

 सत्यमेव जयते	OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-I), सीमाशुल्क आयुक्त का कार्यालय (एनएस -I) NHAVA-SHEVA, JAWAHARLAL NEHRU CUSTOM HOUSE, न्हावा-शेवा, जवाहरलाल नेहरू कस्टम हाउस, TAL-URAN, DISTRICT- RAIGAD, MAHARASHTRA - 400 707. ताल-उरण, जिला- रायगढ़, महाराष्ट्र - 400 707	
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File No. CUS/APR/MISC/1459/2025-Gr (1And1A)

Date: 13.01.2026

SCN No.: 1825/2025-26/JC GR. I & IA/NS-I/CAC/JNCH

DIN: 20260178NW0000813913

S/10-1640/2025-26/JC GR. I & IA/NS-I/CAC/JNCH

Subject: Show Cause Notice under Section 28(4) of the Customs Act, 1962, in respect of goods imported by M/s BASF INDIA LIMITED (IEC- 0388007257)-reg;

M/s BASF INDIA LIMITED (IEC- 0388007257) having address at The Capital, A Wing, 1204-C, 12th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East)- 400051 (hereinafter referred to as 'the Importer' for sake of brevity) had imported goods declared as "Myritol 312/PO:4974020452/00010 Other Vegetable Oil and its Fats:Other" for clearance under CTH 15180039.

2. During scrutiny of bills of entry by DG Audit, Mumbai (Central), it was observed that M/s BASF India Limited has imported 02 consignments of "MYRITOL 312" from Apr 2022 to Aug 2022 through NS-1 Commissionerate. The imported goods were classified under CTH 15180039 (Animal, vegetable or microbial fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading 1516; inedible mixtures or preparations of animal, vegetable or microbial fats or oils or of fractions of different fats or oils of this chapter, not elsewhere specified or included: Other vegetable oil and its fats: Other) and BCD @ 30% was paid by availing exemption under notification 50/2017, S. No. 80 (All goods other than edible grade falling under CTH 1517 & 1518). IGST @ 5% as per the Notification no. 01/2017-Integrated Tax (Rate) dated 28 June 2017, S. No. I/90 was paid. For BE 2192636 dated 27/08/2022, the importer availed RODTEP scheme.

3. On examination of the product literature, technical specifications and chemical composition of the imported goods it was observed that "MYRITOL 312" is Capric Triglycerides, which is used as a medium-spreading emollient in cosmetic applications. Capric Triglycerides are manufactured by esterification of glycerol with caprylic (C8) and capric (C10) fatty acids, derived from coconut oil or palm kernel oil. The said process results in chemically modified vegetable oils.

4. As per Customs Tariff Act, 1975, "Animal or vegetable or microbial fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared: Vegetable fats and oils and their fractions: Other" is classified under CTH - 15162099 and attracts BCD @ 80% after providing exemption under Notification 50/2017, Sr. No. 76 (All goods other than edible grade falling under CTH -1516 20 & 1516 30 00) along with other applicable cess.

5. HSN Explanatory Notes to Chapter 15(1516 & 1518) are reproduced below for reference:

15.16 •ANIMAL OR VEGETABLE FATS AND OILS AND THEIR FRACTIONS, PARTLY OR WHOLLY HYDROGENATED, INTER-ESTERIFIED, RE-ESTERIFIED OR ELAIDINISED, WHETHER OR NOT REFINED, BUT NOT FURTHER PREPARED.

1516.10 - Animal fats and oils and their fractions

1516.20 - Vegetable fats and oils and their fractions

This heading covers animal or vegetable fats and oils, which have undergone a specific chemical transformation of a kind mentioned below, but have not been further prepared.

The heading also covers similarly treated fractions of animal or vegetable fats and oils.

(A) Hydrogenated fats and oils.

Hydrogenation, which is effected by bringing the products into contact with pure hydrogen at a suitable temperature and pressure in the presence of a catalyst (usually finely divided nickel), raises the melting points of fats and increases the consistency of oils by transforming unsaturated glycerides (e.g., of oleic, linoleic, etc., acids) into saturated glycerides of higher melting points (e.g., of palmitic, stearic, etc., acids). The degree of hydrogenation and the final consistency of the products depend on the conditions employed in the process and the length of treatment. The heading covers such products whether they have been:

(1) Partly hydrogenated (even if these products tend to separate into pasty and liquid layers). This also has the effect of converting the cis-form of the unsaturated fatty acids into the trans-form in order to raise the melting point.

(2) Wholly hydrogenated (e.g., oils converted into pasty or solid fats).

The products most commonly hydrogenated are oils of fish or marine mammals and certain vegetable oils (cotton-seed oil, sesame oil, ground-nut oil, colza oil, soya-bean oil, maize (corn) oil, etc.). Wholly or partly hydrogenated oils of this type are frequently used as constituents in the preparation of edible fats of heading 15.17, since the hydrogenation not only increases their consistency but also makes them less liable to deterioration by atmospheric oxidation, and improves their taste and odour, and, by bleaching them, gives them a better appearance.

This part also covers hydrogenated castor oil, so called "opal wax".

(B) Inter-esterified, re-esterified or elaidinised fats and oils.

(1) Inter-esterified (or trans-esterified) fats and oils. The consistency of an oil or fat can be increased by suitable rearrangement of the fatty acid radicals in the triglycerides contained in the product. The necessary interaction and rearrangements of the esters is stimulated by the use of catalysts.

(2) Re-esterified fats and oils (also called esterified fats and oils) are triglycerides obtained by direct synthesis from glycerol with mixtures of free fatty acids or acid oils from refining. The arrangement of the fatty acid radicals in the triglycerides is different from that normally found in natural oils.

Oils obtained from olives, containing re-esterified oils, fall in this heading.

(3) Elaidinised fats and oils are fats and oils processed in such a way that the unsaturated fatty acid radicals are substantially converted from the cis-form to the corresponding trans-form.

The heading includes the products as described above, even if they have a waxy character and even if they have been subsequently deodorised or subjected to similar refining processes, and whether or not they can be used directly as food. But it excludes hydrogenated, etc., fats and oils and their fractions which have undergone such further preparation for food purposes as texturation (modification of the texture or crystalline structure) (heading 15.17).

15.18 • ANIMAL OR VEGETABLE FATS AND OILS AND THEIR FRACTIONS, BOILED, OXIDISED, DEHYDRATED, SULPHURISED, BLOWN, POLYMERISED BY HEAT IN VACUUM OR IN INERT GAS OR OTHERWISE CHEMICALLY MODIFIED, EXCLUDING THOSE OF Heading 15.16; INEDIBLE MIXTURES OR PREPARATIONS OF ANIMAL OR VEGETABLE FATS OR OILS OR OF FRACTIONS OF DIFFERENT FATS OR OILS OF THIS CHAPTER, NOT ELSEWHERE SPECIFIED OR INCLUDED.

(A) Animal or vegetable fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading 15.16

This part covers animal or vegetable fats and oils and their fractions which have been subjected to processes which modify their chemical structure thereby improving their viscosity, drying power (i.e., the property of absorbing oxygen when exposed to the air and forming elastic films) or modifying their other properties, provided they retain their original fundamental structure and are not more specifically covered elsewhere, e.g.:

(1) Boiled or oxidised oils are obtained by heating oils, generally with the addition of small quantities of oxidising agents. These oils are used in the paint and varnish industry.

(2) Blown oils are partially oxidised and polymerised oils produced by blowing air through the oil, with application of heat. They are used for the manufacture of insulating varnishes, imitation leather and, when mixed with mineral oils, lubricating preparations (compound oils).

Linnoxyn, a semi-solid rubbery product, which is a highly oxidised linseed oil used in the manufacture of linoleum is also included in this heading.

(3) Dehydrated castor oil is obtained by dehydrating castor oil in the presence of a catalyst. It is used in the preparation of paints or varnishes.

(4) Sulphurised oils are oils which have been treated with sulphur or sulphur chloride to cause polymerisation in the molecules. Oil thus processed dries more rapidly and forms a film which absorbs less water than the usual film of dried oil, and has greater mechanical strength. Sulphurised oils are used for anti-rust paints and varnishes.

If the process is carried further, a solid product is obtained (factice derived from oils) (heading 40.02).

(5) Oils polymerised by heat in vacuum or in inert gas are certain oils (particularly linseed oil and tung oil) which have been polymerised by simply heating, without oxidation, at 250 °C to 300 °C, either in inert carbon dioxide gas or in a vacuum. This process produces thick oils commonly called "stand-oils", used for the manufacture of varnishes forming a particularly supple and waterproof film.

Stand-oils from which the non-polymerised portion has been extracted (Teka oils) and mixtures of stand-oils are included in this heading.

(6) The other modified oils in the heading include:

(a) Maleic oils obtained by treating, e.g., soya-bean oil with limited amounts of maleic anhydride at a temperature of 200 °C or more, in conjunction with sufficient polyhydric alcohol to esterify the extra acid groups. Maleic oils so obtained have good drying properties.

(b) Drying oils (such as linseed oil) to which have been added in the cold small quantities of driers (e.g., lead borate, zinc naphthenate, cobalt resinate) to increase their drying properties. These oils are used in the place of boiled oils, in the preparation of varnishes or paints. They are very different from the prepared liquid driers of heading 32.11 (which are concentrated solutions of driers) and must not be confused with those products.

(c) Epoxidised oils obtained by treating, for example, soya-bean oil with peracetic acid pre-formed or formed in situ by reaction between hydrogen peroxide and acetic acid in the presence of a catalyst. They are used as plasticisers or stabilisers for, e.g., vinyl resins.

(d) Brominated oils used as an emulsion or suspension stabiliser for essential oils, for example, in the pharmaceutical industry.

(B) Inedible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, not elsewhere specified or included. This part covers, inter alia, used deep-frying oil containing, for example, rape oil, soya-bean oil and a small quantity of animal fat, for use in the preparation of animal feeds.

The heading does not include:

(a) Fats or oils merely denatured (see Note 3 to this Chapter).

- (b) Hydrogenated, inter-esterified, re-esterified or elaidinised fats and oils (heading 15.16).
 (c) Preparations of a kind used in animal feeding (heading 23.09).
 (d) Sulphonated oils (i.e., oils treated with sulphuric acid) (heading 34.02).

7. In view of above composition and manufacturing process, the imported goods are classifiable under CTH 15162099 covering chemically modified vegetable oils, and not under CTH 15180039 as declared by the importer. Goods classifiable under CTH 15162099 attracts, BCD @ 80% in terms of Notification No. 50/2017-Customs dated 30.06.2017, Sr. No. 76 (All goods other than edible grade falling under CTH 1516 20) and IGST @ 5% under Schedule I, Sr. No. 88 of Notification No. 01/2017-Integrated Tax (Rate), along with applicable cess, if any.

Sr. No.	Chapter or Heading or Sub-Heading or Tariff Item	Description of Goods	Standard Rate	Integrated Goods & Services Tax	Condition & No.
(1)	(2)	(3)	(4)	(5)	(6)
76	151620	All goods	80%	-	"

8. By wrongly classifying the goods under CTH 15180039 and availing inadmissible exemption, the importer has short-paid Customs Duty amounting to ₹ 29,81,170/-, as detailed in the Annexure A to this Notice.

9. Accordingly, a Consultative Letter dated 16.06.2025 was issued to the importer vide F. No. S/26-Misc-455/2025-26/Gr. I&IA (RUD-1), advising the importer to pay the differential duty of Rs. 29,81,170 (Rs. Twenty Nine Lakhs Eighty One Thousand and One Hundred Seventy Only) under Section 28 of the Customs Act, 1962 along with applicable interest and penalty thereon under Section 28AA of the Customs Act, 1962. However, no reply has been received from the importer yet.

10. From above discussions and facts, it appears that the importer has deliberately and wilfully mis-classified the subject goods with an intention to wrongfully avail benefit of lower rate of duty under CTH 15180039. Thus, the importer has evaded payment of duty which has resulted in a loss to the government exchequer. By resorting to the aforesaid mis-classification of the subject goods, the importer has short paid duty amounting to Rs. 29,81,170 (Rs. Twenty Nine Lakhs Eighty One Thousand and One Hundred Seventy Only) as detailed in Annexure-A.

11. It also appears that consequently, the duty short paid is recoverable from the importer under section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962 and for the same reason penalty is also required to be imposed on the importer under Section 112(a) & (b) and/or Section 114A of the Customs Act, 1962. Further, as the importer has mis-declared the classification of the imported goods and has availed undue benefit of concessional duty, it also appears that the subject goods are liable for confiscation under Section 111 (m) of the Customs Act, 1962 and the importer is liable for penalty under Section 112 (a) & (b) and/or 114A ibid.

12. From the foregoing, it appears that importer has deliberately and wilfully mis-classified the subject goods with an intention to wrongfully avail benefit of lower rate of duty under CTH 1518. Thus, the importer has evaded payment of duty which has resulted in a loss to the government exchequer equal to the differential duty. Therefore, for the acts of omission and commissions mentioned above the importer has rendered themselves for Penal action under Section 114A of the Customs Act, 1962.

13. Whereas, consequent upon amendment to the Section 17 of the Customs Act, 1962 vide Finance Act, 2011, 'Self-assessment' has been introduced in customs clearance. Section 17 of the Customs Act, effective from 08.04.2011 provides for self-assessment of duty on imported goods by the importer himself by filing a Bill of Entry, in the electronic form. Section 46 of the Customs Act, 1962 makes it mandatory for the importer to make entry for the imported goods by presenting a bill of entry electronically to the proper officer. Thus, with the introduction of self-assessment by amendments to Section 17, since 08.04.2011, it is the added and enhanced responsibility of the importer more specifically the RMS facilitated Bill of Entry, to declare the correct classification, description, value, notification benefit, etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods. In other words, the onus on the importer in order to prove that they have classified the goods correctly by giving the complete description of the goods.

14. As discussed above, it is the responsibility of the importer to classify the goods under import properly. In the instant case, the importer has wrongly assessed the above said impugned goods and paid at lower rate of IGST. It appears that the importer has done the self-assessment wrongly with an intention to get financial benefit by paying lesser duty. The wrong assessment of goods is nothing but suppression of facts with an intention to get financial benefit. Hence, it appears that the importer has suppressed the facts, by wrong assessment of the impugned goods leading to short payment of duty. As there is suppression of facts, extended period of five years can be invoked for demand of duty under Section 28(4) of the Customs Act, 1962.

15. Legal provisions applicable in the case:

a. After the introduction of self-assessment vide Finance Act, 2011, the onus is on the importer to make true and correct declaration in all aspects including classification and calculation of duty, but in the instant case the subject goods have been mis-classified and duty amount has not been paid correctly. **Section 17** (Assessment of duty), subsection (1) reads as:

'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.'

Section 28 (Recovery of duties not levied or not paid or short-levied or short-paid or erroneously refunded) reads as:

'(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,-

collusion; or

any wilful mis-statement; or

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.

(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 wilful 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.

(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-

~~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; or that the duty with interest and penalty that has been paid falls short of the amount actually payable, then, the proper officer shall proceed to issue the notice as provided for in clause (a) of sub-section (1) in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of two years shall be computed from the date of receipt of information under sub-section (5).'

Section 46 (Entry of goods on importation), subsection (4) reads as:

'(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.'

Section 111 (Confiscation of improperly imported goods etc.) reads as:

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

(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 trans-shipment, with the declaration for trans-shipment referred to in the proviso to sub-section (1) of section 54;

d. Section 112 (Penalty for improper importation of goods etc.) reads as: 'Any person, 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 who acquires possession of or is in any way concerned in carrying, removing, depositing, harboring, 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.'

e. 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.'

16. Therefore, in view of the above facts, it appears that the importer M/s BASF INDIA LIMITED (IEC- 0388007257) has deliberately not paid the duty by wilful mis-statement as it was his duty to declare correct applicable rate of duty in the entry made under Section 46 of the Customs Act, 1962, and thereby evaded duty

amounting to Rs. 29,81,170 (Rs. Twenty Nine Lakhs Eighty One Thousand and One Hundred Seventy Only) as detailed in Annexure-A. Therefore, for their acts of omissions/commissions, the differential duty, so not paid, is liable for recovery from the importer under Section 28 (4) of the Customs Act, 1962 by invoking extended period of limitation, along with applicable interest under section 28AA of the Customs Act, 1962.

17. It also appears that as the importer has mis-declared the classification of the imported goods and has availed undue benefit of concessional duty, the subject goods are liable for confiscation under Section 111(m) of the Customs Act, 1962 and the importer is liable for penalty under Section 114A *ibid*.

18. Now, therefore, M/s BASF INDIA LIMITED (IEC- 0388007257) having address at The Capital, A Wing, 1204-C, 12th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East)- 400051 is hereby called upon to show cause to The Joint Commissioner/ Commissioner of Customs, Group-I/IA, Jawaharlal Nehru Custom House, Nhava Sheva -I, Taluk - Uran, District Raigad, Maharashtra - 400 707, as to why: -

(i) The classification of the goods under CTI 15180039 by the importer should not be rejected and the goods be re-classified under CTI 15162099.

(ii) The subject goods as detailed in Annexure-A having a total assessable value of Rs. 51,62,200 /- (Rs. Fifty One Lakh Sixty Two Thousand and Two Hundred only) should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962.

(iii) Differential Duty amounting to Rs. 29,81,170 (Rs. Twenty Nine Lakhs Eighty One Thousand and One Hundred Seventy Only) with respect to the items covered under Bills of entry as mentioned in Annexure-A should not be demanded under Section 28 (4) of the Customs Act, 1962 along with applicable interest as per Section 28AA of the Customs Act, 1962.

(iv) Penalty should not be imposed on the importer under Section 114A of the Customs Act, 1962.

19. M/s BASF INDIA LIMITED (IEC-0388007257) is required to state in their replies, specifically whether they wish to be heard in person by the Adjudicating Authority, namely, The Joint Commissioner/ Commissioner of Customs, Jawaharlal Nehru Custom House, Nhava Sheva -I, Taluk - Uran, District Raigad, Maharashtra - 400 707, before the case is adjudicated. If no specific mention is made about the same in their written submission, it shall be presumed that they do not wish to be heard in person and the case would be adjudicated on the basis of evidences on record. They should produce at the time of showing cause all the evidences upon which they intend to rely in support of their defense.

20. M/s BASF INDIA LIMITED (IEC-0388007257) is further required to note that their reply should reach within 30 (thirty) days from the date of receipt of this notice. If no cause is shown against the action proposed above within 30 days from the receipt of this notice or if they do not appear before the adjudicating authority as and when the case is posted for hearing, the case is liable to be decided *ex-parte* on the basis of facts and evidences available on record.

21. This Show Cause Notice is issued without prejudice to any other action that may be taken against the notice(s), under this Act or any other law for the time

being in force in India, or against any other company, person(s), goods and conveyances whether named in this notice or not. The Department reserves its right to amend, modify or supplement this notice at any time on the basis of available/further evidences prior to the adjudication of the case.

Digitally signed by
Jay Girijappa Waghmare
Date: 13-01-2026
18:02:14

(Jay G. Waghmare)
Joint Commissioner of Customs
Gr-1, NS-I, JNCH

Encl: Annexure-A & RUD-1

To,
M/s BASF INDIA LIMITED (IEC- 0388007257),
The Capital, A Wing, 1204-C, 12th Floor,
Plot No. C-70, G Block, Bandra Kurla Complex,
Bandra (East)- 400051

Copy to:

1. The Assistant Audit Officer, Director General of Audit (Central), Mumbai, C-25, Audit Bhavan, Bandra Kurla Complex, Bandra(E)- 400 051. Email ID: pdacentralmumbai@cag.gov.in
2. The Dy. Commr. Of Customs, CAC, JNCH (for Adjudication).
3. CHS Section, JNCH (For display on Notice Board.)
4. EDI Section, JNCH (For publish on JNCH Website)
5. Office copy.



OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-I), MUMBAI
ZONE-II,
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,
TAL - URAN, DIST-RAIGAD, MAHARASHTRA - 400 707.

F.No. S/26-Misc-455/2025-26/Gr.1&1A

Date: .06.2025

DIN → 20250618 NW0000000 EE24

To,

M/S. BASF India Limited.,
Plot No C-70 "G" Block
The Capital A Wing 1204-C
2th Floor Bankdra Kurla Complex
Bandra East Mumbai 400051

Gentlemen,

Sub: Short levy of Duty due to misclassification & improper exemption of notification 50/2017 - MYRITOL 312-reg.

1. M/s. BASF India Limited., had filed bills of entry mentioned in Annexure-A for clearance of 'Myritol 312' under CTH 15180039.
2. During scrutiny of bills of entry of NS-1 Commissionerate, it was observed that M/s BASF India Limited has imported 02 consignments of "MYRITOL 312" from Apr 2022 to Aug 2022 through NS1 Commissionerate. The imported goods were classified under CTH 15180039 (Animal, vegetable or microbial fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading 1516; inedible mixtures or preparations of animal, vegetable or microbial fats or oils or of fractions of different fats or oils of this chapter, not elsewhere specified or included: Other vegetable oil and its fats: Other) and BCD @ 30% was paid by availing exemption under notification 50/2017, S. No. 80 (All goods other than edible grade falling under CTH 1517 & 1518). IGST @ 5% as per the Notification no. 01/2017-Integrated Tax (Rate) dated 28 June 2017, S. No. 1/90 was paid. For BE 2192636 dated 27/08/2022, the importer availed RODTEP scheme. The imported goods 'MYRITOL 312' is a Capric Triglycerides that is a traditional, medium spreading emollient for modern cosmetic applications. Capric Triglycerides are produced by the esterification of glycerol (plant sugars) with mixtures of caprylic (C:8) and capric (C:10) fatty acids from coconut or palm kernel oils. Therefore, it is classifiable under CTH 15162099 & BCD @80% is applicable under notification 50/2017, S. No. 76 (All goods other than edible grade, falling under CTH -1516 20 & 1516 30 00). IGST @5%

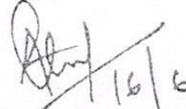
under schedule 1/88 is to be paid along with other applicable cess. This misclassification resulted in short levy of duty of ₹ 29,81,170.00

3. If you agree with the above view, it is advised to pay the above-mentioned differential duty amount under section 28 of the Customs Act, 1962 along with applicable interest and penalty thereon under Section 28AA of the Customs Act, 1962 within 15 days of receipt of this letter. The amount of duty and interest along with penalty @15% may also be paid in respect of any other such consignment of goods imported by you earlier and which is not included in the Annexure-A.

In case, you do not agree with the prima-facie views described above, please reply with your substantive contentions supported with documents (including for pre E-Sanchit period such as invoice, packing list, bill of lading etc.) in respect of Bills of entry mentioned in Annexure-A and convey if you would like to be heard in person.

4. It is requested to reply within 15 days of receipt of this letter, informing your agreement (along with duty and interest paid) or disagreement with the above views, as the case may be.

5. This consultation letter is issued taking into account the Pre-notice Consultation Regulations, 2018. The Department reserves the right to proceed in terms of the relevant provisions including Section 28 of the Customs Act, 1962,



(Atul Choudhary)

Dy. Commissioner of Customs,
Group-1&1A, NS-I, JNCH

BE NO	BE Date	Type	AG	Importer Name	Item Description	Inv No	Inv Date	CTH	Assess Value (m)	Duty/Item	Foreign Duty	BCD @80%	SW @10%	IGST @5%	Total Duty	Diff of duty
2192636	27-08-2022	H	1	BASF INDIA	MYRITOL 312/PO:4974020452/00010 - OTHER VEGETABLE OIL AND ITS FATS: OTHER	1	1	1518003E	2622175	253039.8	786652.40	2097740	209774	246484.4	2553998	1514306.06
8389411	23-04-2022	H	1	BASF INDIA	MYRITOL 312 (OTHER VEGETABLE OIL AND ITS FATS OTHER) (PO NO-- 4970836931/10)	1	1	1518003E	2546025	1007120	0.00	2032020	203202	238752.3	2473984	1466864.33
															Total	2981170.39

BE NO	BE Date	Type	AG	Importer Name	Item Description	Inv No	Item No	CTH	Assess Value(Items)	Duty(Items)	Duty foregone	BCD @80%	SW @10%	IGST @5%	Total Duty	Diff of duty
2192636	27-08-2022	H	1	BASF INDIA	MYRITOL 312/PO:4974020452/00010 - OTHER VEGETABLE OIL AND ITS FATS:-OTHER	1	1	15180039	2622175	253039.8	786652.40	2097740	209774	246484	2553998	1514306.06
8389411	23-04-2022	H	1	BASF INDIA	MYRITOL 312 (OTHER VEGETABLE OIL AND ITS FATS OTHER) (PO NO- 4970836931/10)	1	1	15180039	2540025	1007120	0.00	2032020	203202	238762	2473984	1466864.33
															Total	2981170.39