



आयुक्त सीमाशुल्क) आयात-I (का कार्यालय
OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT - I)
नवीन सीमाशुल्क भवन, बेलार्ड इस्टेट, मुंबई - ४०० ००१
New Customs House, Ballard Estate, Mumbai- 400 001
Email-adjn-adc-jc-imp1@gov.in

File No: CUS/APR/MISC/8636/2025-GR-5(B)

Date of Order: 15.05.2026

DIN: 2026057700000000FEA7

Date of Issue: 15.05.2026

Order No: 03/ADC/DKT/ADJ/2026-27

Order Passed by: Dr. Deepika Kartik Tangadkar

Additional Commissioner of Customs, Import-I,
New Custom House, Mumbai Customs Zone-I

Name of Party/Noticee: M/s. MISHTHI ENTERPRISES

मूल आदेश

ORDER-IN-ORIGINAL

१. यह प्रति जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए निःशुल्क दी जाती है।
 1. This copy is granted free of charge for the use of the person to whom it is issued.
 २. इस आदेश के विरुद्ध अपील सीमाशुल्क अधिनियम, १९६२ की धारा १२८ (१) के तहत आदेश की संसूचना की तारीख से साठ दिन के भीतर ऐसे मामले जहां शुल्क या शुल्क और जुर्माना विवादित हैं या जुर्माना जहां सिर्फ जुर्माना ही विवादित है, की ७.५ % राशि अदा करने पर सीमाशुल्क (आयुक्त) अपील का कार्यालय, नवीन सीमाशुल्क भवन, बेलार्ड इस्टेट, मुंबई - ४०० ००१ के समक्ष की जा सकती है।
 2. An appeal against this order shall lie before the Commissioner of Customs (Appeals), New Custom House, Ballard Estate, Mumbai - 400 001 under Section 128(1) of the Customs Act, 1962 within **Sixty days** from the date of communication of this order and 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.
 ३. अपील सीमाशुल्क अपील नियम १९८२ में प्रदर्शित फॉर्म सी.ए.-१ में दो प्रति में की जानी चाहिए। अपील रुपये ५.०० के न्यायालय फीस स्टॉप तथा इस आदेश या आदेश की प्रति के साथ संलग्न होनी चाहिए। यदि आदेश की प्रति संलग्न की जाती है तो इसमें भी न्यायालय फीस अधिनियम १९७० की अनुसूची १ में प्रदर्शित रूपये ५.०० की न्यायालय फीस स्टॉप भी होना चाहिए।
 3. The appeal should be in duplicate and should be filed in Form CA – 1 appeared in Custom (Appeals) Rule, 1982. The appeal should bear a court fee stamp of Rs. 5.00 only and should be accompanied by this order or a copy thereof. If a copy of this order is enclosed, it should also bear a court fee stamp of Rs. 5.00 only as prescribed under Schedule 1, item 6 of the Court Fees Act, 1970.
 ४. जो व्यक्ति इस निर्णय या आदेश के विरुद्ध अपील कर रहा है वह अपील को अनीर्णित रखेगा, और सीमाशुल्क अधिनियम, १९६२ की धारा १२९ ई के उपबंधों के अंतर्गत पैरा २ के अनुसार धनराशि जमा कराएगा तथा अपील के समय उन भुगतान का प्रमाण प्रस्तुत करेगा, जिसके अनुपालन किए जाने पर सीमाशुल्क अधिनियम १९६२ की धारा १२८ (१) के उपबंधों के अधीन अपील अस्वीकार कर दी जाएगी।
 4. Any person appealing against this decision or order shall, pending the appeal, deposit the amount as per Para 2 above under Section 129E of the Customs Act, 1962 and produce proof of such payment along with the appeal, failing which the appeal is liable to be rejected for noncompliance with the provisions of Section 128(1) of the Customs Act, 1962.

BRIEF FACTS OF THE CASE

M/s MISHTHI ENTERPRISES (IEC: ABFHS1742F) (hereinafter referred to as the 'importer') had filed Bills of Entry as mentioned in Annexure-I to the Show Cause Notice dated 18.12.2025, for the import of goods declared as "Teflon tape" classifying the same under the Customs Tariff item CTI 39199090 of the First Schedule to the Customs Tariff Act, 1975, at New Custom House Mumbai (INBOM 1), having declared assessable value of Rs. 2,97,439/- (Rupees Two Lakh Ninety Seven Thousand Four Hundred Thirty Nine only).

2. During post clearance audit of the Bills of Entry conducted under Section 99A of the Customs Act, 1962, read with Section 157 (k) of the Customs Act, 1962 and the Customs Audit Regulations, 2018. It is observed that the goods originating in or exported from China attract ADD. Accordingly, Poly Tetra FluoroEthylene (PTFE) products including and not limited to bush, rod, sheet, tape, tube and thread seal tape or processed PTFE Component under CTH 3919/3920 originating in or exported from China are leviable to Anti-dumping duty (ADD) at the prescribed rate as per Notification 25/2021-(ADD) dated 26th April 2021.

3. The imported goods are Teflon tape. It is seen that the Polytetrafluoroethylene (PTFE) is a fluoropolymer and is commonly known by its trade name as Teflon. Further Poly Tetra Fluro Ethylene (PTFE) products originating/exported from China attract ADD at the prescribed rate. Non-levy of ADD applicable @ Rs. 2637/MT under Notification 25/2021-(ADD) dated 26th April 2021 appears to have led to short payment of duty on the imported goods.

4. In view of the above, it appears that the importer has failed to calculate the proper customs duty on the imported goods on account of Non-levy of ADD applicable @ Rs. 2637/MT under Notification 25/2021-(ADD) dated 26th April 2021 which resulted into short levy of Anti-Dumping Duty amounting to Rs. 6,29,997/-.

5. Accordingly, a Consultative letter No.1201 dated 30.08.2024 was issued vide F. No. CADT/CIR/ADT/TBA/978/2024-CIR-A3 to the importer apprising them to pay the differential customs duty at Rs. 6,29,997/- (Rupees Six Lakh Twenty Nine Thousand Nine Hundred Ninety Seven only) along with applicable interest and penalty. However, the importer neither replied nor paid any duty against the above said letter.

6. Relevant Legal Provisions applicable in the instant case are as under:

SECTION 28 OF CUSTOMS ACT, 1962: *Recovery of duties not levied or short-levied or erroneously refunded.*

...

(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 wilful 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 28AA OF CUSTOMS ACT, 1962: *Interest on delayed payment of duty-*

(1) *Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any other provision of this Act or the rules made thereunder, the person, who is liable to pay duty in accordance with the provisions of section 28, shall, in addition to such duty, be liable to pay interest, if any, at the rate fixed under sub-section (2), whether such payment is made voluntarily or after determination of the duty under that section.*

(2) *Interest at such rate not below ten per cent. and not exceeding thirty-six per cent. per annum, as the Central Government may, by notification in the Official Gazette, fix, shall be paid by the person liable to pay duty in terms of section 28 and such interest shall be calculated from the first day of the month succeeding the month in which the duty ought to have been paid or from the date of such erroneous refund, as the case may be, up to the date of payment of such duty.*

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

(a) *the duty becomes payable consequent to the issue of an order, instruction or direction by the Board under section 151A; and*

(b) *such amount of duty is voluntarily paid in full, within forty-five days from the date of issue of such order, instruction or direction, without reserving any right to appeal against the said payment at any subsequent stage of such payment.]*

SECTION 46 OF CUSTOMS ACT, 1962: 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 bill of entry shall ensure the following, namely:

(a) the accuracy and completeness of the information given therein;

(b) the authenticity and validity of any document supporting it; and

(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.]

...

SECTION 111 OF CUSTOMS ACT, 1962: *Confiscation of improperly imported goods, etc. - 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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54;

...

SECTION 112 OF CUSTOMS ACT, 1962: *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 1 [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:

...

SECTION 114A OF CUSTOMS ACT, 1962: *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 willful 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.*

7. With the introduction of the Self-Assessment scheme, the onus is on the Importer to comply with the various laws, determine their tax liability correctly and discharge the same. The Importer are required to declare the correct description, value, classification, notification number, if any, on the imported goods. Self-assessment is supported by section 17, 18 and 46 of the Customs Act, 1962 and the Bill of Entry (Electronic Declaration) Regulation, 2011. The Importer are squarely responsible for self-assessment of duty on imported goods and for filing of all declaration and related documents and confirming that these are true, correct and complete. Self-Assessment can result in assured facilitation for compliant importers. However, delinquent Noticees would face penal action on account of wrong self-assessment made with intent to evade duty or avoid compliance of conditions of notifications, Foreign Trade Policy or any other provisions under the Customs Act, 1962 or the allied Acts.

8. All the facts discussed above regarding the misclassification of the impugned goods by the importer came to light only after a transaction-based audit of the import documents of the importer. In view of the same, it appears that the Importer wilfully mis-stated and suppressed these facts from the department and wrongfully classified the impugned goods which is in violation of section 46(4) of Customs Act 1962. The Importer is liable to pay differential duty as mentioned in Annexure to Show Cause Notice under section 28(4) of Customs Act 1962 along with applicable interest under section 28AA of Customs Act.

9. In view of above, it appeared that-

- a. The goods described as "Teflon tape" under CTI 39199090 were cleared without applying the Notification 25/2021-(ADD) dated 26th April 2021.

However, upon examination, it has been observed that the goods qualify for the Notification 25/2021-(ADD) dated 26th April 2021 and should be chargeable to Anti-Dumping Duty (ADD) at the rate of 2637/MT.

- b. The above-mentioned goods qualify for Notification 25/2021-(ADD) dated 26th April 2021 and should be chargeable ADD applicable @ Rs. 2637/MT. Consequently, differential duty amount of Rs. 6,29,997/- (Rupees Six Lakh Twenty Nine Thousand Nine Hundred Ninety Seven only), along with applicable interest thereon appears to be recoverable under Section 28(4) & Section 28AA of the Customs Act, 1962.
- c. The importer appears to have intentionally cleared the imported goods at lower rate of duty without applying the Notification 25/2021-(ADD) dated 26th April 2021, thus contravening the provisions of 46(4) and 46(4A) of the Customs Act, 1962, which in turn appears to have rendered the subject goods liable to confiscation in terms of the provisions of Section 111(m) of the Customs Act, 1962. This act of the importer also appears to have made the Importer liable for penal action in terms of the provisions of Section 112(a) and/or 114A of the Customs Act, 1962.

10. Show Cause Notice

Accordingly, Show Cause Notice No. 57/JC/Gr-5B/IMPORT-I/NCH/2025-26 dated 18.12.2025 [hereinafter referred to as "SCN"] was issued to M/s. MISHTHI ENTERPRISES calling upon the importer to show cause as to why

- i. The Notification 25/2021-(ADD) dated 26th April 2021 should not be applied on the goods covered under Bills of Entry as specified in Annexure-I, and consequently, the impugned goods should not be liable for Anti-Dumping Duty (ADD) at the rate of 2637/MT.
- ii. The differential duty amounting to Rs. 6,29,997/- (Rupees Six Lakh Twenty Nine Thousand Nine Hundred Ninety Seven only), arising due to the imposition of Notification 25/2021-(ADD) dated 26th April 2021, against the bills of entry as mentioned in Annexure-1, should not be demanded and recovered from the importer under Section 28(4) of the Customs Act, 1962, along with the applicable interest under Section 28AA of the Customs Act, 1962.
- iii. The impugned goods, valued at Rs. 2,97,439/- (Rupees Two Lakh Ninety Seven Thousand Four Hundred Thirty Nine only) as detailed in Annexure-I, should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962.
- iv. Penalty should not be imposed on importer under Section 112 (a) and/or 114A of the Customs Act, 1962.

11. Personal Hearing

A personal hearing in the matter was initially fixed on 22.04.2026; however, none appeared on behalf of the importer. Thereafter, another opportunity for personal hearing was granted on 29.04.2026, but again no one appeared on behalf of the importer. Subsequently, a third and final opportunity for personal hearing was granted on 11.05.2026; however, neither any written submission/reply was received from the importer nor did anyone appear for the hearing.

12. Discussion and Findings

I have gone through the facts of the case, material evidence on record, the Show Cause Notice dated 18.12.2025 and Personal Hearing Memorandums issued to the noticee.

12.1 I find that three Personal Hearing Memos dated 13.04.2026, 23.04.2026 and 04.05.2026 were issued to the importer, fixing personal hearings on 22.04.2026, 29.04.2026 and 11.05.2026 respectively. As per the online postal tracking records, the said notices were delivered to the addressee on 18.04.2026, 27.04.2026 and 09.05.2026 respectively. In addition, the address of the importer was cross-verified from the online IEC details available on the DGFT website and was found to be valid. However, despite due service of the hearing notices and grant of sufficient opportunities, neither did anyone appear on behalf of the importer on any of the scheduled dates nor was any written reply/submission to the SCN filed.

12.2 In view of the above conduct, it is clear that the importer has nothing to state in its defense. Accordingly, I proceed to decide the case ex parte on merits and material evidence available on record.

12.3 I find that the issue involved in the present case is whether the imported goods declared as “Teflon tape” under CTI 39199090 are covered under the scope of Notification No. 25/2021-(ADD) dated 26.04.2021 and consequently liable to Anti-Dumping Duty @ Rs. 2637/MT. I find that the said notification imposes Anti-Dumping Duty on “Poly Tetra Fluoro Ethylene (PTFE) products including and not limited to bush, rod, sheet, tape, tube and thread seal tape or processed PTFE component” originating in or exported from China PR. The description of goods specifically covers PTFE tape/thread seal tape.

12.4 I further find that “Teflon” is merely a trade name commonly used for Polytetrafluoroethylene (PTFE). The importer themselves declared the goods as “Teflon tape”, which squarely falls within the description of PTFE tape covered under the aforesaid notification. The goods were imported from China and classified under tariff heading covered by the notification. Therefore, I find that the impugned goods are correctly classifiable as PTFE products liable to levy of Anti-Dumping Duty under Notification No. 25/2021-(ADD) dated 26.04.2021.

12.5 I find that the importer, while filing Bills of Entry under the self-assessment scheme, failed to correctly discharge the applicable Anti-Dumping Duty liability despite the notification being in force at the relevant time. Under Sections 17 and 46 of the Customs Act, 1962, the responsibility to correctly declare the nature of goods and determine the applicable duty liability rests upon the importer. The importer neither disclosed the applicability of the said notification nor paid the Anti-Dumping Duty leviable thereon.

12.6 I find that the non-declaration of applicability of the said notification and consequential non-payment of Anti-Dumping Duty resulted in short-payment of duty to the extent of Rs. 6,29,997/-. The said fact was never voluntarily disclosed by the importer and came to notice of the department only upon scrutiny and audit of the import documents. Had the audit not been conducted, the short-payment would have remained undetected. Despite sufficient opportunities being granted, the importer neither filed any reply to the Show Cause Notice nor appeared for personal hearing, thereby indicating that they have nothing to state in their defense against the allegations levelled in the Show Cause Notice. The conduct of the importer clearly reflects failure to make true and complete declaration as required under Sections 46(4) and 46(4A) of the Customs Act, 1962 and amounts to suppression of material facts and wilful mis-statement with intent to evade payment of applicable customs duty. Therefore, I find that

the ingredients necessary for invocation of the extended period under Section 28(4) of the Customs Act, 1962 are clearly present in the instant case and the demand has rightly been raised under the said provision.

12.7 Accordingly, I hold that Notification No. 25/2021-(ADD) dated 26.04.2021 is applicable to the goods covered under the Bills of Entry mentioned in Annexure-I to the SCN and, consequently, differential duty amounting to Rs. 6,29,997/- along with applicable interest is recoverable from the importer under Sections 28(4) and 28AA of the Customs Act, 1962.

12.8 I further find that the importer failed to make a true and complete declaration regarding the correct duty liability on the imported goods at the time of filing the Bills of Entry under the self-assessment scheme. As a consequence, the goods were improperly assessed and cleared on payment of lesser duty than what was legally payable. I find that such incorrect declaration and non-disclosure of the applicable Anti-Dumping Duty has rendered the goods liable to confiscation under Section 111(m) of the Customs Act, 1962, which provides for confiscation of goods that do not correspond in respect of value or any other particular with the declaration made under the Act. In the present case, the declaration made by the importer with respect to the applicable duty liability on the imported goods was not correct, resulting in short-payment of duty and improper importation of the goods. Accordingly, I hold that the impugned goods are liable to confiscation under Section 111(m) of the Customs Act, 1962.

12.9 Insofar as the physical non-availability of the goods is concerned, I place reliance on the judgment of the Hon'ble Madras High Court in M/s Visteon Automotive Systems India Limited [2018 (9) G.S.T.L. 142 (Mad.)], as reaffirmed by the Hon'ble Gujarat High Court in M/s Synergy Fertichem Pvt. Ltd. v. Union of India [2020 (33) G.S.T.L. 513 (Guj.)], wherein the Hon'ble Court observed as under:

“The penalty directed against the Importer under Section 112 and the fine payable under Section 125 operate in two different fields. The fine under Section 125 is in lieu of confiscation of the goods. The payment of fine followed up by payment of duty and other charges leviable, as per sub-section (2) of Section 125, fetches relief for the goods from getting confiscated. By subjecting the goods to payment of duty and other charges, the Improper and irregular importation is sought to be regularised, whereas, by subjecting the goods to payment of fine under sub-section (1) of Section 125, the goods are saved from getting confiscated Hence, the availability of the goods is not necessary for imposing the redemption fine. The 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 authorisation 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.”

12.10 In view of the discussion above, I hold that the impugned goods are liable to confiscation under Section 111(m) of the Customs Act, 1962, and redemption

fine is imposable under Section 125(1) of the Customs Act, 1962, notwithstanding the fact that the goods are not physically available.

12.11 I find that the differential duty in the present case has been determined under Section 28(4) of the Customs Act, 1962 on account of suppression of material facts and wilful mis-statement by the importer with intent to evade payment of applicable customs duty. The importer failed to correctly declare and discharge the applicable Anti-Dumping Duty despite the goods being squarely covered under Notification No. 25/2021-(ADD) dated 26.04.2021. Further, despite sufficient opportunities being granted, the importer neither filed any reply to the Show Cause Notice nor appeared for personal hearing and therefore has nothing to state in its defense against the allegations made in the Show Cause Notice. Thus, the ingredients necessary for imposition of penalty under Section 114A of the Customs Act, 1962 stand clearly established in the instant case. In view of the proviso to Section 114A, separate penalty under Section 112(a) of the Customs Act, 1962 is not warranted.

12.12 Accordingly, I hold that the noticee is liable for penalty under Section 114A of the Customs Act, 1962.

ORDER

13. In view of the findings and observations as made above, I pass the following order:

- i. I hold that the Notification 25/2021-(ADD) dated 26th April 2021 is applicable to the goods covered under Bills of Entry as specified in Annexure-I to the SCN, and consequently, the impugned goods are liable for Anti-Dumping Duty (ADD) at the rate of 2637/MT.
- ii. I confirm the differential duty amounting to **₹6,29,997/- (Rupees Six Lakh Twenty Nine Thousand Nine Hundred Ninety Seven only)**, under Section 28(8) of the Customs Act, 1962, to be recovered from M/s. MISHTHI ENTERPRISES, along with applicable interest under Section 28AA of the Customs Act, 1962.
- iii. I hold the impugned goods covered under Bills of Entry specified in Annexure-I to the SCN, having assessable value of **₹2,97,439/- (Rupees Two Lakh Ninety Seven Thousand Four Hundred Thirty Nine only)**, liable to confiscation under Section 111(m) of the Customs Act, 1962. However, as the goods are not physically available for confiscation, I impose redemption fine of **₹30,000/- (Rupees Thirty Thousand only)** on M/s. MISHTHI ENTERPRISES, in lieu of confiscation, under Section 125(1) of the Customs Act, 1962.
- iv. I impose a penalty equal to the differential duty **₹6,29,997/- (Rupees Six Lakh Twenty Nine Thousand Nine Hundred Ninety Seven only)** and applicable interest thereupon under Section 28AA, on M/s. MISHTHI ENTERPRISES under Section 114A of the Customs Act, 1962.

14. This order is passed without prejudice to any other action which may be taken or purported to be taken against the noticee or any other concerned person under the Customs Act, 1962, or any other act for the time being in force in the Union of India.

Deepika

(Dr. Deepika Tangadkar)

**Additional Commissioner of Customs
Import-I, New Custom House**

To,

M/s MISHTHI ENTERPRISES (IEC: ABFHS1742F)
4th Floor, A 403 M2k Victoria Garden,
Azadpur, North West Delhi 110033

Copy to:

1. The Commissioner of Customs (Import – I), NCH, Mumbai.
2. The Asstt./Dy. Commissioner of Customs, ACU Section, NCH, Mumbai.
3. The Asstt./Dy. Commissioner of Customs, Review Cell, Import-I, NCH, Mumbai
4. The Asstt./Dy. Commissioner of Customs, Gr. VB, NCH, Mumbai.
5. EDI Section for upload in Mumbai Customs Zone – I website.
6. Office Copy.
7. Notice Board.