



प्रधान आयुक्त का कार्यालय, सीमा शुल्क, अहमदाबाद

"सीमाशुल्कभवन", पहलीमंजिल, पुरानेहाईकोर्टकेसामने, नवरंगपुरा, अहमदाबाद -380009.

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PREAMBLE

A	फाइल संख्या/ File No.	:	GEN/ADJ/ADC/1999/2025-AH-PORT-HZR-CUS-COMMRTE-AHMEDABAD
B	कारण बताओ नोटिस संख्या-तारीख Show Cause Notice No. and Date	:	SCN Waived
C	मूल आदेश संख्या/ Order-In-Original No.	:	152 /ADC/LD/O&A/2025-26
D	आदेश तिथि/ Date of Order-In-Original	:	04.11.2025
E	जारी करने की तारीख/ Date of Issue	:	04.11.2025
F	द्वारा पारित/ Passed By	:	Lokesh Damor, Additional Commissioner Customs, Ahmedabad
G	आयातक का नाम और पता / Name and Address of Importer / Passenger	:	M/s Tulsi Paper Mills Pvt. Ltd. Block No 356-357 & amp 359/P Village- Dastan, Taluka Palsana, Distt. Surat, Gujarat-394310
1	यह प्रति उन व्यक्तियों के उपयोग के लिए निःशुल्क प्रदान की जाती है जिन्हें यह जारी की गयी है।		
2	कोई भी व्यक्ति इस आदेश से स्वयं को असंतुष्ट पाता है तो वह इस आदेश के विरुद्ध अपील इस आदेश की प्राप्ति की तारीख के 60 दिनों के भीतर आयुक्त कार्यालय, सीमा शुल्क अपील चौथी मंजिल, हुडको भवन, ईश्वर भुवन मार्ग, नवरंगपुरा, अहमदाबाद में कर सकता है।		
3	अपील के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए और इसके साथ होना चाहिए:		

i	अपील की एक प्रति और;
i i	इस प्रति या इस आदेश की कोई प्रति के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए।
4	इस आदेश के विरुद्ध अपील करने इच्छुक व्यक्ति को 7.5 % (अधिकतम 10 करोड़) शुल्क अदा करना होगा जहां शुल्क या ड्यूटी और जुर्माना विवाद में है या जुर्माना जहां इस तरह की दंड विवाद में है और अपील के साथ इस तरह के भुगतान का प्रमाण पेश करने में असफल रहने पर सीमा शुल्क अधिनियम, 1962 की धारा 129 के प्रावधानों का अनुपालन नहीं करने के लिए अपील को खारिज कर दिया जायेगा।

BRIEF FACTS OF THE CASE

M/s Tulsi Paper Mills Pvt. Ltd. situated at Block No 356-357 & amp 359/P Village Dastan, Taluka Palsana, Distt Surat, Gujarat-394310 (hereinafter referred to as “importer” for sake of brevity having IEC No. 0212006185 is engaged in the import of various type of waste paper under CTH 47079000 from Hazira port and use the said waste paper in manufacturing of Paper and paper board.

2. An specific intelligence was received to the effect that consignments imported by M/s Tulsi Paper Mills Pvt. Ltd. under Bill of Entry No. 3889927 dated 14.08.2025 at Adani Hazira Port Limited might contain mixed or prohibited waste materials. The said container were put on hold and as per the aforesaid Bill of Entry the importer has declared Waste Paper-News7. Acting upon such intelligence, examination of 05 containers were done in presence of authorized persons of CHA firms of the importer, Custom Inspector (Import), panch witnesses and accordingly panchnama dated 26.08.2025 was drawn. Further, the said 05 containers were re-examined with the help of Pre-Shipment Inspection Agency (PSIA) notified by the Directorate General of Foreign Trade (DGFT) namely M/s Ravi Energie Inc., Vadodara in presence of authorized persons of CHA firms of the importer, Custom Inspector (Import), panch witnesses under panchnama dated 04.09.2025.

3. The SIIB officers, Surat, visited Adani Hazira Port on 26.08.2025 to conduct examination in presence of the authorized CHA representative, Customs Inspector (Import) and panch witnesses. Panchnama dated 26.08.2025 was drawn for the entire proceedings. During the examination, it was observed that the goods were waste paper bales, but several bales contained visible non-paper contaminants such as masks, gloves, plastic bottles, packets, and other household refuse suggesting presence of municipal/post-consumer

domestic waste. Three representative samples from each container were drawn, sealed and sent to CRCL Vadodara for verification.

4. Further, the SIIB officers re-examined the container imported by M/s Tulsi Paper Mills Pvt. Ltd. in presence of authorized persons of M/s Ravi Energie Pvt. Ltd., Vadodara, which is a Pre-Shipment Inspection Agency (PSIA) notified by the Directorate General of Foreign Trade (DGFT). The examination was conducted under Panchnama dated 04.09.2024, in the presence of two independent Panchas and employee of the Customs House Agent (CHA) firm appoint by M/s Tulsi. M/s Ravi Energie Pvt. Ltd., Vadodara, through its Head Office M/s Ravi Energie Inc., submitted the inspection report dated 05.09.2025. In their report, it had been stated that clear traces of municipal and post-consumer domestic waste were found in the consignment. The report also included photographic evidence in support of the findings. The following items were found;

- a. Pillow
- b. A packet of Pistachio
- c. Face Mask
- d. Gloves
- e. Beer Cans
- f. Glass Bottle
- g. Plastic Pipes
- h. Bottle of Eye drops

5. Further, test report dated 01.10.2025 issued by CRCL, Vadodara in respect of waste paper samples taken during panchnama dated 26.08.2025 was received on 09.10.2025 wherein in the said report it is conveyed that *“sample are in the form of heterogeneous mixture of various broken, damaged and discarded materials like torn papers, dirty tissue papers, torn and damaged plastic bottle, dirty translucent and transparent plastic materials, torn rubbery material, used torn rubber gloves, grey coloured plastic pipe having assorted shape and size in loose condition. On the basis of physico chemical examination, samples fall under the category of municipal waste. It is other than primary form”*.

6. The entire consignment was examined by the PSIA (M/s Ravi Energie Pvt. Ltd., Vadodara) under Panchnama dated 04.09.2025 in presence of two independent panchas and CHA. As per report dated 05.09.2025 of PSIA, though the other wastes were within the permissible limit (i.e., up to 5%) but it also contained **clear traces of municipal and post-consumer domestic waste**. Therefore, the consignment (as mentioned in Table below)

under BOE 3889927 dated 14.08.2025 violated the provisions of the OM dated 10.01.2023 as well as the provisions of the Customs Act, 1962 read with Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. Therefore, seizure memo dated 19.09.2025 along with corrigendum dated 24.09.2025 was issued for the goods as under and were seized under the provisions of Section 110 of Customs Act, 1962, under the reasonable belief that the same were liable for confiscation under the provisions of the Customs Act, 1962.

Sr No	Bill of Entry and Date	Container No	Quantity in Kgs)	Description	Total Assessable Value (in Rs)
1	3889927 dated 14.08.2025	TCKU6523381	25,510	Waste Paper-NEWS7 under CTH 47079000	1660624
2		CIPU5157068	24,950		
3		TCKU6174870	25,330		
4		MRSU6046453	23,060		
5		CAAU6373649	22,350		
			1,21,200	-	

7. Statement of Shri Ashokkumar Khimjibhai Gangani, Director of M/s Tulsi Paper Mills Pvt Ltd, Surat was recorded on 17.09.2025 wherein he had perused panchnama dated 26.08.2025 and 04.09.2025 and agreed with facts mentioned therein; that they had imported Waste Paper- News7 from Canada through one indenter namely M/s Paper Stack International Commercials Broker-FZE situated at UAE; that in the said consignment the quantity of newspaper was likely to be more, and that the description "News7" was mentioned in the Commercial invoice; that he had perused OM dated 10.01.2023 and as per said memorandum, 5% of item from Sr No 01 to 49 was allowed to be imported along with waste paper consignment; that Bio Medical Waste, Municipal Solid Waste, Post Consumer Domestic Waste and any other waste or contaminants mentioned at Sr No 50 of the said OM, was not allowed to be imported at all; that he had gone through the Inspection report dated 05.09.2025 issued by M/s Ravi Energie Inc. (PSIAs), and agreed with the facts that various items of municipal/Post consumer domestic waste was visible in picture of the consignments stuffed in the 05 containers imported under Bill of Entry 3889927 dated 14.08.2025. Shri Ashokkumar Gangani also perused the OM issued vide F.No 23/107/2022-HSMD dated 10.01.2023 issued by Ministry of Environment, Forest and Climate Change in respect of list of items to be imported along with waste paper consignment, definition of Solid Waste under Solid Waste Management Rules, 2015 and definition of Bio-Medical Waste under Bio-Medical Waste Rules, 1998. After perusal of the above mentioned OM dated 10.01.2023 and both notification, Shri Ashokkumar Gangani

agreed that the said import consignment under BOE 3889927 dated 14.08.2025 were in contravention of Custom Act, 1962 and OM dated 10.01.2023; that he was aware that such post- consumer waste, medical waste was hazardous in nature and dangerous to health considering the contamination nature of such goods and was prohibited for import; that they did not accept consignments without an PSI certificate issued by Indian based pre-Shipment Inspection Agency; that the Hazardous Goods and Trans Boundary Movements Rules, 2016 was already incorporated in GPCB Licence and they were strictly following it and it was for the first time that this type of consignments had been received.

8. Statement of Shri Daxesh Arvind Mody, Import Manager of Custom Broker Firm viz. M/s Sharadchandra P Shah Agency Private Limited of said importer was recorded on 18.09.2025 wherein M/s Sharadchandra P Shah Agency Private Limited was engaged in providing services related to custom clearance since 1997; that M/s Tulsi Paper mills Pvt Ltd mostly import waste paper materials from USA, Europe, Gulf Countries, Canada etc; that he had perused panchnama dated 26.08.2025 and 04.09.2025 and agreed with facts mentioned therein; that he had perused OM dated 10.01.2023 and as per said memorandum, 5% of item from Sr No 01 to 49 was allowed to be imported along with waste paper consignment; that no Bio Medical Waste, Municipal Solid Waste, Post Consumer Domestic Waste and any other waste or contaminants mentioned at Sr No 50 of the said OM, was allowed to be imported, that he perused the inspection report dated 05.09.2025 issued by M/s Ravi Energie Inc. (PSIAs) and agreed that the inspection was done in presence of his authorised staff at Adani Hazira Port on 04.09.2025, that he also agreed that as per inspection report and photos attached, various items of municipal/Post consumer domestic waste was visible in picture of the consignments stuffed in the 05 containers imported under Bill of Entry 3889927 dated 14.08.2025; that he perused OM issued vide F.No 23/107/2022-HSMD dated 10.01.2023 issued by Ministry of Environment, Forest and Climate Change in respect of list of items to be imported alongwith waste paper consignment, definition of Solid Waste under Solid Waste Management Rules, 2015 and definition of Bio-Medical Waste under BioMedical Waste Rules, 1998. Shri Daxesh Mody accepted the facts that the said 05 containers were carried various items of municipal/post- consumer domestic waste as mentioned in the inspection report & photos attached and the said BOE 3889927 dated 14.08.2025 violates the provision of Custom Act, 1962 and OM dated 10.01.2023; that he also agreed that in the said BOE 3889927 dated 14.08.2025, the provisions of the Custom Act, 1962, other allied Acts and the rules and regulations made thereunder, had not been complied by the importer.

9. Statement of Shri Anil Kumar Maurya, Director of Pre-shipment inspection Agency (who issued the inspection certificate in the said import consignment) M/s NMCI Inspection & Survey Company Pvt Ltd was recorded on 22.09.2025 wherein he stated that his company was Pre-shipment inspection Agency notified by DGFT and was engaged in providing services related to inspection and quality control; that in case of issuance of Inspection certificate in respect of import consignment of the importer situated in India, initially the exporter contacted them and provided them the copy of commercial invoice and packing list, thereafter they contacted their surveyor situated in concerned country for inspection of the said consignment lying at yard and the surveyor then send inspection report and photos of the consignment through whatsapp/email to their head office situated in India; that after they receive bill of lading from exporter, their operation manager issued the inspection certificate and forward it to the said exporter; that name of surveyor at Canada was Mr. Yakub Khan; that he had perused panchnama dated 26.08.2025 and 04.09.2025 and agreed with facts mentioned therein; that the inspection report dated 15.07.2025 enclosed with the waste paper consignment under BOE 3889927 dated 14.08.2025 was issued by their company; that he perused inspection report dated 05.09.2025 issued by M/s Ravi Energie Inc. (PSIAs), OM issued vide F.No 23/107/2022-HSMD dated 10.01.2023 issued by Ministry of Environment, Forest and Climate Change in respect of list of items to be imported along with waste paper consignment, definition of Solid Waste under Solid Waste Management Rules, 2015 and definition of Bio-Medical Waste under Bio-Medical Waste Rules, 1998 and accepted the facts that the said 05 containers carried various items of municipal/post-consumer domestic waste as mentioned in the inspection report & photos attached and the said BOE 3889927 dated 14.08.2025 violates the provision of Custom Act, 1962 and OM dated 10.01.2023; that in respect of not mentioning items of municipal waste in inspection report of M/s NMCI, he stated that their surveyor inspected the consignment on random basis as the said waste paper was highly compressed and tied in bales, so it was not possible to check each and every bales. However, their surveyor broke 1-2 bales as per their norms in the said consignment and all this process was done during stuffing of the goods in the containers. So their surveyor took photos of the consignment and forwarded the same to their head office and on the basis of photos, they had prepared the inspection report; that they were shown comparative picture as under:-



On perusal of the same they stated that he had seen photos of container No CAAU6373649 submitted by M/s Ravi Energie Inc alongwith its inspection report wherein the post municipal waste/domestic waste was clearly visible in their photo taken during the inspection; their surveyor inspected the consignment on random basis as the said waster paper was highly compressed and tied in bales, so it was not possible to check each and every bales; their surveyor broke 1-2 bales as per our norms in the said consignment and all this process was done during stuffing of the goods in the containers; that their surveyor took photos of the consignment and forward the same to their head office and on the basis of photos, they had prepared the inspection report; that they were taking up the matter with the foreign suppliers; that they agreed that prohibited goods have been imported with consignment of waste paper in violation of OM dated 10.01.2023 but same was not knowingly but by mistake as they had explained the process of inspecting the consignments by their surveyor.

10. The Sr. No.50 of Office Memorandum dated 10.01.2023 Issued by MoEF & CC is below:-

Sr. No	Grade	Limit (in percent)
50	Bio Medical Waste, Municipal Solid Waste, Post Consumer domestic waste and any other waste or contaminants not enlisted in this OM	None permitted

11. LEGAL PROVISIONS:

11.1 As per **Section 2 (33)** of the Customs Act, 1962 'prohibited goods' means *any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which*

the conditions subject to which the goods are permitted to be imported or exported have been complied with.

11.2 As per Section 2 (39), '**smuggling**', in relation to any goods, means *any act or omission which will render such goods liable to confiscation under section 111 or section 113;*

11.3 **Section 46** of the Act, prescribes that 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.

11.4 Further, **Section 111** of the Act, prescribes the Confiscation of improperly imported goods, etc. as under

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

- (d) *any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;*
- (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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54.*

11.5 Further, Section 112 of the Act provides the penal provisions for improper importation of goods, etc. which read as under:

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;*

11.6 Penalty for use of false and incorrect material-

If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.

12. As per Rule 2(d) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; it applies to bio-medical wastes covered under the Bio-Medical Wastes (Management and Handling) Rules, 1998 made under the Act and as amended from time to time;
13. As per Rule 2(e) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; it applies to wastes covered under the Municipal Solid Wastes (Management and Handling) Rules, 2000 made under the Act and as amended from time to time.
14. As per Rule 3(17) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; “hazardous waste” means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances, and shall include -
- (i) waste specified under column (3) of Schedule I;
- (ii) waste having equal to or more than the concentration limits specified for the constituents in class A and class B of Schedule II or any of the characteristics as specified in class C of Schedule II; and

- (iii) wastes specified in Part A of Schedule III in respect of **import or export of such wastes or the wastes not specified in Part A but exhibit hazardous characteristics specified in Part C of Schedule III;**
15. As per Rule 3(18) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, “import”, with its grammatical variations and cognate expressions, means bringing into India from a place outside India
16. As per Rule 3(19) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; “importer” mean any person or occupier who imports hazardous or other waste;
17. As per Rule 3(32) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; “transboundary movement” means any movement of hazardous or other wastes from an area under the jurisdiction of one country to or through an area under the jurisdiction of another country or to or through an area not under the jurisdiction of any country, provided that at least two countries are involved in the movement;
18. As per Rule 12(6) of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016; No import of the hazardous and other wastes specified in Schedule VI shall be permitted.
19. As per Rule 15 of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 **Illegal traffic.** — (1) The export and import of hazardous or other wastes from and into India, respectively shall be deemed illegal, if, (iv) it results in deliberate disposal (i.e., dumping) of hazardous or other waste in contravention of the Basel Convention and of general principles of international or domestic law.
20. As per Rule 3 (xv) of Solid Waste under Solid Waste Management Rules, 2015; “domestic hazardous waste” means waste contaminated with hazardous chemicals or infectious waste such as discarded paint drums, pesticide cans, CFL bulbs, tube lights, expired medicines, broken mercury thermometers, used batteries, used needles, gauge and syringes, etc. generated at 2 the household level;
21. As per Rule 3 (xiii) of Solid Waste under Solid Waste Management Rules, 2015; "solid waste" means and includes solid or semi-solid domestic waste including sanitary waste, commercial waste, institutional waste, catering and market waste and other non-residential wastes, street sweepings, silt removed or collected from the surface drains, horticulture waste, construction and demolition waste and treated bio-

medical waste excluding industrial hazardous waste, bio-medical waste and e-waste generated in an area under urban local body;

22. As per Rule 3(5) of Bio-Medical Waste (Management and Handling) Rules, 1998; "Bio-medical waste" means any waste, which is generated during the diagnosis, treatment or immunization of human beings or animals or in research activities pertaining thereto or in the production or testing of biologicals, and including categories mentioned in Schedule I;
23. From the above facts and evidence, it appeared that M/s Tulsi Paper Mills Pvt. Ltd. imported waste paper under Bill of Entry No. 3889927 dated 14.08.2025 in violation of the Customs Act, 1962, the OM dated 10.01.2023, and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.
24. The importer fully relied on PSIC report and exporter say and did not take any precautionary measures to ensure strict compliance of office memorandum dated 10.01.2023. The pictorial evidence taken by PSIA viz M/s Ravi Energie Inc. which was as below showed that the said consignment is accompanied with post-consumer waste which was prohibited as per OM dated 10.01.2023: -



25. **VIOLATION OF LEGAL PROVISIONS:**

- 25.1 The goods imported under Bill of Entry No. 3889927 dated 14.08.2025, declared as "Waste Paper – News7", were found upon examination to contain prohibited contaminants, namely *municipal solid waste, post-consumer domestic waste, and bio-medical waste*. These items fall within the scope of "hazardous waste" as defined under Rule 3(17) of the Hazardous and Other Wastes (Management and

Transboundary Movement) Rules, 2016, and were specifically covered under Rule 2(d) and Rule 2(e), which extend the applicability of these Rules to bio-medical and municipal wastes. As per Rule 12(6) of the said Rules, no import of hazardous or other wastes specified in Schedule VI was permitted. Hence, the import contravened the provisions of these Rules read with the Office Memorandum dated 10.01.2023 of the MoEF&CC, which absolutely prohibited import of such wastes under Sr. No. 50.

- 25.2 In view of the above, the imported goods qualified as “prohibited goods” under Section 2(33) of the Customs Act, 1962, as their import was contrary to the prohibitions imposed under the said environmental legislation. Consequently, the importer’s act of importing such goods amounts to “smuggling” as defined under Section 2(39) of the Customs Act, 1962 since the goods were rendered liable to confiscation under Section 111.
- 25.3 Further, under Section 46 of the Customs Act, the importer was legally required to make a truthful declaration of all particulars in the Bill of Entry. In the present case, the declaration of the goods as “*Waste Paper – News7*” is false and misleading, as the goods were contaminated with prohibited waste. This misdeclaration and suppression of the actual description of the goods attracts the provisions of Section 111 of Customs Act, 1962. Therefore, the goods are liable for confiscation under these clauses.
- 25.4 In addition, the import was in violation of Rule 13 of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, which stipulated that no import of hazardous or other wastes shall be permitted unless it conform to the conditions specified under Schedule VI and was accompanied by valid prior informed consent and proper pre-shipment inspection certification from an authorized agency. In the instant case though the consignment accompanied PSIC but the same was not proper and issued inconsiderately. The presence of prohibited wastes showed that the consignment did not conform to the notified specifications, thereby violating the said Rules.
- 25.5 Further, as per Rule 15 of the Hazardous Waste Rules, any import of hazardous or other wastes in contravention of the provisions of these Rules was deemed illegal traffic. Such consignments were required to be re-exported at the cost of the importer or disposed of as per the directions of the Act or Rules made thereunder. The consignment in question, therefore, qualified as illegal import under Rule 15.

- 25.6 By importing waste containing municipal and post-consumer contaminants, the importer had also contravened the Solid Waste Management Rules, 2015, and the Bio- Medical Waste (Management and Handling) Rules, 1998, which prohibit handling, storage, or import of such hazardous materials without authorization. The definitions under Rule 3(xv) and Rule 3(xlii) of the Solid Waste Rules, and Rule 3(5) of the Bio- Medical Waste Rules, make it evident that the contaminants found in the consignment—such as gloves, masks, plastic bottles, and tissue waste—fall within the ambit of “domestic hazardous waste” and “bio-medical waste.”
26. Thus, in view of the facts discussed in the foregoing paragraphs and the evidences available on record, it appeared that M/s Tulsi Paper Mills Pvt. Ltd., acting through its Director Shri Ashokkumar Khimjibhai Gangani, had contravened the provisions of the Customs Act, 1962 read with the Office Memorandum dated 10.01.2023 issued by the Ministry of Environment, Forest and Climate Change (MoEF&CC) and the provisions of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The said importer, by way of importing consignments declared as “*Waste Paper – News7*” under Bill of Entry No. 3889927 dated 14.08.2025, had in fact imported prohibited goods, which upon detailed examination and laboratory testing were found to contain municipal solid waste, and post-consumer domestic waste, as described in the reports of M/s Ravi Energie Inc. (PSIA) and CRCL, Vadodara. The aforesaid findings categorically established that the imported goods consisted of a heterogeneous mixture of dirty, contaminated, and discarded materials such as torn papers, gloves, face masks, plastic bottles, tissue papers, and other domestic refuse, clearly falling within the category of prohibited waste under Sr. No. 50 of the said Office Memorandum dated 10.01.2023. Such import contravened the prohibitions imposed under Rule 12(6) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, and therefore qualified as import of “prohibited goods” within the meaning of Section 2(33) of the Customs Act, 1962. It appeared that M/s Tulsi Paper Mills Pvt. Ltd. had imported the said prohibited goods in violation of the provisions of the Customs Act, 1962, and other laws in force governing the import of hazardous and other wastes. Therefore, the impugned goods were liable to confiscation under the provisions of Section 111(d) of the Customs Act, 1962, being goods imported contrary to prohibition imposed under law; under Section 111(l), being prohibited goods in excess or not included in the declaration made under the said Bill of Entry; and under Section 111(m), being goods which did not correspond in description or character with the declaration made thereon. Therefore, the impugned goods, namely five containers imported under Bill of Entry No. 3889927 dated 14.08.2025, having a

total assessable value of Rs.16,60,624/- (Rupees Sixteen Lakhs Sixty Thousand Six Hundred Twenty- Four only), were liable to absolute confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962. The acts of omission and commission on the part of M/s Tulsi Paper Mills Pvt. Ltd., had rendered itself liable for penal action under the provisions of Sections 112(a) of the Customs Act, 1962.

27. In view of the facts and evidences discussed in the foregoing paragraphs and the material available on record, it appeared that Shri Ashokkumar Khimjibhai Gangani, Director of M/s Tulsi Paper Mills Pvt. Ltd., was actively concerned in the import of the impugned consignments declared as "*Waste Paper – News7*" under Bill of Entry No. 3889927 dated 14.08.2025, which, upon detailed examination and analysis, were found to contain municipal solid waste and post-consumer domestic waste, thereby constituting prohibited goods under the Office Memorandum dated 10.01.2023 issued by the Ministry of Environment, Forest and Climate Change (MoEF&CC) read with the provisions of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. It further appeared that Shri Ashokkumar Khimjibhai Gangani, being the key person and Director of the importing firm, was responsible for ensuring compliance with all statutory provisions under the Customs Act, 1962 and allied environmental legislations. However, he failed to exercise due diligence and failed to ensure that no prohibited wastes under the guise of "waste paper" gets accompanied in the consignments. His statement dated 17.09.2025 corroborated that he was aware of the restrictions contained in the said Office Memorandum and the Hazardous Waste Rules, yet he proceeded with the import without taking precautionary measures despite knowing that such wastes were hazardous, contaminated, and absolutely prohibited for import into India. By knowingly importing goods that were prohibited under the law, Shri Gangani had rendered himself liable to penalty under Section 112(a) of the Customs Act, 1962, for acts and omissions that rendered the goods liable to absolute confiscation under Section 111(d), 111(l) and 111(m) of the said Act.

28. In view of the facts and evidences discussed in the foregoing paragraphs and the materials available on record, it appeared that M/s NMCI Inspection & Survey Co. Pvt. Ltd., a Pre-Shipment Inspection Agency (PSIA) notified by the Directorate General of Foreign Trade (DGFT), which issued the Pre-Shipment Inspection Certificate (PSIC) in respect of the impugned consignment imported by M/s Tulsi Paper Mills Pvt. Ltd. under Bill of Entry No. 3889927 dated 14.08.2025, had failed to discharge its statutory obligation and had willfully furnished a false and incorrect

inspection report. The said PSIC issued by M/s NMCI declared the consignment as “*Waste Paper – News7*” and suitable for import into India, despite the consignment containing prohibited materials such as municipal waste and postconsumer domestic waste, as subsequently confirmed by the reports of M/s Ravi Energie Inc. (PSIA) and CRCL, Vadodara. Shri Anil Kumar Maurya, Director of M/s NMCI Inspection & Survey Co. Pvt. Ltd., in his statement dated 22.09.2025, established that the inspection was carried out in a casual and perfunctory manner, and that the surveyor deployed abroad had only inspected the goods on a random basis by opening one or two bales, despite the compressed and contaminated nature of the waste paper consignment. He produced photo of consignment before export but no photo of bale break was produced by him. The said Director admitted that prohibited waste was indeed found in the consignment, as revealed by the comparative photographs of the same containers inspected by another PSIA. This admission indicated that M/s NMCI Inspection & Survey Co. Pvt. Ltd. issued a false and misleading PSIC without exercising due diligence or verifying the true nature of the goods. By issuing a false and incorrect inspection certificate, M/s NMCI Inspection & Survey Co. Pvt. Ltd. had facilitated the illegal import of prohibited waste materials into India in contravention of the Customs Act, 1962, the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, and the Office Memorandum dated 10.01.2023 issued by the MoEF & CC. Their act of furnishing a materially false certificate had directly contributed to the import of goods liable to confiscation under Section 111(d), 111(l), and 111(m) of the Customs Act, 1962.

It appeared that M/s NMCI Inspection & Survey Co. Pvt. Ltd. and its director had rendered itself liable to penalty under Section 112(a) of the Customs Act, 1962, for its act and omission which abetted and facilitated the importation of prohibited goods liable to confiscation.

In view of the above, following M/s Tulsi Paper Mills Pvt. Ltd. (IEC No. 0212006185), having registered office at Block No. 356-357 & 359/P, Village Dastan, Taluka Palsana, District Surat, Gujarat – 394310 was required to show cause as to why:

- (i) the five containers of imported goods declared as “*Waste Paper – News7*” under Bill of Entry No. 3889927 dated 14.08.2025, collectively weighing 1,21,200 kgs and having total assessable value of Rs.16,60,624/- (Rupees Sixteen Lakh Sixty Thousand Six Hundred and Twenty-Four only), which on examination and laboratory testing were found to contain municipal waste and post-consumer domestic waste, in contravention of the provisions of Office Memorandum F. No.

23/107/2022HSMD dated 10.01.2023 issued by the Ministry of Environment, Forest and Climate Change (MoEF&CC) read with Rule 12(6) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, and thereby constituting “prohibited goods” under Section 2(33) of the Customs Act, 1962, should be held liable for absolute confiscation under Sections 111(d), 111(l), and 111(m) of the Customs Act, 1962.

- (ii) Penalty was to be imposed on M/s Tulsi Paper Mills Pvt. Ltd., under Sections 112(a) of the Customs Act, 1962, for his acts of omission and commission which resulted in the import of prohibited goods.
- (iii) Penalty was to be imposed on Shri Ashokkumar Khimjibhai Gangani, Director of M/s Tulsi Paper Mills Pvt. Ltd., under Sections 112(a) of the Customs Act, 1962, and for knowingly making or causing to be made false declarations and submissions in relation to the said import separately.
- (iv) Penalty was to be imposed on M/s NMCI Inspection & Survey Co. Pvt. Ltd. and its Director (the Pre-Shipment Inspection Agency) separately which issued the false and incorrect Pre-Shipment Inspection Certificate in respect of the impugned consignment, under Sections 112(a) of the Customs Act, 1962, separately for abetting the import of prohibited goods and for knowingly making, signing, or using false or incorrect material documents in the course of business under the said Act.

DEFENCE

- 30. M/s Tulsi Paper Mills Pvt. Ltd. & Shri Ashokkumar Khimjibhai Gangani, Director of M/s Tulsi Paper Mills Pvt. Ltd., vide their letter (undated) and their mail dated 27.10.2025 requested to conclude the matter and did not wish any show cause notice or personal hearing in the matter. M/s NMCI Inspection & Survey Co. Pvt. Ltd and Shri Sameerkhan, Business Director vide their letter dated 22.10.2025 also requested to conclude the matter and did not wish any show cause notice or personal hearing in the matter.

PERSONAL HEARING

- 31. A personal hearing was fixed on 30.10.2025 which was attended by Shri Ashokkumar Khimjibhai Gangani, Director of M/s Tulsi Paper Mills Pvt. Ltd and

Shri Sameerkhan, Business Director, M/s NMCI Inspection & Survey Co. Pvt. Ltd. M/s Tulsi Paper Mills Pvt. Ltd vide their written submissions dated 201.10.2025 submitted that the Laboratory report mentioned only 'municipal waste' and not 'municipal solid waste'. The term 'municipal waste' is broader and includes permitted recyclable materials. The goods squarely fall under Serial No.49 of the Office Memorandum dated 10.01.2023 (permitted category) covering plastic, wood, sand, metal, textiles and glass. Serial No.50 of the said OM specifically refers to 'municipal solid waste', a term absent entirely in the Test report. Hence, classification under Serial No.50 is factually and legally untenable. They further contended that the Seizure memo records only 'traces' of non-paper material, which were below 5%. As per the OM, traces upto 5% are permissible. Thus, the consignment remains complaint. The PSIC report explicitly confirms: 'visually it can be said that it would be as per the guidelines falling within 5% for this type of waste paper' and further stated that no prohibited or hazardous waste (bio-medical, municipal solid waste, post-consumer domestic waste etc.) was present as per the Laboratory report. They further stated that there were no prior violations under the Hazardous and Other Wastes Rules/Customs Act and that there was no intent to import prohibited materials; that even if traces were considered marginally above the permissible limits, such deviation is inadvertent, negligible and within tolerance limits globally accepted in waste paper trade. They finally requested to take a lenient view and for waiver of rigorous penalty treating the same as a bonafide procedural lapse and allow clearance of goods on payment of appropriate Customs duty. They also relied on the Hon'ble CESTAT judgment in case of M/s Krishna Tissue Pvt. Ltd., V/s Commissioner of Customs (Port), Kolkata reported in 2024 19 CENTAX 199 (Tri. Cal).

32. Shri Sameerkhan, Business Director, M/s NMCI Inspection & Survey Co. Pvt. Ltd. also reiterated his submissions also requested to conclude the matter and did not wish any show cause notice or personal hearing in the matter.

DISCUSSION AND FINDINGS

33. I have carefully gone through the records of the case and considered the oral and written submissions made by the importer, M/s Tulsi Paper Mills Pvt. Ltd., Shri Ashokkumar Khimjibhai Gangani, Director of M/s Tulsi Paper Mills Pvt. Ltd., M/s NMCI Inspection & Survey Co. Pvt. Ltd and Shri Sameerkhan, Business Director, M/s NMCI Inspection & Survey Co. Pvt. Ltd. The request for waiver of show cause

notice is accepted in terms of the Section 124 of the Customs Act, 1962 and accordingly, the matter is taken up for decision on merits.

34. I find that the importer, M/s Tulsi Paper Mills Pvt. Ltd has imported Waste Paper- News 7 under bill of entry No.3889927 dated 14.08.2025 classifying the same under Customs Tariff Sub-heading No.47079000 of the Customs Tariff Act, 1975. The test report dated 01.10.2025 issued by CRCL, Vadodara in respect of the samples taken during panchnama dated 26.08.2025 reports:-

*“sample are in the form of heterogeneous mixture of various broken, damaged and discarded materials like torn papers, dirty tissue papers, torn and damaged plastic bottle, dirty translucent and transparent plastic materials, torn rubbery material, used torn rubber gloves, grey coloured plastic pipe having assorted shape and size in loose condition. On the basis of physico chemical examination, **samples fall under the category of municipal waste.** It is other than primary form”.*

35. I also find that the entire consignment was examined by the PSIA and as per report dated 05.09.2025 of PSIA, though the other wastes were within the permissible limit (i.e., up to 5%), it also contained **clear traces of municipal and post-consumer domestic waste.**

36. The goods imported under Bill of Entry No. 3889927 dated 14.08.2025, declared as “Waste Paper – News7”, were found upon examination to contain prohibited contaminants, namely *municipal solid waste, post-consumer domestic waste, and bio-medical waste*. These items fall within the scope of “hazardous waste” as defined under Rule 3(17) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. As per Rule 12(6) of the said Rules, no import of hazardous or other wastes specified in Schedule VI is permitted. I also find that Office Memorandum dated 10.01.2023 of the MoEF&CC, which governs import of such waste paper, prohibits import under Sr. No. 50.

37. I find that the importer has contested the Test report to the extent that the contents were specified as ‘Municipal Waste’ and not ‘Municipal Solid Waste’ as required under Sr.No.50 of the Office Memorandum dated 10.01.2023. I do not find any merit in this argument as the Test report clearly mentions the samples as ‘Municipal Waste’, which is sufficient to cover under the embargo provided therein.

38. Therefore, I find that the goods imported under Bill of Entry No. 3889927 dated 14.08.2025 are liable for absolute confiscation under clause (d) (l) & (m) of Section 111 of the Customs Act, 1962.

39. I also find that M/s Tulsi Paper Mills Pvt. Ltd has admitted the contents of the test report and have requested to conclude the proceedings on the basis of the merits of the case. In short, they have admitted to the offence, and therefore, M/s Tulsi Paper Mills Pvt. Ltd are liable to penalty under the provisions of Section 112(a) of the Customs Act, 1962. Since, the imported goods are being absolutely confiscated, I refrain from imposing any penalty under Section 114A of the Customs Act, 1962 on M/s Tulsi Paper Mills Pvt. Ltd. I also refrain from imposing penalty under the provisions of Section 114AA of the Customs Act, 1962 as the inspection certificate were submitted by M/s NMCI Inspection & Survey Company Pvt Ltd. and not the importer. I also refrain from imposing any penalty under Section 112(a) has already been imposed on the importer.
40. In case of the Director, Shri Ashokkumar Khimjibhai Gangani of M/s Tulsi Paper Mills Pvt. Ltd., I find no specific role, in his individual capacity, that would attract penal action. Therefore, I refrain from imposing any penalty on him.
41. Coming to the role of M/s NMCI Inspection & Survey Company Pvt Ltd., I find that they have admitted that the cargo was examined randomly and their inspection report was issued on that basis only and have admitted the contents of the test report and requested to conclude the proceedings. Therefore, I find that M/s NMCI Inspection & Survey Company Pvt Ltd are liable to penalty under the provisions of Section 112(a) of the Customs Act, 1962 as they have used false and incorrect material in their inspection report dated 15.07.2025, which have been produced before the Customs authority for clearance of the subject imported goods.
42. In case of Shri Anil Kumar Maurya, Director of Pre-shipment inspection Agency M/s NMCI Inspection & Survey Company Pvt Ltd., I find that he was the person who had issued the inspection certificate dated 15.07.2025 in the said import consignment and this certificate was used and produced by the importer before the Customs authority in clearing the subject consignment. Therefore, I find that Shri Anil Kumar Maurya had, in his individual capacity used false and incorrect information in the inspection report/document, and is liable to penalty under the provisions of Section 112(a) of the Customs Act, 1962.
43. I also find that the importer has not requested for re-export of the imported goods. I find that Rule-15 of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, provides:-

GEN/ADJ/ADC/1999/2025-AH-PORT-HZR-CUS-COMMRTE-AHMEDABAD

(2) In case of illegal import of the hazardous or other waste, the importer shall reexport the waste in question at his cost within a period of ninety days from the date of its arrival into India and its implementation will be ensured by the concerned Port and the Custom authority. In case of disposal of such waste by the Port and Custom authorities, they shall do so in accordance with these rules with the permission of the Pollution Control Board of the State where the Port exists.

44. From the above provisions, I order destruction of the subject goods at the cost and expense of the importer, M/s Tulsi Paper Mills Pvt. Ltd in the presence of the appropriate Customs officer.
45. Accordingly, I pass the following order: -

O R D E R

- (i) I order absolute confiscation of imported goods declared as “Waste Paper – News7” under Bill of Entry No. 3889927 dated 14.08.2025, having total assessable value of **Rs.16,60,624/-** (Rupees Sixteen Lakh Sixty Thousand Six Hundred and Twenty-Four only), under Sections 111(d), 111(l), and 111(m) of the Customs Act, 1962.
- (ii) I impose a penalty of **Rs.1,00,000/-**(Rupees One Lakh Only) on M/s Tulsi Paper Mills Pvt. Ltd., under Sections 112(a) of the Customs Act, 1962, for his acts of omission and commission which resulted in the import of prohibited goods as discussed above.
- (iii) I impose a penalty of **Rs.50,000/-**(Rupees Fifty Thousand Only) on M/s NMCI Inspection & Survey Co. Pvt. Ltd. under Sections 112(a) of the Customs Act, 1962, for abetting the import of subject goods and for knowingly using false or incorrect material in the Inspection certificate/document, which was used by the importer in clearing the subject goods.
- (iv) I also impose a penalty of **Rs.50,000/-**(Rupees Fifty Thousand Only) on Shri Anil Kumar Maurya, Director of Pre-shipment inspection Agency M/s NMCI Inspection & Survey Company Pvt Ltd. under Sections 112(a) of the Customs Act, 1962, for signing/issuing false and incorrect Inspection certificate/document which was used by the importer in clearing the subject goods.

Digitally signed by
Lokesh Damor
Date: 04-11-2025
19:55:05
(Lokesh Damor)

Additional Commissioner (In charge)

Adani Hazira Port, Hazira, Surat

DIN:20251171MN0000666B24

F. No. GEN/ADJ/ADC/1999/2025-AH-PORT-HZR-CUS-COMMRTE-AHMEDABAD

Dated

04.11.2025

To,

- (i) M/s Tulsi Paper Mills Pvt. Ltd., at Block No 356-357 & amp 359/P Village Dastan, Taluka Palsana, Distt Surat, Gujarat-394310.
- (ii) M/s NMCI Inspections & Survey Co. Pvt. Ltd., Shramnik Ramdas Trust Building, 2nd floor, Plot No.59/c, Sector-29, Vashi, Navi-Mumbai.
- (iii) Shri Anil Kumar Maurya, Director of Pre-shipment inspection Agency M/s NMCI Inspection & Survey Company Pvt Ltd. 2nd floor, Plot No.59/c, Sector-29, Vashi, Navi-Mumbai.

COPY TO:-

1. The Principal Commissioner, Customs, Customs Commissionerate, Ahmedabad.
2. The Additional Commissioner of Customs,(In charge), Adani Hazira Port, Surat Customs Commissionerate, HQ., Ahmedabad.
3. The Deputy/Assistant Commissioner of Customs, Systems Section, Ahmedabad for uploading on website.
4. The Assistant Commissioner (Import), Adani Hazira Port, Surat.
5. Guard File.