considering that the full amount of differential duty along with applicable interest as envisaged under Section 28 of the Customs Act, 1962, has been deposited by the importer, conditions stipulated under Section 28(6)(i) of the Customs Act, 1962 are met. Therefore, the proceedings initiated in this matter are deemed to be concluded without prejudice to section 135,135A & 140 of the Customs Act 1962. The amount paid is appropriated towards the differential duty, applicable interest and penalty. This is issued without prejudice to any other actions that may be taken under the Customs Act, 1962.

Digitally signed by
Parul Singhal
Date: 06-10-2025
13:18:31

(Dr. Parul Singhal/ डॉ. पारुल सिंघल)
Joint Commissioner of Customs, NS-I,
JNCH, Nhava-Sheva

To,
M/s. Minolta Chem, (IEC: 306023822)
211 & 212, Bhaveshwar Arcade Annexe,
L.B.S Marg, Ghatkopar (W), Mumbai - 400086
Copy to: -

i. The Assistant/Deputy Commissioner of Customs, Audit Commissionerate, JNCH.
ii. The Assistant/Deputy Commissioner, Group 2C, JNCH, Nhava Sheva.
iii. Assistant/Dy. Commissioner, CHS, JNCH, Nhava Sheva
iv. Assistant/Dy. Commissioner, CAC, JNCH, Nhava Sheva
v. Assistant/Dy. Commissioner, CRAC, JNCH, Nhava Sheva
vi. Assistant/Dy. Commissioner, EDI, JNCH, Nhava Sheva
vii. Office Copy.